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**GOLDSUN BUILDING MATERIALS CO., LTD. and Subsidiaries**  
**Consolidated Financial Statements for the Six Months Ended June 30, 2023**  
**and 2022 and Independent Auditor's Review Report**

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# **GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES**

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## Independent Auditor's Review Report

To Goldsun Building Materials Co., Ltd.

### Introduction

We have reviewed the accompanying consolidated balance sheets of Goldsun Building Materials Co., Ltd. and its subsidiaries (the “Group”) for the periods ending June 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the periods from April 1 to June 30, 2023 and 2022, January 1 to June 30, 2023 and 2022, and the consolidated statements of changes in equity and cash flows for the periods from January 1 to June 30 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). The 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 IAS 34: Interim financial reporting endorsed and issued into effect by the Financial Supervisory Commission. We are responsible for making conclusions on the consolidated financial statements based on the review results.

### Scope

We conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit 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 (3) of the consolidated financial statements, the financial statements of the same period of some insignificant subsidiaries included in the abovementioned consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of June 30, 2023 and 2022 were NT\$13,671,820 thousand and NT\$11,946,411 thousand, accounting for 35% and 33% of the total consolidated assets, respectively; the total amounts of their liabilities were NT\$2,838,585 thousand and NT\$2,290,005 thousand, accounting for 19% and 17% of the total consolidated liabilities, respectively; the total amounts of comprehensive income from April 1 to June 30, 2023 and 2022 and from January 1 to June 30, 2023 and 2022 were NT\$(3,557) thousand and NT\$40,558 thousand and NT\$298,648 thousand and NT\$229,290 thousand, accounting for

0% and 8% and 16% and 8% the total consolidated comprehensive income, respectively. As stated in Note 6(7) of the consolidated financial statements, the investment accounted for using the equity method as of June 30, 2023 and 2022 was NT\$851,115 thousand and NT\$860,219 thousand, respectively. The share of the profit or loss of associates and joint ventures using the equity method for the periods from April 1 to June 30, 2023 and 2022 and then January 1 to June 30, 2023 and 2022 was NT\$372 thousand and NT\$3,007 thousand and NT\$940 thousand and NT\$5,033 thousand, respectively, while the other comprehensive income of associates and joint ventures using the equity method during the same periods were both NT\$0 thousand, all of which were based on the financial statements of the same period of investees that have not been reviewed by the accountants. In addition, as disclosed in Note 13 of the consolidated financial statements, the relevant information of the aforementioned subsidiaries and investees has not been reviewed by the accountants.

### **Qualified Conclusion**

According to our results of the review, except for the part described by the basis for qualified conclusion that the financial statement of insignificant subsidiaries and the investees using the equity method may affect adjustments to the consolidated financial statements upon the CPA's review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Goldsun Building Materials and its subsidiaries as of June 30, 2023 and 2022, and its consolidated financial performance for the three-month and six-month periods ended June 30, 2023 and 2022 and its consolidated cash flows for the six-month periods ended June 30, 2023 and 2022 in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34: Interim financial reporting endorsed by the Financial Supervisory Commission.

/s/Wang, Hsuan-hsuan

/s/ Liu, Hui-Yuan

Ernst & Young, Taiwan

August 9, 2023

#### **Notice to Readers**

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Goldsun Building Materials Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet

June 30, 2023, December 31, 2022 and June 30, 2022

(Consolidated balance sheets as of June 30, 2023 and 2022 were for review only, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Assets		June 30, 2023		December 31, 2022		June 30, 2022		Financial liabilities and equity		June 30, 2023		December 31, 2022		June 30, 2022			
Code	Account	Notes	Amount	%	Amount	%	Amount	%	Code	Account	Notes	Amount	%	Amount	%		
	Current assets									Current liabilities							
1100	Cash and cash equivalents	4 and 6	\$1,867,687	5	\$2,106,579	5	\$2,294,075	5	2100	Short-term loans	4,6 and 8	\$1,320,000	4	\$2,645,000	7	\$1,850,000	5
1120	Financial assets at fair value through other comprehensive income - Current	4,6 and 8	756,344	2	666,402	2	709,830	2	2110	Short-term notes payable	6 and 8	-	-	-	-	764,614	2
1136	Financial assets at amortized cost - Current	4,6 and 8	159,675	1	164,675	-	211,074	1	2150	Notes payable		451,636	1	733,433	2	872,188	2
1150	Notes receivable, net	4, 5 and 6	1,241,055	3	1,416,809	5	1,332,134	4	2170	Accounts payable		1,250,107	3	1,934,329	5	1,739,013	5
1160	Notes receivable - Net from related parties	4,5,6 and 7	150	-	-	-	150	-	2180	Accounts payable - Related parties	7	76,760	-	106,268	-	60,345	-
1170	Accounts receivable, net	4, 5 and 6	5,851,275	15	6,443,088	16	5,425,822	15	2200	Other payables	6	1,155,328	3	1,687,070	4	1,138,954	3
1180	Accounts payable - Net from related parties	4,5,6 and 7	14,289	-	13,006	-	4,989	-	2216	Dividends payable	6	2,360,000	6	-	-	2,124,000	6
1200	Other receivables		404,472	1	489,203	1	64,553	-	2220	Other payables - Related parties	7	17,514	-	26,811	-	11,188	-
1210	Other receivables - Related parties	7	50,898	-	21,219	-	52,570	-	2230	Tax liability	4 and 5	463,062	1	704,889	2	364,718	1
1220	Current tax assets	4 and 6	7,718	-	879	-	701	-	2280	Lease liabilities - Current	4 and 6	110,343	-	110,591	-	78,976	-
13xx	Inventories	4,6 and 8	927,050	2	843,867	2	712,751	2	2300	Other current liabilities		146,164	1	144,745	-	116,045	1
1410	Prepayments		484,497	1	489,665	1	650,725	2	2310	Advanced receipts	6	39,472	-	52,660	-	46,931	-
1470	Other current assets		2,562	-	2,342	-	3,070	-	2322	Current portion of long-term loans	4,6 and 8	488,000	1	920,750	3	106,000	-
11xx	Total current assets		<u>11,767,672</u>	<u>30</u>	<u>12,657,734</u>	<u>32</u>	<u>11,462,444</u>	<u>31</u>	21xx	Total current liabilities		<u>7,878,386</u>	<u>20</u>	<u>9,066,546</u>	<u>23</u>	<u>9,272,972</u>	<u>25</u>
	Non-current assets								2540	Non-current liabilities							
1517	Financial assets at fair value through other comprehensive income - Non-current	4, 5, 6 and 8	1,375,752	4	1,234,408	3	1,374,471	4	2550	Long-term loans	4,6 and 8	5,758,820	15	3,766,551	10	2,242,849	9
1535	Financial assets measured at amortized cost - Non-current	4,6 and 8	74,444	-	73,733	-	75,654	-	2570	Provisions - Non-current	4 and 6	11,497	-	11,497	-	11,497	-
1550	Investment accounted for under the equity method	4, 5 and 6	851,115	2	860,569	2	860,219	2	2580	Deferred tax liabilities	4 and 5	509,759	2	510,594	1	511,096	2
1600	Property, plant and equipment	4, 6, 7 and 8	12,969,976	34	12,242,233	32	10,385,289	28	2640	Lease liabilities - Non-current	4 and 6	664,317	2	437,533	1	538,033	2
1755	Right-of-use assets	4,5,6	805,529	2	615,220	2	675,731	2	2650	Net defined benefit liabilities - Non-current	4 and 5	93,376	-	116,489	-	136,579	-
1760	Investment property, net	4, 5, 6 and 8	5,473,265	14	5,492,361	14	5,518,927	15	2611	Long-term notes payable	4,6 and 8	-	-	599,865	2	827,467	2
1780	Intangible assets	4,6 and 8	3,626,798	9	3,680,866	10	3,735,301	10	2645	Guarantee deposits	7	34,566	-	43,117	-	44,893	-
1840	Deferred tax assets	4, 5	754,147	2	735,670	2	804,803	2	2670	Other non-current liabilities, others		28,505	-	1,835	-	-	-
1915	Prepayment for equipment		74,547	-	59,819	-	151,689	1	25xx	Total non-current liabilities		7,100,840	19	5,487,481	14	4,312,414	12
1920	Refundable deposits	8	53,686	-	51,047	-	38,611	-	2xxx	Total liabilities		<u>14,979,226</u>	<u>39</u>	<u>14,554,027</u>	<u>37</u>	<u>13,585,386</u>	<u>37</u>
1932	Long-term receivable	4, 5 and 6	985,656	3	1,245,160	3	1,663,189	5		Equity attributable to the parent	4 and 6						
1990	Other assets, non-current		1,836	-	2,263	-	2,341	-	3100	Capital							
15xx	Total non-current assets		<u>27,046,751</u>	<u>70</u>	<u>26,293,349</u>	<u>68</u>	<u>25,286,225</u>	<u>69</u>	3110	Common stock		11,800,000	31	11,800,000	30	11,800,000	32
									3200	Capital surplus		1,196,429	3	1,189,725	3	1,189,831	3
									3300	Retained earnings							
									3310	Legal reserve		2,640,765	7	2,228,195	6	2,228,195	6
									3320	Special reserve		1,874,430	5	1,874,430	5	1,874,430	5
									3350	Unappropriated earnings		5,110,166	13	6,281,390	16	4,933,495	14
									3400	Others		128,417	-	(103,470)	-	60,234	-
									3500	Treasury stock		(4,789)	-	(4,789)	-	(4,789)	-
									31xx	Total equity attributable to the parent company		22,745,418	59	23,265,481	60	22,081,396	60
									36xx	Non-controlling interests	6	1,089,779	2	1,131,575	3	1,081,887	3
									3xxx	Total equity		<u>23,835,197</u>	<u>61</u>	<u>24,397,056</u>	<u>63</u>	<u>23,163,283</u>	<u>63</u>
1xxx	Total Assets		<u>\$38,814,423</u>	<u>100</u>	<u>\$38,951,083</u>	<u>100</u>	<u>\$36,748,669</u>	<u>100</u>		Total Liabilities and Equity		<u>\$38,814,423</u>	<u>100</u>	<u>\$38,951,083</u>	<u>100</u>	<u>\$36,748,669</u>	<u>100</u>

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
April 1 to June 30, 2023 and 2022 and January 1 to June 30, 2023 and 2022  
(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Item	Notes	April 1 to June 30, 2023		April 1 to June 30, 2022		January 1 to June 30, 2023		January 1 to June 30, 2022	
		Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue	4,5,6 and 7	\$5,187,174	100	\$5,253,177	100	\$10,217,636	100	\$10,106,612	100
Operating costs	6 and 7	(3,975,200)	(77)	(4,202,182)	(80)	(7,862,240)	(77)	(8,121,727)	(80)
Gross profit		1,211,974	23	1,050,995	20	2,355,396	23	1,984,885	20
Operating expenses	4,5,6 and 7								
Sales and marketing expenses		(44,067)	(1)	(26,927)	(1)	(84,441)	(1)	(75,170)	(1)
General and administrative expenses		(171,425)	(3)	(168,235)	(3)	(350,544)	(3)	(382,362)	(4)
R&D expense		(7,321)	-	(364)	-	(13,715)	-	(3,267)	-
Expected credit losses		1,088	-	(24,377)	-	(1,981)	-	(27,156)	-
Subtotal		(221,725)	(4)	(219,903)	(4)	(450,681)	(4)	(487,955)	(5)
Operating profit		990,249	19	831,092	16	1,904,715	19	1,496,930	15
Non-operating income and expenses	4, 6 and 7								
Interest income		7,651	-	3,187	-	13,640	-	5,939	-
Other income		68,950	1	56,018	1	85,180	1	77,999	1
Other benefits and losses		(34,862)	(1)	29,574	-	166,592	2	1,766,200	17
Financial cost		(29,277)	-	(18,366)	-	(58,791)	(1)	(33,089)	-
Share of profit or loss of associates and joint ventures		372	-	3,007	-	940	-	5,033	-
Subtotal		12,834	-	73,420	1	207,561	2	1,822,082	18
Income before income tax		1,003,083	19	904,512	17	2,112,276	21	3,319,012	33
Income tax (expense) benefit	4, 5 and 6	(222,042)	(4)	(171,143)	(3)	(455,917)	(5)	(477,926)	(5)
Net income		781,041	15	733,369	14	1,656,359	16	2,841,086	28
Other comprehensive income	4 and 6								
Items that will not be reclassified subsequently to profit or loss									
Equity instrument measured at fair value through other comprehensive income instrument investment		106,240	2	(255,719)	(5)	207,830	2	(165,710)	(2)
Items that may be reclassified subsequently to profit or loss									
Exchange differences on translation of foreign operations		(47,529)	(1)	10,834	-	24,057	-	188,160	2
Total other comprehensive(loss)income, net of tax		58,711	1	(244,885)	(5)	231,887	2	22,450	-
Total comprehensive income		\$839,752	16	\$488,484	9	\$1,888,246	18	\$2,863,536	28
Net income attributable to:									
Shareholders of the parent		\$755,102		\$702,707		\$1,602,229		\$2,786,444	
Non-controlling interests		25,939		30,662		54,130		54,642	
		\$781,041		\$733,369		\$1,656,359		\$2,841,086	
Comprehensive income attributable to:									
Shareholders of the parent		\$813,813		\$457,822		\$1,834,116		\$2,808,894	
Non-controlling interests		25,939		30,662		54,130		54,642	
		\$839,752		\$488,484		\$1,888,246		\$2,863,536	
Earnings per share (NT\$)	6								
Basic earnings per share		\$0.64		\$0.60		\$1.36		\$2.37	
Diluted earnings per share		\$0.64		\$0.60		\$1.36		\$2.36	

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
January 1 to June 30, 2023 and 2022  
(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Description	Equity attributable to the parent										Non-controlling interests	Total Equity
	Capital	Additional paid-in capital	Retained Earnings			Other Components of Equity		Treasury stock	Total			
			Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income					
	3100	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX	
Balance as of January 1, 2022	\$11,800,000	\$1,183,587	\$1,945,291	\$1,874,430	\$4,562,598	\$(633,628)	\$662,769	\$(4,789)	\$21,390,258	\$1,115,589	\$22,505,847	
Appropriations and distributions of 2021 unappropriated earnings	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	282,904	-	(282,904)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(2,124,000)	-	-	-	(2,124,000)	-	(2,124,000)	
Other changes in capital reserve	-	-	-	-	-	-	-	-	-	-	-	
Donated surplus	-	376	-	-	-	-	-	-	376	373	749	
Net income for the six months ended June 30, 2022	-	-	-	-	2,786,444	-	-	-	2,786,444	54,642	2,841,086	
Other comprehensive income for the six months ended June 30, 2022	-	-	-	-	-	188,160	(165,710)	-	22,450	-	22,450	
Total comprehensive income for the six months ended June 30, 2022	-	-	-	-	2,786,444	188,160	(165,710)	-	2,808,894	54,642	2,863,536	
Parent company's cash dividends received by subsidiaries	-	5,609	-	-	-	-	-	-	5,609	-	5,609	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	259	-	-	-	-	-	-	259	(259)	-	
Non-controlling interests	-	-	-	-	-	-	-	-	-	(88,458)	(88,458)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(8,643)	-	8,643	-	-	-	-	
Balance as of June 30, 2022	\$11,800,000	\$1,189,831	\$2,228,195	\$1,874,430	\$4,933,495	\$(445,468)	\$505,702	\$(4,789)	\$22,081,396	\$1,081,887	\$23,163,283	
Balance as of January 1, 2023	\$11,800,000	\$1,189,725	\$2,228,195	\$1,874,430	\$6,281,390	\$(407,703)	\$304,233	\$(4,789)	\$23,265,481	\$1,131,575	\$24,397,056	
Appropriations and distributions of 2022 unappropriated earnings	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	412,570	-	(412,570)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(2,360,000)	-	-	-	(2,360,000)	-	(2,360,000)	
Other changes in capital reserve	-	-	-	-	-	-	-	-	-	-	-	
Donated surplus	-	404	-	-	-	-	-	-	404	397	801	
Net income for the six months ended June 30, 2023	-	-	-	-	1,602,229	-	-	-	1,602,229	54,130	1,656,359	
Other comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	24,057	207,830	-	231,887	-	231,887	
Total comprehensive income for the six months ended June 30, 2023	-	-	-	-	1,602,229	24,057	207,830	-	1,834,116	54,130	1,888,246	
Parent company's cash dividends received by subsidiaries	-	6,232	-	-	-	-	-	-	6,232	-	6,232	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	68	-	-	-	-	-	-	68	(2,168)	(2,100)	
Non-controlling interests	-	-	-	-	-	-	-	-	-	(94,155)	(94,155)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	353	-	-	-	353	-	353	
Others	-	-	-	-	(1,236)	-	-	-	(1,236)	-	(1,236)	
Balance as of June 30, 2023	\$11,800,000	\$1,196,429	\$2,640,765	\$1,874,430	\$5,110,166	\$(383,646)	\$512,063	\$(4,789)	\$22,745,418	\$1,089,779	\$23,835,197	

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
January 1 to June 30, 2023 and 2022  
(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Description	January 1 to June	January 1 to June	Description	January 1 to June	January 1 to
	30, 2023	30, 2022		30, 2023	June 30, 2022
	Amount	Amount		Amount	Amount
Cash flows from operating activities:			Cash flows from investing activities:		
Profit before tax from continuing operations	\$2,112,276	\$3,319,012	Acquisition of financial assets at fair value through other comprehensive income	(15,801)	(21,728)
Net income before tax			Increase in financial assets at amortized cost - Current	5,000	(50,802)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Financial assets measured at amortized cost - Increase in non-current	(711)	(50,056)
Depreciation	284,827	252,001	Acquisition of investments accounted for under the equity method	(15,000)	-
Amortization	54,563	55,533	Amount of derecognition of cash and cash equivalents from disposal of subsidiary	698,141	-
Syndicated loan amortization	203	203	Proceeds from disposal of property, plant and equipment	8,186	120,833
Expected credit losses	1,981	27,156	Acquisition of property, plant and equipment	(1,006,007)	(787,567)
Interest expense	58,791	33,089	Disposal of non-current assets held for sale	-	2,316,496
Interest income	(13,640)	(5,939)	Disposal of investment property	1,051	50
Dividend income	(44,026)	(42,975)	Acquisition of investment property	(168)	(2,093,430)
Gain on disposal of associate	(208,805)	-	Acquisition of intangible assets	-	(3,173)
Share of gain of associates and joint ventures	(940)	(5,033)	Increase in prepayment for equipment	(18,470)	(97,332)
(Gain) loss on disposal of property, plant and equipment	(4,467)	(58,684)	Increase in refundable deposits	(2,639)	(419)
Loss on disposal of investment property	(1,036)	261	Decrease in other non-current assets	427	14
Gain on disposal of non-current assets held for sale	-	(1,743,181)	Dividends received	-	900
Losses on real estate investment impairments	-	9,100	Net cash used in investing activities	<u>(345,991)</u>	<u>(666,214)</u>
Gain loss on lease modification	(94)	(1,575)			
Changes in operating assets and liabilities:			Cash flows from financing activities:		
Notes receivable	175,668	325,091	Increase (Decrease) in short-term loans	(1,325,000)	950,000
Notes receivable - Related parties	(150)	(150)	Increase in short-term notes payable	-	764,614
Accounts receivables	302,474	(41,263)	Increase in long-term loans	2,094,566	-
Accounts receivable-- Related parties	(1,283)	22,532	Decrease in long-term loans	(535,250)	(1,151,000)
Other receivables	58,943	37,131	(Decrease) Increase in long-term notes payable	(599,865)	(969,393)
Other receivables - Related parties	(29,679)	(29,671)	Decrease in guarantee deposit	(8,551)	(10,720)
Inventories	(85,162)	(58,995)	Cash payments for the principal portion of the lease liability	(54,518)	(73,208)
Prepayments	6,711	(53,499)	Donated surplus	801	749
Other current assets	(220)	(2,592)	Changes in non-controlling interests	(2,100)	-
Long-term receivable	249,358	765,742	Net cash used in financing activities	<u>(429,917)</u>	<u>(488,958)</u>
Notes payable	(281,797)	(310,809)			
Accounts payable	(684,222)	(642,536)	Effect of exchange rate changes on cash and cash equivalents	14,392	68,290
Accounts payable - Related parties	(29,508)	(74,764)	Decrease in cash and cash equivalents for the period	(238,892)	(224,086)
Other payables	(615,248)	(106,620)	Cash and cash equivalents at beginning of year	2,106,579	2,518,161
Other payables - Related parties	(9,297)	(4,987)	Cash and cash equivalents at end of year	<u>\$1,867,687</u>	<u>\$2,294,075</u>
Other current liabilities	1,419	10,224			
Advanced receipts	(13,188)	(3,278)			
Net defined benefit liabilities - Non-current	(23,113)	(30,702)			
Other operating liabilities	26,670	-			
Cash inflow generated from operations	<u>1,288,009</u>	<u>1,639,822</u>			
Interest received	13,564	5,877			
Interest paid	(57,273)	(30,492)			
Income tax paid	(721,676)	(752,411)			
Net cash provided by operating activities	<u>522,624</u>	<u>862,796</u>			

(See notes to consolidated financial statements)

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
January 1 to June 30, 2023  
and January 1 to June 30, 2022  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

1. History and Organization

Goldsun Building Materials Co., Ltd. (“The Company”) was incorporated under the laws of the Republic of China (“R.O.C.”) in November 1954. The Company is engaged mainly in the production and sales pre-mixed concrete and building rental. In March 1978, the Company listed its shares of stock on the Taiwan Stock Exchange (“TWSE”). The Company’s registered office and the main business location is at 7F, No.8, Xinhua 1st Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)

2. Date and Procedures of Authorization of Financial Statements for Issue

The consolidated financial statements of the Company and its subsidiaries (the “Group”) for the periods from January 1 to June 30, 2023 and 2022 were authorized for issue by the Board of Director’s meeting on August 9, 2023.

3. Newly Issued or Revised Standards and Interpretations

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are endorsed by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2023. There were not newly adopted or revised standards and interpretations that have material impact on the Group’s financial position and performance.

(2) Standards or interpretations issued, revised or amended, by IASB which have been endorsed by FSC, but not yet adopted by the Group as at the end of the reporting period are listed below:

Item	Newly released / corrected / amended standards and interpretations	Effective Date issued by IASB
A	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 17 “Insurance Contracts”	January 1, 2023
C	Amendments to IAS 1 “Presentation of Financial Statements” - Classification of Liabilities as Current or Non-current	January 1, 2024

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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Item	Newly released / corrected / amended standards and interpretations	Effective Date issued by IASB
D	Amendments to IFRS 16 “Leases” - Lease Liability in a Sale and Leaseback	January 1, 2024
E	Amendments to IAS 1 “Presentation of Financial Statements” - Non-current Liabilities with Covenants	January 1, 2024
F	Amendments to IAS 12 “Income Taxes” - International Tax Reform-Pillar Two Model Rules	January 1, 2023
G	Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures” - Supplier Finance Arrangements	January 1, 2024

- A. Amendments to IFRS 10 “Consolidated Financial Statements” (IFRS 10) and IAS 28 “Investments in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures (IAS 28)

The amendments address the inconsistency between the requirements in IFRS 10 and IAS 28, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint venture. IFRS 10 requires full profit or loss recognition on the loss of control of a subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 “Business Combinations” (IFRS 3) between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gain or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

- B. IFRS 17 “Insurance Contracts” (IFRS 17)

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

IFRS 17 was issued in May 2017 and it was amended in 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

C. Amendments to IAS 1 “Presentation of Financial Statements” (IAS 1) -  
Classification of Liabilities as Current or Non-current

These are the amendments to paragraphs 69-76 of IAS 1 presentation of financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

D. Amendments to IFRS 16 “Leases” (IFRS 16) - Lease Liability in a Sale and  
Leaseback

The amendments add seller-lessee additional requirements for the sale and leaseback transactions in IFRS 16, thereby supporting the consistent application of the standard.

E. Amendments to IAS 1 “Presentation of Financial Statements” - Non-current  
Liabilities with Covenants

The amendments improved the information companies provide about long-term debt with covenants. The amendments specify that covenants to be complied within twelve months after the reporting period do not affect the classification of debt as current or non-current at the end of the reporting period.

F. Amendments to IAS 12 “Income Taxes” - International Tax Reform-Pillar Two  
Model Rules

The amendments introduced a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes; and targeted disclosure requirements for affected entities. An entity is not required to disclose the information required for any interim period ending on or before 31 December 2023.

G. Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial  
Instruments: Disclosures” - Supplier Finance Arrangements

The amendments introduced additional information of supplier finance arrangements and added disclosure requirements for such arrangements.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when The Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As The Group is still currently determining the potential impact of the standards and interpretations listed above except (B), it is not practicable to estimate their impact on The Group at this point in time.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The consolidated financial report of the Group for the periods from January 1 to June 30, 2023 and 2022 were prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the IAS 34: Interim financial reporting endorsed and issued into effect by the Financial Supervisory Commission.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NT") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statements

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

- A. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- B. Exposure, or rights, to variable returns from its involvement with the investee, and
- C. The ability to use its power over the investee to affect its returns

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

- A. The contractual arrangement with the other vote holders of the investee
- B. Rights arising from other contractual arrangements
- C. The Group's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Company loses control of a subsidiary, it:

- A. Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- B. Derecognizes the carrying amount of any non-controlling interest.
- C. Recognizes the fair value of the consideration received.
- D. Recognizes the fair value of any investment retained.
- E. Recognizes any surplus or deficit in profit or loss.
- F. Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are listed as follows:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2023.6.30	2022.12.31	2022.6.30
The Company	Kuoyung Construction & Engineering Co., Ltd.	Construction of civil and architectural construction projects	100%	100%	100%
The Company	Rei Shin Construction Co., Ltd.	Real estate leasing, trading and development	100%	100%	100%
The Company	Reixin Asset Management Inc.	Real estate leasing, trading and development	100%	100%	100%
The Company	Wellpool Co., Ltd.	Trading and construction installation of calcium silicate boards and various carpets	51%	51%	51%

**GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
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Name of Investor	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2023.6.30	2022.12.31	2022.6.30
The Company	Goldsun Nihon Cement Co., Ltd.	Sales of imported cement	60%	59%	59%
			(Note 1)		
The Company	Ease Great Investments Ltd.	Investment holding	100%	100%	100%
The Company	Taipei Port Terminal Company Limited	International trade, arehousing and tally packaging	100%	100%	100%
The Company	Hua Ya Development Co., Ltd. (Note 2 and 3)	Hotel operator	41%	41%	41%
The Company	Jin Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Yuan Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Jing Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Feng Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Hui Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Gimpo Marine Co., Ltd.	Shipping	100%	100%	100%
The Company	Taiwan Building Materials (Hong Kong) Limited	Investment	100%	100%	100%
The Company	Goyu Building Materials Co., Ltd.	Sales of building materials	70%	70%	70%
The Company	Lake Vernicia Development Company	Leisure frame management	100%	100%	100%
The Company	Galc Inc.	Construction of civil and architectural construction projects	70%	70%	70%
Wellpool Co., Ltd.	Cape Goldsun Corporation	Sales of calcium silicate board and other boards	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Goldsun International Development Corp. (GOLDSUN INC., Cayman)	Investment holding	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Great Smart Ltd.(Cayman)	Investment holding	100%	100%	100%
GOLDSUN INC., Cayman	Goldsun (Suzhou) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
GOLDSUN INC., Cayman	Goldsun (Wujiang) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
GOLDSUN INC., Cayman	Goldsun (Changshu) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	-%	100%	100%
GOLDSUN INC., Cayman	Goldsun (Suzhou) Building Materials Co., Ltd.	Manufacturing and sales of ready-mix concrete	(Note 4) 100%	100%	100%

Note 1: The Group acquired the issued shares of Goldsun Nihon Cement Co., Ltd. 150,000 shares on April 24, 2023, the shareholding ratio increased to 60%. The transaction is detailed in Note 6 (26).

Note 2: The Company determined that even if it has less than 50% of the voting rights, it has control over Hua Ya Development Co., Ltd. due to the contractual agreement with other shareholders of Hua Ya Development Co., Ltd., which gives the Company the right to exercise its voting rights. As a result, the Company obtained a majority of the voting rights to give it the control over Hua Ya Development Co., Ltd.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

Note 3: Hua Ya Development Co., Ltd. issued 8,800 thousand new shares on March 31, 2022, the Company purchased the new shares, consequently the ownership interest in the Group increased to 41%. Please ref to Note 6(26) for more detail.

Note 4: The Group has disposed of Goldsun Concrete (Changshu) Co., Ltd. in March 2023. The transaction is detailed in Note 6 (26).

Please refer to Note 8 for more details on stocks of subsidiary under pledge.

The financial statements of some subsidiaries included in the consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of June 30, 2023 and 2022 were NT\$13,671,820 thousand and NT\$11,946,411 thousand, respectively; the total amounts of their liabilities were NT\$2,838,585 thousand and NT\$2,290,005 thousand, respectively; the amounts of comprehensive income from April 1 to June 30, 2023 and 2022 were NT\$ (3,557) thousand and NT\$40,558 thousand, respectively; the total amounts of comprehensive income from January 1 to June 30, 2023 and 2022 were NT\$298,648 thousand and NT\$229,290 thousand, respectively.

(4)Other significant accounting policies

In addition to the following explanations, please refer to the Group's 2022 consolidated financial report for a summary explanation of significant accounting policies.

- A. Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.
- B. Income tax expense for the interim period is accrued and disclosed at the tax rate applicable to the expected total earnings for the current year, that is, the estimated average effective tax rate for the year is applied to the pre-tax profit in the interim period. The estimate of the average effective tax rate for the year includes only current income tax expense, and deferred income tax is recognized and measured in accordance with the requirements of IAS 12, Income Taxes, consistent with the annual financial reporting. When there is a change in tax rate during the period, the impact of the change in tax rate on deferred income tax is recognized once in profit or loss, other comprehensive income or directly in equity.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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5. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

The major sources of uncertainty in the significant accounting judgments, estimates and assumptions used in the Group's consolidated financial reports for the period from January 1 to June 30, 2023 and 2022 are the same with that of the 2022 consolidated financial report. Please refer to the 2022 consolidated financial report of the Group.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	2023.6.30	2022.12.31	2022.6.30
Cash on hand and petty cash	\$5,527	\$5,657	\$5,519
Checking accounts and demand deposits	1,261,996	1,614,480	1,608,319
Time deposits	600,164	486,442	680,237
Total	<u>\$1,867,687</u>	<u>\$2,106,579</u>	<u>\$2,294,075</u>

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

	2023.6.30	2022.12.31	2022.6.30
Equity instrument investments measured at fair value through other comprehensive income:			
Listed companies' stocks	\$1,680,614	\$1,460,684	\$1,516,033
Unlisted companies' stocks	451,482	440,126	568,268
Total	<u>\$2,132,096</u>	<u>\$1,900,810</u>	<u>\$2,084,301</u>
Current	\$756,344	\$666,402	\$709,830
Non-current	1,375,752	1,234,408	1,374,471
Total	<u>\$2,132,096</u>	<u>\$1,900,810</u>	<u>\$2,084,301</u>

Please refer to Note 8 for more details on financial assets at fair value through other comprehensive income under pledge.

In consideration of the Group's investment strategy, the Group sold, and derecognized partial equity instrument investments financial assets at fair value through other comprehensive income. Details on derecognition of such investments for the periods from April 1 to June 30, 2023 and 2022 and January 1 to June 30, 2023 and 2022 are as follows:

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
The fair value of the investments at the date of derecognition	\$-	\$-	\$-	\$-
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	-	(8,643)	353	(8,643)

(3) Financial assets measured at amortized cost

	2023.6.30	2022.12.31	2022.6.30
Time deposits	\$166,975	\$171,975	\$221,265
Restricted cash - demand deposits	67,144	66,433	65,463
Total	\$234,119	\$238,408	\$286,728
Current	\$159,675	\$164,675	\$211,074
Non-current	74,444	73,733	75,654
Total	\$234,119	\$238,408	\$286,728

Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge.

(4) Notes receivable

	2023.6.30	2022.12.31	2022.6.30
Notes receivables - Arising from operating activities	\$1,241,985	\$1,417,653	\$1,333,012
Less: loss allowance	(930)	(844)	(878)
Subtotal	1,241,055	1,416,809	1,332,134
Notes receivable - Related parties	150	-	150
Less: loss allowance	-	-	-
Subtotal	150	-	150
Total	\$1,241,205	\$1,416,809	\$1,332,284

The Group's notes receivables were not guaranteed.

The Group assesses impairments in accordance with the requirements of IFRS 9. Please refer to Note 6(19) for information related to loss allowance, and Note 12 for information related to credit risk.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

(5) Accounts receivable, accounts receivable - Related parties, and long-term receivable

Accounts receivable and accounts receivable - Related parties

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Accounts receivable	\$5,950,391	\$6,554,197	\$5,543,564
Less: Loss allowance	(99,116)	(111,109)	(117,742)
Subtotal	<u>5,851,275</u>	<u>6,443,088</u>	<u>5,425,822</u>
Accounts receivable - Related parties	14,289	13,006	4,989
Less: Loss allowance	-	-	-
Subtotal	<u>14,289</u>	<u>13,006</u>	<u>4,989</u>
Total	<u><u>\$5,865,564</u></u>	<u><u>\$6,456,094</u></u>	<u><u>\$5,430,811</u></u>

Long-term receivable

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Construction retainage receivable	\$709,480	\$1,040,088	\$1,431,542
Overdue receivables	370,471	289,221	313,795
Subtotal	<u>1,079,951</u>	<u>1,329,309</u>	<u>1,745,337</u>
Less: Loss allowance	(94,295)	(84,149)	(82,148)
Total	<u><u>\$985,656</u></u>	<u><u>\$1,245,160</u></u>	<u><u>\$1,663,189</u></u>

Accounts receivable and long - term receivable were not pledged.

Accounts receivable are generally on 30-120 day terms. The total carrying amount as of June 30, 2023, December 31, 2022 and June 30, 2022 were NT\$7,044,631 thousand, NT\$7,896,512 thousand and NT\$7,293,890 thousand, respectively. Please refer to Note 6 (19) for more details on loss allowance of accounts receivable for the periods from January 1 to June 30, 2023 and 2022. Please refer to Note 12 for more details on credit risk management.

(6) Inventories

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Raw materials	\$516,322	\$450,236	\$348,834
Building for sale	79,872	79,872	79,872
Land of construction	210,368	210,368	210,367
Work in process	24,127	32,602	27,109
Finished goods	96,136	70,789	46,569
Merchandise	225	-	-
Total	<u><u>\$927,050</u></u>	<u><u>\$843,867</u></u>	<u><u>\$712,751</u></u>

For the three-month periods ended June 30, 2023 and 2022, the Company recognized NT\$3,183,579 thousand and NT\$2,866,782 thousand, respectively, in operating costs, of which NT\$41 thousand was related to reversal of write-down of inventories and NT\$753 thousand was related to reversal of write-down of inventories.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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For the six-month periods ended June 30, 2023 and 2022, the Company recognized NT\$6,155,916 thousand and NT\$6,530,753 thousand, respectively, in operating costs, of which NT\$92 thousand was related to reversal of write-down of inventories and NT\$1,380 thousand was related to reversal of write-down of inventories.

The Group generated the gain from price recovery of inventories was primarily the result of continuous clear these slow-moving raw materials during the periods from January 1 to June 30, 2023 and 2022.

Please refer to Note 8 for more details on land of construction under pledge.

(7) Investment accounted for under the equity method

The following table lists the investments accounted for using the equity method of the Group:

Investee	2023.6.30		2022.12.31		2022.6.30	
	Amount	Ownership	Amount	Ownership	Amount	Ownership
Investments in associates:						
Lianyuan Conch Cement Company Limited	\$826,428	20%	\$844,831	20%	\$841,340	20%
Raixin Quality Products Ltd.	24,687	42%	15,738	39%	18,879	39%
Total	<u>\$851,115</u>		<u>\$860,569</u>		<u>\$860,219</u>	

The Group's investments listed above are not individually material. The aggregate carrying amount of the Group's investments in associates is NT\$851,115 thousand, NT\$860,569 thousand and NT\$860,219 thousand as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively. The aggregate financial information is shown as follows:

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Profit or loss from continuing operations	\$372	\$3,007	\$940	\$5,033
Other comprehensive income or loss of the period (net after taxes)	-	-	-	-
Total comprehensive income	<u>\$372</u>	<u>\$3,007</u>	<u>\$940</u>	<u>\$5,033</u>

The abovementioned investment using the equity method is based on the recognition of the financial statements of the investees that have not been reviewed by the CPAs.

The aforementioned invested affiliates had no contingent liabilities or capital commitments as of June 30, 2023, December 31, 2022, and June 30, 2022, nor did they have any guarantees.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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(8) Property, plant and equipment

Owner occupied property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Lease Improvements	Unfinished construction and equipment under acceptance	Other equipment	Total
Cost:									
2023.1.1	\$5,373,942	\$1,950,609	\$2,954,504	\$27,002	\$2,602,245	\$162,902	\$3,521,245	\$229,479	\$16,821,928
Additions	828	37,353	79,267	481	40,549	2,707	812,147	32,675	1,006,007
Disposals	-	(3,642)	(81,367)	(553)	(40,767)	(2,450)	-	(5,668)	(134,447)
Disposal of subsidiary	-	(142,964)	(114,553)	(1,418)	(603)	-	-	(2,970)	(262,508)
Transfers	-	3,375	30,314	-	-	-	(30,474)	-	3,215
Exchange effect	-	(7,132)	(4,224)	(507)	18,392	-	-	(198)	6,331
2023.6.30	<u>\$5,374,770</u>	<u>\$1,837,599</u>	<u>\$2,863,941</u>	<u>\$25,005</u>	<u>\$2,619,816</u>	<u>\$163,159</u>	<u>\$4,302,918</u>	<u>\$253,318</u>	<u>\$17,440,526</u>
2022.1.1	\$5,421,938	\$2,030,793	\$2,956,854	\$24,214	\$2,375,069	\$146,372	\$1,409,416	\$194,602	\$14,559,258
Additions	-	10,649	68,172	1,563	345,678	7,659	330,324	23,522	787,567
Disposals	-	(4,736)	(30,380)	(969)	(271,951)	(3,135)	-	(3,562)	(314,733)
Transfers	(55,036)	-	5,482	-	600	943	(32,235)	160	(80,086)
Exchange effect	-	8,690	8,115	373	83,014	-	-	265	100,457
2022.6.30	<u>\$5,366,902</u>	<u>\$2,045,396</u>	<u>\$3,008,243</u>	<u>\$25,181</u>	<u>\$2,532,410</u>	<u>\$151,839</u>	<u>\$1,707,505</u>	<u>\$214,987</u>	<u>\$15,052,463</u>
Depreciation:									
2023.1.1	\$-	\$1,036,286	\$2,153,789	\$18,525	\$873,971	\$126,972	\$-	\$153,240	\$4,362,783
Depreciation	-	35,579	73,633	1,280	74,728	4,890	-	9,932	200,042
Disposals	-	(3,472)	(80,359)	(315)	(39,457)	(1,457)	-	(5,668)	(130,728)
Disposal of subsidiary	-	(89,832)	(81,103)	(928)	(530)	-	-	(1,617)	(174,010)
Exchange effect	-	(3,805)	(3,319)	(351)	3,171	-	-	(145)	(4,449)
2023.6.30	<u>\$-</u>	<u>\$974,756</u>	<u>\$2,062,641</u>	<u>\$18,211</u>	<u>\$911,883</u>	<u>\$130,405</u>	<u>\$-</u>	<u>\$155,742</u>	<u>\$4,253,638</u>
2022.1.1	\$-	\$1,042,777	\$2,190,232	\$17,727	\$943,445	\$123,274	\$-	\$148,194	\$4,465,649
Depreciation	-	38,655	62,131	974	68,910	3,459	-	6,289	180,418
Disposals	-	(4,643)	(29,744)	(853)	(182,287)	(3,135)	-	(3,292)	(223,954)
Exchange effect	-	4,887	5,151	263	17,696	-	-	152	28,149
2022.6.30	<u>\$-</u>	<u>\$1,081,676</u>	<u>\$2,227,770</u>	<u>\$18,111</u>	<u>\$847,764</u>	<u>\$123,598</u>	<u>\$-</u>	<u>\$151,343</u>	<u>\$4,450,262</u>
Impairment:									
2023.1.1	\$215,335	\$322	\$987	\$-	\$-	\$-	\$-	\$268	\$216,912
Impairment	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	-	-	-	-	-
2023.6.30	<u>\$215,335</u>	<u>\$322</u>	<u>\$987</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$268</u>	<u>\$216,912</u>
2022.1.1	\$215,335	\$322	\$987	\$-	\$27,680	\$-	\$-	\$268	\$244,592
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(28,630)	-	-	-	(28,630)
Exchange effect	-	-	-	-	950	-	-	-	950
2022.6.30	<u>\$215,335</u>	<u>\$322</u>	<u>\$987</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$268</u>	<u>\$216,912</u>
Net carrying amount as of:									
2023.6.30	\$5,159,435	\$862,521	\$800,313	\$6,794	\$1,707,933	\$32,754	\$4,302,918	\$97,308	\$12,969,976
2022.12.31	\$5,158,607	\$914,001	\$799,728	\$8,477	\$1,728,274	\$35,930	\$3,521,245	\$75,971	\$12,242,233
2022.6.30	\$5,151,567	\$963,398	\$779,486	\$7,070	\$1,684,646	\$28,241	\$1,707,505	\$63,376	\$10,385,289

The Group's expenditures incurred during the construction of the "Nangang Development Project" were accounted for unfinished construction. The total amount as of June 30, 2023, December 31, 2022, and June 30, 2022 were NT\$ 3,439,750 thousand, NT\$ 2,827,413 thousand, and NT\$0 thousand, respectively.

The Group's subsidiary Huaya Development Co., Ltd. incurred expenditures during the planning and construction phase of the "Seaview Business Hotel", which are listed as unfinished construction. The total amount as of June 30, 2023, December 31, 2022 and June 30, 2022 were NT\$ 172,737 thousand, NT\$ 153,641 thousand, and NT\$143,280 thousand, respectively.

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The capitalized amount of interest on unfinished construction were NT\$18,632 thousand, and NT\$0 thousand, from January 1 to June 30, 2023 and 2022 respectively. The relevant loan cost capitalization interest rate ranges were 1.59%~2.45% and 0% from January 1 to June 30, 2023 and 2022, respectively.

Components of building that have different useful lives are main building structure, equipment of pre-mixed concrete, air conditioning units and elevators, which are depreciated over 55 years, 5~20 years, 8 years and 15 years, respectively.

Please refer to Note 8 for more details on property, plant and equipment under pledge.

Part of the property, plant and equipment were held temporarily under third parties' names because of regulatory requirements. The relevant security procedures have been fully implemented.

(9) Investment property

	Land	Buildings	Total
Cost:			
2023.1.1	\$4,923,560	\$1,154,775	\$6,078,335
Addition - From acquisitions	-	168	168
Disposals	(15)	-	(15)
Transferred from property, plant and equipment	-	32	32
2023.6.30	<u>\$4,923,545</u>	<u>\$1,154,975</u>	<u>\$6,078,520</u>
2022.1.1	\$2,757,845	\$1,142,561	\$3,900,406
Addition - From acquisitions	2,091,608	1,822	2,093,430
Disposals	-	(1,895)	(1,895)
Transfers	14,065	12,286	26,351
Transferred from property, plant and equipment	55,036	-	55,036
2022.6.30	<u>\$4,918,554</u>	<u>\$1,154,774</u>	<u>\$6,073,328</u>
Depreciation:			
2023.1.1	\$-	\$553,000	\$553,000
Depreciation	-	19,281	19,281
2023.6.30	<u>\$-</u>	<u>\$572,281</u>	<u>\$572,281</u>
2022.1.1	\$-	\$515,119	\$515,119
Depreciation	-	18,812	18,812
Disposals	-	(1,584)	(1,584)
2022.6.30	<u>\$-</u>	<u>\$532,347</u>	<u>\$532,347</u>
Impairment:			
2023.1.1	\$-	\$32,974	\$32,974
Impairment	-	-	-
Transfers	-	-	-
2023.6.30	<u>\$-</u>	<u>\$32,974</u>	<u>\$32,974</u>

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	Land	Buildings	Total
2022.1.1	\$-	\$12,954	\$12,954
Impairment	-	9,100	9,100
Transfers	-	-	-
2022.6.30	<u>\$-</u>	<u>\$22,054</u>	<u>\$22,054</u>
Net carrying amount as of:			
2023.6.30	<u>\$4,923,545</u>	<u>\$549,720</u>	<u>\$5,473,265</u>
2022.12.31	<u>\$4,923,560</u>	<u>\$568,801</u>	<u>\$5,492,361</u>
2022.6.30	<u>\$4,918,554</u>	<u>\$600,373</u>	<u>\$5,518,927</u>

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Rental income from investment property	\$11,683	\$42,661	\$31,637	\$72,950
Less: Direct operating expense generated from rental income of investment property	(8,484)	(26,353)	(17,667)	(35,940)
Total	<u>\$3,199</u>	<u>\$16,308</u>	<u>\$13,970</u>	<u>\$37,010</u>

Please refer to Note 8 for more details on investment property under pledge.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. As of June 30, 2023, December 31, 2022 and June 30, 2022, the fair value of investment properties was NT\$12,077,434 thousand, NT\$12,077,434 thousand, and NT\$11,727,146 thousand, respectively. The fair value NT\$65,926 thousand, NT\$65,926 thousand and NT\$62,684 thousand has been determined based on valuations performed by an independent appraiser adopting the comparison approach and income approach of the direct capitalization method. The fair value of the remaining investment properties of NT\$12,011,508 thousand, NT\$12,011,508 thousand and NT\$11,664,462 thousand has not been evaluated by independent external appraisal experts. The determination of their fair value is based on market evidence, using the land development analysis method and considering the announced current value after the increase.

The relevant security procedures have been fully implemented.

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(10) Intangible assets

	Concession	Computer software	Total
Cost:			
2023.1.1	\$4,293,685	\$57,148	\$4,350,833
Addition - Acquired separately	-	-	-
Transfers	-	495	495
Exchange effect	-	(28)	(28)
2023.6.30	<u>\$4,293,685</u>	<u>\$57,615</u>	<u>\$4,351,300</u>
2022.1.1	<u>\$4,293,683</u>	<u>\$53,133</u>	<u>\$4,346,816</u>
Addition - Acquired separately	-	3,173	3,173
Transfers	-	640	640
Exchange effect	-	20	20
2022.6.30	<u>\$4,293,683</u>	<u>\$56,966</u>	<u>\$4,350,649</u>
Amortization:			
2023.1.1	\$624,103	\$45,864	\$669,967
Amortization	51,216	3,347	54,563
Exchange effect	-	(28)	(28)
2023.6.30	<u>\$675,319</u>	<u>\$49,183</u>	<u>\$724,502</u>
2022.1.1	<u>\$521,257</u>	<u>\$38,538</u>	<u>\$559,795</u>
Amortization	51,422	4,111	55,533
Exchange effect	-	20	20
2022.6.30	<u>\$572,679</u>	<u>\$42,669</u>	<u>\$615,348</u>
Net carrying amount as of:			
2023.6.30	<u>\$3,618,366</u>	<u>\$8,432</u>	<u>\$3,626,798</u>
2022.12.31	<u>\$3,669,582</u>	<u>\$11,284</u>	<u>\$3,680,866</u>
2022.6.30	<u>\$3,721,004</u>	<u>\$14,297</u>	<u>\$3,735,301</u>

Recognized as amortized amount of intangible assets are as follows.

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Operating costs	<u>\$25,775</u>	<u>\$25,491</u>	<u>\$51,763</u>	<u>\$52,034</u>
Operating expenses	<u>\$1,376</u>	<u>\$2,191</u>	<u>\$2,800</u>	<u>\$3,499</u>

Please refer to Note 8 for more details on intangible assets under pledge.

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(11) Short-term loans

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Unsecured bank loans	\$460,000	\$973,000	\$745,000
Secured bank loans	860,000	1,672,000	1,105,000
Total	<u>\$1,320,000</u>	<u>\$2,645,000</u>	<u>\$1,850,000</u>
Range of interest rate			
Unsecured bank loans	1.60~2.11%	1.48~1.52%	1.01%
Secured bank loans	1.76~1.82%	1.48~2%	0.995~1.01%

As of June 30, 2023, December 31, 2022 and June 30, 2022, the Group's quota of unused borrowing (including short-term and long-term borrowing) is approximately NT\$13,310,994 thousand, NT\$11,726,500 thousand and NT\$11,770,000 thousand, respectively.

Please refer to Note 8 for more details on assets pledged as security for short-term loans.

(12) Short-term notes payable

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Guaranteed by financial institutions	\$-	\$-	\$765,000
Less: Unamortized discount	-	-	(386)
Net amount	<u>\$-</u>	<u>\$-</u>	<u>\$764,614</u>
Range of interest rate	-	-	0.69%~1.59%

Please refer to Note 8 for more details on assets pledged as security for short-term notes payable

(13) Long-term loans

The details of the long-term borrowings on June 30, 2023, December 31, 2022 and June 30, 2022 are as follows:

<u>Lenders</u>	<u>2023.6.30</u>	<u>Maturity date and terms of repayment</u>
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,626,000	The principal is repaid every half a year starting October 11, 2022. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest.

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Lenders	2023.6.30	Maturity date and terms of repayment
Bank of Taiwan	1,000,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month.
Chang Hwa Commercial Bank	100,000	Effective March 31, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.
Hua Nan Commercial Bank	540,000	Effective June 30, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.
<u>Unsecured long-term loan</u>		
Bank of Taiwan	1,000,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month.
First Commercial Bank	1,000,000	Effective Nov 29, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on Nov 29, 2024.
Chang Hwa Commercial Bank	104,000	Effective March 31, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.
Bank of East Asia	140,000	Effective on August 18, 2019 (the first drawdown date), the first installment shall be made after the first 12 months, and every six months thereafter. The principal shall be repaid in five equal installments of 20% of the principal.
Hua Nan Commercial Bank	475,040	Effective January 30, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.
Land Bank of Taiwan	65,526	Effective April 30, 2023, (the grant day). The interest is paid monthly for the first three years, and the principal shall be repaid evenly on a monthly basis from the fourth year Interest is calculated on the principal balance on a monthly basis.
Bank SinoPac	200,000	Effective May 31, 2023 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on May 31, 2024.
Total	<u>6,250,566</u>	
Less: Organization cost	<u>(3,746)</u>	
	6,246,820	
Current portion	<u>(488,000)</u>	
Non-current portion	<u>\$5,758,820</u>	
Range of interest rate	<u>1.3%~2.45%</u>	

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Creditors	2022.12.31	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,675,000	The principal is repaid every half a year starting October 11, 2022. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest.
Bank of Taiwan	1,420,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month.
KGI Bank	190,000	Effective April 16, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on April 16, 2024.
<u>Unsecured long-term loan</u>		
First Commercial Bank	770,000	Effective Nov 29, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on Nov 29, 2024.
Bank of East Asia	210,000	Effective August 18, 2021 (the first drawdown). Principal payable semi-annually after 12 months. A total of 5 instalments of which were amortized at an average of 20% of the principal.
KGI Bank	410,000	Effective December 1, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on December 1, 2023.
Shanghai Commercial & Savings Bank	16,250	Effective January 28, 2021 (the grant day). The grace period is one year. The principal shall be repaid by quarterly basis.
Total	<u>4,691,250</u>	
Less: Organization cost	<u>(3,949)</u>	
	4,687,301	
Current portion	<u>(920,750)</u>	
Non-current portion	<u>\$3,766,551</u>	
Range of interest rate	<u>1.545%~2.2%</u>	

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Creditors	2022.6.30	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,724,000	The principal is repaid every half a year starting October 11, 2022. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest.
Shanghai Bank	19,000	Effective January 28, 2022, June 4, 2022, and June 15, 2022 (date of borrowing). The grace period is one year. Principal is repaid in 8 quarter-yearly payments starting the 13th months; the interest is paid every month.
<u>Unsecured long-term loan</u>		
Bank of Taiwan	400,000	Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$50 million each, 5th to 8th payments will be NT\$100 million each and 9th to 10th payments will be NT\$200 million each; interest paid every month.
Bank of East Asia (Note 2)	210,000	Effective on August 18, 2019 (the first drawdown date), the first installment shall be made after the first 12 months, and every six months thereafter. The principal shall be repaid in five equal installments of 20% of the principal.
Total	2,353,000	
Less: Organization cost	(4,151)	
	2,348,849	
Current portion	(106,000)	
Non-current portion	\$2,242,849	
Interest rates	1.41%~1.7%	

Note1: The Subsidiary, TAIPEI PORT TERMINAL COMPANY LIMITED, borrowed syndicated loans from 7 banks, which is led by Bank of Taiwan Cooperative. The total credit line of the 20-year loan was NT\$2,700,000 thousand and the loan agreement was signed in October 2011. Land use rights and part of property, plant and equipment acquired under the contract, Bulk & General Cargo Terminal No.2 of Taipei Port building and operating, were pledged as collateral for secured loans. When the Company become operation officially after completing the construction of the terminal, the Company need to observe two financial limited terms in the next fiscal year  
a) Ratio of Liability to Equity shall not exceed 200%; b) Interest Coverage Ratio may not be less than 2.

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Taipei Port Terminal Company completed the construction of the dock in December 2018 and it is now fully operational. According to the supplementary contract, if the debt ratio and interest coverage ratio cannot maintain the above-mentioned ratio, the improvement should be completed before the next inspection date. Based on the rate of 0.05%, the compensation fee will be paid to the bank in one lump sum.

As of December 31, 2022, Taipei Port Terminal Company Limited did not breach the covenants above.

Note 2: Compliance with loan covenants

- A. The Company's shares need to be listed on the Taiwan Stock Exchange.
- B. The deputy chairman of the Board, Ming-Sheng Lin and his family should keep the right of ultimate control on the Company.
- C. During the effective period of the syndicated credit agreement, following financial ratio at the end of each year must be maintained at required level.
  - (a) Debt ratios (Total liabilities + Total assets) : no higher than 70%
  - (b) Total equity (Total assets – Total liabilities): No lower than NT\$13 billion
  - (c) Current ratios (Total current assets / Total current liabilities) : no lower than 100%
  - (d) Interest coverage ratios [(Net profit before tax + Depreciation + Amortization + Interest expense) / Interest expense] : maintained at 200%.

The above financial ratios are checked every six months. As of June 30, 2023, the Company did not breach any such covenants above.

The Group's unused long-term lines of credits amount was contained by short-term lines of credits amount as of June 30, 2023, December 31, 2022 and June 30, 2022, respectively. Please refer to Note 6(11).

Please refer to Note 8 for more details on assets pledged as security for long-term loans.

(14) Long-term notes payable

	2023.6.30	2022.12.31	2022.6.30
Long-term notes payable	\$-	\$600,000	\$830,000
Less: Unamortised discount	-	(135)	(2,533)
Total	-	\$599,865	\$827,467
Interest rates	-	1.34%	0.40%~0.48%

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The long-term notes and bills payable are a commercial promissory note signed on April 10, 2020 with the Bank of O-bank for a three-year period during March 22, 2022 to March 21, 2024, which will be repaid at the expiration of the contract. The amounts of unused financing facilities were NT\$2,700,000 thousand.

Please refer to Note 8 for more details on assets pledged as security for long-term notes and bills payable.

(15) Pension benefits

Defined contribution plan

For the periods from April 1 to June 30, 2023 and 2022, the expenses recognized for the defined-contribution plan were NT\$5,875 thousand and NT\$4,204 thousand, respectively. For the periods from January 1 to June 30, 2023 and 2022, the expenses recognized for the defined-contribution plan were NT\$12,040 thousand and NT\$8,431 thousand, respectively.

Defined benefits plan

For the periods from April 1 to June 30, 2023 and 2022, the expenses recognized for the defined-benefit plan were NT\$2,396 thousand and NT\$4,086 thousand, respectively. For the periods from January 1 to June 30, 2023 and 2022, the expenses recognized for the defined-benefit plan were NT\$4,797 thousand and NT\$8,058 thousand, respectively.

(16) Provisions

	Maintenance warranties	Decommissioning, restoration and rehabilitation	Total
2023.1.1	\$4,596	\$6,901	\$11,497
Arising during the period - Other	-	-	-
Unused provision reversed	-	-	-
2023.6.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2023.6.30	\$-	\$-	\$-
Non-current --2023.6.30	4,596	6,901	11,497
2023.6.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2022.12.31	\$-	\$	\$
Non-current --2022.12.31	4,596	6,901	11,497
2022.12.31	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2022.6.30	\$-	\$-	\$-
Non-current --2022.6.30	4,596	6,901	11,497
2022.6.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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Maintenance warranties

A provision is recognized for expected warranty claims on construction, based on past experience, management's judgment and other known factors.

Decommissioning, restoration and rehabilitation

A provision has been recognized for decommissioning costs associated with a factory owned by the Group. The Group is committed to decommissioning the site as a result of the construction of the factory.

(17)Equity

A. Common Stock

	2023.6.30	2022.12.31	2022.6.30
Authorized shares (thousand shares)	2,000,000	2,000,000	2,000,000
Authorized capital	\$20,000,000	\$20,000,000	\$20,000,000
Issued shares (thousand shares)	1,180,000	1,180,000	1,180,000
Issued capital	\$11,800,000	\$11,800,000	\$11,800,000

Each at a par value of NT\$10 and each share have one voting right and a right to receive dividends.

B. Capital surplus

	2023.6.30	2022.12.31	2022.6.30
Additional paid-in capital	\$551,242	\$551,242	\$551,242
Treasury share transactions	324,896	318,664	318,665
Changes in ownership interests in subsidiaries	187,550	187,550	187,289
Share-based payments	103,200	103,200	103,200
Donated surplus	14,212	13,808	13,915
Difference between actual acquisition price and carrying value of equity	68	-	259
Others	15,261	15,261	15,261
Total	\$1,196,429	\$1,189,725	\$1,189,831

According to the Company Act, the capital reserve shall not be used except for filling the deficit of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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C. Treasury stock

As of June 30, 2023, December 31, 2022 and June 30, 2022, the subsidiaries Reixin Asset Management and Kuoyung Construction & Engineering together have held NT\$4,789 thousand, or 3,116 thousand shares, of the Company's shares. These shares held by subsidiaries were acquired for the purpose of financing before the amendment of the Company Act on November 12, 2001.

D. Profit distribution and dividend policies

According to the Company's Articles of Incorporation, the Company's annual earnings, if any, shall be distributed as follows:

- a. Payment of all taxes and dues.
- b. Offset prior years' operation losses.
- c. Allocate 10% as legal reserve.
- d. Set aside or reverse special reserve in accordance with law and regulations.
- e. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

The Company's business environment is stable, the dividend policy shall be determined pursuant to factors such as the profitability and its future funding requirements, as well as stockholders' interest, balancing dividends and the Company's long-term financial planning. It could be paid in cash or the form of share dividends. Accordingly, at least 10% of the dividends must be paid in the form of cash.

According to the Company Act, a company needs distribute the legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to fill the deficit of a company. When a company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital, by issuing new shares or by distributing cash in proportion to the number of shares held by each shareholder.

When distributing the distributable profits, the Company shall make additional provision to the special reserve based on the difference between the balance of the special reserve and the net deduction of other equity in the first-time adoption of the International Financial Reporting Standards. When the net amount of other equity deductions is reversed subsequently, the reversal part shall reverse the special reserve to distribute profits.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance: On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

As of January 1, 2023, and 2022, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand. The Company did not reverse special reserve to retained earnings for the periods from January 1 to June 30, 2023 and 2022 as a result of the use, disposal of or reclassification of related assets. As of June 30, 2023 and 2022, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand.

Details of the 2022 and 2021 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on May 29, 2023 and May 31, 2022, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$412,570	\$282,904	\$-	\$-
Cash dividends	2,360,000	2,124,000	2	1.80

Please refer to Note 6 (21) for further details on employees' compensation and remuneration to directors and supervisors.

E. Non-controlling interests

	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Beginning balance	\$1,131,575	\$1,115,589
Profit attributable to non-controlling interests	54,130	54,642
Donated surplus	397	373
Difference between actual acquisition price and carrying value of equity in subsidiaries	(2,168)	(259)
Acquisition of cash divided in a subsidiary	(94,155)	(88,458)
Ending balance	\$1,089,779	\$1,081,887

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(18) Operating revenue

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Revenue from contracts with customers				
Sale of goods revenue	\$4,958,864	\$5,067,713	\$9,802,303	\$9,756,928
Other operating revenue (Note)	216,627	142,803	383,696	276,734
Subtotal	5,175,491	5,210,516	10,185,999	10,033,662
Lease revenue	11,683	42,661	31,637	72,950
Total	<u>\$5,187,174</u>	<u>\$5,253,177</u>	<u>\$10,217,636</u>	<u>\$10,106,612</u>

Note: Including port revenue, shipment revenue and engineering revenue.

Analysis of revenue from contracts with customers is as follows:

A. Disaggregation of revenue

April 1 to June 30, 2023

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$4,209,409	\$414,879	\$334,576	\$4,958,864
Other income	99,740	-	116,887	216,627
	<u>\$4,309,149</u>	<u>\$414,879</u>	<u>\$451,463</u>	<u>\$5,175,491</u>
Timing of revenue recognition:				
At a point in time	<u>\$4,309,149</u>	<u>\$414,879</u>	<u>\$451,463</u>	<u>\$5,175,491</u>

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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April 1 to June 30, 2022

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$4,123,533	\$588,700	\$355,480	\$5,067,713
Other income	65,891	-	76,912	142,803
	<u>\$4,189,424</u>	<u>\$588,700</u>	<u>\$432,392</u>	<u>\$5,210,516</u>

Timing of revenue  
recognition:

At a point in  
time

\$4,189,424	\$588,700	\$432,392	\$5,210,516
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January 1 to June 30, 2023

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$8,395,344	\$731,096	\$675,863	\$9,802,303
Other income	207,078	-	176,618	383,696
	<u>\$8,602,422</u>	<u>\$731,096</u>	<u>\$852,481</u>	<u>\$10,185,999</u>

Timing of revenue  
recognition:

At a point in  
time

\$8,602,422	\$731,096	\$852,481	\$10,185,999
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January 1 to June 30, 2022

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$8,067,881	\$993,847	\$695,200	\$9,756,928
Other income	128,151	-	148,583	276,734
	<u>\$8,196,032</u>	<u>\$993,847</u>	<u>\$843,783</u>	<u>\$10,033,662</u>

Timing of revenue  
recognition:

At a point in  
time

\$8,196,032	\$993,847	\$843,783	\$10,033,662
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GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
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B. Contract assets and contract liabilities

Contract liabilities related to contracts with customers recognized by the Corporate Group:

	2023.6.30	2022.12.31	2022.6.30
Contract liabilities (Advance receipts)	\$15,209	\$27,682	\$22,088

(19) Expected credit losses

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Operating expenses -				
Expected loss (gain) on credit impairment				
Notes receivable	\$203	\$(32)	\$86	\$(14)
Accounts receivable	20,947	22,352	(8,251)	30,665
Long-term receivable	(22,238)	2,057	10,146	(3,495)
Total	\$(1,088)	\$24,377	\$1,981	\$27,156

Please refer to Note 12 for more details on credit risk.

The credit risk for the Group's financial assets measured at amortized cost as of June 30, 2023, December 31, 2022 and June 30, 2022 is assessed as low (the same as the assessment result on January 1, 2022). Therefore, the loss allowance is measured at an amount equal to 12-month expected credit losses (loss ratio of 0%).

The Group measures the loss allowance of its accounts receivables (including note receivables, accounts receivables and long-term receivable) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of June 30, 2023, December 31, 2022 and June 30, 2022 is as follows:

- A. The Group considers the Companying of trade receivables by counterparties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follows:

2023.6.30

Group 1: The total carrying amount of notes receivable is NT\$1,242,135 thousand, its loss allowance amounting to NT\$930 thousand which is measured at expected credit loss ratio of 0~6%.

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Group 2:	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$3,890,937	\$1,265,070	\$367,664	\$224,828	\$216,181	\$5,964,680
Loss ratio	-%	-%~5%	1%~6%	2%~6%	4%~7%	
Lifetime expected credit losses	1,138	51,330	18,741	13,236	14,671	99,116
Subtotal	<u>\$3,889,799</u>	<u>\$1,213,740</u>	<u>\$348,923</u>	<u>\$211,592</u>	<u>\$201,510</u>	<u>\$5,865,564</u>

Group 3: The total carrying amount of overdue receivables is NT\$370,471 thousand, its loss allowance amounting to NT\$89,985 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

Group 4: Construction and retainage receivables are money held back by a customer, and are collected based on the progress of the construction or until the phases of the construction are completed, usually exceeding one year and interest-free.

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$265,408	\$86,484	\$207,708	\$51,519	\$98,361	\$709,480
Loss ratio	-%	-%	-%~1%	1.5%	2%~3%	
Lifetime expected credit losses	-	514	1,081	515	2,200	4,310
Subtotal	<u>\$265,408</u>	<u>\$85,970</u>	<u>\$206,627</u>	<u>\$51,004</u>	<u>\$96,161</u>	<u>\$705,170</u>

2022.12.31

Group 1: The total carrying amount of notes receivable is NT\$1,417,653 thousand, its loss allowance amounting to NT\$844 thousand which is measured at expected credit loss ratio of 0~7%.

Group 2:	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$4,316,056	\$1,429,362	\$259,598	\$292,735	\$269,452	\$6,567,203
Loss ratio	-%~1%	1%~8%	2%~9%	2%~10%	5%~11%	
Lifetime expected credit losses	1,078	56,458	13,425	17,650	22,498	111,109
Subtotal	<u>\$4,314,978</u>	<u>\$1,372,904</u>	<u>\$246,173</u>	<u>\$275,085</u>	<u>\$246,954</u>	<u>\$6,456,094</u>

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Group 3: The total carrying amount of overdue receivables is NT\$289,221 thousand, its loss allowance amounting to NT\$78,141 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

Group 4: Construction and retainage receivables are money held back by a customer, and are collected based on the progress of the construction or until the phases of the construction are completed, usually exceeding one year and interest-free.

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$433,416	\$166,807	\$173,158	\$227,872	\$38,835	\$1,040,088
Loss ratio	-%	-%~1%	-%~1%	1%~2%	2%~3%	
Lifetime expected credit losses	-	584	1,621	2,638	1,165	6,008
Subtotal	\$433,416	\$166,223	\$171,537	\$225,234	\$37,670	\$1,034,080

2022.6.30

Group 1: The total carrying amount of notes receivable is NT\$1,333,162 thousand, its loss allowance amounting to NT\$878 thousand which is measured at expected credit loss ratio of 0~6%.

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$4,013,314	\$971,793	\$112,958	\$321,647	\$128,841	\$5,548,553
Loss ratio	-%	-%~7%	1%~9%	2%~9%	3%~10%	
Lifetime expected credit losses	2,547	64,696	9,179	28,751	12,569	117,742
Subtotal	\$4,010,767	\$907,097	\$103,779	\$292,896	\$116,272	\$5,430,811

Group 3: The total carrying amount of overdue receivables is NT\$313,795 thousand, its loss allowance amounting to NT\$70,608 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

Group 4: Construction and retainage receivables are money held back by a customer, and are collected based on the progress of the construction or until the phases of the construction are completed, usually exceeding one year and interest-free.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$235,044	\$150,034	\$483,063	\$519,554	\$43,847	\$1,431,542
Loss ratio	-%	-%	-%~1%	1.5%	3%	
Lifetime expected credit losses	-	1,420	3,454	5,351	1,315	11,540
Subtotal	\$235,044	\$148,614	\$479,609	\$514,203	\$42,532	\$1,420,002

- B. The movement in the loss allowance of Accounts receivable, accounts receivable and long-term receivable during the periods from January 1 to June 30, 2023 and 2022 is as follows:

	Notes receivable	Accounts receivable	Long-term receivable
2023.1.1	\$844	\$111,109	\$84,149
Addition/(reversal) for the current period	86	(8,251)	10,146
Write off	-	(3,742)	-
2023.6.30	\$930	\$99,116	\$94,295
2022.1.1	\$892	\$87,077	\$110,553
Addition/(reversal) for the current period	(14)	30,665	(3,495)
Write off	-	-	(24,910)
2022.6.30	\$878	\$117,742	\$82,148

(20)Leases

- A. Group as a lessee

The Group leases various properties, including real estate such as land and buildings and transportation equipment. The lease terms range from 2 to 50 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follow:

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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a. Amount recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	2023.6.30	2022.12.31	2022.6.30
Land	\$752,845	\$552,682	\$635,579
Buildings	28,867	36,975	37,567
Machinery equipment	11,743	12,689	-
Transportation equipment	12,074	12,874	2,585
Total	<u>\$805,529</u>	<u>\$615,220</u>	<u>\$675,731</u>

During the period from January 1 to June 30, 2023 and 2022, the Group's additions to right-of-use assets amounting to NT\$293,022 thousand and NT\$252,101 thousand, respectively.

(b) Lease liabilities

	2023.6.30	2022.12.31	2022.6.30
Lease liabilities	<u>\$774,660</u>	<u>\$548,124</u>	<u>\$617,009</u>
Current	110,343	110,591	78,976
Non-current	664,317	437,533	538,033

During the periods from January 1 to June 30, 2023 and 2022, please refer to Note 6 (22) (D) finance costs for Interest on lease liabilities; please refer to Note 12 (5) liquidity risk management for maturity analysis of lease liabilities as of June 30, 2023, December 31, 2022 and June 30, 2022.

b. Amount recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Land	\$33,373	\$21,855	\$53,760	\$44,607
Buildings	4,054	3,635	8,108	7,271
Machinery equipment	473	-	946	-
Transportation equipment	1,371	585	2,690	893
Total	<u>\$39,271</u>	<u>\$26,075</u>	<u>\$65,504</u>	<u>\$52,771</u>

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c. Income and costs relating to leasing activities

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
The expenses relating to short-term leases	\$1,415	\$1,324	\$2,742	\$2,643
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	44	51	101	107

d. Cash outflows related to leasing activities

During the periods from January 1 to June 30, 2023 and 2022, the Group's total cash outflows for leases amounting to NT\$57,361 thousand and NT\$75,958 thousand, respectively.

e. Other information related to leasing activities

Extension and termination options

Some of the Group's property rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group. After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

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B. Group as a lessor

Please refer to Note 6(9) for details on the Group's owned investment properties. Leases of owned investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Lease income for operating leases				
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$11,683	\$42,661	\$31,637	\$72,950

Please refer to Note 6 (8) for relevant disclosure of property, plant and equipment for operating leases under IFRS 16. For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining years as of June 30, 2023, December 31, 2022 and June 30, 2022 are as follows:

	2023.6.30	2022.12.31	2022.6.30
Not later than one year	\$64,699	\$78,957	\$99,602
Later than one year but not later than two years	24,027	56,868	57,275
Later than two years but not later than three years	17,993	46,961	23,184
Later than three years but not later than four years	3,992	27,285	21,845
Later than four years but not later than five years	6,116	9,736	8,064
More than five years	15,148	11,285	18,461
Total	\$131,975	\$231,092	\$228,431

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(21) Summary schedule of employee benefits, depreciation and amortization expenses by function:

Function Type	2023.4.1~2023.6.30			2022.4.1~2022.6.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Salaries	\$233,856	\$120,343	\$344,199	\$236,234	\$164,890	\$401,124
Labor and health insurance	11,662	11,588	23,250	11,455	10,305	21,760
Pension	5,305	2,966	8,271	5,500	2,790	8,290
Other employee benefit expenses	4,916	684	5,600	4,280	664	4,944
Depreciation	137,434	12,257	149,691	116,373	11,321	127,694
Amortization	25,775	1,376	27,151	25,491	2,191	27,682

Function Type	2023.1.1~2023.6.30			2022.1.1~2022.6.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Salaries	\$451,027	\$251,397	\$702,424	\$519,639	\$269,527	\$789,166
Labor and health insurance	23,608	20,229	43,837	22,431	18,010	40,441
Pension	10,774	6,063	16,837	10,901	5,588	16,489
Other employee benefit expenses	8,968	3,350	12,318	8,409	1,889	10,298
Depreciation	260,618	24,209	284,827	229,893	22,108	252,001
Amortization	51,763	2,800	54,563	52,034	3,499	55,533

According to the Articles of Incorporation, 3% of profit of the current year is distributable as employees' compensation and no higher than 3% of profit of the current year is distributable as remuneration to directors. However, the company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, there to a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

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The Company's remuneration for employees and directors is estimated at 3% according to the profitability status during the periods from January 1 to June 30, 2023 and 2022. From April 1 to June 30, 2023, the amounts of remuneration to employees and directors recognized were both NT\$30,415 thousand. From January 1 to June 30, 2023, the amounts of remuneration to employees and directors recognized were both NT\$64,400 thousand. From April 1 to June 30, 2022, the amounts of remuneration to employees and directors recognized were both NT\$28,867 thousand. From January 1 to June 30, 2022, the amounts of remuneration to employees and directors recognized were both NT\$105,926 thousand. The amounts were all accounted for under salary expenses.

A resolution was passed at a Board of Directors meeting held on February 24, 2023 to distribute NT\$157,939 thousand in cash as employees' compensation and remuneration to directors both of 2022. No material differences exist between the estimated amount recognized in the 2022 financial report and the actual distribution.

A resolution was passed at a Board of Directors meeting held on February 25, 2022 to distribute NT\$110,850 thousand in cash as employees' compensation and remuneration to directors both of 2021. No material differences exist between the estimated amount recognized in the 2021 financial report and the actual distribution.

(22) Non-operating income and expenses

A. Interest income

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Cash in the bank	\$7,620	\$3,186	\$13,416	\$5,902
Other	31	1	224	37
<b>Total</b>	<b>\$7,651</b>	<b>\$3,187</b>	<b>\$13,640</b>	<b>\$5,939</b>

B. Others

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Rental income	\$449	\$1,888	\$897	\$2,796
Dividend income	44,026	42,975	44,026	42,975
Other income - Others	24,475	11,155	40,257	32,228
<b>Total</b>	<b>\$68,950</b>	<b>\$56,018</b>	<b>\$85,180</b>	<b>\$77,999</b>

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C. Other gains and losses

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Gain (loss) on disposal of property, plant and equipment	\$2,191	\$57,651	\$4,467	\$58,684
Gain on disposal of subsidiaries (Note 1)	1,364	-	208,805	-
Loss on disposal of investment property	1,036	261	1,036	261
Gain on disposal of non-current assets held for sale(Note 2)	-	-	-	1,743,181
Losses on real estate investment impairments	-	(5,460)	-	(9,100)
Net gain (loss) on foreign currency exchange	(31,414)	(9,938)	(30,889)	(8,667)
Gain loss on lease modification	7,564	270	94	1,575
Other gains and (losses) - Others	(15,603)	(13,210)	(16,921)	(19,734)
Total	<u>\$ (34,862)</u>	<u>\$ 29,574</u>	<u>\$ 166,592</u>	<u>\$ 1,766,200</u>

Note 1: Please refer to Note 6(26) of the transaction description.

Note 2: In order to revitalize assets and enrich working capital, the Group passed the resolution of the board of directors on November 9, 2021 to dispose of the land and buildings held in Sanmin District, Kaohsiung City. The company and the buyer signed a sales contract on November 15, 2021. The total contract price is NT\$2,350,000 thousand . After deducting related expenses such as land value-added tax and business tax of NT\$33,504 thousand, NT\$1,743,181 thousand of disposal benefits was recognized in January 2022. The transaction was completed on January 3, 2022, and the land ownership transfer registration was completed.

D. Finance costs

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Interest on borrowings from bank	\$(24,563)	\$(17,215)	\$(49,302)	\$(29,301)
Interest on notes payable	(2,476)	-	(5,056)	-
Interest on lease liabilities	(1,675)	(1,115)	(3,326)	(3,718)
Imputed interest from deposits	(563)	(36)	(1,107)	(70)
Total	<u>\$ (29,277)</u>	<u>\$ (18,366)</u>	<u>\$ (58,791)</u>	<u>\$ (33,089)</u>

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(23) Components of other comprehensive income

Components of other comprehensive income April 1 to June 30, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$106,240	\$-	\$106,240	\$-	\$106,240
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	(47,529)	-	(47,529)	-	(47,529)
Total	<u>\$58,711</u>	<u>\$-</u>	<u>\$58,711</u>	<u>\$-</u>	<u>\$58,711</u>

Components of other comprehensive income April 1 to June 30, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$(255,719)	\$-	\$(255,719)	\$-	\$(255,719)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	10,834	-	10,834	-	10,834
Total	<u>\$(244,885)</u>	<u>\$-</u>	<u>\$(244,885)</u>	<u>\$-</u>	<u>\$(244,885)</u>

Components of other comprehensive income January 1 to June 30, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$207,830	\$-	\$207,830	\$-	\$207,830
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	24,057	-	24,057	-	24,057
Total	<u>\$231,887</u>	<u>\$-</u>	<u>\$231,887</u>	<u>\$-</u>	<u>\$231,887</u>

Components of other comprehensive income January 1 to June 30, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$(165,710)	\$-	\$(165,710)	\$-	\$(165,710)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	188,160	-	188,160	-	188,160
Total	<u>\$22,450</u>	<u>\$-</u>	<u>\$22,450</u>	<u>\$-</u>	<u>\$22,450</u>

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(24)Income taxes

Components of income tax expenses (benefits) for the periods from January 1 to June 30, 2023 and 2022:

Income tax expense (income) recognized in profit or loss

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Current income tax expense (income):				
Current income tax charge	\$281,403	\$185,115	\$462,135	\$493,829
Adjustments in respect of current income tax of prior periods	13,094	(1,390)	13,094	(1,390)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	11,318	5,246	14,162	2,123
Deferred income tax assets write-off	(50,299)	(7,165)	-	(9,344)
Tax expense (income) recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	(33,474)	(10,663)	(33,474)	(7,292)
Income tax expense (benefit)	<u>\$222,042</u>	<u>\$171,143</u>	<u>\$455,917</u>	<u>\$477,926</u>

The assessment of income tax returns

As of June 30, 2023, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	<u>The assessment of income tax returns</u>
The Company	Assessed and approved up to 2020
Kuoyung Construction & Engineering Co., Ltd.	Assessed and approved up to 2021
Rei Shin Construction Co., Ltd.	Assessed and approved up to 2021
Wellpool Co., Ltd.	Assessed and approved up to 2021
Cape Goldsun Corporation	Assessed and approved up to 2021
Goldsun Nihon Cement Co., Ltd.	Assessed and approved up to 2020
Taipei Port Terminal Company Limited	Assessed and approved up to 2021
Huaya Development Co., Ltd.	Assessed and approved up to 2021
Goyu Building Materials Co., Ltd.	Assessed and approved up to 2021
Gimpo Marine Co., Ltd.	Assessed and approved up to 2021

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	The assessment of income tax returns
Lake Vernicia Development Company	Assessed and approved up to 2021
Reixin Asset Management Inc.	Assessed and approved up to 2021
GALC INC.	Assessed and approved up to 2021

(25) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
A. Basic earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	\$755,102	\$702,707	1,602,229	\$2,786,444
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884	1,176,884	1,176,884
Basic earnings per share (NT\$)	\$0.64	\$0.60	\$1.36	\$2.37
B. Diluted earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	\$755,102	\$702,707	\$1,602,229	\$2,786,444
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884	1,176,884	1,176,884
Effect of dilution:				
Employee bonus - Stock (in thousands)	2,351	3,488	3,217	4,140
Weighted average number of ordinary shares outstanding after dilution (in thousands)	1,179,235	1,180,372	1,180,101	1,181,024
Diluted earnings per share (NT\$)	\$0.64	\$0.60	\$1.36	\$2.36

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There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(26) Changes in ownership interests in subsidiaries

A. Acquisition of issued shares of a subsidiary

In 2023, the company has acquired 150,000 issued shares of Goldsun Nihon Cement Co., Ltd., A cash consideration of NT\$2,100 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT\$68 thousand recognized as an increase in capital reserve, and decrease NT\$2,168 thousand in non-controlling interests.

B. New shares issued by subsidiary's capital increase not subscribed in proportion to the shareholding

The subsidiary Huaya Development Co., Ltd. issued 8,800 thousand shares on March 31, 2022 to raise NT\$88,000 thousand in cash, which have been fully subscribed by the Company, increasing the Company's shareholding to 41%. The increase in Huaya Development Co., Ltd.'s relevant equity, including the non-controlling interests, is as follows:

	2022.1.1~ 2022.3.31
Capital increase cash obtained by the Group	\$-
Decrease in non-controlling interests	259
Differences in capital reserves recognized in equity	<u>\$259</u>

C. Disposal of subsidiary

The Board of Directors of the Company resolved on February 24, 2023 to dispose of 100% equity of Goldsun(Changshu) Concrete Co., Ltd., that owns the 100% shareholding of Goldsun International Development Corp. (Goldsun Inc., Cayman). GOLDSUN INC., Cayman signed an equity transfer agreement with the buyer on March 8, 2023. The Group has completed the equity transfer on March 15, 2023 and has lost control.

(a) Consideration of disposal: NT\$ 890,226 thousand (net of costs and expenses that may be incurred in equity transactions)

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(b) Analysis of assets and liabilities of subsidiary as of the date losing control

The carrying amount of assets and liabilities of Goldsun(Changshu) Concrete Co., Ltd. on May 15, 2023 is detailed as follows:

	Carrying amount
Cash and cash equivalents	\$192,085
Accounts receivable, net	314,918
Inventories	2,095
Property, plant and equipment	88,498
Right-of-use assets	20,764
Other payables	(3,115)
Tax liability	(2,348)
Total net assets	\$612,897

(c) Gain on disposal of subsidiary

Collect consideration	\$890,226
Reduce: Net disposal assets	(612,897)
Reduce: Exchange differences on translation of foreign	(68,524)
Gain on disposal of associate	\$208,805

(27) Subsidiaries that have material non-controlling interests

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name of Subsidiary	Country of Incorporation and operation	2023.6.30	2022.12.31	2022.6.30
Wellpool Co., Ltd. and its subsidiary	Taiwan	49%	49%	49%

(Note): The holding percentage mentioned above is disclosed as the comprehensive holding percentage. The company mentioned above own subsidiaries, and thus the financial information mentioned below is consolidated financial information.

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	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>	
Accumulated balances of material non-controlling interest:				
Wellpool Co., Ltd. and its subsidiary	\$504,281	\$547,970	\$502,403	
Profit/(loss) allocated to material non-controlling interest:				
	2023.4.1~ <u>2023.6.30</u>	2022.4.1~ <u>2022.6.30</u>	2023.1.1~ <u>2023.6.30</u>	2022.1.1~ <u>2022.6.30</u>
Wellpool Co., Ltd. and its subsidiary	\$20,065	\$25,681	\$39,451	\$47,369

The summarized financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Wellpool Co., Ltd. and its subsidiary

Summarized information of profit or loss:

	2023.4.1~ <u>2023.6.30</u>	2022.4.1~ <u>2022.6.30</u>	2023.1.1~ <u>2023.6.30</u>	2022.1.1~ <u>2022.6.30</u>
Operating revenue	\$245,481	\$279,223	\$484,863	\$528,223
Net income this period from continuing operations	40,702	52,093	80,027	96,087
Total comprehensive income for the year	40,702	52,093	80,027	96,087

Summarized information of financial position:

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Current assets	\$665,158	\$617,737	\$641,868
Non-current assets	668,238	677,591	685,072
Current liabilities	296,631	174,576	296,570
Non-current liabilities	13,836	9,199	11,249

Summarized cash flow information:

	2023.1.1~ <u>2023.6.30</u>	2022.1.1~ <u>2022.6.30</u>
Operating activities	\$76,091	\$126,868
Investing activities	(6,549)	(13,066)
Financing activities	5,294	133
Net increase in cash and cash equivalents	74,836	113,935

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7. Related-Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name	Nature of relationship of the related parties
Taiwan Secom Co., Ltd. and subsidiary	Group with significant influence over the Group
Raixin Sanwa Quality Products	Associate
Trust Sandstone Co., Ltd.	Other related party
Shin Lan Enterprise Co., Ltd.	Other related party
Full Max Corporation Limited	Other related party
Linteng Charity Cultural and Educational Foundation	Other related party

Significant transactions with the related parties

(1) Revenue - Other revenue

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Other related party	100,336	68,114	132,489	115,514
Associate	-	13	-	13
Total	<u>\$100,336</u>	<u>\$68,127</u>	<u>\$132,489</u>	<u>\$115,527</u>

The sales price and term to related parties are equivalent to third parties.

(2) Operating Cost (including purchase and other operating cost)

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Group with significant influence over the Group	\$137,159	\$116,789	\$261,465	\$255,948
Other related party				
Full Max Corporation Limited	372,396	311,626	691,958	485,707
Other	327	5,571	606	8,880
Total	<u>\$509,882</u>	<u>\$433,986</u>	<u>\$954,029</u>	<u>\$750,535</u>

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The purchase price to the above related parties was determined through agreement based on the market rates. The payment terms from the related party suppliers are comparable with third party suppliers.

(3) Notes receivable - Related parties

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$150	\$-	150

(4) Accounts receivable - Related parties

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$-	\$509	\$105
Other related party	14,289	12,497	4,884
Total	\$14,289	\$13,006	\$4,989

(5) Other receivables - Related parties

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$50,810	\$21,216	\$52,553
Other related party	82	-	-
Associate	6	3	17
Total	\$50,898	\$21,219	\$52,570

(6) Accounts payable - Related parties

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$47,040	\$103,255	\$41,307
Other related party	29,720	3,013	19,038
Total	\$76,760	\$106,268	\$60,345

(7) Other payables - Related parties

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$15,130	\$26,811	\$10,047
Other related party	2,384	-	1,141
Total	\$17,514	\$26,811	\$11,188

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(8) Lease - Related parties

A. Rental income and deposits received:

a. Lease revenue

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Group with significant influence over the Group	<u>\$3,030</u>	<u>\$2,983</u>	<u>\$6,032</u>	<u>\$5,967</u>

b. Guarantee deposit received

	2023.6.30	2022.12.31	2022.6.30
Group with significant influence over the Group	<u>\$733</u>	<u>\$733</u>	<u>\$802</u>

B. Lease expense

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Group with significant influence over the Group	<u>\$1,066</u>	<u>\$1,409</u>	<u>\$2,155</u>	<u>\$2,472</u>

(9) The Group has purchased equipment from a group with significant influence over the Group amounted to NT\$6,558 thousand , NT\$4,777 thousand,NT\$12,245 thousand and NT\$9,588 thousand for the periods from April 1 to June 2023,and 2022,January 1 to June 30, 2023 and 2022, respectively.

(10)Key management personnel compensation

	2023.4.1~ 2023.6.30	2022.4.1~ 2022.6.30	2023.1.1~ 2023.6.30	2022.1.1~ 2022.6.30
Short-term employee benefits	\$53,458	\$51,491	\$114,255	\$149,603
Employment retirement benefits	38	37	127	145
Total	<u>\$53,496</u>	<u>\$51,528</u>	<u>\$114,382</u>	<u>\$149,748</u>

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8. Pledged Assets

The following table lists assets of the Group pledged as security:

Item	Book value			Secured liabilities
	2023.6.30	2022.12.31	2022.6.30	
Inventory - Land of construction	\$210,368	\$210,368	\$210,367	Bank loan
Financial assets at fair value through other comprehensive income - Current	468,015	413,895	483,390	Bank loan, C/P
Financial assets at fair value through other comprehensive income - Non-current	535,773	474,873	497,982	Bank loan, C/P
Securities (Note)	1,020,000	991,500	1,035,000	Bank loan, C/P
Financial assets at amortized cost - Current	63,675	63,675	63,675	Restricted account, Loan guarantee
Financial assets measured at amortized cost - Non-current	74,444	73,333	72,763	Performance guarantee
Investment property	1,655,871	1,591,772	1,613,446	Bank loan, C/P
Property, plant and equipment - Land and building	4,406,532	3,847,278	4,359,631	Bank loan, C/P
Property, plant and equipment - Machinery and equipment	44,771	45,497	46,223	Bank loan
Intangible assets - Concession	2,849,322	2,889,473	2,929,624	Bank loan
Refundable deposit	20,000	20,000	20,000	Performance guarantee
Total	<u>\$11,348,771</u>	<u>\$10,622,064</u>	<u>\$11,332,101</u>	

Note: The Group's subsidiaries which were consolidated by the Company.

9. Material contingent liabilities and unrecognized contractual commitments

- (1) Promissory notes issued by the Group to secure bank loans and construction performance amounted to NT\$5,345,916 thousand as of June 30, 2023.
- (2) The Group's "Nangang Development Project" signed an engineering contract with another company in 2022. The total contract price is NT\$19,268,800 thousand.
- (3) Subsidiary company - Kunyung Construction & Engineering (Co., Ltd.), contracted the "New Construction Project of Xizhi Ready-Mixed Plant" and entrusted Jingxiang Technology Co., Ltd. to undertake the retaining wall and fence projects. Jingxiang Technology Co., Ltd. paid Kunyung for the project payment. Due to disagreements, the company filed a lawsuit with the Taipei District Court in 2016. As of July 11, 2023, the verdict has been reached. Kunyung needs to pay Jingxiang Technology Engineering Project NT\$2,084 thousand, and the entire case has been settled without appeal.
- (4) Subsidiary company - Huaya Development Co., Ltd. has invested in a project to construct a tourist hotel, which includes the development of hot springs. They obtained the water supply permit from Hualien County Government on September 30, 2022. They also appointed Spring Energy Development Co., Ltd. to handle the application for hot spring development, planning consulting, and drilling works. This includes a supplementary contract for drilling works signed on February 7, 2022, with a total contract value of NT\$23,600 thousand.

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- (5) Subsidiary company - Goyu Building Materials Co., Ltd. is constructing a factory in the Minxiong Industrial Zone, Chiayi. On December 3, 2018, they signed an engineering contract with Chung Yi Construction Co., Ltd. (referred to as "Chung Yi" below). They also signed supplementary contracts in 2019 and 2020 to add additional work to the project. The total contract value amounts to approximately NT\$180 million. Although the project was completed in 2021, it exceeded the agreed-upon timeframe in the contract. As a result, on October 8, 2020, Goyu sent a lawyer's letter to Chung Yi requesting compensation for breach of contract. In September 2021, Guoyu redeemed a commercial promissory note from Chung Yi worth NT\$5,850 thousand, which served as a performance guarantee. They also temporarily withheld the final payment of NT\$22,655 thousand for the project, totaling NT\$28,505 thousand, which was recorded as other non-current liabilities. However, Chung Yi argues that the delay in completion was not due to their fault and thus contends that Goyu cannot impose penalties for breach of contract, confiscate the performance guarantee, or require compensation for damages. Chung Yi has filed a lawsuit demanding payment of the project funds from Goyu. The case is currently under trial at the Taipei District Court in Taiwan. As of June 30, 2023, there is no outcome in the litigation.
- (6) Taipei Port Trading Co., Ltd., a subsidiary company, entrusted Jiacheng Construction Engineering Co., Ltd. to undertake the "Taipei Port Second Bulk Cargo Center-Ready Mixed Concrete Plant New Construction Project". The contract was terminated early due to falling behind in progress during the process. Taipei Port decided to confiscate the deposit of NT\$4,760 thousand and the unpaid project fee of NT\$9,976 thousand as compensation for breach of contract and contracting losses. Jiacheng Construction had disagreements over the project fee payable by Taipei Port, so it filed a lawsuit with the Taipei District Court in 2013. The case is still pending. There is no definite result during the trial in the High Court. As of June 30, 2023, including the payment for the Jiacheng project, interest and deposits, the total estimated liabilities on the account are NT\$19,227 thousand.
- (7) The Fair Trade Commission alleges that Goldsun Building Materials Co., Ltd. (referred to as "the company" below) and other ready-mixed concrete industry participants engaged in joint conduct. As per the disposition document No. 108121 issued on April 29, 2019, and the letter No. 1121360080 dated February 20, 2023, the company was fined NT\$20,000 thousand and NT\$50,000 thousand, respectively. These fines have been recorded as prepaid expenses. In the case filed in 2019, an administrative litigation was initiated, and the judgment on June 30, 2020, concluded that there was no violation of fair trade practices. The Fair Trade Commission appealed against this decision, and as of June 30, 2023, there is no outcome in the litigation. In the case filed in 2023, an administrative litigation was initiated, and as of June 30, 2023, there is no outcome in the litigation.

10. Losses Due to Major Disasters

None.

11. Major Subsequent Issues

On July 20, 2023, the company acquired 4 pieces of land and buildings on the ground including 1089, Xiaoshi Section, Yangmei District, Taoyuan City at a total price of NT\$626,750 thousand.

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12. Other

(1) Types of financial instrument

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Measured at fair value through other comprehensive income	2,132,096	1,900,810	2,084,301
Financial assets measured at amortized cost			
Cash and equivalent cash (excluding cash on hand)	1,862,160	2,100,922	2,288,556
Financial assets measured at amortized cost	234,119	238,408	286,728
Notes receivable	1,241,205	1,416,809	1,332,284
Accounts receivable (including related parties)	5,865,564	6,456,094	5,430,811
Other receivables (including related parties)	455,370	510,422	117,123
Long-term receivable	985,656	1,245,160	1,663,189
Refundable deposit	53,686	51,047	38,611
Total	<u>\$12,829,856</u>	<u>\$13,919,672</u>	<u>\$13,241,603</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost:			
Short-term debts	\$1,320,000	\$2,645,000	\$1,850,000
Short-term notes and bills payable	-	-	764,614
Notes payable (including related parties)	451,636	733,433	872,188
Accounts payable (including related parties)	1,326,867	2,040,597	1,799,358
Other payables (including related parties)	3,532,842	1,713,881	3,274,142
Lease liabilities	774,660	548,124	617,009
Long-term loan (including due in one year)	6,246,820	4,687,301	2,348,849
Long-term notes payable	-	599,865	827,467
Guarantee deposit received	34,566	43,117	44,893
Total	<u>\$13,687,391</u>	<u>\$13,011,318</u>	<u>\$12,398,520</u>

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(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies, measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market risk includes currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable. In other words, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign exchange risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD and RMB. The information of the sensitivity analyses as follows:

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When NTD strengthens/weakens against USD by 10%, the profit for the periods from January 1 to June 30, 2023 and 2022 is decreased/increased by NT\$3,223 thousand and NT\$791 thousand, respectively.

When NTD strengthens/weakens against RMB by 10%, the profit for the periods from January 1 to June 30, 2023 and 2022 is decreased/increased by NT\$374 thousand and NT\$3,775 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and receivables at floating interest rates, bank borrowings with fixed interest rates and floating interest rates.

The Group manages its interest rate risk by maintaining a balanced portfolio of fixed and floating interest loans and debts.

The interest rate sensitivity analysis is performed on items assumed to be possessed for a fiscal year and exposed to interest rate risk as of the end of the reporting period, including borrowings with floating interest rates. The analysis indicates that when the interest rates increase / decrease by ten basis points, the Group's profit would decrease / increase by NT\$6,800 thousand and NT\$4,877 thousand for the periods from January 1 to June 30, 2023 and 2022, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

For the periods from January 1 to June 30, 2023 and 2022, an increase/decrease of 10% in the price of the listed equity securities classified as financial assets at fair value through other comprehensive income could have an impact of NT\$168,061 thousand and NT\$151,603 thousand on the equity attributable to the Group, respectively.

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Please refer to Note 12(8) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

(4)Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Company's internal rating criteria etc. Certain customer's credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

As of June 30, 2023, December 31 and June 30, 2022, amounts of receivables from top ten customers represent 23%, 30% and 25% of the accounts receivables of the Group. The credit concentration risk of the accounts receivables is insignificant.

Credit risk from balances with banks and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for contract assets and trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories. The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

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(5)Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with floating interest rates is extrapolated based on the approaching effective rate as of the end of the reporting period.

Non-derivative financial instruments

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2023.6.30					
Borrowings	\$2,496,789	\$2,593,170	\$1,407,957	\$1,545,314	\$8,043,230
Notes payable	451,636	-	-	-	451,636
Accounts payable	1,326,867	-	-	-	1,326,867
Other accounts payable	3,532,842	-	-	-	3,532,842
Lease liabilities (Note)	113,186	218,924	151,278	\$294,114	777,502
Refundable deposits	34,566	-	-	-	34,566
	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2022.12.31					
Borrowings	\$3,733,866	\$1,653,917	\$1,087,964	\$1,233,933	\$7,709,680
Notes payable	733,433	-	-	-	733,433
Accounts payable	2,040,597	-	-	-	2,040,597
Other accounts payable	1,713,881	-	-	-	1,713,881
Lease liabilities (Note)	116,045	165,665	128,109	143,759	553,578
Long-term notes payable	-	600,000	-	-	600,000
Refundable deposits	43,117	-	-	-	43,117

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	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2022.6.30					
Borrowings	\$1,981,949	\$870,049	\$228,434	\$1,274,937	\$4,355,369
Short-term notes payable	764,614	-	-	-	764,614
Notes payable	872,188	-	-	-	872,188
Accounts payable	1,799,358	-	-	-	1,799,358
Other accounts payable	3,274,142	-	-	-	3,274,142
Lease liabilities (Note)	81,726	140,351	133,281	\$264,402	619,760
Long-term notes payable	-	830,000	-	-	830,000

- Note: 1. Includes cash flows from lease contracts for short-term leases and low-value underlying assets.  
2. Information about the maturities of lease liabilities is provided in the table below:

	Maturities					Total
	Less than 1 year	2 to 5 years	6 to 10 years	11 to 15 years	> 15 years	
2023.6.30	\$113,186	\$370,202	\$165,172	\$21,142	\$107,800	\$777,502
2022.12.31	\$116,045	\$293,774	\$49,586	\$21,002	\$73,171	\$553,578
2022.6.30	\$81,726	\$273,632	\$131,733	\$20,886	\$111,783	\$619,760

(6) Reconciliation for liabilities arising from financing activities

Information of reconciliation of liabilities for the period from January 1 to June 30, 2023:

	Short-term loans	Long-term loan (including due in one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Total liabilities arising from financing activities
2023.01.01	\$2,645,000	\$4,687,301	\$548,124	\$43,117	\$599,865	\$8,523,407
Cash flow	(1,325,000)	1,559,316	(54,518)	(8,551)	(599,865)	(428,618)
Non-cash change	-	203	281,054	-	-	281,257
2023.6.30	<u>\$1,320,000</u>	<u>\$6,246,820</u>	<u>\$774,660</u>	<u>\$34,566</u>	<u>\$-</u>	<u>\$8,376,046</u>

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Information of reconciliation of liabilities for the period from January 1 to June 30, 2022:

	Short-term loans	Short-term notes and bills payable	Long-term loan (including due in one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Total liabilities arising from financing activities
2022.01.01	\$900,000	\$-	\$3,499,646	\$639,698	\$55,613	\$1,796,860	\$6,891,817
Cash flow	950,000	767,614	(1,151,000)	(73,208)	(10,720)	(969,393)	(486,707)
Non-cash change	-	(3,000)	203	50,519	-	-	47,722
2022.6.30	<u>\$1,850,000</u>	<u>\$764,614</u>	<u>\$2,348,849</u>	<u>\$617,009</u>	<u>\$44,893</u>	<u>\$827,467</u>	<u>\$6,452,832</u>

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- a. The carrying amount of cash and cash equivalents, trade receivables, trade payable and other current liabilities approximate their fair value due to their short maturities.
- b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and beneficiary certificates etc.) at the reporting date.
- c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public Group and private Group equity securities) are estimated using the market approach or the income approach. the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities). The income method assesses the recoverable amount based on the present value of the financial assets that are expected to be received from cash dividends or disposals at the market.

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- d. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)
- e. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

Among the fair value of the Group's financial assets and financial liabilities measured at amortized cost, cash and cash equivalents, trade receivables, trade payable and other current liabilities whose carrying amount approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(8) for fair value measurement hierarchy for financial instruments of the Group.

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement. Each Levels inputs are described as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

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For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

**B. Fair value measurement hierarchy of the Group's assets and liabilities**

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

June 30, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,680,614	\$-	\$451,482	\$2,132,096

As of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,460,684	\$-	\$440,126	\$1,900,810

June 30, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,516,033	\$-	\$568,268	\$2,084,301

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Transfers between Level 1 and Level 2 during the period

During the periods from January 1 to June 30, 2023 and 2022, the Company's assets and liabilities at recurring fair value do not have transfers between Level 1 and Level 2 of the fair value hierarchy.

Details of changes in Level 3 of recurring fair value hierarchy.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	<u>Assets</u>
	<u>Financial assets at fair value through other comprehensive income</u>
	<u>Stock</u>
2023.1.1	\$440,126
Acquisition	2,400
Total gains recognized for the period:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	8,956
2023.6.30	<u>\$451,482</u>
	<u>Assets</u>
	<u>Financial assets at fair value through other comprehensive income</u>
	<u>Stock</u>
2022.1.1	\$524,098
Acquisition	5,000
Disposals	(8,643)
Total gains recognized for the period:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	47,813
2022.6.30	<u>\$568,268</u>

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Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

June 30, 2023:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	7.89	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,578 thousand.
Stock	Income approach	Discount rate	1~16.35	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity by NT\$1,921 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$40,018 thousand.

As of December 31, 2022:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	7.82	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,564 thousand.
Stock	Income approach	Discount rate	16.35	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity by NT\$477 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$15,607 thousand.

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June 30, 2022:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	7.09	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,418 thousand.
Stock	Income approach	Discount rate	1~16.65	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity NT\$2,412 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$52,247 thousand.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's Finance Department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

June 30, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(9))	\$-	\$-	\$12,077,434	\$12,077,434

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As of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(9))	\$-	\$-	\$12,077,434	\$12,077,434

June 30, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(9))	\$-	\$-	\$11,727,146	\$11,727,146

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

(Unit: Foreign currency: thousands, NTD: thousands)			
2023.6.30			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$1,035	31.14	\$32,230
RMB	873	4.28	3,736
Non-monetary items:			
CNY	193,091	4.28	826,429
2022.12.31			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$9,360	30.71	\$287,446
RMB	2,213	4.41	9,759
Non-monetary items:			
CNY	190,980	4.41	842,222

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	2022.6.30		
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$266	29.72	\$7,906
RMB	8,502	4.44	37,749
Non-monetary items:			
RMB	189,491	4.44	841,340

The above information is disclosed based on the carrying amount of foreign currency (after conversion of functional currency).

The Group's entities' functional currency is various, and hence is not able to disclose the information of exchange gains and losses of monetary financial assets and liabilities by each significant assets and liabilities denominated in foreign currencies. For the periods from April 1 to June 30, 2023 and 2022, the net foreign exchange gain (loss) were NT\$(31,414) thousand and NT\$(9,938) thousand, respectively. For the periods from January 1 to June 30, 2023 and 2022, the net foreign exchange gain (loss) were NT\$(30,889) thousand and NT\$(8,667) thousand, respectively.

(10) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Additional Disclosures

(1) Significant transactions information:

A. Financing provided to other: Please refer to Attachment 1.

B. Endorsement/Guarantee provided to others: Please refer to Attachment 2.

C. Securities held: Please refer to Attachment 3.

D. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million and 20% of the capital stock: None.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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E.Acquisition of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock: None.

F.Disposal of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock: None.

G.Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million and 20% of the capital stock: Attachment 4.

H.Receivables from related parties with amounts exceeding the lower of NT\$100 million and 20% of capital stock: None.

I. Financial instruments and derivative transactions: None.

J. Significant intercompany transactions between consolidated entities: Please refer to Attachment 5.

(2) Information on investees:

If the firm directly or indirectly exercises significant influence or control over, or has a joint venture interest in, an investee company that is not in China, it shall disclose information on the investee company, showing the name, location, principal business activities, original investment amount, shareholding at the end of the period, profit or loss for the period, recognized investment gain or loss: Please refer to Attachment 6.

(3) Information on investments in China:

A.Names, main businesses and products, total amount of paid-in capital, method of investment, accumulated outflow of investment from Taiwan, percentage of ownership, investment income recognized, carrying amount, accumulated inward remittance of earnings, and upper limit on investment of investees in China: Please refer to Attachment 7.

B.Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: Please refer to Attachment 1, and 2.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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(4) Information of principal shareholders:

List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Please refer to Attachment 8.

14. Segments information

For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

- (1) Ready-mixed concrete segment in Taiwan: Segment engages in productions and sales of ready-mixed concrete in Taiwan.
- (2) Ready-mixed concrete segment in China: Segment engages in productions and sales of ready-mixed concrete in China.
- (3) Others: Segment engages in productions and sales of calcium silicate board, shipping, warehousing, construction and real estate rental.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

A. Information on profit or loss of the reportable segment:

April 1 to June 30, 2023

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$4,291,621	\$414,879	\$4,706,500	\$480,674	\$-	\$5,187,174
Inter-segment	28,176	-	28,176	446,623	(474,799)	-
Total revenue	<u>\$4,319,797</u>	<u>\$414,879</u>	<u>\$4,734,676</u>	<u>\$927,297</u>	<u>\$(474,799)</u>	<u>\$5,187,174</u>
Segment profit	<u>\$961,187</u>	<u>\$(14,073)</u>	<u>\$947,114</u>	<u>\$102,097</u>	<u>\$(46,128)</u>	<u>\$1,003,083</u>

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO  
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April 1 to June 30, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$4,123,108	\$588,700	\$4,711,808	\$541,369	\$-	\$5,253,177
Inter-segment	54,422	-	54,422	412,604	(467,026)	-
Total revenue	<u>\$4,177,530</u>	<u>\$588,700</u>	<u>\$4,766,230</u>	<u>\$953,973</u>	<u>\$(467,026)</u>	<u>\$5,253,177</u>
Segment profit	<u>\$853,939</u>	<u>\$14,533</u>	<u>\$868,472</u>	<u>\$133,062</u>	<u>\$(97,022)</u>	<u>\$904,512</u>

January 1 to June 30, 2023

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$8,569,434	\$731,096	\$9,300,530	\$917,106	\$-	\$10,217,636
Inter-segment	55,294	-	55,294	908,165	(963,459)	-
Total revenue	<u>\$8,624,728</u>	<u>\$731,096</u>	<u>\$9,355,824</u>	<u>\$1,825,271</u>	<u>\$(963,459)</u>	<u>\$10,217,636</u>
Segment profit	<u>\$2,026,427</u>	<u>\$191,033</u>	<u>\$2,217,460</u>	<u>\$168,816</u>	<u>\$(274,000)</u>	<u>\$2,112,276</u>

January 1 to June 30, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$8,129,232	\$993,847	\$9,123,079	\$983,533	\$-	\$10,106,612
Inter-segment	66,801	-	66,801	792,863	(859,664)	-
Total revenue	<u>\$8,196,033</u>	<u>\$993,847</u>	<u>\$9,189,880</u>	<u>\$1,776,396</u>	<u>\$(859,664)</u>	<u>\$10,106,612</u>
Segment profit	<u>\$3,231,724</u>	<u>\$10,695</u>	<u>\$3,242,419</u>	<u>\$196,541</u>	<u>\$(119,948)</u>	<u>\$3,319,012</u>

Note1: Revenues from those below the quantified threshold include four operating segments, namely building materials production and sales, freight and warehousing and tally, construction, and real estate leasing. that are operating segments that do not meet the quantitative thresholds for reportable segments.

Note 2: Inter-segment revenue is eliminated on consolidation and recorded under the “adjustment and elimination” column. All other adjustments and eliminations are disclosed below.

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B. Information on assets and liabilities of the reportable segment:

The following table presents segment assets and liabilities of the Group's operating segments as of June 30, 2023, December 31, 2022 and June 30, 2022:

2023.6.30

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$24,687	\$826,428	\$851,115	\$-	\$-	\$851,115
Segment assets	<u>\$34,601,271</u>	<u>\$3,606,777</u>	<u>\$38,208,048</u>	<u>\$13,970,609</u>	<u>\$(13,364,234)</u>	<u>\$38,814,423</u>
Segment liabilities	<u>\$11,855,853</u>	<u>\$925,960</u>	<u>\$12,781,813</u>	<u>\$3,597,557</u>	<u>\$(1,400,144)</u>	<u>\$14,979,226</u>

2022.12.31

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$15,738	\$844,831	\$860,569	\$-	\$-	\$860,569
Segment assets	<u>\$34,180,943</u>	<u>\$4,659,911</u>	<u>\$38,840,854</u>	<u>\$13,876,658</u>	<u>\$(13,766,429)</u>	<u>\$38,951,083</u>
Segment liabilities	<u>\$10,915,461</u>	<u>\$1,305,453</u>	<u>\$12,220,914</u>	<u>\$3,503,393</u>	<u>\$(1,170,280)</u>	<u>\$14,554,027</u>

2022.6.30

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$18,879	\$841,340	\$860,219	\$-	\$-	\$860,219
Segment assets	<u>\$31,669,787</u>	<u>\$4,717,707</u>	<u>\$36,387,494</u>	<u>\$13,778,742</u>	<u>\$(13,417,567)</u>	<u>\$36,748,669</u>
Segment liabilities	<u>\$9,588,392</u>	<u>\$1,568,887</u>	<u>\$11,157,279</u>	<u>\$3,584,441</u>	<u>\$(1,156,334)</u>	<u>\$13,585,386</u>

Attachment 1 : Financing provided to others for the six-month period ended June 30, 2023

Unit: Foreign currency: thousands, NTD: thousands

No. (Note 1)	Lender	Borrowing party	Account (Note 2)	Related Partie	Maximum balance for the period	Ending balance approved by the board	Actual amount drawn down	Interest rates	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for short-term financing	Allowance for doubtful accounts	Assets pledged		Limit of financing amount for individual counter- party (Note 4)	Limit of total financing amount (Note 4)
													Item	Value		
1	Rei Shin Construction Co., Ltd	Goldsun Building Materials Co., Ltd.	Other receivables	YES	NT\$ 550,000	NT\$ 550,000	NT\$ 550,000	1.125%-1.375%	2	-	Operating	-	-	-	NT\$ 773,505	NT\$ 773,505
2	Kuoyung Construction & Engineering Co., Ltd.	Gimpo Marine Co., Ltd.	Other receivables	YES	NT\$ 110,000	NT\$ 110,000	NT\$ 100,000	1.98%~2.105%	2	-	Operating	-	-	-	NT\$ 161,502	NT\$ 161,502
		Goldsun Nihon Cement Co., Ltd.	Other receivables	YES	NT\$ 30,000	NT\$ 30,000	-	-	2	-	Operating	-	-	-	NT\$ 161,502	NT\$ 161,502
3	Yuan Shun Maritime Ltd.	Hui Shun Maritime Ltd.	Other receivables	YES	US\$ 4,500 (NT\$ 140,130)	US\$ 4,500 (NT\$ 140,130)	US\$ 3,700 (NT\$ 115,218)	2.00%	2	-	Operating	-	-	-	US\$ 29,990 (NT\$ 933,884)	US\$ 29,990 (NT\$ 933,884)
		Feng Shun Maritime Ltd.	Other receivables	YES	US\$2,000 (NT\$ 61,500)	US\$ 1,000 (NT\$31,140)	US\$ 1,000 (NT\$ 31,140)	2.00%	2	-	Operating	-	-	-	US\$ 29,990 (NT\$ 933,884)	US\$ 29,990 (NT\$ 933,884)
		Jin Shun Maritime Ltd.	Other receivables	YES	US\$1,000 (NT\$ 30,750)	-	-	-	2	-	Operating	-	-	-	US\$ 29,990 (NT\$ 933,884)	US\$ 29,990 (NT\$ 933,884)
4	Jin Shun Maritime Ltd.	Goldsun Building Materials Co., Ltd.	Other receivables	YES	US\$14,000 (NT\$ 435,960)	US\$14,000 (NT\$ 435,960)	-	-	2	-	Operating	-	-	-	US\$ 28,066 (NT\$ 873,986)	US\$28,066 (NT\$ 873,986)
5	Goldsun Concrete (Suzhou) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	YES	RMB 103,972 (NT\$ 445,000)	RMB 100,000 (NT\$ 428,000)	RMB75,000 (NT\$ 321,000)	2.01%	2	-	Operating	-	-	-	RMB 202,698 (NT\$ 867,546)	RMB202,698 (NT\$ 867,546)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	RMB 80,000 (NT\$ 342,400)	-	-	2	-	Operating	-	-	-	RMB202,698 (NT\$ 867,546)	RMB 202,698 (NT\$ 867,546)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	-	-	-	2	-	Operating	-	-	-	RMB 202,698 (NT\$ 867,546)	RMB 202,698 (NT\$ 867,546)
6	Goldsun Concrete (Changshu) Co., Ltd.(Note 6)	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	YES	RMB 103,972 (NT\$ 445,000)	-	-	-	2	-	Operating	-	-	-	RMB 283,566 (NT\$ 1,213,664)	RMB 283,566 (NT\$ 1,213,664)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	-	-	-	2	-	Operating	-	-	-	RMB 283,566 (NT\$ 1,213,664)	RMB 283,566 (NT\$ 1,213,664)
		Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	-	-	-	2	-	Operating	-	-	-	RMB 283,566 (NT\$ 1,213,664)	RMB 283,566 (NT\$ 1,213,664)
7	Goldsun Concrete (Wujiang) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	YES	RMB 103,972 (NT\$ 445,000)	RMB 100,000 (NT\$ 428,000)	-	-	2	-	Operating	-	-	-	RMB 350,853 (NT\$ 1,501,650)	RMB 350,853 (NT\$ 1,501,650)
		Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	RMB 80,000 (NT\$ 342,400)	-	-	2	-	Operating	-	-	-	RMB 350,853 (NT\$ 1,501,650)	RMB 350,853 (NT\$ 1,501,650)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	-	-	-	2	-	Operating	-	-	-	RMB 350,853 (NT\$ 1,501,650)	RMB 350,853 (NT\$ 1,501,650)
8	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	RMB 80,000 (NT\$ 342,400)	-	-	2	-	Operating	-	-	-	RMB 326,888 (NT\$ 1,399,080)	RMB 326,888 (NT\$ 1,399,080)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	RMB 80,000 (NT\$ 342,400)	-	-	2	-	Operating	-	-	-	RMB 326,888 (NT\$ 1,399,080)	RMB 326,888 (NT\$ 1,399,080)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	YES	RMB 83,178 (NT\$ 356,000)	-	-	-	2	-	Operating	-	-	-	RMB 326,888 (NT\$ 1,399,080)	RMB 326,888 (NT\$ 1,399,080)

Note 1 The parent company and its subsidiaries are coded as follows:

1. The parent company is coded "0".
2. The subsidiaries are numbered in order starting from 1.

Note 2 Accounts receivable from affiliates and related parties, shareholders' transactions, prepayments, temporary payments and others must be filled in this field if they are considered loans in nature.

Note 3 The method of filling out the capital loan and nature is:

1. For business transactions fill in "1"
2. For short-term financing funds necessity fill in "2"

Note 4 Yuan Shun Maritime Ltd., Jin Shun Maritime Ltd., Goldsun Concrete (Suzhou) Co., Ltd., and Goldsun Concrete (Wujiang) Co., Ltd., Goldsun (Suzhou) Building Materials Co., Ltd., shall not exceed double of the net asset value from the latest financial statement. Rei Shin Construction Co., Ltd and Kuoyung Construction & Engineering Co., Ltd. shall not exceed the 40% net asset value from the latest financial statement.

Note 5 The ending balances of Goldsun Concrete (Wujiang) Co., Ltd., Goldsun (Suzhou) Advanced Building Material Co., Ltd., and Goldsun Concrete (Suzhou) Co., Ltd. are due to sharing quota, resulting in double calculation of the ending balance. The actual ending balance of Goldsun (Suzhou) Advanced Building Materials is RMB100,000 thousand, and the ending balance of others is RMB80,000 thousand each, which do not exceed the quota.

Note 6 In March 2023, the Group has disposed of its mainland subsidiary, Goldsun Concrete (Changshu) Co., Ltd.

## Attachment 2 : Endorsement/Guarantee provided to others for the six-month period ended June 30, 2023

Unit: In Thousands of New Taiwan Dollars/ In Thousands of Foreign Currencies

Number (Note 1)	Name of subsidiaries	Endorsee		Endorsement limit for a single entity (Note 3)	Maximum balance for the period (Note 4)	Outstanding endorsement/ guarantee/ balance (Note 5)	Actual amount provided (Note 6)	Amount of collateral guarantee/ endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/ endorsement amount (Note 3)	Guarantee provided by Parent Company (Note 7)	Guarantee provided by a Subsidiary (Note 7)	Guarantee provided to Subsidiaries in China (Note 7)
		Name of endorsees	Relation- ship with the Company (Note 2)										
1	Rei Shin Construction Co., Ltd.	Goldsun Building Materials Co., Ltd.	3	\$3,867,523	\$2,700,000	\$2,700,000	\$-	2,700,000	139.62%	\$3,867,523		Y	
2	Reixin Asset Management Inc.	Goldsun Building Materials Co., Ltd.	3	2,235,621	884,000	884,000	204,000	-	79.08%	2,235,621		Y	
3	Goldsun (Changshu) Concrete Co., Ltd.(Note 4)	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	-	1,780,000	-	-	-	-	-			Y
4	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	3,497,700	1,780,000	1,498,000	131,182	-	214.14%	3,497,700			Y
5	Goldsun (Wujiang) Concrete Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	3,754,125	1,780,000	1,498,000	238,524	-	199.51%	3,754,125			Y

Note 1 : he parent company and its subsidiaries are coded as follows:

1. Issuer fills in 0.

2. The subsidiaries are numbered in order starting from 1.

Note 2 : Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following 7 categories:

1. A company with business relations.

2. The Company directly or indirectly holds more than 50% of the voting shares of the other company.

3. The other company directly or indirectly holds more than 50% of the voting shares of the Company.

4. The Company directly or indirectly holds more than 90% of the voting shares of the other company.

5. Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

6. Companies that are mutual protected due to mutual endorsement between industry partners or joint construction builders based on the needs of the project.

7. Industry partners who are engaged in the sales of pre-construction homes and conduct joint guarantee for the performance of contract based on Consumer Protection Act.

Note 3 : The procedure of endorsement is showed as the follows:

Rei Shin Construction Co., Ltd and Reixin Asset Management Inc. endorsement / guarantee amount limit for a single entity and total that shall not exceed double of the net asset value from the latest financial statement.

Other subsidiary, the endorsement / guarantee amount limit for a single entity and total that should not exceed 500% net assets value both from the latest financial statement.

Note 4 : In March 2023, the Group has disposed of its mainland subsidiary, Goldsun Concrete (Changshu) Co., Ltd.

## Attachment 3: Securities held at the end of the period (excluding the controlled part of subsidiaries, affiliates and joint ventures)

Unit: In Thousands of New Taiwan Dollars

Names of companies held	Type and name of securities	Relationship with issuer of securities Relationship with the Company	Financial statement account	End of year				Remark
				Number of shares / Units	Carrying amount	Ownership (%)	Fair value/Net assets value	
Goldsun Building Materials Co., Ltd.	Stock	Investor under the equity method						
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income - Current	18,490,000	\$703,544	-	\$703,544	12,300 thousand shares provide for loan guarantee
	Kinpo Electronics, Inc.		Financial assets at fair value through other comprehensive income - Current	1,000,000	14,750	-	14,750	
	Taiwan Secom Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	6,065,000	694,443	1%	694,443	4,200 thousand shares provide for loan guarantee
	Taiwan Shin Kong Security Co.,Ltd		Financial assets at fair value through other comprehensive income - Non-current	20,000	827	-	827	
	Taiwan Airport Service Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	7,405,200	54,873	17%	54,873	7,405 thousand shares provide for loan guarantee
	Overseas Investment & Development Corp.		Financial assets at fair value through other comprehensive income - Non-current	2,000,000	15,780	2%	15,780	
	Anfeng Spring Enterprise Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	150,000	2,452	5%	2,452	
	Chinese Products Promotion Centre		Financial assets at fair value through other comprehensive income - Non-current	1,334	-	-	-	
	Celebrity Green Concrete		Financial assets at fair value through other comprehensive income - Non-current	200,000	2,000	9%	2,000	
	Regenerated Concrete Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	540,000	5,400	9%	5,400	
Everterminal Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	714,826	20,508	1%	20,508			
Chi Hsiang Brownstone Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	6,300	7,060	18%	7,060			
Kuoyung Construction & Engineering Co., Ltd.	Stock	Parent Company						
	Goldsun Building Materials Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	238,323	6,554	-	6,554	Included in treasury shares
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income - Current	1,000,000	38,050	-	38,050	
Taiwan Secom Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	2,000,000	229,000	-	229,000			
Reixin Asset Management Inc.	Stock	Parent Company						
Goldsun Building Materials Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	2,877,785	79,139	-	79,139	Included in treasury shares		
TAIWAN BUILDING MATERIALS (HONG KONG) LIMITED	Capital-							
	Fuzhou Sanshun Stone Material Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	-	324,798	19%	324,798	
	Fujian Hengzhong Sand Stone Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	-	18,611	19%	18,611		

Attachment 4: Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million and 20% of capital stock

Unit: In Thousands of New Taiwan Dollars

Purchaser/seller	Related party	Relationship with the Company	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Remark
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit Price	Term	Balance	Percentage of total receivables (payable)	
Goldsun Building Materials Co., Ltd.	Goldsun Express & Logistics Co., Ltd.	Associate Company	(Note)	\$257,754	(Note)	Net 30 days	\$-	-	\$(46,620)	(2.62) %	
Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	Subsidiary	Operating costs	478,453	12%	Net 30 days	-	-	(68,586)	(3.86)%	
Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	Subsidiary	Operating costs	291,570	7%	Net 30 days	-	-	(48,894)	(2.75)%	
Goldsun Nihon Cement Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(478,453)	93%	Net 30 days	-	-	68,586	100.00%	
Taipei Port Terminal Company Limited	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(291,570)	93%	Net 30 days	-	-	48,894	77.33%	

Note : The Company provided the services of shipping cement to Goldsun Building Materials Co., Ltd. and accounted to "Other operating income".

## Attachment 5: Significant intercompany transactions between consolidated entities

Unit: In Thousands of New Taiwan Dollars

No.	Company	Counter-party	Relationship	Account	Amount	Term	As a percentage of total assets or revenues
	<u>January 1 to June 30, 2023</u>						
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Sales revenue	\$34,869	Note 4	0.34%
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Accounts receivables	25,681	Note 4	0.07%
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Other receivables	85,919	Note 4	0.22%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Cost of goods sold	478,453	Note 4	4.68%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Accounts payable	68,586	Note 4	0.18%
0	Goldsun Building Materials Co., Ltd.	Gimpo Marine Co., Ltd.	1	Cost of goods sold	37,615	Note 4	0.37%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Cost of goods sold	291,570	Note 4	2.85%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Accounts payable	48,894	Note 4	0.13%
0	Goldsun Building Materials Co., Ltd.	Feng Shun Maritime Ltd.	1	Other receivables	37,602	Note 4	0.10%
0	Goldsun Building Materials Co., Ltd.	Feng Shun Maritime Ltd.	1	Cost of goods sold	20,675	Note 4	0.05%
0	Goldsun Building Materials Co., Ltd.	Jing Shun Maritime Ltd.	1	Cost of goods sold	41,966	Note 4	0.41%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Cost of goods sold	42,076	Note 4	0.41%
1	Goyu Building Materials Co., Ltd.	GALC INC.	3	Sales revenue	30,565	Note 4	0.08%

Note 1: Information about related party transactions should be stated. The numbers of each company are illustrated as follows:

1. 0 is for the parent company.
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relationship between related parties are as follows:

1. Parent company and subsidiary.
2. Subsidiary and Parent company.
3. Subsidiary and subsidiary.

Note 3: Regarding percentage of transaction amount to total operating revenues or total assets, it is computed based on period-end balance of transaction to total assets for assets and liabilities accounts, and based on the accumulated transaction amount for the period to total operating revenues for the income statement account.

Note 4: The Company's sales to related parties are handled according to the general sales conditions; its collection period is equivalent to ordinary customers.

Note 5: This table includes transactions for amounts over NT\$10,000 thousand.

## Attachment 6: Names, locations and related information of investee companies as of June 30, 2023 (Not including investment in Mainland China)

Unit: In Thousands of New Taiwan Dollars/ In Thousands of Foreign Currencies

Name of the investors	Investees name	Location	Main business and products	Original / investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remark
				Ending balance of the period	Ending balance of last year	Number of shares / Units	Percentage of ownership (%)	Carrying amount			
Goldsun Building Materials Co., Ltd.	Kuoyung Construction & Engineering Co., Ltd.	Taipei, TW	Construction of civil and architectural construction projects	\$835,000	\$835,000	30,000,000	100%	\$429,103	\$11,191	\$10,677	
	Rei Shin Construction Co., Ltd.	Taipei, TW	Real estate rental	(Note 1)	(Note 1)	80,000,000	100%	1,587,015	2,073	2,073	
	Wellpool Co., Ltd.	Taipei, TW	Sales of calcium silicate board and other boards	303,653	303,653	18,280,389	51%	518,648	80,027	40,576	15,000 thousand shares provide for loan guarantee
	Goldsun Nihon Cement Co., Ltd.	Kaohsiung, TW	Cement import and sale	121,221	119,121	11,610,000	60%	162,148	27,186	16,055	
	Taipei Port Terminal Company Limited	Taipei, TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,478,798	1,318	1,343	
	Huaya Development Co., Ltd.	Taipei, TW	Hotel management and sales of cement and asbestos wave board products	284,928	284,928	24,514,108	41%	242,321	(4,270)	(1,745)	
	Goyu Building Materials Co., Ltd.	Chiayi, TW	Manufacturing and sales of building materials	280,000	280,000	28,000,000	70%	265,017	11,871	8,718	
	Gimpo Marine Co., Ltd.	New Taipei City, TW	Purchase and sales of ships, and engage in sea transport business Related business	100,000	100,000	10,000,000	100%	97,026	2,417	2,417	
	Reixin Asset Management Inc.	Taipei, TW	Real estate rental	(Note 2)	(Note 2)	100,000,000	100%	1,050,376	5,182	(586)	
	Lake Vernicia Development Company	Taipei, TW	Growing of crops, special crops and edible fungi	1,000	1,000	100,000	100%	247	(127)	(127)	
GALC INC.	Taipei, TW	Construction of civil and architectural construction projects	21,000	21,000	2,100,000	70%	27,684	8,377	5,864		

## Attachment 6(Con'): Names, locations and related information of investee companies as of June 30, 2023 (Not including investment in Mainland China)

Unit: In Thousands of New Taiwan Dollars/ In Thousands of Foreign Currencies

Name of Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remarks
				Balance at the end of period	End of the previous year	Number of shares / Units	Ownership	Book value			
Goldsun Building Materials Co., Ltd.	Jin Shun Maritime Ltd.	Hong Kong	Shipping	\$583,591 (USD 19,000)	\$583,591 (USD 19,000)	148,200,000	100%	\$443,704	\$582	\$582	
	Yuan Shun Maritime Ltd.	Hong Kong	Shipping	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	477,659	4,109	4,109	
	Jing Shun Maritime Ltd.	Hong Kong	Shipping	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	311,317	718	718	
	Feng Shun Maritime Ltd.	Hong Kong	Shipping	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	189,355	13,079	13,079	
	Hui Shun Maritime Ltd.	Hong Kong	Shipping	253,931 (USD 9,000)	253,931 (USD 9,000)	9,000,001	100%	227,189	(21,313)	(21,313)	
	Ease Great Investments Ltd. (Samoa)	Samoa	Investment and holding	1,473,211 (USD 31,440)	2,334,183 (USD 59,640)	31,440,000	100%	2,680,816	190,789	190,789	
	Taiwan Building Materials (Hong Kong) Limited	Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	344,149	(34)	(34)	
	Raixin Quality Products Ltd.	Taipei, TW	Upholstery and sales of furniture	81,386	66,386	4,210,512	42%	24,687	(12,012)	(4,815)	Associates
Wellpool Co., Ltd.	Gape-Goldsun Corporation	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,499	5	-	
Ease Great Investments Ltd.	Great Smart Ltd.	Cayman	Investment and holding	629,364 (USD 19,390)	629,364 (USD 19,390)	19,390,000	100%	840,520	5,068	-	
	Goldsun International Development Corp.	Cayman	Investment and holding	390,622 (USD 11,900)	1,316,300 (USD 40,100)	11,900,000	100%	1,837,888	185,744	-	

Note 1: The board of directors of Rei Shin Construction Co., Ltd. passed the capital reduction proposal on September 6, 2019, and the long-term investment equity of EASE GREAT INVESTMENTS LTD and Taipei Port Terminal Company Limited held by the company was treated as cash, returned to Goldsun Building Materials Co., Ltd. (shareholder)

Note 2: The company was established on January 1, 2020, a division of assets, liabilities and partial equities worth NT\$1,000,000 thousand of Rei Shin Construction Co., Ltd., and the corporate shareholder Goldsun Building Materials Co., Ltd. of Rei Shin Construction Co., Ltd. acquired the 100,000,000 shares newly issued by Reixin Asset Management Inc. as consideration.

## Attachment 7: Investment in China

Unit: In Thousands of New Taiwan Dollars/ In Thousands of Foreign Currencies

Investee Company	Main business activities	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2023	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of June 30, 2023	Accumulated inward remittance of earnings as of June 30, 2023
					Outflow	Inflow						
Goldsun Concrete (Suzhou) Co., Ltd.	Production and sales of ready-mixed concrete and cement products	\$402,217 (USD 11,882)	(Note 1)	\$402,217 (USD 11,882)	\$-	\$-	\$402,217 (USD 11,882)	\$1,022	100%	\$1,022	\$422,694	\$33,567
Goldsun Concrete (Changshu) Co., Ltd.	Production and sales of ready-mixed concrete and cement products	459,388 (USD 14,200)	(Note 1)	459,388 (USD 14,200)	-	459,388 (USD 14,200)	-	(962)	- (Note 5)	(962)	- (Note 5)	670,041
Goldsun Concrete (Wujiang) Co., Ltd.	Production and sales of ready-mixed concrete and cement products	197,939 (USD 5,960)	(Note 1)	197,939 (USD 5,960)	-	-	197,939 (USD 5,960)	900	100%	900	680,943	-
Goldsun (Suzhou) Building Materials Co., Ltd.	Production and sales of ready-mixed concrete and cement products	198,527 (USD 5,960)	(Note 1)	198,527 (USD 5,960)	-	-	198,527 (USD 5,960)	3,290	100%	3,290	733,133	-
Lianyuan Conch Cement Co., Ltd.	Cement production and distribution	2,383,120 (USD 74,800)	(Note 2)	376,549 (USD 10,800)	-	-	376,549 (USD 10,800)	28,777	20%	5,755	826,428	145,190
Fuzhou Sanshun Stone Material Co., Ltd.	Sandstone processing	1,016,143 (USD 33,503)	(Note 3)	453,555 (USD 14,566)	-	-	453,555 (USD 14,566)	-	19%	-	324,798 (Note 4)	-
Fujian Hengzhong Sand Stone Co., Ltd.	Sandstone processing	134,790 (RMB 30,000)	(Note 3)	24,777 (USD 810)	-	-	24,777 (USD 810)	-	19%	-	18,611 (Note 4)	-

Accumulated investment in Mainland China at end of year	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
\$2,297,195 (USD 69,700)	\$1,457,136 (USD 52,642)	\$14,301,118 (Note 6)

Note 1: The Company established Ease Great Investments Ltd. in a third region. The Company reinvested in GOLDSUN INTERNATIONAL DEVELOPMENT CORP. (through Ease Great Investments Ltd. ) and then invested in China.

Note 2: The Company established Ease Great Investments Ltd. in a third region. The Company reinvested in Great Smart Ltd. (through Ease Great Investments Ltd. ) and then invested in China.

Note 3: The Company established TAIWAN BUILDING MATERIALS (HONG KONG) LIMITED in a third region and then invested in China.

Note 4: Company recognized the investment as “ Financial assets at fair value through other comprehensive income, non-current”.

Note 5: Goldsun Concrete (Changshu) Co., Ltd. was disposed of on March 15, 2023. As of March 31, 2023, the equity transfer has been completed. As of June 30, 2023, the disposal price has been passed through EASE GREAT INVESTMENTS LTD. The amount of USD 28,200 thousand was remitted back to Taiwan through capital reduction and return of shares. The subsidiary transaction description is detailed in Note 6(26).

Note 6: Based on the new regulations issued by the Investment Commission of the Ministry of Economic Affairs (MOEA) in 1998, the ceiling amount of Investment limits on China was 60% of consolidated net worth or net worth (higher).

## Attachment 8: Information of Principal Shareholder

Unit: share

Shares/Name	Number of shares		Percentage of ownership (%)
	Ordinary Stock	Preferred stock	
Shin Lan Enterprise Inc.	81,282,341	-	6.88%
Taiwan Secom Co., Ltd.	77,705,747	-	6.58%

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter.

The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to the Market Observation Post System.

Note 3: The preparation of the table is done by calculating the distribution of the balance of each credit transactions based on the shareholder registers (not buying to cover) whose shares are suspended for transfer for the shareholder extraordinary meeting.

Note 4: Shareholding percentage (%) = The total number of shares held by the shareholder / The total number of shares that have been delivered without physical registration.

Note 5: The total number of shares (including treasury shares) that have been delivered without physical registration is 1,180,000,000 shares = 1,180,000,000 shares (ordinary shares) + 0 shares (preferred shares).