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GOLDSUN BUILDING MATERIALS CO., LTD. and Subsidiaries
Consolidated Financial Statements for the Nine Months Ended September 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 September 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the periods from July 1 to September 30, 2023 and 2022, January 1 to September 30, 2023 and 2022, and the consolidated statements of changes in equity and cash flows for the periods from January 1 to September 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 September 30, 2023 and 2022 were NT\$13,486,829 thousand and NT\$11,996,064 thousand, accounting for 35% and 33% of the total consolidated assets, respectively; the total amounts of their liabilities were NT\$2,586,005 thousand and NT\$1,600,102 thousand, accounting for 18% and 12% of the total consolidated liabilities, respectively; the total amounts of comprehensive income from July 1 to September 30, 2023 and 2022 and from January 1 to September 30, 2023 and 2022 were NT\$131,887 thousand

and NT\$154,609 thousand and NT\$430,535 thousand and NT\$383,899 thousand, accounting for 18% and 19% and 16% and 10% 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 September 30, 2023 and 2022 was NT\$866,034 thousand and NT\$868,534 thousand, respectively. The share of the profit or loss of associates and joint ventures using the equity method for the periods from July 1 to September 30, 2023 and 2022 and then January 1 to September 30, 2023 and 2022 was NT\$(11,504) thousand and NT\$2,163 thousand and NT\$(10,564) thousand and NT\$7,196 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 September 30, 2023 and 2022, and its consolidated financial performance for the three-month and nine-month periods ended September 30, 2023 and 2022 and its consolidated cash flows for the nine-month periods ended September 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

November 10, 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
September 30, 2023, December 31, 2022 and September 30, 2022
(Consolidated balance sheets as of September 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		September 30, 2023		December 31, 2022		September 30, 2022		Financial liabilities and equity		September 30, 2023		December 31, 2022		September 30, 2022	
Code	Account	Notes	Amount	%	Amount	%	Amount	%	Code	Account	Notes	Amount	%	Amount	%
1100	Current assets									2100	Current liabilities				
	Cash and cash equivalents	4 and 6	\$1,865,733	5	\$2,106,579	5	\$2,032,673	6	2100	Short-term loans	4,6 and 8	\$2,615,000	7	\$2,645,000	7
1120	Financial assets at fair value through other comprehensive income - Current	4,6 and 8	663,775	2	666,402	2	669,162	2	2110	Short-term notes payable	6 and 8	299,929	1	-	-
1136	Financial assets at amortized cost - Current	4,6 and 8	157,155	-	164,675	-	191,154	1	2150	Notes payable		502,722	1	733,433	2
1150	Notes receivable, net	4, 5 and 6	1,169,820	3	1,416,809	5	1,299,107	4	2170	Accounts payable		1,445,254	4	1,934,329	5
1160	Notes receivable - Net from related parties	4,5,6 and 7	75	-	-	-	75	-	2180	Accounts payable - Related parties	7	97,577	-	106,268	-
1170	Accounts receivable, net	4, 5 and 6	5,932,557	15	6,443,088	16	5,319,535	14	2200	Other payables	6	1,205,689	3	1,687,070	4
1180	Accounts payable - Net from related parties	4,5,6 and 7	6,385	-	13,006	-	7,642	-	2220	Other payables - Related parties	7	23,533	-	26,811	-
1200	Other receivables		37,419	-	489,203	1	81,437	-	2230	Tax liability	4 and 5	652,113	2	704,889	2
1210	Other receivables - Related parties	7	22,414	-	21,219	-	22,674	-	2280	Lease liabilities - Current	4 and 6	74,991	-	110,591	-
1220	Current tax assets	4 and 6	15,052	-	879	-	1,358	-	2300	Other current liabilities		119,042	-	144,745	-
13xx	Inventories	4,6 and 8	994,827	3	843,867	2	854,563	2	2310	Advanced receipts	6	37,575	-	52,660	-
1410	Prepayments		456,216	1	489,665	1	466,353	1	2322	Current portion of long-term loans	4,6 and 8	738,000	2	920,750	3
1470	Other current assets		3,036	-	2,342	-	7,852	-	21xx	Total current liabilities		7,811,425	20	9,066,546	23
11xx	Total current assets		11,324,464	29	12,657,734	32	10,953,585	30							
	Non-current assets								2540	Non-current liabilities					
	Financial assets at fair value through other comprehensive income - Non-current	4, 5, 6 and 8	1,309,963	4	1,234,408	3	1,386,147	4	2550	Long-term loans	4,6 and 8	4,958,500	13	3,766,551	10
1517	Financial assets measured at amortized cost - Non-current	4,6 and 8	74,550	-	73,733	-	76,313	-	2550	Provisions - Non-current	4 and 6	11,497	-	11,497	-
1535	Investment accounted for under the equity method	4, 5 and 6	866,034	2	860,569	2	868,534	2	2570	Deferred tax liabilities	4 and 5	510,110	1	510,594	1
1600	Property, plant and equipment	4, 6, 7 and 8	13,473,850	35	12,242,233	32	11,006,481	30	2580	Lease liabilities - Non-current	4 and 6	667,136	2	437,533	1
1755	Right-of-use assets	4,5,6	776,339	2	615,220	2	624,320	2	2640	Net defined benefit liabilities - Non-current	4 and 5	84,922	-	116,489	-
1760	Investment property, net	4, 5, 6 and 8	5,463,747	14	5,492,361	14	5,503,164	15	2611	Long-term notes payable	4,6 and 8	-	-	599,865	2
1780	Intangible assets	4,6 and 8	3,601,640	9	3,680,866	10	3,707,964	10	2645	Guarantee deposits	7	38,992	-	43,117	-
1840	Deferred tax assets	4, 5	742,690	2	735,670	2	790,858	2	2670	Other non-current liabilities, others		28,505	-	1,835	-
1915	Prepayment for equipment		138,853	1	59,819	-	93,422	2		Total non-current liabilities		6,299,662	16	5,487,481	14
1920	Refundable deposits	8	53,646	-	51,047	-	42,407	-	2xxx	Total liabilities		14,111,087	36	14,554,027	37
1932	Long-term receivable	4, 5 and 6	869,591	2	1,245,160	3	1,721,484	5		Equity attributable to the parent	4 and 6				
1990	Other assets, non-current		1,864	-	2,263	-	2,330	-	3100	Capital					
15xx	Total non-current assets		27,372,767	71	26,293,349	68	25,823,424	70	3110	Common stock		11,800,000	31	11,800,000	30
									3200	Capital surplus		1,195,956	3	1,189,725	3
									3300	Retained earnings					
									3310	Legal reserve		2,640,765	7	2,228,195	6
									3320	Special reserve		1,874,430	5	1,874,430	5
									3350	Unappropriated earnings		5,857,296	15	6,281,390	16
									3400	Others		116,694	-	(103,470)	-
									3500	Treasury stock		(4,789)	-	(4,789)	-
									31xx	Total equity attributable to the parent company		23,480,352	61	23,265,481	60
									36xx	Non-controlling interests	6	1,105,792	3	1,131,575	3
									3xxx	Total equity		24,586,144	64	24,397,056	63
1xxx	Total Assets		\$38,697,231	100	\$38,951,083	100	\$36,777,009	100		Total Liabilities and Equity		\$38,697,231	100	\$38,951,083	100

(See notes to consolidated financial statements)

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

(In Thousands of New Taiwan Dollars)

Item	Notes	July 1 to September 30, 2023		July 1 to September 30, 2022		January 1 to September 30, 2023		January 1 to September 30, 2022	
		Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue	4,5,6 and 7	\$5,135,102	100	\$5,402,532	100	\$15,352,738	100	\$15,509,144	100
Operating costs	6 and 7	(3,922,232)	(76)	(4,284,780)	(79)	(11,784,472)	(77)	(12,406,507)	(80)
Gross profit		1,212,870	24	1,117,752	21	3,568,266	23	3,102,637	20
Operating expenses	4,5,6 and 7								
Sales and marketing expenses		(43,188)	(1)	(55,588)	(1)	(127,629)	(1)	(130,758)	(1)
General and administrative expenses		(170,960)	(3)	(160,565)	(3)	(521,504)	(3)	(542,927)	(4)
R&D expense		(7,783)	-	(7,118)	-	(21,498)	-	(10,385)	-
Expected credit losses		(2,960)	-	(1,797)	-	(4,941)	-	(28,953)	-
Subtotal		(224,891)	(4)	(225,068)	(4)	(675,572)	(4)	(713,023)	(5)
Operating profit		987,979	20	892,684	17	2,892,694	19	2,389,614	15
Non-operating income and expenses	4, 6 and 7								
Interest income		4,790	-	2,052	-	18,430	-	7,991	-
Other income		34,698	1	35,676	1	119,878	1	113,675	1
Other benefits and losses		(20,331)	-	(17,901)	(1)	146,261	1	1,748,299	11
Financial cost		(32,620)	(2)	(28,148)	(1)	(91,411)	(1)	(61,237)	-
Share of profit or loss of associates and joint ventures		(11,504)	-	2,163	-	(10,564)	-	7,196	-
Subtotal		(24,967)	(1)	(6,158)	(1)	182,594	1	1,815,924	12
Income before income tax		963,012	19	886,526	16	3,075,288	20	4,205,538	27
Income tax (expense) benefit	4, 5 and 6	(198,791)	(4)	(190,363)	(3)	(654,708)	(4)	(668,289)	(4)
Net income		764,221	15	696,163	13	2,420,580	16	3,537,249	23
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		(164,401)	(3)	(60,275)	(1)	43,429	-	(225,985)	(1)
Items that may be reclassified subsequently to profit or loss									
Exchange differences on translation of foreign operations		152,078	3	165,356	3	176,135	1	353,516	2
Total other comprehensive(lost)income, net of tax		(12,323)	-	105,081	2	219,564	1	127,531	1
Total comprehensive income		\$751,898	15	\$801,244	15	\$2,640,144	17	\$3,664,780	24
Net income attributable to:									
Shareholders of the parent		\$746,494		\$670,007		\$2,348,723		\$3,456,451	
Non-controlling interests		17,727		26,156		71,857		80,798	
		\$764,221		\$696,163		\$2,420,580		\$3,537,249	
Comprehensive income attributable to:									
Shareholders of the parent		\$734,171		\$775,088		\$2,568,287		\$3,583,982	
Non-controlling interests		17,727		26,156		71,857		80,798	
		\$751,898		\$801,244		\$2,640,144		\$3,664,780	
Earnings per share (NT\$)	6								
Basic earnings per share		\$0.64		\$0.57		\$2.00		\$2.94	
Diluted earnings per share		\$0.63		\$0.57		\$1.99		\$2.92	

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
January 1 to September 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	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	-	297	-	-	-	-	-	-	297	658	955	
Net income for the nine-months ended September 30, 2022	-	-	-	-	3,456,451	-	-	-	3,456,451	80,798	3,537,249	
Other comprehensive income for the nine-months ended September 30, 2022	-	-	-	-	-	353,516	(225,985)	-	127,531	-	127,531	
Total comprehensive income for the nine-months ended September 30, 2022	-	-	-	-	3,456,451	353,516	(225,985)	-	3,583,982	80,798	3,664,780	
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	-	-	-	-	-	-	-	-	-	(88,792)	(88,792)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(8,643)	-	8,643	-	-	-	-	
Balance as of September 30, 2022	\$11,800,000	\$1,189,752	\$2,228,195	\$1,874,430	\$5,603,502	\$(280,112)	\$445,427	\$(4,789)	\$22,856,405	\$1,107,994	\$23,964,399	
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	-	(66)	-	-	-	-	-	-	(66)	(58)	(124)	
Net income for the nine-months ended September 30, 2023	-	-	-	-	2,348,723	-	-	-	2,348,723	71,857	2,420,580	
Other comprehensive income for the nine-months ended September 30, 2023	-	-	-	-	-	169,105	50,459	-	219,564	-	219,564	
Total comprehensive income for the nine-months ended September 30, 2023	-	-	-	-	2,348,723	169,105	50,459	-	2,568,287	71,857	2,640,144	
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	-	65	-	-	-	-	-	-	65	(3,425)	(3,360)	
Non-controlling interests	-	-	-	-	-	-	-	-	-	(94,157)	(94,157)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(247)	-	600	-	353	-	353	
Balance as of September 30, 2023	\$11,800,000	\$1,195,956	\$2,640,765	\$1,874,430	\$5,857,296	\$(238,598)	\$355,292	\$(4,789)	\$23,480,352	\$1,105,792	\$24,586,144	

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
January 1 to September 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	January 1 to	Description	January 1 to	January 1 to
	September 30, 2023	September 30, 2022		September 30, 2023	September 30, 2022
	Amount	Amount		Amount	Amount
Cash flows from operating activities:			Cash flows from investing activities:		
Profit before tax from continuing operations	\$3,075,288	\$4,205,538	Proceeds from disposal of financial assets at fair value through other comprehensive income	6,800	-
Net income before tax			Acquisition of financial assets at fair value through other comprehensive income	(16,183)	(21,728)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Increase in financial assets at amortized cost - Current	7,520	(30,882)
Depreciation	429,252	386,008	Financial assets measured at amortized cost - Increase in non-current	(817)	(50,715)
Amortization	82,000	82,964	Acquisition of investments accounted for under the equity method	(15,000)	-
Syndicated loan amortization	304	304	Amount of derecognition of cash and cash equivalents from disposal of subsidiary	698,141	-
Expected credit losses	4,941	28,953	Proceeds from disposal of property, plant and equipment	10,279	125,334
Interest expense	91,411	61,237	Acquisition of property, plant and equipment	(1,564,929)	(1,397,321)
Interest income	(18,430)	(7,991)	Disposal of non-current assets held for sale	-	2,316,496
Dividend income	(65,758)	(75,238)	Disposal of investment property	1,051	50
Gain on disposal of associate	(211,328)	-	Acquisition of investment property	(269)	(2,093,586)
Share of gain of associates and joint ventures	10,564	(7,196)	Proceeds from disposal of intangible assets	-	92
(Gain) loss on disposal of property, plant and equipment	(4,798)	(59,374)	Acquisition of intangible assets	(93)	(2,788)
Loss on disposal of investment property	(1,036)	261	Increase in prepayment for equipment	(86,644)	(47,566)
Gain on disposal of non-current assets held for sale	-	(1,743,181)	Increase in refundable deposits	(2,599)	(4,215)
Losses on real estate investment impairments	-	14,560	Decrease in other non-current assets	400	25
Gain loss on lease modification	(94)	(1,885)	Dividends received	65,758	33,163
Changes in operating assets and liabilities:			Net cash used in investing activities	<u>(896,585)</u>	<u>(1,173,641)</u>
Notes receivable	246,652	358,104	Cash flows from financing activities:		
Notes receivable - Related parties	(75)	(75)	Increase (Decrease) in short-term loans	(30,000)	2,672,000
Accounts receivables	208,653	70,377	Increase in short-term notes payable	299,929	-
Accounts receivable-- Related parties	6,621	19,879	Increase in long-term loans	3,444,145	1,200,000
Other receivables	384,435	20,191	Decrease in long-term loans	(2,435,250)	(1,551,000)
Other receivables - Related parties	(1,195)	225	(Decrease) Increase in long-term notes payable	(599,865)	(1,268,898)
Inventories	(152,928)	(200,807)	Decrease in guarantee deposit	(4,125)	(11,699)
Prepayments	34,991	130,873	Cash payments for the principal portion of the lease liability	(92,203)	(105,774)
Other current assets	(693)	(7,374)	Cash dividends paid	(2,360,000)	(2,124,000)
Long-term receivable	376,882	700,311	Donated surplus	(124)	621
Notes payable	(230,711)	(609,107)	Changes in non-controlling interests	(3,360)	-
Accounts payable	(489,075)	(623,107)	Net cash used in financing activities	<u>(1,780,853)</u>	<u>(1,188,750)</u>
Accounts payable - Related parties	(8,691)	(91,964)			
Other payables	(565,194)	(102,021)			
Other payables - Related parties	(3,278)	(5,354)			
Other current liabilities	(25,703)	59,323			
Advanced receipts	(15,085)	19,555			
Net defined benefit liabilities - Non-current	(31,567)	(39,064)			
Other operating liabilities	26,670	-			
Cash inflow generated from operations	<u>3,153,025</u>	<u>2,584,925</u>	Effect of exchange rate changes on cash and cash equivalents	78,939	90,994
Interest received	18,412	7,985	Decrease in cash and cash equivalents for the period	(240,846)	(485,488)
Interest paid	(86,830)	(55,071)	Cash and cash equivalents at beginning of year	2,106,579	2,518,161
Income tax paid	(726,954)	(751,930)	Cash and cash equivalents at end of year	<u>\$1,865,733</u>	<u>\$2,032,673</u>
Net cash provided by operating activities	<u>2,357,653</u>	<u>1,785,909</u>			

(See notes to consolidated financial statements)

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 For the Nine-Month Periods Ended September 30, 2023 and 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 September 30, 2023 and 2022 were authorized for issue by the Board of Directors’ meeting on November 10, 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 issued by International Accounting Standards Board (“IASB”) which are endorsed by FSC, but not yet adopted by the Company are listed below:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date issued by IASB</u>
Amendments to IAS 1 “Presentation of Financial Statements” - Classification of Liabilities as Current or Non-current	January 1, 2024
Amendments to IFRS 16 “Leases” - Lease Liability in a Sale and Leaseback	January 1, 2024
Amendments to IAS 1 “Presentation of Financial Statements” - Non-current Liabilities with Covenants	January 1, 2024
Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures” - Supplier Finance Arrangements	January 1, 2024

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

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

A. 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.

B. 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.

C. 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.

D. 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.

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after 1 January 2024. The standards and interpretations have no material impact on The Group.

(3) Standards issued by IASB but not yet endorsed by FSC (the effective dates are to be determined by FSC) are listed below:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date issued by IASB</u>
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

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 “Insurance Contracts”	January 1, 2023
Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” - Lack of Exchangeability	January 1, 2025

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.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 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.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

C. Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” - Lack of Exchangeability

These amendments specify whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The amendments apply for annual reporting periods beginning on or after 1 January 2025.

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 September 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:

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

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

- 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:

- 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.

**GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
CONSOLIDATED FINANCIAL STATEMENTS (Continued)**
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

The consolidated entities are listed as follows:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2023.9.30	2022.12.31	2022.9.30
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%
The Company	Goldsun Nihon Cement Co., Ltd.	Sales of imported cement	60%	59%	59%
The Company	Ease Great Investments Ltd.	Investment holding	(Note 1) 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 and 90,000 shares on April 24 and July 24, 2023, the shareholding ratio increased to 60%. The transaction is detailed in Note 6 (26).

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

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

Note 2: The Company determined that even if its 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.

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 September 30, 2023 and 2022 were NT\$13,486,829 thousand and NT\$11,996,064 thousand, respectively; the total amounts of their liabilities were NT\$2,586,005 thousand and NT\$1,600,102 thousand, respectively; the amounts of comprehensive income from July 1 to September 30, 2023 and 2022 were NT\$ 131,887 thousand and NT\$154,609 thousand, respectively; the total amounts of comprehensive income from January 1 to September 30, 2023 and 2022 were NT\$430,535 thousand and NT\$383,899 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. According to the temporary exception in the International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12), deferred tax assets and liabilities related to Pillar Two income tax will not be recognized nor disclosed.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

C. 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.

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 September 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

	2023.9.30	2022.12.31	2022.9.30
Cash on hand and petty cash	\$5,575	\$5,657	\$5,522
Checking accounts and demand deposits	1,293,260	1,614,480	1,588,824
Time deposits	524,929	486,442	438,327
Cash equivalents (Note)	41,969	-	-
Total	<u>\$1,865,733</u>	<u>\$2,106,579</u>	<u>\$2,032,673</u>

Note: These are short-term coupons with original expiration dates within three months.

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

	2023.9.30	2022.12.31	2022.9.30
Equity instrument investments measured at fair value through other comprehensive income:			
Listed companies' stocks	\$1,523,500	\$1,460,684	\$1,471,377
Unlisted companies' stocks	450,238	440,126	583,932
Total	<u>\$1,973,738</u>	<u>\$1,900,810</u>	<u>\$2,055,309</u>

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

Current	\$663,775	\$666,402	\$669,162
Non-current	1,309,963	1,234,408	1,386,147
Total	<u>\$1,973,738</u>	<u>\$1,900,810</u>	<u>\$2,055,309</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 July 1 to September 30, 2023 and 2022 and January 1 to September 30, 2023 and 2022 are as follows:

	<u>2023.7.1~ 2023.9.30</u>	<u>2022.7.1~ 2022.9.30</u>	<u>2023.1.1~ 2023.9.30</u>	<u>2022.1.1~ 2022.9.30</u>
The fair value of the investments at the date of derecognition	\$6,800	\$-	\$6,800	\$-
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	(600)	-	(247)	(8,643)

(3) Financial assets measured at amortized cost

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Time deposits	\$164,455	\$171,975	\$201,345
Restricted cash - demand deposits	67,250	66,433	66,122
Total	<u>\$231,705</u>	<u>\$238,408</u>	<u>\$267,467</u>
Current	\$157,155	\$164,675	\$191,154
Non-current	74,550	73,733	76,313
Total	<u>\$231,705</u>	<u>\$238,408</u>	<u>\$267,467</u>

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

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

(4) Notes receivable

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Notes receivables - Arising from operating activities	\$1,171,002	\$1,417,653	\$1,299,999
Less: loss allowance	(1,182)	(844)	(892)
Subtotal	<u>1,169,820</u>	<u>1,416,809</u>	<u>1,299,107</u>
Notes receivable - Related parties	75	-	75
Less: loss allowance	-	-	-
Subtotal	<u>75</u>	<u>-</u>	<u>75</u>
Total	<u><u>\$1,169,895</u></u>	<u><u>\$1,416,809</u></u>	<u><u>\$1,299,182</u></u>

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.

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

Accounts receivable and accounts receivable - Related parties

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Accounts receivable	\$6,045,726	\$6,554,197	\$5,431,924
Less: Loss allowance	(113,169)	(111,109)	(112,389)
Subtotal	<u>5,932,557</u>	<u>6,443,088</u>	<u>5,319,535</u>
Accounts receivable - Related parties	6,385	13,006	7,642
Less: Loss allowance	-	-	-
Subtotal	<u>6,385</u>	<u>13,006</u>	<u>7,642</u>
Total	<u><u>\$5,938,942</u></u>	<u><u>\$6,456,094</u></u>	<u><u>\$5,327,177</u></u>

Long-term receivable

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Construction retainage receivable	\$625,209	\$1,040,088	\$1,514,040
Overdue receivables	327,218	289,221	288,772
Subtotal	<u>952,427</u>	<u>1,329,309</u>	<u>1,802,812</u>
Less: Loss allowance	(82,836)	(84,149)	(81,328)
Total	<u><u>\$869,591</u></u>	<u><u>\$1,245,160</u></u>	<u><u>\$1,721,484</u></u>

Accounts receivable and long - term receivable were not pledged.

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

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

Accounts receivable are generally on 30-120 day terms. The total carrying amount as of September 30, 2023, December 31, 2022 and September 30, 2022 were NT\$7,004,538 thousand, NT\$7,896,512 thousand and NT\$7,242,378 thousand, respectively. Please refer to Note 6 (19) for more details on loss allowance of accounts receivable for the periods from January 1 to September 30, 2023 and 2022. Please refer to Note 12 for more details on credit risk management.

(6) Inventories

	2023.9.30	2022.12.31	2022.9.30
Raw materials	\$583,467	\$450,236	\$487,848
Building for sale	79,872	79,872	79,872
Land of construction	210,367	210,368	210,367
Work in process	19,502	32,602	33,185
Finished goods	101,443	70,789	43,291
Merchandise	176	-	-
Total	<u>\$994,827</u>	<u>\$843,867</u>	<u>\$854,563</u>

For the three-month periods ended September 30, 2023 and 2022, the Company recognized NT\$3,080,430 thousand and NT\$3,370,838 thousand, respectively, in operating costs, of which NT\$603 thousand was related to reversal of write-down of inventories and NT\$858 thousand was related to reversal of write-down of inventories.

For the nine-month periods ended September 30, 2023 and 2022, the Company recognized NT\$9,236,346 thousand and NT\$9,901,591 thousand, respectively, in operating costs, of which NT\$695 thousand was related to reversal of write-down of inventories and NT\$522 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 September 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	2023.9.30		2022.12.31		2022.9.30	
	Amount	Ownership	Amount	Ownership	Amount	Ownership
Investments in associates:						
Lianyuan Conch Cement Company Limited	\$844,214	20%	\$844,831	20%	\$850,858	20%
Raixin Quality Products Ltd.	21,820	42%	15,738	39%	17,676	39%
Total	<u>\$866,034</u>		<u>\$860,569</u>		<u>\$868,534</u>	

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

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

The Group's investments listed above are not individually material. The aggregate carrying amount of the Group's investments in associates is NT\$866,034 thousand, NT\$860,569 thousand and NT\$868,534 thousand as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively. The aggregate financial information is shown as follows:

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Profit or loss from continuing operations	\$(11,504)	\$2,163	\$(10,564)	\$7,196
Other comprehensive income or loss of the period (net after taxes)	-	-	-	-
Total comprehensive income	\$(11,504)	\$2,163	\$(10,564)	\$7,196

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 September 30, 2023, December 31, 2022, and September 30, 2022, nor did they have any guarantees.

(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	35,588	39,330	100,339	1,207	88,387	5,398	1,250,154	44,526	1,564,929
Disposals	-	(3,706)	(96,048)	(2,408)	(54,233)	(4,314)	-	(8,141)	(168,850)
Disposal of subsidiary	-	(142,964)	(114,553)	(1,418)	(603)	-	-	(2,970)	(262,508)
Transfers	-	3,375	33,379	-	-	741	(34,656)	-	2,839
Exchange effect	-	2,383	3,316	44	68,214	-	-	50	74,007
Other	-	2,058	-	-	-	-	-	-	2,058
2023.9.30	\$5,409,530	\$1,851,085	\$2,880,937	\$24,427	\$2,704,010	\$164,727	\$4,736,743	\$262,944	\$18,034,403
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	8,949	13,971	92,539	3,091	784,039	13,739	434,871	46,122	1,397,321
Disposals	(1,909)	(83,860)	(136,997)	(1,030)	(285,800)	(3,135)	-	(9,649)	(522,380)
Transfers	(55,036)	(19,331)	16,276	-	600	5,007	(19,767)	95	(72,156)
Exchange effect	-	12,178	12,385	536	202,409	-	-	206	227,714
2022.9.30	\$5,373,942	\$1,953,751	\$2,941,057	\$26,811	\$3,076,317	\$161,983	\$1,824,520	\$231,376	\$15,589,757
Depreciation:									
2023.1.1	\$-	\$1,036,286	\$2,153,789	\$18,525	\$873,971	\$126,972	\$-	\$153,240	\$4,362,783
Depreciation	-	53,035	110,803	1,762	114,011	7,512	-	15,865	302,988
Disposals	-	(3,536)	(94,824)	(1,971)	(51,577)	(3,320)	-	(8,141)	(163,369)
Disposal of subsidiary	-	(89,832)	(81,103)	(928)	(530)	-	-	(1,617)	(174,010)
Exchange effect	-	1,419	1,860	33	11,899	-	-	38	15,249
2023.9.30	\$-	\$997,372	\$2,090,525	\$17,421	\$947,774	\$131,164	\$-	\$159,385	\$4,343,641
2022.1.1	\$-	\$1,042,777	\$2,190,232	\$17,727	\$943,445	\$123,274	\$-	\$148,194	\$4,465,649
Depreciation	-	57,814	94,841	1,530	108,151	5,617	-	10,110	278,063
Disposals	-	(83,767)	(136,243)	(902)	(193,745)	(3,135)	-	(9,378)	(427,170)
Exchange effect	-	6,933	7,539	371	34,920	-	-	59	49,822
2022.9.30	\$-	\$1,023,757	\$2,156,369	\$18,726	\$892,771	\$125,756	\$-	\$148,985	\$4,366,364

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	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Lease Improvements	Unfinished construction and equipment under acceptance	Other equipment	Total
Impairment:									
2023.1.1	\$215,335	\$322	\$987	\$-	\$-	\$-	\$-	\$268	\$216,912
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	-	-	-	-	-
2023.9.30	<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	-	-	-	-	(29,250)	-	-	-	(29,250)
Exchange effect	-	-	-	-	1,570	-	-	-	1,570
2022.9.30	<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:									
2023.9.30	<u>\$5,194,195</u>	<u>\$853,391</u>	<u>\$789,425</u>	<u>\$7,006</u>	<u>\$1,756,236</u>	<u>\$33,563</u>	<u>\$4,736,743</u>	<u>\$103,291</u>	<u>\$13,473,850</u>
2022.12.31	<u>\$5,158,607</u>	<u>\$914,001</u>	<u>\$799,728</u>	<u>\$8,477</u>	<u>\$1,728,274</u>	<u>\$35,930</u>	<u>\$3,521,245</u>	<u>\$75,971</u>	<u>\$12,242,233</u>
2022.9.30	<u>\$5,158,607</u>	<u>\$929,672</u>	<u>\$783,701</u>	<u>\$8,085</u>	<u>\$2,183,546</u>	<u>\$36,227</u>	<u>\$1,824,520</u>	<u>\$82,123</u>	<u>\$11,006,481</u>

The Group's expenditures incurred during the construction of the "Nangang Development Project" were accounted for unfinished construction. The total amount as of September 30, 2023, December 31, 2022, and September 30, 2022 were NT\$ 3,818,176 thousand, NT\$ 2,827,413 thousand, and NT\$1,280,880 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 September 30, 2023, December 31, 2022 and September 30, 2022 were NT\$ 174,813 thousand, NT\$ 153,641 thousand, and NT\$144,810 thousand, respectively.

The capitalized amount of interest on unfinished construction were NT\$30,745 thousand, and NT\$0 thousand, from January 1 to September 30, 2023 and 2022 respectively. The relevant loan cost capitalization interest rate ranges were 1.59%~2.45% and 0% from January 1 to September 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.

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(9) Investment property

	Land	Buildings	Total	
Cost:				
2023.1.1	\$4,923,560	\$1,154,775	\$6,078,335	
Addition - From acquisitions	-	269	269	
Disposals	(15)	-	(15)	
Transferred from property, plant and equipment	-	32	32	
2023.9.30	<u>\$4,923,545</u>	<u>\$1,155,076</u>	<u>\$6,078,621</u>	
2022.1.1	\$2,757,845	\$1,142,561	\$3,900,406	
Addition - From acquisitions	2,091,608	1,978	2,093,586	
Disposals	-	(2,050)	(2,050)	
Transferred from property, plant and equipment	69,101	12,285	81,386	
2022.9.30	<u>\$4,918,554</u>	<u>\$1,154,774</u>	<u>\$6,073,328</u>	
Depreciation:				
2023.1.1	\$-	\$553,000	\$553,000	
Depreciation	-	28,900	28,900	
2023.9.30	<u>\$-</u>	<u>\$581,900</u>	<u>\$581,900</u>	
2022.1.1	\$-	\$515,119	\$515,119	
Depreciation	-	29,270	29,270	
Disposals	-	(1,739)	(1,739)	
2022.9.30	<u>\$-</u>	<u>\$542,650</u>	<u>\$542,650</u>	
Impairment:				
2023.1.1	\$-	\$32,974	\$32,974	
Impairment	-	-	-	
Transfers	-	-	-	
2023.9.30	<u>\$-</u>	<u>\$32,974</u>	<u>\$32,974</u>	
2022.1.1	\$-	\$12,954	\$12,954	
Impairment	-	14,560	14,560	
Transfers	-	-	-	
2022.9.30	<u>\$-</u>	<u>\$27,514</u>	<u>\$27,514</u>	
Net carrying amount as of:				
2023.9.30	<u>\$4,923,545</u>	<u>\$540,202</u>	<u>\$5,463,747</u>	
2022.12.31	<u>\$4,923,560</u>	<u>\$568,801</u>	<u>\$5,492,361</u>	
2022.9.30	<u>\$4,918,554</u>	<u>\$584,610</u>	<u>\$5,503,164</u>	
	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Rental income from investment property	\$13,986	\$34,852	\$45,623	\$107,802
Less: Direct operating expense generated from rental income of investment property	(2,353)	(12,422)	(12,437)	(48,362)
Total	<u>\$11,633</u>	<u>\$22,430</u>	<u>\$33,186</u>	<u>\$59,440</u>

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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 September 30, 2023, December 31, 2022 and September 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.

(10)Intangible assets

	Concession	Computer software	Total
Cost:			
2023.1.1	\$4,293,685	\$57,148	\$4,350,833
Addition - Acquired separately	-	93	93
Transfers	-	2,681	2,681
Exchange effect	-	2	2
2023.9.30	<u>\$4,293,685</u>	<u>\$59,924</u>	<u>\$4,353,609</u>
2022.1.1	\$4,293,683	\$53,133	\$4,346,816
Addition - Acquired separately	-	2,788	2,788
Disposals	-	(175)	(175)
Transfers	-	1,211	1,211
Exchange effect	-	29	29
2022.9.30	<u>\$4,293,683</u>	<u>\$56,986</u>	<u>\$4,350,669</u>
Amortization:			
2023.1.1	\$624,103	\$45,864	\$669,967
Amortization	76,773	5,227	82,000
Exchange effect	-	2	2
2023.9.30	<u>\$700,876</u>	<u>\$51,093</u>	<u>\$751,969</u>

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	Concession	Computer software	Total
2022.1.1	\$521,257	\$38,538	\$559,795
Amortization	77,132	5,832	82,964
Disposals	-	(83)	(83)
Exchange effect	-	29	29
2022.9.30	<u>\$598,389</u>	<u>\$44,316</u>	<u>\$642,705</u>
Net carrying amount as of:			
2023.9.30	<u>\$3,952,809</u>	<u>\$8,831</u>	<u>\$3,601,640</u>
2022.12.31	<u>\$3,669,582</u>	<u>\$11,284</u>	<u>\$3,680,866</u>
2022.9.30	<u>\$3,695,294</u>	<u>\$12,670</u>	<u>\$3,707,964</u>

Recognized as amortized amount of intangible assets are as follows.

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Operating costs	<u>\$25,910</u>	<u>\$25,979</u>	<u>\$77,673</u>	<u>\$78,013</u>
Operating expenses	<u>\$1,527</u>	<u>\$1,452</u>	<u>\$4,327</u>	<u>\$4,951</u>

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

(11) Short-term loans

	2023.9.30	2022.12.31	2022.9.30
Unsecured bank loans	<u>\$715,000</u>	<u>\$973,000</u>	<u>\$1,337,000</u>
Secured bank loans	<u>1,900,000</u>	<u>1,672,000</u>	<u>2,235,000</u>
Total	<u>\$2,615,000</u>	<u>\$2,645,000</u>	<u>\$3,572,000</u>
Range of interest rate			
Unsecured bank loans	1.75~1.99%	1.48~1.52%	1.12%~1.56%
Secured bank loans	1.675~1.75%	1.48~2%	1.15%~1.51%

As of September 30, 2023, December 31, 2022 and September 30, 2022, the Group's quota of unused borrowing (including short-term and long-term borrowing) is approximately NT\$12,931,415 thousand, NT\$11,726,500 thousand and NT\$10,428,000 thousand, respectively.

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

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(12) Short-term notes payable

	2023.9.30	2022.12.31	2022.9.30
Guaranteed by financial institutions	\$300,000	\$-	\$-
Less: Unamortized discount	(71)	-	-
Net amount	<u>\$299,929</u>	<u>\$-</u>	<u>\$-</u>
Range of interest rate	1.5~1.58%	-	-

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 September 30, 2023, December 31, 2022 and September 30, 2022 are as follows:

Lenders	2023.9.30	Maturity date and terms of repayment
<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 July 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	2,000,000	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.
<u>Unsecured long-term loan</u>		
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 years. The principal shall be repaid monthly after the Grace Period.
Chang Hwa Commercial Bank	49,000	Effective August 28, 2023(the grant day). The grace period is three years. The principal shall be repaid monthly after the Grace Period.
Bank of East Asia (Note2)	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.

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<u>Lenders</u>	<u>2023.9.30</u>	<u>Maturity date and terms of repayment</u>
Hua Nan Commercial Bank	276,690	Effective January 30, 2023(the grant day). The grace period is three years. The principal shall be repaid monthly after the Grace Period.
Land Bank of Taiwan	65,526	Effective April 30, 2023(the grant day). The grace period is three years. The principal shall be repaid monthly after the Grace Period.
Land Bank of Taiwan	38,929	Effective August 28, 2023(the grant day). The grace period is three years. The principal shall be repaid monthly after the Grace Period.
Mega Bank	400,000	Effective July 21, 2023 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on July 21, 2025.
Total	<u>5,700,145</u>	
Less: Organization cost	<u>(3,645)</u>	
	5,696,500	
Current portion	<u>(738,000)</u>	
Non-current portion	<u>\$4,958,500</u>	
Range of interest rate	<u>1.3%~2.843%</u>	

<u>Creditors</u>	<u>2022.12.31</u>	<u>Maturity date and terms of repayment</u>
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,675,000	The principal is repaid every half a year starting October 11, 2022. Instalments are made between October 11, 2022 and July 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 July 16, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on July 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.

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Creditors	2022.12.31	Maturity date and terms of repayment
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	4,691,250	
Less: Organization cost	(3,949)	
	4,687,301	
Current portion	(920,750)	
Non-current portion	\$3,766,551	
Range of interest rate	1.545%~2.2%	

Creditors	2022.9.30	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 July 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.
Bank of Taiwan	700,000	Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$35 million each, 5th to 8th payments will be NT\$70 million each and 9th to 10th payments will be NT\$140 million each; interest paid every month.
KGI Bank	220,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term

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Unsecured long-term

loan

KGI Bank	280,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term.
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	3,153,000	
Less: Organization cost	(4,050)	
	3,148,950	
Current portion	(297,750)	
Non-current portion	\$2,851,200	
Interest rates	1.42%~1.984%	

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.

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.

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- 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 September 30, 2023, December 31, 2022 and September 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

	2023.9.30	2022.12.31	2022.9.30
Long-term notes payable	\$-	\$600,000	\$528,500
Less: Unamortised discount	-	(135)	(538)
Total	-	\$599,865	\$527,962
Interest rates	-	1.34%	1.208%

The long-term notes and bills payable are a commercial promissory note signed on July 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 July 1 to September 30, 2023 and 2022, the expenses recognized for the defined-contribution plan were NT\$5,956 thousand and NT\$5,738 thousand, respectively. For the periods from January 1 to September 30, 2023 and 2022, the expenses recognized for the defined-contribution plan were NT\$17,996 thousand and NT\$17,078 thousand, respectively.

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Defined benefits plan

For the periods from July 1 to September 30, 2023 and 2022, the expenses recognized for the defined-benefit plan were NT\$2,386 thousand and NT\$2,570 thousand, respectively. For the periods from January 1 to September 30, 2023 and 2022, the expenses recognized for the defined-benefit plan were NT\$7,183 thousand and NT\$7,719 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	-	-	-
2023.9.30	\$4,596	\$6,901	\$11,497
Current -- 2023.9.30	\$-	\$-	\$-
Non-current --2023.9.30	4,596	6,901	11,497
2023.9.30	\$4,596	\$6,901	\$11,497
Current -- 2022.12.31	\$-	\$	\$
Non-current --2022.12.31	4,596	6,901	11,497
2022.12.31	\$4,596	\$6,901	\$11,497
Current -- 2022.9.30	\$-	\$-	\$-
Non-current --2022.9.30	4,596	6,901	11,497
2022.9.30	\$4,596	\$6,901	\$11,497

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

	2023.9.30	2022.12.31	2022.9.30
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

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
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Each at a par value of NT\$10 and each share have one voting right and a right to receive dividends.

B. Capital surplus

	2023.9.30	2022.12.31	2022.9.30
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	13,742	13,808	13,836
Difference between actual acquisition price and carrying value of equity	65	-	259
Others	15,261	15,261	15,261
Total	\$1,195,956	\$1,189,725	\$1,189,752

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.

C. Treasury stock

As of September 30, 2023, December 31, 2022 and September 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.

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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. The payment of dividends shall not be less than 30% of the current year's net profit after tax minus the amount of loss compensation, statutory surplus reserve and special surplus reserve, 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.

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 September 30, 2023 and 2022 as a result of the use, disposal of or reclassification of related assets. As of September 30, 2023 and 2022, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand.

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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	2.00	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~ 2023.9.30	2022.1.1~ 2022.9.30
Beginning balance	\$1,131,575	\$1,115,589
Profit attributable to non-controlling interests	71,857	80,798
Donated surplus	(58)	658
Difference between actual acquisition price and carrying value of equity in subsidiaries	(3,425)	(259)
Acquisition of cash divided in a subsidiary	(94,157)	(88,792)
Ending balance	\$1,105,792	\$1,107,994

(18) Operating revenue

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Revenue from contracts with customers				
Sale of goods revenue	\$4,958,058	\$5,133,775	\$14,660,361	\$14,927,182
Other operating revenue (Note)	263,058	199,271	646,754	474,160
Subtotal	5,121,116	5,333,046	15,307,115	15,401,342
Lease revenue	13,986	69,486	45,623	107,802
Total	\$5,135,102	\$5,402,532	\$15,352,738	\$15,509,144

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

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Analysis of revenue from contracts with customers is as follows:

A. Disaggregation of revenue

July 1 to September 30, 2023

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$4,248,121	\$338,882	\$271,055	\$4,858,058
Other income	91,332	-	171,726	263,058
	<u>\$4,339,453</u>	<u>\$338,882</u>	<u>\$442,781</u>	<u>\$5,121,116</u>

Timing of revenue
recognition:

At a point in
time

\$4,339,453	\$338,882	\$442,781	\$5,121,116
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July 1 to September 30, 2022

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$4,156,478	\$654,766	\$322,531	\$5,133,775
Other income	59,650	-	139,621	199,271
	<u>\$4,216,128</u>	<u>\$654,766</u>	<u>\$462,152</u>	<u>\$5,333,046</u>

Timing of revenue
recognition:

At a point in
time

\$4,216,128	\$654,766	\$462,152	\$5,333,046
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January 1 to September 30, 2023

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$12,643,465	\$1,069,978	\$946,918	\$14,660,361
Other income	298,410	-	348,344	646,754
	<u>\$12,941,875</u>	<u>\$1,069,978</u>	<u>\$1,295,262</u>	<u>\$15,307,115</u>

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Timing of revenue
recognition:

At a point in
time

	<u>\$12,941,875</u>	<u>\$1,069,978</u>	<u>\$1,295,262</u>	<u>\$15,307,115</u>
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January 1 to September 30, 2022

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$12,224,359	\$1,648,613	\$1,054,210	\$14,927,182
Other income	187,801	-	286,359	474,160
	<u>\$12,412,160</u>	<u>\$1,648,613</u>	<u>\$1,340,569</u>	<u>\$15,401,342</u>

Timing of revenue
recognition:

At a point in
time

	<u>\$12,412,160</u>	<u>\$1,648,613</u>	<u>\$1,340,569</u>	<u>\$15,401,342</u>
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B. Contract assets and contract liabilities

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

	2023.9.30	2022.12.31	2022.9.30
Contract liabilities (Advance receipts)	<u>\$18,019</u>	<u>\$27,682</u>	<u>\$20,929</u>

(19) Expected credit losses

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Operating expenses - Expected loss (gain) on credit impairment				
Notes receivable	\$252	\$14	\$338	\$-
Accounts receivable	14,167	(5,353)	5,916	25,312
Long-term receivable	(11,459)	7,136	(1,313)	3,641
Total	<u>\$2,960</u>	<u>\$1,797</u>	<u>\$4,941</u>	<u>\$28,953</u>

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

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The credit risk for the Group's financial assets measured at amortized cost as of September 30, 2023, December 31, 2022 and September 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 September 30, 2023, December 31, 2022 and September 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:

2023.9.30

Group 1: The total carrying amount of notes receivable is NT\$1,171,077 thousand, its loss allowance amounting to NT\$1,182 thousand which is measured at expected credit loss ratio of 0~6%.

Group 2:

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$3,963,208	\$1,249,598	\$302,659	\$203,567	\$333,079	\$6,052,111
Loss ratio	-%~1%	-%~5%	1%~6%	2%~8%	8%~9%	
Lifetime expected credit losses	300	50,589	17,563	15,487	29,230	113,169
Subtotal	<u>\$3,962,908</u>	<u>\$1,199,009</u>	<u>\$285,096</u>	<u>\$188,080</u>	<u>\$303,849</u>	<u>\$5,938,942</u>

Group 3: The total carrying amount of overdue receivables is NT\$327,218 thousand, its loss allowance amounting to NT\$80,010 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.

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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	\$241,224	\$144,975	\$182,402	\$35,142	\$21,466	\$625,209
Loss ratio	-%	-%~1%	-%~1%	1%~3%	3%~4%	
Lifetime expected credit losses	-	719	921	389	797	2,826
Subtotal	\$241,224	\$144,256	\$181,481	\$34,753	\$20,669	\$622,383

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	\$4,314,978	\$1,372,904	\$246,173	\$275,085	\$246,954	\$6,456,094

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

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2022.9.30

Group 1: The total carrying amount of notes receivable is NT\$1,300,074 thousand, its loss allowance amounting to NT\$892 thousand which is measured at expected credit loss ratio of 0~6%.

Group 2:	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$4,149,221	\$751,912	\$144,365	\$239,716	\$154,352	\$5,439,566
Loss ratio	-%~1%	1%~8%	2%~9%	2%~10%	5%~11%	
Lifetime expected credit losses	1,859	59,646	12,971	22,405	15,508	112,389
Subtotal	<u>\$4,147,362</u>	<u>\$692,266</u>	<u>\$131,394</u>	<u>\$217,311</u>	<u>\$138,844</u>	<u>\$5,327,177</u>

Group 3: The total carrying amount of overdue receivables is NT\$288,772 thousand, its loss allowance amounting to NT\$69,418 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	\$221,326	\$206,623	\$369,934	\$664,043	\$52,114	\$1,514,040
Loss ratio	-%	-%	-%~1%	1%~2%	1%~3%	
Lifetime expected credit losses	-	1,432	2,288	6,751	1,439	11,910
Subtotal	<u>\$221,326</u>	<u>\$205,191</u>	<u>\$367,646</u>	<u>\$657,292</u>	<u>\$50,675</u>	<u>\$1,502,130</u>

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

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	Notes receivable	Accounts receivable	Long-term receivable
2023.1.1	\$844	\$111,109	\$84,149
Addition/(reversal) for the current period	338	5,916	(1,313)
Write off	-	(3,856)	-
2023.9.30	<u>\$1,182</u>	<u>\$113,169</u>	<u>\$82,836</u>
2022.1.1	\$892	\$87,077	\$110,553
Addition/(reversal) for the current period	-	25,312	3,641
Write off	-	-	(32,866)
2022.9.30	<u>\$892</u>	<u>\$112,389</u>	<u>\$81,328</u>

(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:

a. Amount recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	2023.9.30	2022.12.31	2022.9.30
Land	\$727,205	\$552,682	\$585,170
Buildings	24,814	36,975	33,721
Machinery equipment	11,271	12,689	-
Transportation equipment	13,049	12,874	5,429
Total	<u>\$776,339</u>	<u>\$615,220</u>	<u>\$624,320</u>

During the period from January 1 to September 30, 2023 and 2022, the Group's additions to right-of-use assets amounting to NT\$295,402 thousand and NT\$334,086 thousand, respectively.

(b) Lease liabilities

	2023.9.30	2022.12.31	2022.9.30
Lease liabilities	<u>\$742,127</u>	<u>\$548,124</u>	<u>\$560,217</u>
Current	74,991	110,591	46,898
Non-current	667,136	437,533	513,319

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During the periods from January 1 to September 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 September 30, 2023, December 31, 2022 and September 30, 2022.

b. Amount recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets	2023.7.1~	2022.7.1~	2023.1.1~	2022.1.1~
	2023.9.30	2022.9.30	2023.9.30	2022.9.30
Land	\$25,930	\$21,855	\$79,690	\$66,162
Buildings	4,054	3,846	12,161	11,117
Machinery equipment	472	-	1,418	-
Transportation equipment	1,405	503	4,095	1,396
Total	<u>\$31,860</u>	<u>\$25,904</u>	<u>\$97,364</u>	<u>\$78,675</u>

c. Income and costs relating to leasing activities

	2023.7.1~	2022.7.1~	2023.1.1~	2022.1.1~
	2023.9.30	2022.9.30	2023.9.30	2022.9.30
The expenses relating to short-term leases	\$1,428	\$1,318	\$4,170	\$3,961
The expenses relating to leases of low- value assets (Not including the expenses relating to short-term leases of low-value assets)	47	54	148	161

d. Cash outflows related to leasing activities

During the periods from January 1 to September 30, 2023 and 2022, the Group's total cash outflows for leases amounting to NT\$96,521 thousand and NT\$109,896 thousand, respectively.

e. Other information related to leasing activities

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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.

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.

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Lease income for operating leases				
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$13,986	\$34,852	\$45,623	\$107,802

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 September 30, 2023, December 31, 2022 and September 30, 2022 are as follows:

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	2023.9.30	2022.12.31	2022.9.30
Not later than one year	\$55,591	\$59,127	\$46,481
Later than one year but not later than two years	36,257	38,868	34,365
Later than two years but not later than three years	23,280	28,961	25,002
Later than three years but not later than four years	12,654	10,785	24,364
Later than four years but not later than five years	8,779	9,736	4,664
More than five years	12,894	11,285	9,239
Total	<u>\$149,455</u>	<u>\$158,762</u>	<u>\$144,115</u>

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

Function Type	2023.7.1~2023.9.30			2022.7.1~2022.9.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Salaries	\$223,573	\$113,277	\$336,850	\$234,881	\$122,269	\$357,150
Labor and health insurance	11,028	6,722	17,750	11,302	6,189	17,491
Pension	5,410	2,932	8,342	5,435	2,873	8,308
Other employee benefit expenses	4,989	1,131	6,120	4,035	2,139	6,174
Depreciation	127,464	16,961	144,425	122,684	11,323	134,007
Amortization	25,910	1,527	27,437	25,979	1,452	27,431

Function Type	2023.1.1~2023.9.30			2022.1.1~2022.9.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Salaries	\$674,600	\$364,674	\$1,039,274	\$754,520	\$391,796	\$1,146,316
Labor and health insurance	34,636	26,951	61,587	33,733	24,199	57,932
Pension	16,399	8,780	25,179	16,336	8,461	24,797
Other employee benefit expenses	14,560	3,878	18,438	12,444	4,028	16,472
Depreciation	388,082	41,170	429,252	352,577	33,431	386,008
Amortization	77,673	4,327	82,000	78,013	4,951	82,964

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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.

The Company's remuneration for employees and directors is estimated at 3% according to the profitability status during the periods from January 1 to September 30, 2023 and 2022. From July 1 to September 30, 2023, the amounts of remuneration to employees and directors recognized were both NT\$30,200 thousand. From January 1 to September 30, 2023, the amounts of remuneration to employees and directors recognized were both NT\$94,600 thousand. From July 1 to September 30, 2022, the amounts of remuneration to employees and directors recognized were both NT\$23,926 thousand. From January 1 to September 30, 2022, the amounts of remuneration to employees and directors recognized were both NT\$129,852 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

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Cash in the bank	\$4,758	\$2,018	\$18,174	\$7,920
Other	32	34	256	71
Total	<u>\$4,790</u>	<u>\$2,052</u>	<u>\$18,430</u>	<u>\$7,991</u>

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B. Others

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Rental income	\$461	\$1,398	\$1,358	\$4,194
Dividend income	21,732	32,263	65,758	75,238
Other income - Others	12,505	2,015	52,762	34,243
Total	\$34,698	\$35,676	\$119,878	\$113,675

C. Other gains and losses

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Gain (loss) on disposal of property, plant and equipment	\$331	\$690	\$4,798	\$59,374
Gain on disposal of subsidiaries (Note 1)	2,523	-	211,328	-
Gain (loss) on disposal of investment property	-	-	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)	-	(14,560)
Net loss on foreign currency exchange	(10,383)	(7,790)	(41,272)	(16,457)
Gain loss on lease modification	-	310	94	1,885
Other losses - Others	(12,802)	(5,651)	(29,723)	(24,863)
Total	\$(20,331)	\$(17,901)	\$146,261	\$1,748,299

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.

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D. Finance costs

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Interest on borrowings from bank	\$(27,536)	\$(23,941)	\$(76,838)	\$(53,242)
Interest on notes payable	(2,842)	(2,494)	(7,898)	(2,494)
Interest on lease liabilities	(1,635)	(1,680)	(4,961)	(5,398)
Imputed interest from deposits	(607)	(33)	(1,714)	(103)
Total	<u>\$(32,620)</u>	<u>\$(28,148)</u>	<u>\$(91,411)</u>	<u>\$(61,237)</u>

(23) Components of other comprehensive income

Components of other comprehensive income July 1 to September 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	\$(164,401)	\$-	\$(164,401)	\$-	\$(164,401)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	152,078	-	152,078	-	152,078
Total	<u>\$(12,323)</u>	<u>\$-</u>	<u>\$(12,323)</u>	<u>\$-</u>	<u>\$(12,323)</u>

Components of other comprehensive income July 1 to September 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	\$(60,275)	\$-	\$(60,275)	\$-	\$(60,275)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	165,356	-	165,356	-	165,356
Total	<u>\$105,081</u>	<u>\$-</u>	<u>\$105,081</u>	<u>\$-</u>	<u>\$(105,081)</u>

Components of other comprehensive income January 1 to September 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	\$43,429	\$-	\$43,429	\$-	\$43,429
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	176,135	-	176,135	-	176,135
Total	<u>\$219,564</u>	<u>\$-</u>	<u>\$219,564</u>	<u>\$-</u>	<u>\$219,564</u>

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Components of other comprehensive income January 1 to September 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	\$(225,985)	\$-	\$(225,985)	\$-	\$(225,985)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	353,516	-	353,516	-	353,516
Total	<u>\$127,531</u>	<u>\$-</u>	<u>\$127,531</u>	<u>\$-</u>	<u>\$127,531</u>

(24) Income taxes

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

Income tax expense (income) recognized in profit or loss

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Current income tax expense (income):				
Current income tax charge	\$186,984	\$176,851	\$649,119	\$670,680
Adjustments in respect of current income tax of prior periods	-	-	13,094	(1,390)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	4,654	976	18,816	3,099
Deferred income tax assets write-off	7,153	12,536	7,153	-
Tax expense (income) recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	-	-	(33,474)	(4,100)
Income tax expense (benefit)	<u>\$198,791</u>	<u>\$190,363</u>	<u>\$654,708</u>	<u>\$668,289</u>

The assessment of income tax returns

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

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	The assessment of income tax returns
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
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.

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
A. Basic earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	\$746,494	\$670,007	\$2,348,723	\$3,456,451
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	\$0.57	\$2.00	\$2.94

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B. Diluted earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	\$746,494	\$670,007	\$2,348,723	\$3,456,451
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)	3,702	5,699	4,280	5,410
Weighted average number of ordinary shares outstanding after dilution (in thousands)	1,180,586	1,182,583	1,181,164	1,182,294
Diluted earnings per share (NT\$)	\$0.63	\$0.57	\$1.99	\$2.92

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 240,000 issued shares of Goldsun Nihon Cement Co., Ltd., A cash consideration of NT\$3,360 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT\$65 thousand recognized as an increase in capital reserve, and decrease NT\$3,425 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	\$259

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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)

(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	(66,001)
Gain on disposal of associate	\$211,328

(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:

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Name of Subsidiary	Country of Incorporation and operation	2023.9.30	2022.12.31	2022.9.30
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.

	2023.9.30	2022.12.31	2022.9.30	
Accumulated balances of material non-controlling interest:				
Wellpool Co., Ltd. and its subsidiary	\$520,870	\$547,970	\$525,848	
Profit/(loss) allocated to material non-controlling interest:	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Wellpool Co., Ltd. and its subsidiary	\$17,045	\$23,494	\$56,496	\$70,863

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:	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Operating revenue	\$226,909	\$265,716	\$711,771	\$793,939
Net income this period from continuing operations	34,574	47,657	114,601	143,744
Total comprehensive income for the year	34,574	47,657	114,601	143,744

Summarized information of financial position:

	2023.9.30	2022.12.31	2022.9.30
Current assets	\$545,995	\$617,737	\$550,033
Non-current assets	660,120	677,591	682,202
Current liabilities	132,262	174,576	154,618
Non-current liabilities	17,273	9,199	10,938

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Summarized cash flow information:

	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Operating activities	\$100,395	\$212,623
Investing activities	4,345	(21,702)
Financing activities	(161,959)	(162,524)
Net increase in cash and cash equivalents	(57,219)	28,397

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

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Other related party	\$130,726	\$56,212	\$263,215	171,726
Associate	-	-	-	13
Total	\$130,726	\$56,212	\$263,215	\$171,739

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

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

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Group with significant influence over the Group	\$138,079	\$113,993	\$399,544	\$369,941
Other related party				
Full Max Corporation Limited	213,764	345,416	905,722	831,123
Other	469	2,677	1,075	11,557
Total	<u>\$352,312</u>	<u>\$462,086</u>	<u>\$1,306,341</u>	<u>\$1,212,621</u>

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

	2023.9.30	2022.12.31	2022.9.30
Group with significant influence over the Group	<u>\$75</u>	<u>\$-</u>	<u>\$75</u>

(4) Accounts receivable - Related parties

	2023.9.30	2022.12.31	2022.9.30
Group with significant influence over the Group	\$-	\$509	\$2,644
Other related party	6,385	12,497	4,998
Total	<u>\$6,385</u>	<u>\$13,006</u>	<u>\$7,642</u>

(5) Other receivables - Related parties

	2023.9.30	2022.12.31	2022.9.30
Group with significant influence over the Group	\$22,408	\$21,216	\$22,668
Associate	6	3	6
Total	<u>\$22,414</u>	<u>\$21,219</u>	<u>\$22,674</u>

(6) Accounts payable - Related parties

	2023.9.30	2022.12.31	2022.9.30
Group with significant influence over the Group	\$96,079	\$103,255	\$40,162
Other related party	1,498	3,013	2,983
Total	<u>\$97,577</u>	<u>\$106,268</u>	<u>\$43,145</u>

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(7) Other payables - Related parties

	2023.9.30	2022.12.31	2022.9.30
Group with significant influence over the Group	\$23,533	\$26,811	\$10,821

(8) Lease - Related parties

A. Rental income and deposits received:

a. Lease revenue

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Group with significant influence over the Group	\$2,974	\$2,983	\$9,006	\$8,950

b. Guarantee deposit received

	2023.9.30	2022.12.31	2022.6.30
Group with significant influence over the Group	\$733	\$733	\$733

B. Lease expense

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Group with significant influence over the Group	\$1,092	\$1,243	\$3,247	\$3,715

(9) The Group has purchased equipment from a group with significant influence over the Group amounted to NT\$5,034 thousand , NT\$3,565 thousand,NT\$17,279 thousand and NT\$13,153 thousand for the periods from July 1 to September 2023,and 2022,January 1 to September 30, 2023 and 2022, respectively.

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(10) Key management personnel compensation

	2023.7.1~ 2023.9.30	2022.7.1~ 2022.9.30	2023.1.1~ 2023.9.30	2022.1.1~ 2022.9.30
Short-term employee benefits	\$51,847	\$58,346	\$166,104	\$207,949
Employment retirement benefits	44	40	171	185
Total	<u>\$51,891</u>	<u>\$58,386</u>	<u>\$166,275</u>	<u>\$208,134</u>

8. Pledged Assets

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

Item	Book value			Secured liabilities
	2023.9.30	2022.12.31	2022.9.30	
Inventory - Land of construction	\$210,367	\$210,368	\$210,367	Bank loan
Financial assets at fair value through other comprehensive income - Current	408,975	413,895	415,740	Bank loan, C/P
Financial assets at fair value through other comprehensive income - Non-current	494,767	474,873	486,182	Bank loan, C/P
Securities (Note)	1,009,500	991,500	1,002,000	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	74,550	73,333	73,422	Performance guarantee
Investment property	1,651,778	1,591,772	2,106,052	Bank loan, C/P
Property, plant and equipment - Land and building	4,404,831	3,847,278	3,904,908	Bank loan, C/P
Property, plant and equipment - Machinery and equipment	44,408	45,497	45,860	Bank loan
Intangible assets - Concession	2,829,246	2,889,473	2,909,549	Bank loan
Refundable deposit	20,000	20,000	20,000	Performance guarantee
Total	<u>\$11,212,097</u>	<u>\$10,622,064</u>	<u>\$11,237,755</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\$5,336,069 thousand as of September 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.

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- (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.
- (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 September 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 September 30, 2023, including the payment for the Jiacheng project, interest and deposits, the total estimated liabilities on the account are NT\$19,227 thousand.

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- (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 September 30, 2020, concluded that there was no violation of fair trade practices. The Fair Trade Commission appealed against this decision, and as of September 30, 2023, there is no outcome in the litigation. In the case filed in 2023, an administrative litigation was initiated, and as of September 30, 2023, there is no outcome in the litigation.

10. Losses Due to Major Disasters

None.

11. Major Subsequent Issues

- (1) In November 2023, the board of directors of the company has resolved to subscribe for the cash capital increase of the subsidiary Hwa Ya Development Co., Ltd., The total investment amount will not exceed NT\$1,500,000 thousand.
- (2) In November 2023, the board of directors of the company has resolved to sell land and buildings in Bade District, Taoyuan City to the related party LeeBao Security Co., Ltd. The total transaction amount is NT\$380,000 thousand.

12. Other

(1) Types of financial instrument

	2023.9.30	2022.12.31	2022.9.30
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Measured at fair value through other comprehensive income	\$1,973,738	\$1,900,810	\$2,055,309
Financial assets measured at amortized cost			
Cash and equivalent cash (excluding cash on hand)	1,860,158	2,100,922	2,027,151
Financial assets measured at amortized cost	231,705	238,408	267,467
Notes receivable	1,169,895	1,416,809	1,299,182
Accounts receivable (including related parties)	5,938,942	6,456,094	5,327,177
Other receivables (including related parties)	59,833	510,422	104,111
Long-term receivable	869,591	1,245,160	1,721,484
Refundable deposit	53,646	51,047	42,407
Total	<u>\$12,157,508</u>	<u>\$13,919,672</u>	<u>\$12,844,288</u>

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Financial liabilities

Financial liabilities at amortized cost:			
Short-term debts	\$2,615,000	\$2,645,000	\$3,572,000
Short-term notes and bills payable	299,929	-	-
Notes payable (including related parties)	502,722	733,433	573,890
Accounts payable (including related parties)	1,542,831	2,040,597	1,801,587
Other payables (including related parties)	1,229,222	1,713,881	1,156,098
Lease liabilities	742,127	548,124	560,217
Long-term loan (including due in one year)	5,696,500	4,687,301	3,148,950
Long-term notes payable	-	599,865	527,962
Guarantee deposit received	38,992	43,117	43,914
Total	<u>\$12,667,323</u>	<u>\$13,011,318</u>	<u>\$11,384,618</u>

(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.

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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:

When NTD strengthens/weakens against USD by 10%, the profit for the periods from January 1 to September 30, 2023 and 2022 is decreased/increased by NT\$18,455 thousand and NT\$31,661 thousand, respectively.

When NTD strengthens/weakens against RMB by 10%, the profit for the periods from January 1 to September 30, 2023 and 2022 is decreased/increased by NT\$383 thousand and NT\$404 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\$7,922 thousand and NT\$6,611 thousand for the periods from January 1 to September 30, 2023 and 2022, respectively.

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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 September 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\$152,350 thousand and NT\$147,138 thousand on the equity attributable to the Group, respectively.

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 September 30, 2023, December 31 and September 30, 2022, amounts of receivables from top ten customers represent 22%, 30% and 25% of the accounts receivables of the Group. The credit concentration risk of the accounts receivables is insignificant.

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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).

(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
2023.9.30					
Borrowings	\$3,481,467	\$2,864,594	\$1,038,386	\$1,343,858	\$8,728,305
Notes payable	502,722	-	-	-	502,722
Accounts payable	1,542,831	-	-	-	1,542,381
Other accounts payable	1,229,222	-	-	-	1,229,222
Lease liabilities (Note)	79,309	237,397	173,883	\$255,856	746,445
Refundable deposits	38,992	-	-	-	38,992

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	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

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2022.9.30					
Borrowings	\$3,931,094	\$1,117,536	\$703,712	\$1,221,245	\$6,973,587
Notes payable	573,890	-	-	-	573,890
Accounts payable	1,801,587	-	-	-	1,801,587
Other accounts payable	1,156,098	-	-	-	1,156,098
Lease liabilities (Note)	51,020	143,202	113,389	\$256,728	564,339
Long-term notes payable	-	528,500	-	-	528,500

- 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	
2023.9.30	\$79,309	\$411,280	\$127,938	\$21,213	\$106,705	\$746,445
2022.12.31	\$116,045	\$293,774	\$49,586	\$21,002	\$73,171	\$553,578
2022.9.30	\$51,020	\$256,591	\$125,071	\$20,956	\$110,701	\$564,339

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(6) Reconciliation for liabilities arising from financing activities

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

	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
2023.01.01	\$2,645,000	\$-	\$4,687,301	\$548,124	\$43,117	\$599,865	\$8,523,407
Cash flow	(30,000)	299,929	1,008,895	(92,203)	(4,125)	(599,865)	582,631
Non-cash change	-	-	304	286,206	-	-	286,510
2023.9.30	<u>\$2,615,000</u>	<u>\$299,929</u>	<u>\$5,696,500</u>	<u>\$742,127</u>	<u>\$38,992</u>	<u>\$-</u>	<u>\$9,392,548</u>

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

	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
2022.01.01	\$900,000	\$3,499,646	\$639,698	\$55,613	\$1,796,860	\$6,891,817
Cash flow	2,672,000	(351,000)	(105,774)	(11,699)	(1,268,898)	934,629
Non-cash change	-	304	26,293	-	-	26,597
2022.9.30	<u>\$3,572,000</u>	<u>\$3,148,950</u>	<u>\$560,217</u>	<u>\$43,914</u>	<u>\$527,962</u>	<u>\$7,853,043</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.

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- 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.
- 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

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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.

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:

September 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	\$1,523,500	\$-	\$450,238	\$1,973,738

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

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September 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	\$1,471,377	\$-	\$583,932	\$2,055,309

Transfers between Level 1 and Level 2 during the period

During the periods from January 1 to September 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:

	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2023.1.1	\$440,126
Acquisition	2,400
Disposals	(6,800)
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)	14,512
2023.9.30	\$450,238
	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2022.1.1	\$524,098
Acquisition	5,000
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)	54,834
2022.9.30	\$583,932

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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:

September 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\$1,989 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\$41,162 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	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\$1,895 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\$40,368 thousand.

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September 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	6.94	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\$1,388 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\$2,472 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\$51,215 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

September 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

September 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)			
2023.9.30			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$5,719	32,.27	\$184,552
RMB	867	4.42	3,832
Non-monetary items:			
CNY	190,999	4.42	844,216
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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	2022.9.30		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items:			
USD	\$9,972	31.75	\$316,611
RMB	903	4.47	4,036
Non-monetary items:			
RMB	190,349	4.47	850,860

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 July 1 to September 30, 2023 and 2022, the net foreign exchange gain (loss) were NT\$(10,383) thousand and NT\$(7,790) thousand, respectively. For the periods from January 1 to September 30, 2023 and 2022, the net foreign exchange gain (loss) were NT\$(41,272) thousand and NT\$(16,457) 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
CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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:

July 1 to September 30, 2023

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$3,887,995	\$338,882	\$4,226,877	\$908,225	\$-	\$5,135,102
Inter-segment	464,147	-	464,147	35,943	(500,090)	-
Total revenue	<u>\$4,352,142</u>	<u>\$338,882</u>	<u>\$4,691,024</u>	<u>\$944,168</u>	<u>\$(500,090)</u>	<u>\$5,135,102</u>
Segment profit	<u>\$931,438</u>	<u>\$9,934</u>	<u>\$941,372</u>	<u>\$60,287</u>	<u>\$(38,647)</u>	<u>\$963,012</u>

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
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July 1 to September 30, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$4,218,192	\$654,766	\$4,872,958	\$529,574	\$-	\$5,402,532
Inter-segment	34,369	-	34,369	457,621	(491,990)	-
Total revenue	<u>\$4,252,561</u>	<u>\$654,766</u>	<u>\$4,907,327</u>	<u>\$987,195</u>	<u>\$(491,990)</u>	<u>\$5,402,532</u>
Segment profit	<u>\$838,676</u>	<u>\$32,746</u>	<u>\$871,422</u>	<u>\$47,044</u>	<u>\$(31,940)</u>	<u>\$886,526</u>

January 1 to September 30, 2023

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$11,632,995	\$1,069,978	\$12,702,973	\$2,649,765	\$-	\$15,352,738
Inter-segment	1,343,875	-	1,343,875	119,674	(1,463,549)	-
Total revenue	<u>\$12,976,870</u>	<u>\$1,069,978</u>	<u>\$14,046,848</u>	<u>\$2,769,439</u>	<u>\$(1,463,549)</u>	<u>\$15,352,738</u>
Segment profit	<u>\$2,957,865</u>	<u>\$200,967</u>	<u>\$3,158,832</u>	<u>\$229,103</u>	<u>\$(312,647)</u>	<u>\$3,075,288</u>

January 1 to September 30, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$12,347,424	\$1,648,613	\$13,996,037	\$1,513,107	\$-	\$15,509,144
Inter-segment	101,170	-	101,170	1,250,484	(1,351,654)	-
Total revenue	<u>\$12,448,594</u>	<u>\$1,648,613</u>	<u>\$14,097,207</u>	<u>\$2,763,591</u>	<u>\$(1,351,654)</u>	<u>\$15,509,144</u>
Segment profit	<u>\$4,070,400</u>	<u>\$43,441</u>	<u>\$4,113,841</u>	<u>\$243,585</u>	<u>\$(151,888)</u>	<u>\$4,205,538</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.

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO
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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 September 30, 2023, December 31, 2022 and September 30, 2022:

2023.9.30

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$21,821	\$844,213	\$866,034	\$-	\$-	\$866,034
Segment assets	<u>\$34,878,159</u>	<u>\$3,602,840</u>	<u>\$38,480,999</u>	<u>\$13,937,112</u>	<u>\$(13,720,880)</u>	<u>\$38,697,231</u>
Segment liabilities	<u>\$11,397,807</u>	<u>\$845,357</u>	<u>\$12,243,164</u>	<u>\$3,469,228</u>	<u>\$(1,601,305)</u>	<u>\$14,111,087</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>

2022.9.30

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$17,676	\$850,858	\$868,534	\$-	\$-	\$868,534
Segment assets	<u>\$32,169,937</u>	<u>\$4,970,830</u>	<u>\$37,140,767</u>	<u>\$13,778,742</u>	<u>\$(14,142,500)</u>	<u>\$36,777,009</u>
Segment liabilities	<u>\$9,313,531</u>	<u>\$1,676,048</u>	<u>\$10,989,579</u>	<u>\$3,584,442</u>	<u>\$(1,761,411)</u>	<u>\$12,812,610</u>

Attachment 1 : Financing provided to others for the nine-month period ended September 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\$ 450,000	1.125%-1.5%	2	-	Operating	-	-	-	NT\$ 773,505	NT\$ 773,505
		Gimpo Marine Co., Ltd.	Other receivables	YES	NT\$ 100,000	NT\$ 100,000	NT\$ 100,000	2.00%	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	-	-	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\$ 5,500 (NT\$ 177,485)	US\$ 5,500 (NT\$ 177,485)	US\$4,900 (NT\$ 158,123)	2%-3.2%	2	-	Operating	-	-	-	US\$ 28,940 (NT\$ 933,884)	US\$ 28,940 (NT\$ 933,884)
		Feng Shun Maritime Ltd.	Other receivables	YES	US\$1,900 (NT\$ 61,500)	US\$ 1,500 (NT\$48,405)	US\$ 1,000 (NT\$ 32,270)	2%-3.2%	2	-	Operating	-	-	-	US\$ 28,940 (NT\$ 933,884)	US\$ 28,940 (NT\$ 933,884)
		Jin Shun Maritime Ltd.	Other receivables	YES	US\$950 (NT\$ 30,750)	-	-	-	2	-	Operating	-	-	-	US\$ 28,940 (NT\$ 933,884)	US\$ 28,940 (NT\$ 933,884)
4	Jin Shun Maritime Ltd.	Goldsun Building Materials Co., Ltd.	Other receivables	YES	US\$14,000 (NT\$ 451,780)	US\$14,000 (NT\$ 451,780)	US\$11,000 (NT\$ 354,970)	3.05%-3.15%	2	-	Operating	-	-	-	US\$ 27,084 (NT\$ 873,986)	US\$27,084 (NT\$ 873,986)
5	Goldsun Concrete (Suzhou) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	YES	RMB 100,000 (NT\$ 445,000)	RMB 100,000 (NT\$ 442,000)	RMB75,000 (NT\$ 331,500)	2.01%	2	-	Operating	-	-	-	RMB 202,698 (NT\$ 867,546)	RMB202,698 (NT\$ 867,546)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	YES	RMB80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 353,600)	-	-	2	-	Operating	-	-	-	RMB202,698 (NT\$ 867,546)	RMB 202,698 (NT\$ 867,546)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	YES	RMB 80,000 (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 100,000 (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 80,000 (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 80,000 (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 100,000 (NT\$ 445,000)	RMB 100,000 (NT\$ 442,000)	-	-	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 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 353,600)	-	-	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 80,000 (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 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 353,600)	-	-	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 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 353,600)	-	-	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 80,000 (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:

- The parent company is coded "0".
- 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:

- For business transactions fill in "1"
- 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 nine-month period ended September 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	Relationshi p 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	185,000	884,000	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	1,547,000	221,575	-	221.15%	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	1,547,000	162,568	-	206.04%	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	18,500,000	\$615,125	-	\$615,125	12,300 thousand shares provide for loan guarantee
	Kinpo Electronics, Inc.		Financial assets at fair value through other comprehensive income - Current	1,000,000	15,400	-	15,400	
	Taiwan Secom Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	6,065,000	645,923	1%	645,923	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	802	-	802	
	Taiwan Airport Service Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	7,405,200	47,467	17%	47,467	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	16,780	2%	16,780	
	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 Everterminal Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	1,334	-	-	-	
	Chi Hsiang Brownstone Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	714,826	20,608	1%	20,608	
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	5,970	-	5,970	Included in treasury shares
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income - Current	1,000,000	33,250	-	33,250	
	Taiwan Secom Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	2,000,000	213,000	-	213,000	
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	72,089	-	72,089	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	-	336,584	19%	336,584		
	Fujian Hengzhong Sand Stone Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	-	19,287	19%	19,287		

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)	\$399,544	(Note)	Net 30 days	\$-	-	\$(95,664)	(4.68) %	
Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	Subsidiary	Operating costs	693,917	6%	Net 30 days	-	-	(74,855)	(3.66)%	
Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	Subsidiary	Operating costs	507,501	4%	Net 30 days	-	-	(80,485)	(3.93)%	
Goldsun Nihon Cement Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(693,917)	94%	Net 30 days	-	-	74,855	100.00%	
Taipei Port Terminal Company Limited	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(507,501)	94%	Net 30 days	-	-	80,485	89.46%	

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 September 30, 2023</u>						
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Sales revenue	\$50,359	Note 4	0.33%
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Accounts receivables	22,259	Note 4	0.06%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Cost of goods sold	693,917	Note 4	1.79%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Accounts payable	74,855	Note 4	0.49%
0	Goldsun Building Materials Co., Ltd.	Goyu Building Materials Co., Ltd.	1	Cost of goods sold	14,677	Note 4	0.10%
0	Goldsun Building Materials Co., Ltd.	Gimpo Marine Co., Ltd.	1	Cost of goods sold	63,493	Note 4	0.41%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Cost of goods sold	507,501	Note 4	1.31%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Accounts payable	80,485	Note 4	0.21%
0	Goldsun Building Materials Co., Ltd.	Jing Shun Maritime Ltd.	1	Cost of goods sold	22,220	Note 4	0.06%
0	Goldsun Building Materials Co., Ltd.	Jing Shun Maritime Ltd.	1	Other receivables	27,438	Note 4	0.07%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Cost of goods sold	41,011	Note 4	0.27%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Accounts payable	16,867	Note 4	0.11%
1	Goyu Building Materials Co., Ltd.	GALC INC.	3	Sales revenue	41,433	Note 4	0.27%

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 September 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%	\$409,321	\$12,234	\$11,695	
	Rei Shin Construction Co., Ltd.	Taipei, TW	Real estate rental	(Note 1)	(Note 1)	80,000,000	100%	1,588,262	3,320	3,320	
	Wellpool Co., Ltd.	Taipei, TW	Sales of calcium silicate board and other boards	303,653	303,653	18,280,389	51%	535,710	114,601	58,106	15,000 thousand shares provide for loan guarantee
	Goldsun Nihon Cement Co., Ltd.	Kaohsiung, TW	Cement import and sale	122,481	119,121	11,700,000	60%	163,395	27,171	16,045	
	Taipei Port Terminal Company Limited	Taipei, TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,492,122	14,652	14,666	
	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%	241,509	(6,256)	(2,556)	
	Goyu Building Materials Co., Ltd.	Chiayi, TW	Manufacturing and sales of building materials	280,000	280,000	28,000,000	70%	268,474	16,544	12,175	
	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%	99,460	4,852	4,852	
	Reixin Asset Management Inc.	Taipei, TW	Real estate rental	(Note 2)	(Note 2)	100,000,000	100%	1,049,949	4,772	(1,012)	
	Lake Vernicia Development Company	Taipei, TW	Growing of crops, special crops and edible fungi	1,000	1,000	100,000	100%	218	(156)	(156)	
GALC INC.	Taipei, TW	Construction of civil and architectural construction projects	21,000	21,000	2,100,000	70%	28,754	9,906	6,934		

Attachment 6(Con'): Names, locations and related information of investee companies as of September 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%	\$462,822	\$3,486	\$3,486	
	Yuan Shun Maritime Ltd.	Hong Kong	Shipping	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	500,531	9,477	9,477	
	Jing Shun Maritime Ltd.	Hong Kong	Shipping	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	325,278	3,286	3,286	
	Feng Shun Maritime Ltd.	Hong Kong	Shipping	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	199,040	15,939	15,939	
	Hui Shun Maritime Ltd.	Hong Kong	Shipping	253,931 (USD 9,000)	253,931 (USD 9,000)	9,000,001	100%	216,946	(39,325)	(39,325)	
	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%	2,757,483	187,567	187,567	
	Taiwan Building Materials (Hong Kong) Limited	Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	356,551	(118)	(118)	
	Raixin Quality Products Ltd.	Taipei, TW	Upholstery and sales of furniture	81,386	66,386	4,210,512	42%	21,821	(18,473)	(8,917)	Associates
Wellpool Co., Ltd.	Gape-Goldsun Corporation	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,505	12	-	
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%	858,631	(2,521)	-	
	Goldsun International Development Corp.	Cayman	Investment and holding	390,622 (USD 11,900)	1,316,300 (USD 40,100)	11,900,000	100%	1,896,365	190,120	-	

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 September 30, 2023	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of September 30, 2023	Accumulated inward remittance of earnings as of September 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)	\$1,343	100%	\$1,343	\$435,958	\$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)	-	(950)	- (Note 5)	(950)	- (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)	4,252	100%	4,252	705,162	-
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)	1,936	100%	1,936	754,216	-
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)	(8,235)	20%	(1,647)	844,214	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%	-	336,584 (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%	-	19,287 (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)	\$14,751,686 (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 September 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.	81,965,341	-	6.94%
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).