Stock Code: 2504

Website to access the annual report of Goldsun,

http://www.gdc.com.tw/

Website of Market Observation Post System,

http://mops.twse.com.tw

Goldsun Building Materials Co., Ltd.

2021 Annual Report

Date of Printing: February 28, 2022

Name, title, phone and email of the Company's spokesperson

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Deputy Spokesperson: Jie-Tang Chang
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Head office: 7F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	Tel: (02)87928088
Xizhi plant: No. 360, Fude 2nd Road, Xizhi District, New Taipei City	Tel: (02)26925518
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Keelung plant: No. 2-2, Bade Road, Qidu District, Keelung City	Tel: (02)24553020
Tucheng plant: No. 202, Section 2, Zhonghua Road, Tucheng District, New Taipei City	Tel: (02)22693594
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Linkou plant: No. 17, Wenming Road, Guishan District, Taoyuan City	Tel: (03)3972661
Hualien plant: Haibin No. 1, Ren-An Village, Ji-An Township, Hualien County	Tel: (03)8524247
Zhongli plant: No. 1, Nan-Shi Section 1, Zhongfeng Road, Pingzhen District, Taoyuan City	Tel: (03)4393111
Taoyuan plant: No. 202, Chongqing Street, Bade District, Taoyuan City	Tel: (03)3643530
Luzhu No. 2 plant: No. 10, Lane 277, Section 3, Zhangxing Road, Luzhu District, Taoyuan City	Tel: (03)3246111
Hsinchu plant: No. 646, Section 6, Zhonghua Road, Xiangshan District, Hsinchu City	Tel: (03)5372150
Dongda plant: No. 30-1, Lane 110, Section 3, Dongda Road, North District, Hsinchu City	Tel: (03)5324653
Zhubei plant: No. 90, Lane 588, Section 2, Dongxing Road, Zhubei City, Hsinchu County	Tel: (03)5501011
Miaoli plant: No. 2, Zhongxing Street, Tongluo Township, Miaoli County	Tel: (037)226669
Taichung plant: No. 1, Gongyequ 21st Road, Nantun District, Taichung City	Tel: (04)23550836
Daya plant: No. 295, Section 3, Minsheng Road, Daya District, Taichung City	Tel: (04)25609155
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Chiatai plant: No. 91, Section 2, Beigang Road, Taibao City, Chiayi County	Tel: (05)2375115
Dounan plant: No. 23, Gonglun Road, Dounan Township, Yunlin County	Tel: (05)5971178
Tainan plant: No. 62, Zhouwei Street, Yongkang District, Tainan City	Tel: (06)2537306
Xinshi plant: No. 461, Xiao-xin Village, Xiao-xin-ying, Shanhua District, Tainan City	Tel: (06)5838261
Dahu plant: No. 28, Section 2, Zhongshan Road, Hunei District, Kaohsiung City	Tel: (07)6997889
Gangshan plant: No. 180, Benzhou Road, Gangshan District, Kaohsiung City	Tel: (07)6240908
Renwu plant: No. 59, Zhu-gong 3rd Lane, Renwu District, Kaohsiung City	Tel: (07)3751555
Kaohsiung plant: No. 930-1, Minzu 1st Road, Zuoying District, Kaohsiung City	Tel: (07)3424415
Fengshan plant: No. 81, Jiangshan Road, Daliao District, Kaohsiung City	Tel: (07)7015111
Xiaogang plant: No. 11, Yongchun Street, Xiaogang District, Kaohsiung City	Tel: (07)8720617

Name, address, telephone and website of stock services

Name: Stock Agency Department of Yuanta Securities
Address: B1, No. 210, Section 3, Chengde Road, Datong District, Taipei City Tel: 02)2586-5859
Website: http://www.yuanta.com.tw

Name of auditors of the latest audited financial report, and name, address, telephone and website of CPA firm

Certified Accountants: Ian Wang, Hsin-Min Hsu
Name of CPA Firm: Ernst & Young Taiwan
Address: 9F, No. 333, Section 1, Keelung Road, Xinyi District, Taipei City
Website: http://www.ey.com

Name of overseas exchange where securities are listed, and the methods for inquiring the foreign-listed securities: NA.

Company's website, http://www.gdc.com.tw

Table of Contents

Greetings to all of our valued shareholders,

The semiconductor industry is the cornerstone of Taiwan's economy. According to statistics from the Industrial Technology Research Institute, Taiwan's semiconductor output value is estimated to reach NT$3.8 trillion in 2021, setting a new milestone. With TSMC spearheading the expansion, many companies in the semiconductor industry chain have also increased their investment in key science park locations in Hsinchu, central Taiwan, Tainan, Luzhu, etc. Besides, the scale of public construction by the government this year has reached the second highest in history, and the number of units of houses traded and new projects have also hit record highs last year, creating more business opportunities for the construction industry.

Goldsun Building Materials made huge investments more than 10 years ago in Taiwan to establish the Technology Control and Services Center which has borne fruit in technology capability to control 28 concrete plants, the most in the industry. Each region now has 3 to 5 concrete plants to conduct collaborative operations and large-scale pouring of concrete, which has improved the benefits of distribution channels in regions and competitive advantages. The approach has helped the company secure numerous orders of concrete for plants of the technology industry and projects of benchmark buildings. This year, Goldsun Group will add the Rende Plant in Tainan, and it is expected that the addition of the new plant will continue to strengthen the economies of scale and competitive advantages.

Not only that, since the establishment of Goldsun Group's research and development center more than 20 years ago, the Group has continued to advance its product innovation process. In 2015, it launched the "Goldsun Peace-of-Mind Building Materials Traceability", and more than 2,100 new buildings have adopted the practice, contributing to the safety of building structures throughout Taiwan. This year, the Group aligns itself with the advanced technology and the vision of environment protection around the world to develop the in-house carbon neutrality and carbon storage technology for concrete, which make the concrete stronger and achieves the eco-friendly effectiveness of energy conservation and carbon reduction in buildings. In the near future, Goldsun Group will help the companies in the semiconductor supply chain in Taiwan quickly build their plants, which will contribute to Taiwan's semiconductor and buildings construction industries and support the Group's vision in its sustainability and profitability.

Business and Financial Performance

The consolidated revenue of Goldsun Building Materials Co., Ltd. in 2021 was NT$21,801,699 thousand, which was an increase of NT$2,923,899 thousand, or 15.49% (please refer to the table below), over NT$18,877,800 thousand in 2020. The 2021 net income was NT$2,933,244 thousand and the earnings per share was NT$2,42. The composition of consolidated revenue is as follows:

Unit of amount: NT$1,000

Company Name	2021	2020	Growth	Growth
Goldsun Building Materials Co., Ltd.	16,361,670	14,494,761	1,866,909	12.88%
Suzhou Ready-Mix	3,928,774	3,168,273	760,501	24.00%
Wellpool Co., Ltd.	891,141	823,858	67,283	8.17%
Others (including	620,114	390,908	229,206	58.63%
Total	21,801,699	18,877,800	2,923,899	15.49%

Technological Development

Goldsun's research and development center has been established for more than 20 years. Each year, a considerable amount of funds is committed to R&D engineering. The results have accumulated to become the Company's competitive products in recent years. They create huge business opportunities and change Taiwan's skyline with beautiful buildings. In recent years, Goldsun has provided high-end mass concrete, raw concrete, high-strength concrete, high-flow concrete and burnished concrete to benchmark projects which highlight the architectural beauty of Taiwan, and the projects include the Kaohsiung Music Center which has hosted year-end countdown events broadcasted on many TV channels in recent years, Taiwan's first heavy-particle cancer medical center, Taipei Nan Shan Plaza, National Taichung Theater, Tao Zhu Yin Yuan, etc. These benchmark buildings all have used Goldsun's innovative methods and high-end concrete products.

In terms of product R&D, Goldsun will continue to play the leadership role in technology and market, setting the trends in the aesthetics and environmental protection of buildings in Taiwan and meeting the performance and application requirements of products. For 2022, the progress of research and development of products will include, (1). Mass production of high-end concrete: Ultra-high performance concrete (UHPC), high-performance concrete, self-compacting concrete, high-flow concrete, impermeable concrete, permeable concrete and mass concrete. (2) Incorporate the role and application concepts of circular economy, and continue to promote follow-up research on minerals and chemical admixtures. (3) Consolidate the Group's resources to establish a laboratory for certifying raw materials; (4) In order to reduce the dependence on natural resources and minimize the energy consumption and the manufacturing and use of polluting cement clinker, we actively research and develop industrial by-products and the re-use of alternative products for our ready-mix concrete and building materials for our affiliate companies, hoping that we can fully showcase the positive performance by-products and reduce the negative impact on the environment.

In order to take into account corporate social responsibility and product competitiveness, Goldsun will continue to challenge itself and provide customers with the development of more advanced products, including: Incorporating carbon footprint assessment into various products, building carbon footprint traceability information and database, and the joint development of practical use and mass production of products with concrete carbon storage technology.

Future Development (Impact from Competitive Environment, Regulatory Environment and Overall Operating Environment)

Looking forward to the impact from the overall business environment: According to the Department of Statistics of the Ministry of Economic Affairs, the total volume of ready-mix concrete sold in Taiwan in 2020 and 2021 were 43,344 and 43,729 (year-over-year growth of 0.89%) thousand cubic meters, respectively. For Goldsun, the total volume of ready-mix concrete sold in 2021 was 6.56 million, a year-over-year decrease of 3.4% compared with 6.35 million cubic meters of 2020. For 2022, it is expected that the major economies in the world will continue to rebound, and with the continuing improvement of the domestic housing market, the sales volume of ready-mix-concrete will experience a small growth. In order to expand the above-mentioned business opportunities for growth, Goldsun Group will actively add new plants, facilitate collaboration based on technology, and make good use of the advantages in large-scale pouring projects to improves the profitability based on “selecting the best for shipment”, so the Group's profitability will continue to climb.

As for the impact from the external competitive environment: Looking forward to the global economy in 2022, major international forecasting agencies believe that with the increase in vaccine coverage, the lifting of lockdown policy and the practices of coexistence with the virus in various regions, the global economy will recover significantly. However, uncertainties brought by inflation and policies, reduction in fiscal support and supply chain bottlenecks may slow the growth in economy. The housing market policy restrains speculation and enables personal use of real properties to return to the mainstream of the market. Moreover, the implementation of strategies to improve dangerous buildings and social housing is ongoing, and there are many positive factors supporting the development of the housing market. In addition, factors such as easing the monetary policy, low interest environment, soaring prices of raw materials, repatriation of Taiwanese businesses to drive the demand for industrial land, and continuous expansion of commercial real estate have stimulated the growth of the housing market. According to the latest information released by the Department of Statistics of the Ministry of the Interior, about 348,000 units of houses exchanged hand in 2021, a year-over-year growth of 6.6%, which was an uptrend for the 5th consecutive years and a new high in the past eight years, continuing the “buy” sentiment in the housing market.

Besides, the continuous promotion of railway construction by the central and local governments has reached NT$544.8 billion for the year, the second highest in the annual public construction expenditure. The completion of public construction and traffic network projects continues to drive the growth of nearby regions. For example, the re-zoning areas in Taoyuan, the 14th phase of re-zoning projects in Taichung, science park and software park in central Taiwan, and new industry clusters in Tainan and Kaohsiung due to the expansion of TSMC create tech corridors to inject more vitality to the surrounding housing markets through industry investment and urban renewal.

Operation and challenges

With the abovementioned challenges of external factors and market opportunities shown, Goldsun Building Materials will continue to highlight the positive and negative factors in its future development strategies, and actively and flexibly respond to the long-term business development, and apply its 68 years of accumulated skills and experience to different market segments to expand its concrete plants which it has the most in the industry. For example, the ongoing construction of plant in Rende, Tainan in 2022, and the collaborative operations and large-scale pouring projects of 3 to 5 concrete plants in each region continue to reinforce the regional competitive advantages in distribution channels. As for the regulatory environment, the Company is ready to take appropriate measures to comply with the regulations at any time, and accordingly revise the internal standards and relevant regulations.

At the same time, Goldsun Building Materials has made great strides towards becoming a group offering a comprehensive selection of building materials, continuing to develop a diverse lineup of niche building materials. The high-end concrete products are supplied in a stable manner to special structures of various construction projects. The Company will be able to grasp the opportunities of medical specialty buildings, offshore wind power civil engineering projects, public projects, plants and offices of technology firms, condominiums and skyscrapers, becoming the first choice of clients in the construction and technology industries. The newly added aerated lightweight concrete (ALC) plant has been put into operation in 2021. The products have passed the highest standards of earthquake resistance, sound insulation and fire protection tests, and have now become a hot-selling high-end building materials product in the market. In terms of the asset revitalization effort, the board has approved an investment budget of more than NT$15.8 billion for the Nangang Large-scale Development Project to accelerate the all-round progress of the large-scale development project. The huge assets owned by the Group can be aligned with the overall economic situation and regional development trends to create maximum and sustainable operating profit.

We give you our best regards for the upcoming future!

Chairman Lan-Ying Hsu

Two. Company Profile

I. Date of Establishment: November 1954.

II. Company history

1. The Company was founded in November 1954. The original name was Goldsun Cement Processing, with a capital of NT%1.5 million. The Taipei plant was located at No. 33, Section 3, Nangang Road, Nangang District. At the time, the Company focused on importing new technologies and manufacturing electric power poles and foundation piles to serve the government in the first phase economic construction program which sought to expand power, telecommunication and other public facilities. - In 1960, the Company adopted the prestressed method to manufacture hollow-core prestressed concrete power poles and foundation piles.
2. In response to the growth of domestic infrastructure projects, the Company established the nation's first ready-mix-concrete equipment in 1965 at the Taipei plant, which offered automatic control and measurement in production. The quality and stability of products were highly valued and praised by the construction industry.
3. The Kaohsiung plant was established on Jianguo Road in Kaohsiung City in 1966. It produced ready-mix-concrete to supply various construction projects in the Greater Kaohsiung area.
4. In 1969, the Company was reorganized as Goldsun Industry Construction, and a construction department was established to manage the lease and sales of public housing, stores and buildings constructed by construction companies and branch out to other scope of business.
5. In 1978, the Shulin plant was established in Shulin Township of Taipei County to manufacture prestressed concrete power poles, foundation piles and other cement products by high-pressure curing equipment. In 1981, the equipment for prestressed products in Taipei plant was transferred to Shulin plant to expand the production capacity to serve the market demand.
6. In 1979, Kaohsiung plant was relocated to Daliao Township of Kaohsiung County in response to the new development of Kaohsiung City, and the plant was later renamed Fengshan plant.
7. In 1982, Miaoli plant was established in Gongguan Township of Miaoli County to manufacture ready-mix-concrete to supply the various local construction projects. The plant was later moved to Tongluo Township in 1989.
8. In 1984, Sanyi branch was established in Sanyi Township in Miaoli County to manufacture ready-mix-concrete and gravel to supply construction projects in Miaoli and Taichung.
9. In 1986, the Company purchased China Asbestos Tile Factory located in Zhunan Township in Miaoli County and renamed it as Zhunan plant to manufacture cement wave roofing

sheets and flat sheets.

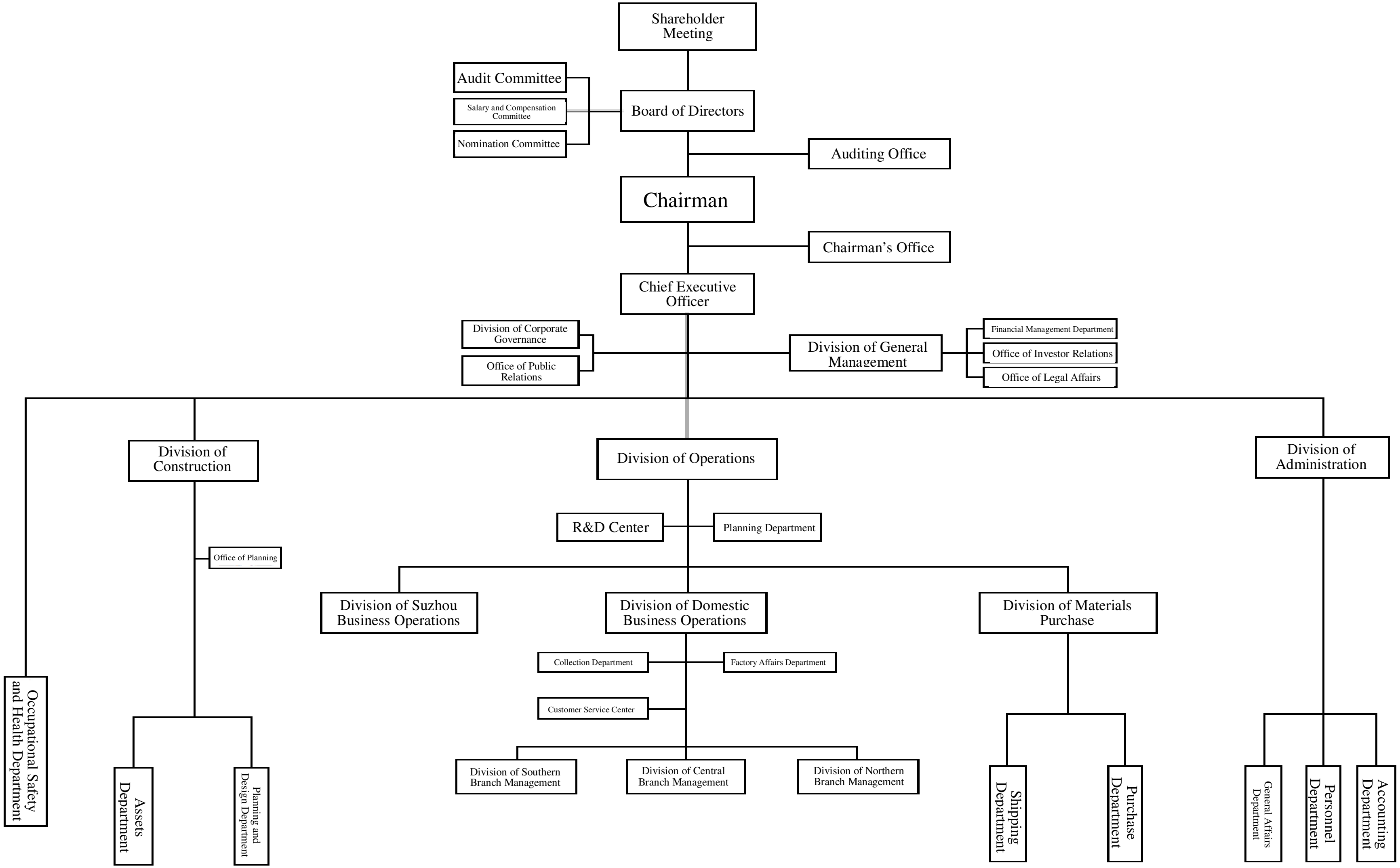
10. In 1987, the Zhubei and Zhonghua plants were established in Zhubei City in Hsinchu County and Gushan District of Kaohsiung City, respectively, to manufacture ready-mix-concrete to supply the market in the local region.
11. In 1988, the Zhongli plant was established to manufacture ready-mix-concrete to supply the market in Taoyuan.
12. In 1989, Tainan plant and Chiayi plant were successively established in Yongkang Township of Tainan County and Minxiong Township of Chiayi County to manufacture ready-mix-concrete to supply the ready-mix-concrete market in Tainan and Chiayi.
13. In 1990, the Hsinchu plant and Kaohsiung plant were established in Hsinchu City and Zuoying District in Kaohsiung City to manufacture ready-mix-concrete to supply the regional market. Due to the shortage of gravel and sand in the north, the Yilan sand and gravel plant was established in Yuanshan Township of Yilan County to supply the Company's plants in northern Taiwan.
14. In 1991, Goldsun Building on Zhengzhou Road in Taipei City was completed, and the head office was relocated to the building.
15. In 1993, Xiaogang branch was established in Xiaogang District of Kaohsiung City to manufacture ready-mix-concrete to supply the regional market.
16. In 1994, the Keelung plant and Taoyuan plant were established in Keelung City and Bade City in Taoyuan County to manufacture ready-mix-concrete to supply the regional market.
17. In 1996, Bali branch plant, Shulin branch plant, Xinying branch plant and Dounan branch plant were established in Bali Township and Shulin Township of Taipei County, Yanshui District in Tainan County and Dounan Township in Yunlin County, respectively, to manufacture ready-mix-concrete to supply the regional market. The Zhonghua branch plant was abolished due to the rezoning of the city.
18. In 1997, Luzhu branch plant, Renwu branch plant, Taichung plant, Dadu branch plant, Yilan branch plant and Hualien branch plant were established in Luzhu Township of Taoyuan County, Renwu Township of Kaohsiung County, Longjing Township and Dadu Township of Taichung County, Yuanshan Township of Yilan County and Ji-an Township of Hualien County, respectively, to manufacture ready-mix-concrete to supply the regional market.
19. In April 1998, the Linkou branch plant was established in Guishan Township of Taoyuan County to manufacture ready-mix-concrete to supply the regional market.
20. In 2000, the Tucheng branch plant, Tongxiao branch plant, Chiatai branch plant, Dahu branch plant and Xinshi branch plant were established in Tucheng City of Taipei County, Tongxiao Township of Miaoli County, Taibao City of Chiayi County, Shanhua Township of Tainan County and Hunei Township of Kaohsiung County, respectively, to manufacture ready-mix-concrete to supply the regional market.

21. In November 2001, Kao-Nan branch plant was established in Renwu Township of Kaohsiung County to manufacture ready-mix-concrete to supply the regional market.
22. The Company started to establish plants in Suzhou, China in October 2002. There are currently Luzhi Pipe and Pile Plant, and six ready-mix-concrete plants in Luzhi, Changshu, Taicang, Wuzhong, Wujiang and Kunshan.
23. In 2005, a cement factory was established in Yongding District of Longyan City in Fujian Province.
24. In 2007, a cement factory was established in Doulishan Town of Loudi City Lianyuan City in Hunan Province.
25. In August 2009, the Company established Taipei Port Terminal Company Limite to engage in the construction and operation of the second bulk cargo storage and logistics center of Taipei Port.
26. In 2012, Taichung plant was established in Nantun Industrial Park of Taichung City to manufacture ready-mix-concrete to supply the regional market.
27. In 2013, Taipei Port plant was established in Bali District of New Taipei City to manufacture ready-mix-concrete to supply the regional market.
28. In 2014, the Company acquired the plant and equipment from Da-Chong Concrete in Renwu District of Kaohsiung City to establish its Renwu plant to manufacture ready-mix-concrete to supply the regional market.
29. On June 23, 2015, the Taipei City Government approved the name change of the Company, and Goldsun Industry Construction Co., Ltd. was renamed as Goldsun Building Materials Co., Ltd.
30. In 2016, Xizhi plant was established in Xizhi District of New Taipei City to manufacture ready-mix-concrete to supply the regional market.
31. In 2017, Dongda plant was established in Hsinchu City to manufacture ready-mix-concrete to supply the regional market.
32. In 2018, Gangshan plant was established in Kaohsiung City to manufacture ready – mix - concrete to supply the regional market.
33. The Company's current paid-in capital is NT$11,800,000 thousand.

Three. Corporate Governance Report

I. Organizational system

(I) Corporate organization



(II) Duty and function of each unit:

Department	Main duty
Auditing Office	1. Establish and execute annual audit plans in accordance with the internal control protocols and results of risk assessment. 2. Inspect and review violations of internal control protocols, measures effectiveness and efficiency of operations and offers timely recommendations for improvements to ensure the continuing compliance with internal control protocols.
Chairman’s Office	1. Formulate the Group's development strategy and study the development of new business units. 2. Safekeeping of the chairman's personal seal, and coordinating each division.
Division of Corporate Governance	1. Handle issues related to the board meetings and shareholder meetings in accordance with the regulations. 2. Produce meeting records and minutes of the board and shareholders' meetings. 3. Assistance offered for inauguration and continuing education of directors. 4. Prepare directors with the information needed for carrying out their tasks and help directors comply with the regulations. 5. Other matters stipulated in accordance with the Company's Articles of Incorporation or contracts.
Office of Public Relations	1. External communication and matters related to press releases in the media. 2. Application management and review of internal and external brand image and CIS. 3. Plan and execute various publicity activities on internal and external relations.
Division of General Management	1. Business law affairs and project planning of the Group. 2. Application for line of credit and capital allocation, financing and control to financial institutions. 3. Management of negotiable securities and company seals. 4. Feasibility and benefit assessment of reinvestment. 5. Analyze operations and management of each subsidiary and affiliate. 6. Planning and implementation related to the investor relations of the parent and subsidiary companies, and tasks involved in the board of directors and the shareholders' meetings.
Division of Administration	1. Comprehensive planning and supervision of administrative affairs. 2. Planning, procurement, and management of the general affairs and shareholders meetings. 3. Planning and management of human resources and personnel management affairs. 4. Follow-up and improvement of accounting budget, tax planning and abnormal financial cases. 5. Announcement and communication of public information and legal person information of publicly traded companies. 6. Information security management and incident response.

Department	Main duty
Division of Operations	1. Overall operational planning of ready-mix-concrete. 2. Establish and implement targets for manufacturing, sales and quality of ready-mix-concrete products in Taiwan and China. 3. Research, development and improvement of manufacturing technologies and product quality. 4. Manage overall customer service satisfaction. 5. Establish targets for procurement, and plan and implement performance control measures. 6. Develop sources of sand and gravel, and plan and implement quality control measures. 7. Planning of ship safety management, ship scheduling, ship operation and capacity.
Division of Construction	1. Comprehensive planning, execution and management of real estate development, purchase, sales and lease and operation of shopping malls. 2. Assessment, analysis and reporting of sales strategies, planning and design and budgeting for real properties. 3. Coordination and joint development of Group's assets and contract bidding. 4. Construction management and engineering integration to promote construction projects.
Occupational Safety and Health Department	Formulate, plan, supervise and promote occupational safety and health measures of the whole company, and instruct relevant departments to implement the measures.

II. Profile of directors, president, vice presidents, assistant vice presidents, and supervisors of departments and branches:

(I) Information on board members:

February 28, 2022

Title	Nationality or registration place	Name	Gender Age	Elected (inauguration) date	Term of Service	Date first elected date	Number of Shares Owned at Time of Election		Number of Shares Currently Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in the Company or other Companies	Other managers, directors of supervisors who are spouse or blood relatives within the second degree			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Chairman	Republic of China	Lan-Ying Hsu	Female 61-70	2019.06.20	3 years	2016.06.13	1,001,194	0.07%	966,832	0.08%	—	—	1,508,944	0.13%	Department of Oriental Languages at Fu Jen Catholic University	President of Division of General Management at Taiwan Secom Co., Ltd., Director of Wellpool Co., Ltd.	Chief Executive Officer	Lei Lin	Spouse	—
Vice Chairman	Republic of China	Vincent Lin	Male 41-50	2019.06.20	3 years	2004.06.25	7,397,115	0.54%	6,468,322	0.55%	128,997	0.01%	—	—	Juris Doctor from Hastings College of the Law at University of California	Board director of Taiwan Secom Co., Ltd., Independent director of Mercuries Data Systems Ltd.	Director	Frank Lin	Brothers	—
Director	Republic of China	Taiwan Secom Co., Ltd.	—	2019.06.20	3 years	2007.06.28	89,875,518	6.51%	77,705,747	6.60%	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Frank Lin	Male 41-50	2019.11.18	3 years	2008.06.26	2,694,197	0.20%	2,406,000	0.20%	—	—	—	—	Master's degree from Business Management (Marketing) at Middlesex University	Vice Chairman of Taiwan Secom Co., Ltd.	Vice Chairman	Vincent Lin	Brothers	—
Director	Republic of China	Chuang-Yen Wang	Male More than 71	2019.06.20	3 years	1998.05.28	22,724,113	1.65%	19,447,545	1.65%	—	—	—	—	Chairman of De-Mao Transportation Co., Ltd.	Chairman of De-Mao Transportation Co., Ltd.	—	—	—	—
Director	Republic of China	Tai-Hung Lin	Male More than 71	2019.06.20	3 years	1998.05.28	4,620,000	0.33%	3,953,846	0.34%	171,162	0.01%	—	—	Department of Banking and Insurance at Tatung Institute of Commerce and Technology	Chairman of Hong-Xiu Investment	—	—	—	—
Director	Republic of China	Po-Hsi Liao	Male 61-70	2019.06.20	3 years	2016.06.13	1,467,268	0.11%	1,255,704	0.11%	352,917	0.03%	—	—	Master of Business Administration, University of San Francisco	Director of Howard Prince Hotel	—	—	—	—

Title	Nationality or registration place	Name	Gender Age	Elected (inauguration) date	Term of Service	Date first elected date	Number of Shares Owned at Time of Election		Number of Shares Currently Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in the Company or other Companies	Other managers, directors of supervisors who are spouse or blood relatives within the second degree			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Director	Republic of China	Shih-Tsung Chang	Male 61-70	2019.06.20	3 years	2007.06.28	6,445,748	0.47%	6,001,456	0.51%			—	—	Master of Business Administration, California State University	Chairman of Wellpool Co., Ltd.	—	—	—	—
Director	Republic of China	Yu-Feng Lin	Male 61-70	2019.06.20	3 years	2016.06.13	60,000	0.00%	185,581	0.02%	43,116	0.00%	—	—	Ph.D. in International Politics, University of Virginia	Convener of National Security Research Group of the National Policy Foundation	—	—	—	—
Director	Republic of China	Shang Jing Investment Co., Ltd.	—	2019.06.20	3 years	1998.05.28	6,927,421	0.50%	5,928,563	0.50%	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative: Hong-Jun Lin	Male 31-40	2019.06.20	3 years	2019.06.20	—	—	—	—	—	—	—	—	Master of Business Administration from INSEAD	Supervisor of Shang Jing Investment	—	—	—	—
Independent Director	Republic of China	Wen-Che Tseng	Male 61-70	2019.06.20	3 years	2019.06.20	—	—	—	—	—	—	—	—	EMBA, National Cheng Kung University	Independent director of Catcher Technology	—	—	—	—
Independent Director	Republic of China	Yin-Wen Chan	Male 51-60	2019.06.20	3 years	2016.06.13	—	—	—	—	—	—	—	—	Ph.D. in Civil Engineering, University of Michigan	Professor at National Taiwan University	—	—	—	—
Independent Director	Republic of China	Chi-Te Hung	Male 51-60	2019.06.20	3 years	2016.06.13	—		—	—	—	—	—	—	Master of Civil Engineering from National Taiwan University	Chairman of the Chinese Union of Professional Civil Engineers Association	—	—	—	—

Note: In the event that the Company's chairman and president or a position of the same level (top-level manager) are the same person, spouse or a first-degree relative, relevant information such as the reasons, rationality, necessity and future improvement measures must be disclosed (such as adding the seat number of independent directors, and there should be ways for majority directors who are not taking concurrent positions as employees or managers): The Company's chairman also serves as the president in order to reinforce the operational efficiency and decision-making process. The chairman also closely communicates with directors about the Company's status of operation and plans to implement corporate governance. In the future, the Company will add seats of independent directors to enhance the functions of the board and strengthen the supervision.

1. To enhance the operational efficiency of the board, it is expected to arrange specialized courses provided by external institutions each year for the directors to attend.
2. Independent directors can make sufficient discussions and provide recommendations for the board of directors as reference, to various functional committees realizing corporate governance.
3. More than half of the directors in the board are not taking concurrent positions as employees or managers.

Table 1: Major shareholders of corporate shareholders

February 28, 2022

Name of Corporate Shareholders	Majority corporate shareholders
Taiwan Secom Co., Ltd.	Secom Corporation Japan (27.29%), Shin Kong Life Insurance (8.36%), Cheng Hsin Investment (4.73%), Chunghwa Post (3.82%), Shin-Lan Enterprise (3.12%), Fubon Life Insurance (2.92%), Wan-Quan Du Charity Foundation (1.90%), JP Morgan Taipei as the custodian bank for First Eagle Sub-Fund FE Overseas Investment (1.89%), Yuan-Shin Investment (1.78%), HSBC as the custodian bank for Matthew Asia Growth Income Fund Investment 1.58%)
Shang Jing Investment Co., Ltd.	Li-Rong Yu (19.00%), Chia-Ling Lin (19.00%), Hong-Jun Lin (26.85%), Jing-Yi Lin (25.00%), Chen-Chuan Co., Ltd. (6.00%)

Table 2: Major shareholders of corporate shareholders in Table 1 who are legal persons:

February 28, 2022

Name of Legal Person	Majority corporate shareholders
Secom Corporation Japan	The Master Trust Bank of Japan,Ltd.(Trust Account) (20.80%), Custody Bank of Japan,Ltd.(Trust Account)(7.42%), JP Morgan Chase Bank(4.37%), STATE STREET BANK AND TRUST COMPANY 505223(2.48%), Custody Bank of Japan,Ltd.(Trust Account 7)(2.22%), STATE STREET BANK WEST CLIENT-TREATY 505234(2.01%)
Shin Kong Life Insurance	Shin Kong Financial Holding (100%)
Cheng Hsin Investment Co., Ltd.	Shiaw-shinn Lin (44.27%), Su-Chu Chuang (22.20%), Vincent Lin (16.76%), Frank Lin (16.76%)
Chunghwa Post	Ministry of Transportation and Communications (100%)
Shin Lan Enterprise INC.	Cheng Hsin Investment (20.59%), Shiaw-shinn Lin (20.08%), Su-Chu Chuang (13.38%), Frank Lin (5.23%), Che-Hsiung Chen (5.01%), Hong-Jun Lin (4.74%), Mao-Jie Industrial (4.74%), Mao-Sen International (4.74%), Shi-Yi Huang (4.48%), Yuan-Shin Investment (2.60%)
Fubon Life Insurance Co., Ltd.	Fubon Financial Holdings Co., Ltd. (100%)
Wan-Quan Du Charity Foundation	Wan-Quan Du (100%)
Yuan-Shin Investment Co., Ltd.	Su-Chu Chuang (27.37%), Vincent Lin (25.29%), Frank Lin (25.29%), Shiaw-shinn Lin (22.05%)
Chen-Chuan Co., Ltd.	Ming-Hsien Yu (100%)

Information About Board Members

1. Disclosure of professional qualifications of directors and independence of independent directors:

Conditions / Name	Professional qualifications and experience	Independence	Concurrently serving as an independent director in other publicly listed companies
Chairman Lan-Ying Hsu	Served as chairman and president of listed companies and director of OTC companies, with broad industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—
Vice Chairman Vincent Lin	Served as vice chairman of listed companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	1
Director Frank Lin	Served as vice chairman of listed companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—
Director Chuang-Yen Wang	Served as chairman of companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—
Director Tai-Hung Lin	Served as chairman of companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—
Director Po-Hsi Liao	Served as chairman of companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	1
Director Shih-Tsung Chang	Served as chairman of OTC companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—
Director Yu-Feng Lin	Once served as a legislator focusing on national defense issues, and was rated a top-performing legislator several times. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	—

Conditions / Name	Professional qualifications and experience	Independence	Concurrently serving as an independent director in other publicly listed companies
Director Hong-Jun Lin	Served as director of companies and has rich industry experience and organizational management capabilities. Not been a person of any conditions defined in Article 30 of the Company Act.	Not applicable	–
Independent Director Wen-Che Tseng	Once served as the Executive Vice President and director of the Tax Affairs Department of Deloitte Taiwan, independent director of listed or OTC companies for several years, director of Tainan Enterprise Managers Association. Not been a person of any conditions defined in Article 30 of the Company Act.	Meet the eligibility criteria specified in Articles 2, 3 and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies two years before being elected and during the term of office.	3
Independent Director Yin-Wen Chan	Executive director of relevant domestic and foreign industry associations and has rich practical management and teaching experience. Not been a person of any conditions defined in Article 30 of the Company Act.	Meet the eligibility criteria specified in Articles 2, 3 and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies two years before being elected and during the term of office.	–
Independent Director Chi-Te Hung	Served as the chairman of the Chinese Union of Professional Civil Engineers Association and has rich practical management and teaching experience. Not been a person of any conditions defined in Article 30 of the Company Act.	Meet the eligibility criteria specified in Articles 2, 3 and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies two years before being elected and during the term of office.	–

2. Board diversity and independence:

(1) Diversity of the board:

A. Improve board effectiveness:

The board meeting is held at least once a quarter, and the chairman is mainly responsible for improving corporate governance and presiding over the operation of the board.

According to the Company's Articles of Incorporation and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, the selection of directors takes into account the overall configuration of the board. The composition of the board considers judgement in operations and management capabilities, accounting and financial analysis capabilities, risk management, industry knowledge, international market perspectives, leadership, decision-making, etc.

B. Professional and diverse board of directors:

There are 12 directors (including 3 independent directors) in the 22nd batch of the board of directors of the company, and the independent directors shall not serve more than 3 terms. The members of the board are all domestic, and the composition includes 3 independent directors, or 25%, and 1, or 8%, director serving as an employee of the Company. As for the age distribution, there is 1 director aged 31-40 and 2 directors aged 41-50, helping the Company have more diverse and innovative perspectives. The Company also values gender equality in the composition of the board. The current chairman of the board is female. In the future, the Company will continue to increase the proportion of female directors.

C. The orientation, complementarity and implementation of the diversity of directors will be better than the standards set forth in Article 23 of the Company's Corporate Governance Principles. In the future, the diversity policy will still be revised depending on the operation of the board, the type of operation and the development needs, including but not limited to basic criteria and values (gender, age, nationality, culture, etc.), professional knowledge and skills and professional background (such as law, accounting, industry, finance, marketing or technology) to ensure that board members generally have the necessary knowledge, skills and literacy to perform their duties. The overall capabilities of the board of directors of the Company are listed as follows:

Diversification / Name	Basic composition (Note 1)			Professional experience (Note 2)						Professional competence
	As an employee	Service Term of Independent Directors		Laws	Accounting	Industry	Finance	Marketing	Technology	
		Less than 3 years	6 to 9 years							
Lan-Ying Hsu	✓	-	-	O	✓	✓	✓	✓	✓	Business
Vincent Lin	-	-	-	✓	O	✓	O	✓	✓	Jurisprudence
Frank Lin	-	-	-	O	O	✓	✓	✓	✓	Marketing management
Chuang-Yen Wang	-	-	-	O	✓	O	✓	O	O	Business
Tai-Hung Lin	-	-	-	O	✓	O	✓	O	O	Business marketing
Po-Hsi Liao	-	-	-	O	✓	O	✓	O	✓	Company management
Shih-Tsung Chang	-	-	-	O	✓	O	✓	O	✓	Company management
Yu-Feng Lin	-	-	-	✓	O	✓	O	O	✓	Political science
Hong-Jun Lin	-	-	-	O	✓	O	✓	O	✓	Company management
Wen-Che Tseng	-	✓	-	O	✓	O	✓	O	✓	Finance, taxation and accounting
Yin-Wen Chan	-	-	✓	O	O	✓	O	O	✓	Civil engineering Concrete materials Fracture mechanics Mechanical testing of materials
Chi-Te Hung	-	-	✓	O	O	✓	O	O	✓	Civil engineering technician Chairman of the Chinese Union of Professional Civil Engineers Association Civil engineering, building structure engineering, construction supervision engineering, telecommunication engineering, building structure assessment, etc.

Note 1: For the nationality, gender and age of each director and independent director, please refer to (I) Profile of Directors in the annual report.

Note 2: ✓ means capability in the field, O means with partial capability in the field.

(2) Independence of the board:

A. The Company has 12 directors, including 3 independent directors, who account for 25% of the board seats. The independent directors of the Company have issued statements at the time of election and during their term of office, respectively, stating that they meet the eligibility criteria specified in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities Exchange Act two years before being elected and during the term of office. The company shall review the independence of independent directors every year and issue an independent director qualification checklist for future reference in order to comply with the independence requirements.

B. Vice chairman Vincent Lin and the representative of Taiwan Secom, Frank Lin, are relatives within the second degree of kinship, and there are no circumstances stipulated in Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act.

(II). Information about the CEO, president, vice president, directors of departments, managers of departments:

Information about the CEO, president, vice president, directors of departments0 chiefs of departments and branches

February 28, 2022

Title	Nationality	Name	Gender	Election / Appointment Date	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in Other Companies	Managerial officers who are Spouse or Blood Relatives Within the Second Degree			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Chief Executive Officer	Republic of China	Lan-Ying Hsu	Female	103.06.27	966,832	0.08%	–	–	1,508,944	0.13%	University	President of Division of General Management at Taiwan Secom Co., Ltd. Director of Rei Shin Construction Co., Ltd.	Chief Executive Officer	Lei Lin	Spouse	–
Chief Executive Officer	Republic of China	Lei Lin	Male	2013.11.07	–	–	966,832	0.08%	–	–	High school (vocational school)	Chairman of Brightron Technology and Engineering Corporation	Chief Executive Officer	Lan-Ying Hsu	Spouse	–
President	Republic of China	Chih-Jen Wu	Male	2017.05.16	42,790	0.00%	29,000	0.00%	–	–	Research institute	Chairman of Goyu Building Materials Co., Ltd.	–	–	–	–
President	Republic of China	Chiao Lin	Male	2013.01.01	–	–	–	–	–	–	Research institute	Chairman of Kuoyung Construction & Engineering Co., Ltd. Chairman of Rei Shin Construction Co., Ltd.	–	–	–	–
President	Republic of China	Chia-Ying Chen	Female	2020.03.17	–	–	–	–	–	–	Research institute	Supervisor of Taipei Port Terminal Company Limited Supervisor of Goyu Building Materials Co., Ltd.	–	–	–	–
President	Republic of China	Shang-Yuan Wen	Male	2022.02.25	–	–	–	–	–	–	Research institute	–	–	–	–	–
President	Republic of China	Chin-Yi Huang	Male	2022.02.25	141,310	0.01%	6,667	0.00%	–	–	Technical college	Chairman of Goldsun (Suzhou) Concrete Co., Ltd.	–	–	–	–
Vice President	Republic of China	James Chiu	Male	2013.03.25	120,339	0.01%	–	–	–	–	University	Supervisor of Rei Shin Construction Co., Ltd.	–	–	–	–
Vice President	Republic of China	Yu-Min Yuan (Note 1)	Male	2019.03.18	–	–	–	–	–	–	Technical college	–	–	–	–	–
Vice President	Republic of China	Wen-Te Chen	Male	2017.01.01	13,864	0.00%	86	0.00%	–	–	University	–	–	–	–	–
Vice President	Republic of China	Chih-Chiang Yang	Male	2017.05.16	2,454	0.00%	–	–	–	–	Research institute	President of Goyu Building Materials Co., Ltd.	–	–	–	–
Vice President	Republic of China	Kuo-Chung Lin	Male	2022.01.01	1,275	0.00%	875	0.00%	–	–	High school (vocational school)	–	–	–	–	–
Vice President	Republic of China	Chia-Chen Lin	Male	2022.01.01	–	–	–	–	–	–	University	–	–	–	–	–
Vice President	Republic of China	Ching-Pang Ma	Male	2022.01.01	–	–	4,279	0.00%	–	–	Research institute	–	–	–	–	–

Title	Nationality	Name	Gender	Election / Appointment Date	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Main Work Experience or Education Background	Concurrent Position in Other Companies	Managerial officers who are Spouse or Blood Relatives Within the Second Degree			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Department director	Republic of China	Chih-Ping Wang	Male	2015.12.21	–	–	–	–	–	–	Technical college	–	–	–	–	–
Department director	Republic of China	Chen-Chou Chen	Male	2016.05.03	–	–	–	–	–	–	Technical college	–	–	–	–	–
Department director	Republic of China	Hsun-Chen Lin	Male	2017.01.01	–	–	–	–	–	–	Technical college	–	–	–	–	–
Department director	Republic of China	Lin-Yen Cheng	Female	2017.01.01	–	–	–	–	–	–	University	–	–	–	–	–
Department director	Republic of China	Hao-Hsiang Hsu	Male	2017.05.16	–	–	–	–	–	–	Research institute	Chairman of Gimpo Marine Co., Ltd.	–	–	–	–
Department director	Republic of China	Hsiu-Ju Lin	Female	2020.01.01	–	–	–	–	–	–	Research institute	–	–	–	–	–
Department director	Republic of China	Liang-Cheng Lin	Male	2020.06.01	–	–	–	–	–	–	Technical college	–	–	–	–	–
Department director	Republic of China	San-Tai Yeh	Male	2021.01.01	–	–	–	–	–	–	Technical college	–	–	–	–	–
Department director	Republic of China	Chi-Wen Ma	Male	2021.07.01	–	–	59,000	0.01%	–	–	Doctoral degree	–	–	–	–	–
Department director	Republic of China	Chao-Yao Shih	Male	2022.01.01	–	–	–	–	–	–	University	–	–	–	–	–
Department director	Republic of China	Chung-Rui Yang	Male	2022.01.01	–	–	–	–	–	–	Doctoral degree	–	–	–	–	–
Principal accounting officer	Republic of China	James Chiu	Male	2007.08.24	120,339	0.01%	–	–	–	–	University	Supervisor of Rei Shin Construction Co., Ltd.	–	–	–	–
Head of corporate governance	Republic of China	Jie-Tang Chang	Male	2021.12.15	1,252	0.00%	–	–	–	–	University	Director of Rei Shin Construction Co., Ltd.				

Note 1: Yu-Min Yuan was dismissed on 2022.02.09.

III. Remuneration paid during the most recent fiscal year to directors of the board, the president, and vice presidents:

(I) Remuneration paid to directors and independent directors:

Unit: NT$1,000

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as a % of the Net Income		Remuneration for concurrent position as an employee								Total Compensation (A+B+C+D+E+F+G) as a % of the Net Income		Receive remuneration from non-consolidated affiliates the parent company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances for Operations (D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profit Sharing Bonus (G)						
		The Company	Employees' Profit Sharing Bonus (G)	The Company	Employees' Profit Sharing Bonus (G)	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	Employees' Profit Sharing Bonus (G)	The Company Cash	The Company Stock	From All Consolidated Entities Cash	From All Consolidated Entities Stock	The Company	From All Consolidated Entities	
Chairman	Lan-Ying Hsu	600	1,059	-	-	36,950	36,950	50	215	1.32%	1.34%	7,976	7,976	-	-	204	-	204	-	1.61%	1.63%	-
Vice Chairman	Vincent Lin	5,400	5,400	-	-	22,170	22,170	50	50	0.97%	0.97%	-	-	-	-	-	-	-	-	0.97%	0.97%	-
Director	Taiwan Secom Co., Ltd. Representative: Frank Lin Chuang-Yen Wang Shang Jing Investment Co., Ltd. Legal person representative: Hong-Jun Lin Shih-Tsung Chang Tai-Hung Lin Po-Hsi Liao Yu-Feng Lin	4,200	7,680	-	-	51,730	53,055	350	1,325	1.97%	2.18%	-	-	-	-	-	-	-	-	1.97%	2.17%	-
Independent Director	Wen-Che Tseng Yin-Wen Chan Chi-Te Hung	8,400	8,400	-	-	-	-	310	310	0.31%	0.31%	-	-	-	-	-	-	-	-	0.31%	0.31%	-

1. Please state the policy, system, standards and structure of remuneration payments to independent directors, and describe the relationship between the responsibility, risk, time committed to the organization and other factors and the amoun remuneration paid to them: The remuneration paid to independent directors is in accordance with the Salary and Remuneration Committee Organizational Charter, which assess the extent of their participation in the operation of the Company, ti committed and attendance. The system, structure and payment standards have been approved by the Salary and Remuneration Committee and submitted to the board for resolution.

2. In addition to as disclosed in the above table, the remuneration received by the directors for their services provided (such as serving as a non-employee consultant for the parent company and all companies/re-investment listed in the financial repo in the most recent fiscal year: None.

Remuneration paid to directors and independent directors

Remuneration Paid to Directors	Name of Director			
	Total Remuneration from the First Four Items (A+B+C+D)		Total Remuneration from the First Seven Items (A+B+C+D+E+F+G)	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
Below NT$1,000,000	Representative of Taiwan Secom Co., Ltd.: Frank Lin. Legal person representative of Shang Jing Investment: Hong-Jun Lin	Representative of Taiwan Secom Co., Ltd.: Frank Lin. Legal person representative of Shang Jing Investment: Hong-Jun Lin	Representative of Taiwan Secom Co., Ltd.: Frank Lin. Legal person representative of Shang Jing Investment: Hong-Jun Lin	Representative of Taiwan Secom Co., Ltd.: Frank Lin. Legal person representative of Shang Jing Investment: Hong-Jun Lin
NT$1,000,000 (included) - NT$2,000,000 (excluded)				
NT$2,000,000 (included) - NT$3,500,000 (excluded)	Independent directors: Yin-Wen Chan, Chi-Te Hung, Wen-Che Tseng	Independent directors: Yin-Wen Chan, Chi-Te Hung, Wen-Che Tseng	Independent directors: Yin-Wen Chan, Chi-Te Hung, Wen-Che Tseng	Independent directors: Yin-Wen Chan, Chi-Te Hung, Wen-Che Tseng
NT$3,500,000 (included) - NT$5,000,000 (excluded)				
NT5,000,000 (included) - NT$10,000,000 (excluded)	Directors: Chuang-Yen Wang, Po-Hsi Liao, Yu-Feng Lin, Tai-Hung Lin, Shih-Tsung Chang, Shang Jing Investment and Taiwan Secom	Directors: Chuang-Yen Wang, Po-Hsi Liao, Yu-Feng Lin, Tai-Hung Ling, Shang Jing Investment and Taiwan Secom	Directors: Chuang-Yen Wang, Po-Hsi Liao, Yu-Feng Lin, Tai-Hung Lin, Shih-Tsung Chang, Shang Jing Investment and Taiwan Secom	Directors: Chuang-Yen Wang, Po-Hsi Liao, Yu-Feng Lin, Tai-Hung Ling, Shang Jing Investment and Taiwan Secom
NT10,000,000 (included) - NT$15,000,000 (excluded)		Director: Shih-Tsung Chang		Director: Shih-Tsung Chang
NT15,000,000 (included) - NT$30,000,000 (excluded)	Directors: Vincent Lin	Directors: Vincent Lin	Directors: Vincent Lin	Directors: Vincent Lin
NT$30,000,000 (included) - NT$50,000,000 (excluded)	Director: Lan-Ying Hsu	Director: Lan-Ying Hsu	Director: Lan-Ying Hsu	Director: Lan-Ying Hsu
NT$50,000,000 (included) - NT$100,000,000 (excluded)				
Over NT$100,000,000				
Grand Total	14 seats	14 seats	14 seats	14 seats

(II) Remuneration paid to the CEO, executive officers, president and vice presidents:

Unit: NT$1,000

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D)				Total Remuneration (A+B+C+D) as a % of the Net Income		Compensation from invested businesses other than subsidiaries
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities		The Company	From All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Chief Executive Officer	Lan-Ying Hsu	33,952	38,203	-	-	8,104	8,294	2,245	-	2,245	-	1.56%	1.71%	-
Chief Executive Officer	Lei Lin													
President	Chiao Lin													
President	Chih-Jen Wu													
President	Chin-Yi Huang													
President	Chia-Ying Chen													
President	Shang-Yuan Wen													
Vice President	James Chiu													
Vice President	Chih-Chiang Yang													
Vice President	Wen-Te Chen													
Vice President	Yu-Min Yuan													

Note: Excluding vice presidents who were promoted on January 1, 2022.

Remuneration Paid to the General Manager and Vice General Manager	Name of Executive Officers, President and Vice Presidents	
	The Company	From All Consolidated Entities
Below NT$1,000,000	-	-
NT$1,000,000 to NT$2,000,000	-	-
NT$2,000,000 to NT$3,500,000	Chin-Yi Huang, Chia-Ying Chen, James Chiu, Chih-Chiang Yang, Wen-Te Chen, Yu-Min Yuan, Shang-Yuan Wen	James Chiu, Wen-Te Chen, Yu-Min Yuan, Shang-Yuan Wen
NT$3,500,000 to NT$5,000,000	Chiao Lin	Chiao Lin, Chin-Yi Huang, Chia-Ying Chen, Chih-Chiang Yang,
NT$5,000,000 to NT$10,000,000	Lan-Ying Hsu, Lei Lin, Chih-Jen Wu	Lan-Ying Hsu, Lei Lin, Chih-Jen Wu
NT$10,000,000 to NT$15,000,000	-	-
NT$15,000,000 to NT$30,000,000	-	-
NT$30,000,000 to NT$50,000,000	-	-
NT$50,000,000 to NT$100,000,000	-	-
Over NT$100,000,000	-	-
Grand Total	11	11

(III) Names of managers who are assigned employee compensation and the status of assignment:

Unit: NT$1,000

	Title	Name	Stock Dividends	Cash Dividends	Grand Total	Total as % of the Net Income
Managers	Chief Executive Officer	Lan-Ying Hsu	-	4,897	4,897	0.17%
	Chief Executive Officer	Lei Lin				
	President	Chih-Jen Wu				
	President	Chiao Lin				
	President	Chia-Ying Chen				
	President	Chin-Yi Huang				
	President	Shang-Yuan Wen				
	Vice President	James Chiu				
	Vice President	Wen-Te Chen				
	Vice President	Chih-Chiang Yang				
	Vice President	Yu-Min Yuan				
	Vice President	Kuo-Chung Lin				
	Vice President	Chia-Chen Lin				
	Vice President	Ching-Pang Ma				
	Department director	Chih-Ping Wang				
	Department director	Chen-Chou Chen				
	Department director	Hsun-Chen Lin				
	Department director	Lin-Yen Cheng				
	Department director	Hao-Hsiang Hsu				
	Department director	Hsiu-Ju Lin				
	Department director	Liang-Cheng Lin				
	Department director	San-Tai Yeh				
	Department director	Chi-Wen Ma				
	Head of corporate governance	Jie-Tang Chang				

Note: Excluding managers who were promoted on January 1, 2022.

(IV) Analysis on the ratio taken by the gross total of profit sharing from earnings paid by the Company and all firms disclosed in the consolidated financial statements to the directors, presidents and vice presidents of the Company to the net earnings after tax over the past two years, including a description of the policies, criteria and composition of profit sharing from earnings; the procedures to determine profit sharing from earnings, and their interrelations with business performance and future risks:

(1) Analysis of the total remuneration paid by the Company and all firms disclosed in the consolidated financial statements, as a percentage of net income, to directors of the board, the president and vice presidents during the most recent two years:

Unit: NT$1,000

Title	Remuneration as a percentage of net income (%)			
	2021		2020	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
Director	4.86%	5.08%	4.31%	4.57%
Chief Executive Officer, President and Vice Presidents	1.56%	1.71%	1.75%	1.86%

(2) Remuneration policies and standards for the Company and all companies on disclosed on the consolidated financial statements:

①The remuneration paid by the Company to directors and supervisors is specified by the Articles of Incorporation approved by the shareholders meeting, and the board is authorized to reach a resolution. Except for the Company, the remuneration paid to the directors and supervisors of other companies listed in the consolidated financial statements is based on the payment standard adopted by other industry peers.

②The remuneration paid to the Company's managers is based on the Company's operating performance and the standard adopted by industry peers and is approved by the chairman before being distributed.

Except for the Company, the remuneration paid to the managers of other companies listed in the consolidated financial statements is based on the payment standard adopted by other industry peers.

③The Company's salary and remuneration policies are based on the Company's financial position and operating results, and the remuneration to directors and supervisors and bonuses to employees are distributed in accordance with the Articles of Incorporation to minimize the possibility of future risks.

IV. Implementation of corporate governance

(I) Operation of the board of directors

As of the most recent fiscal year (2021) and up to the date of the publication of the annual report in 2022, the board has met 6 times, and the attendance of directors is shown below:

Title	Name	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance	Remarks
Chairman	Lan-Ying Hsu	6	—	100%	None
Vice Chairman	Vincent Lin	6	—	100%	None
Director	Representative of Taiwan Secom Co., Ltd.: Frank Lin	6	—	100%	None
Director	Chuang-Yen Wang	3	3	50%	None
Director	Tai-Hung Lin	4	2	67%	None
Director	Po-Hsi Liao	5	1	83%	None
Director	Shih-Tsung Chang	6	—	100%	None
Director	Yu-Feng Lin	6	—	100%	None
Director	Representative of Shang Jing Investment: Hong-Jun Lin	6	—	100%	None
Independent Director	Wen-Che Tseng	6	—	100%	None
Independent Director	Yin-Wen Chan	6	—	100%	None
Independent Director	Chi-Te Hung	6	—	100%	None

Other issues to be recorded:

I. The date, session, proposal content, and resolution specified and the opinion expressed by independent directors shall be specified under any one of the following circumstances:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, and Article 14-3 of the Securities and Exchange Act does not apply. Please refer to the information on the operation of the Audit Committee in this year's annual report.

(II) Other BOD resolutions to which objections or qualified opinions for the record or in writing are expressed by independent directors: None.

II. For the recusal of directors due to conflicts of interests, please describe the name of the director, the proposal content, the reason for recusal and the participation in voting:

Date/Batch	Content of Motions	Circumstances of Recusal
2021/11/9 15th meeting of the 22nd session	Proposal to establish a nomination committee	When discussing the appointment of committee members, the director and independent director recused themselves from the meeting and did not participate in the discussion and voting.

III. A publicly traded or OTC company shall disclose the information on evaluation cycle and period, scope, method and contents of the board's self (or peer) appraisal:

Evaluation cycle	Evaluation period	Scope of evaluation	Assessment methods	Assessment contents
Once a year	2021/1/1~ 2021/12/31	Performance appraisal of the board, individual board members and functional committees	Internal self-assessment by the board, self-assessment by board members, peer assessment, appointment of external specialized institutions, experts or other appropriate methods to conduct performance appraisal.	1. Performance appraisal of the board: (1) Participation in the operation of the company (2) Improvement of the quality of the board' decision making (3) Composition and structure of the board of directors (4) Election and continuing education of the directors. (5) Internal control 2. Performance appraisal of the board members: (1) Understand the objectives and missions of the Company (2) Understanding of directors' job responsibilities (3) Participation in the operation of the company (4) Internal relationship management and communication (5) Professionalism and continuous education of directors (6) Internal control 3. Performance appraisal of the functional committee: (1) Participation in the operation of the company (2) Understanding of functional committee's job responsibilities (3) Improvement of the quality of the functional committee' decision making (4) Makeup of the functional committee and election of its members (5) Internal control

IV. An evaluation of targets (such as establishing an audit committee, improving information transparency and others) and performance for strengthening the functional competence of the board during the current and the most recent years:

1. In order to improve corporate governance and functional competence of the board, the Company passed the following resolutions of the 15th meeting of the 22nd session of the board on November 9, 2021:

(1) Establish a nomination committee to select nominated directors and senior managers, and submit the recommendations to the board.
(2) Revise the Measures for Performance Appraisal of the Board, so that appraisal of the board and functional committees is conducted every three years by external specialized independent organizations or teams of experts and scholars.

2. On the 2nd meeting of the 2nd session of nomination committee on February 25, 2022, the qualifications of the nominated directors (including independent directors) are reviewed in advance, and the list of recommended candidates is submitted to the board. The Company's Corporate Governance Principles are also amended.

(II) Information regarding Audit Committee operation

As of the most recent fiscal year (2021) and up to the date of the publication of the annual report in 2022, the audit committee has met 5 times, and the attendance of independent directors is shown below:

Title	Name	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance	Remarks
Independent Director	Wen-Che Tseng	5	—	100%	None
Independent Director	Yin-Wen Chan	5	—	100%	None
Independent Director	Chi-Te Hung	5	—	100%	None

Other issues to be recorded:

I. The date, session and proposal content of Audit Committee meetings, objection, qualified opinions and content of significant recommendations of independent directors, the Audit Committee’s resolutions and the Company's handling of the Audit Committee's comments shall be specified under any one of the following circumstances.

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

Meeting Date and Session	Content of Motions	Any objection, expression of reservations or significant recommendations by independent directors	Resolutions of the audit committee and the Company's handling of the audit committee's opinions
2021/3/15 10th meeting of the 2nd session	1. 2020 business report and financial statements. 2. 2020 annual profit distribution. 3. Planning to issue the 2020 Statement on Internal Control. 4. In order to expand the Company's business in ready-mix-concrete, it is proposed to authorize the chairman a budget of NT$2.5 billion to purchase land. 5. Proposal to change CPAs who audit the Company's financial report.	None	1. Results of the audit committee's resolution: Unanimous vote by all attending committee members to approve the motion and submit it to the board for resolution. 2. Company's handling of audit committee's opinions: Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.

2021/5/4 11th meeting of the 2nd session	The proposal for the Company's overseas reinvestment, Goldsun International Development Corp. in the Cayman Islands, dispose of all shareholding of Kunshan Goldsun Concrete Co.,Ltd.	None	1. Results of the audit committee's resolution: Unanimous vote by all attending committee members to approve the motion and submit it to the board for resolution. 2. Company's handling of audit committee's opinions: Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
2021/11/9 13th meeting of the 2nd session	1. The Company intends to sell the land and buildings located in the Wan-Nei Section of Sanmin District, Kaohsiung City. 2. The Company intends to purchase a bulk carrier. 3. The Company's Nangang BR2 urban revitalization project. 4. Assessment of the independence of the Company's CPAs.	None	1. Results of the audit committee's resolution: Unanimous vote by all attending committee members to approve the motion and submit it to the board for resolution. 2. Company's handling of audit committee's opinions: Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.
2022/2/25 14th meeting of the 2nd session	1. 2021 business report and financial statements. 2. 2021 annual profit distribution. 3. Proposed to issue the 2021 Statement on Internal Control. 4. The Company intends to purchase a bulk carrier. 5. Proposed the amendment to provisions of the Company's Measures for Handling Acquisition or Disposal of Assets.	None	1. Results of the audit committee's resolution: Unanimous vote by all attending committee members to approve the motion and submit it to the board for resolution. 2. Company's handling of audit committee's opinions: 3. Submitted to the board for discussion, and unanimous approval by all directors attending the board meeting.

Note: The 12th meeting of the 2nd session of audit committee on 2021/8/10 only reported matters, did not discuss matters.

(II) Except for the above mentioned matters, others which have not been passed by the Audit Committee but have been approved by more than two-thirds of all directors: None.

II. For the recusal of independent directors due to conflicts of interests, please describe the name of the independent director, the content of motion, the reason for recusal and the participation in voting: None.

III. Communication between independent directors and internal auditing managers and accountants (communicate materiality, methods and results of the Company's financial and business conditions).

Meeting Date	Type	Internal audit supervisors		Accountant	
		Matters to be communicated	Discussion results	Matters to be communicated	Discussion results
2021/3/15	Audit Committee	1. Internal audit report for the period between November 2020 and February 2021. 2. 2020 Statement on Internal Control.	1. Everyone in attendance was notified, and expressed no objection. 2. Submitted to the board for resolution after deliberation.	1. CPAs reported on 2020 financial reports and results of key audit matters. 2. CPAs raised questions and discussed and communicated with the participants in the meeting.	Everyone in attendance was notified, and expressed no objection.
2021/5/4	Audit Committee	Internal audit report for the period between March and April 2021	Everyone in attendance was notified, and expressed no objection.	1. CPAs provided supplementary explanation on the 2021 Q1 financial reports. 2. CPAs raised questions and discussed and communicated with the participants in the meeting.	Everyone in attendance was notified, and expressed no objection.
2021/8/10	Audit Committee	Internal audit report for the period between May and July 2021	Everyone in attendance was notified, and expressed no objection.	1. CPAs provided supplementary explanation on the 2021 Q2 financial reports. 2. CPAs raised questions and discussed and communicated with the participants in the meeting.	Everyone in attendance was notified, and expressed no objection.

2021/11/9	Independent directors have separate meetings with audit supervisors and accountants	1. Matters on review of the 2021 Q3 financial statements 2. Amendments to securities regulations 3. Amendments to taxation regulations			
	Audit Committee	1. Internal audit report for the period between August and October 2021 Discuss the 2022 work plan	Everyone in attendance was notified, and expressed no objection.	1. CPAs provided supplementary explanation on the 2021 Q3 financial reports. 2. CPAs raised questions and discussed and communicated with the participants in the meeting.	Everyone in attendance was notified, and expressed no objection.
2022/2/25	Audit Committee	1. Internal audit report for the period between November 2021 and January 2022. 2. 2021 Statement on Internal Control.	1. Everyone in attendance was notified, and expressed no objection. 2. Submitted to the board for resolution after deliberation.	1. CPAs reported on 2021 financial reports and results of key audit matters. 3. CPAs raised questions and discussed and communicated with the participants in the meeting.	Everyone in attendance was notified, and expressed no objection.

(III) Status of corporate governance implementation and the difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Does the Company follow "Corporate Governance Best Practice Principles" to establish and disclose its corporate governance practices?	✓		The Company amended the Corporate Governance Principles on the 16th meeting of the 22nd session of board held on February 25, 2022, and disclosed the results on the Market Observation Post System and the Company's website.	No major differences
II. Shareholding structure and shareholders' equity (I) Does the Company have internal operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	✓		(I) The official website has "Investor Relations", "Contact Us" and other functions available for shareholders to raise questions and express opinions. The Company has established positions of spokesperson, acting spokesperson and dedicated shareholder services to handle shareholders' suggestions, concerns, disputes and litigation matters.	(I) No major differences
(II) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?	✓		(II) The Company tracks the shareholding of directors, officers and principal shareholders who own more than 5% of shares based on the shareholder register provided by shareholder services agents.	(II) No major differences
(III) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates?	✓		(III) The business dealings between the Company and its affiliates follow the prices, conditions and payment methods specified based on the principles of fairness and reasonableness, and the Company has established the "Supervision and Management of Subsidiaries" to control the business dealings with its affiliates.	(III) No major differences
(IV) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓		(IV) The Company has established the Management Procedures for Prevention of Insider Trading, which specifies that the Company's directors, officers and employees, as well as those who learn of the Company's news due to their occupations or controlling relationships, are prohibited from engaging in any insider trading activities. Education and training sessions on the Procedures and relevant regulations have been held.	(IV) No major differences

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
III. Composition and responsibilities of the board of directors (I) Has the board established a diversification policy and specific management objectives, and have they been implemented accordingly?	✓		(I) The Company's "Corporate Governance Principles" have defined that the composition of the board should be diverse. In addition to limiting those who hold concurrent positions to no more than 1/3 of the total board seats, the operations, managing and development requirements take diversification policy into consideration. For the board's policy on diversity, specific management objectives and implementation, and adding more seats of independent directors in the future, please refer to (I) Information on board members of this annual report.	(I) No major differences
(II) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other functional committees?	✓		(II) The board resolution passed the voluntary establishment of the nomination committee at the 15th meeting of the 22nd session of board on November 9, 2021, and the committee consists of 3 directors (including 2 independent directors). Please refer to the annual report for the information on the committee members and operations.	(II) No major differences
(III) Has the Company established its Board Performance Appraisal Measures and the evaluation methods, conducted the performance appraisal regularly every year and provided the results to the board as the reference for directors' remuneration and nomination and renewal?			(III) The Company has established the Board Performance Appraisal Measures. Starting 2021, the performance of the board is to be evaluated and the results are submitted to the board. The 2021 evaluation results of the board and functional committees have been reported to the 16th meeting of the 22nd session of board held on February 25, 2022.	(III) No major differences
(IV) Does the Company regularly evaluate its external auditors' independence?			(IV) The Company evaluates the independence of certified public accountants at least once a year. The 15th meeting of the 22nd session of board was held on November 9, 2021 to approve the assessment of independence of CPAs. The two CPAs (Ian Wang, Hsin-Min Hsu) have presented their Statement on Assessment of Independence. The Company has established the "Evaluation Form for Competence and Independence of CPAs" (Note) in accordance with Article 47 of the Certified Public Accountant Act and Bulletin #10 of the Code of Ethics for Professional Accountants on integrity, fairness, objectivity and independence to evaluate the independence and competence of the CPAs, and found issues that might affect their independence and competence.	(IV) No major differences

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>IV. Has the Company allocate qualified and sufficient number of personnel and appoint managers in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors to comply with laws, handling matters relating to board meetings and shareholders’ meetings according to laws, recording minutes of board meetings and shareholders meetings, etc)?</td><td>✓</td><td></td><td>(I) The 15th meeting of the 21st session of board held on March 22, 2019 approved the appointment of Vice President James Chiu taking a concurrent position as the principal officer of corporate governance responsible for the promotion of matters related to corporate governance. His experience is in line with the requirements of having more than three years of experience in the financial management of the Company, and his main responsibilities include:
1. Handle issues related to the board meetings and shareholder meetings in accordance with the regulations.
2. 2. Produce meeting records and minutes of the board and shareholders' meetings.
3. Assistance offered for inauguration and continuing education of directors.
4. Prepare directors with the information needed for carrying out their tasks and help directors comply with the regulations.
5. Other matters stipulated in accordance with the Company's article of incorporation or contracts.
In 2021, it has assisted in organizing 5 board meetings, 4 audit committee meetings, 2 remuneration committee meetings, 1 nomination committee meeting and 1 annual general meeting.
(II) Continuing education status for 2021:
<table>
<tr><th colspan="2">Date of continuing education courses</th><th rowspan="2">Host</th><th rowspan="2">Course name</th><th rowspan="2">Course hours</th></tr>
<tr><th>Start</th><th>End</th></tr>
<tr><td>11/23</td><td>11/24</td><td>Securities and Futures Institute</td><td>Directors and supervisors (including independent supervisors) and corporate governance officers seminar</td><td>12</td></tr>
</table>
(III) The board solution made at the 16th meeting of the 22nd session of board held on February 25, 2022 appointed Jie-Tang Chang of the Division of Corporate Governance as the Company's corporate governance officer. He has been in a managerial position responsible for the regulatory compliance, internal audit, finance, investor relations, corporate governance and other related functions for more than 10 years, and has met the qualifications required for a corporate governance officer.</td><td>No major differences</td></tr>
</table>

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
V. Has the Company established communication channels with stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) and set up an area dedicated to stakeholders on the Company website and does the Company respond appropriately to corporate social responsibility issues that stakeholders consider important?	✓		(I) The Company communicates with its stakeholders through the following channels: 1. Shareholders general meetings held in the second quarter every year. Motions are voted on a case-by-case basis. Shareholders can conduct electronic voting to fully participate in the voting for motions. 2. Annual report to shareholders is issued annually for investors' reference. 3. The revenue of the previous month is announced on the Market Observation Post System and the Company's website. 4. Quarterly reports are announced on the MOPS and the Company's website every quarter. 5. Labor and employer meetings are held every quarter to establish a bilateral communication channel. 6. Conduct supplier assessment every year, and conduct site visits of suppliers or mutual visits from time to time for joint efforts with suppliers on the improvement of corporate social responsibility. 7. After fulfilling customer service requests, the customer service center takes the initiative to contact customers to conduct a customer satisfaction survey. (II) In addition, the "Contact Us" section of the Company's website, at http://www.gdc.com.tw, offers service hotlines for investors, clients and suppliers to communicate with the Company. There are also communication channels available for filing employee grievances and a spokesperson system to appropriately respond to important sustainability matters of concern to stakeholders. Service Hotline: 0800-353-500 Customer service mail box, service@gdc.com.tw Employee suggestion box: suggestion@gdc.com.tw On November 9, 2021, the Company reported the 2021 communication status of stakeholders at the 15 meeting of the 22nd session of board, and disclosed the report in the corporate governance section of the Company's website.	No major differences
VI. Has the Company designated an agent specializing in the handling of stock affairs to handle shareholder meeting affairs?	✓		The Company has appointed Yuanta Securities to manage matters related to shareholders and shareholder general meetings.	No major differences

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
VII. Information disclosure (I) Has the Company established a public website to disclose operational, financial, and corporate governance information?	✓		(I)1.The Company's website (at www.gdc.com.tw) has the "Investor Relations" area which discloses financial statements, information on shareholders meeting, stock price inquiry, corporate governance, point of contact for investor relations, operation and performance of corporate social responsibility and ethics, and the status of communication between independent directors and the head of internal auditing and CPAs, and is regularly updated for investors' reference. 2.Information disclosure for corporate governance: Include legal statement, shareholder meeting, board of directors, internal audit, Articles of Incorporation, functional committee, institutional investors conferences, contact for investors and others.	(I) No major differences
(II) Has the Company adopted other methods of information disclosure (e.g., setting up an English website, designating a specialist responsible for gathering and disclosing Company information, setting up a spokesperson system, uploading recordings of investor conferences onto the Company website)?	✓		(II) 1. Designate personnel responsible for the collection and disclosure of the Company's information: The Company appoints designated personnel responsible for the collection and disclosure of information on a regular or irregular basis. 2. Implement the spokesperson protocols: Vice President Chiu of the Division of Administration is the Company's spokesperson, and Division Director Chang of the Division of General Management is the acting spokesperson. 3. The entire process of the investor press conference is available on the Company's website. The 2021 investor press conference has been disclosed on the Company's website.	(II) No major differences
(III) Has the Company published and reported its annual financial report within two months after the end of a fiscal year, and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.			(III) The Company announces and submits its annual financial reports within two months after the end of a fiscal year, and announces and submits its Q1, Q2 and Q3 financial reports within 45 days after Q1, Q2 and Q3 of each fiscal year end before the prescribed period. Before the 10th of each month, the operating results of the previous month are announced.	(III) No major differences

Issues to be Assessed	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
VIII. Does the Company have other important information to facilitate better understanding of the Company's corporate governance practices (including, but not limited to current status of employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor training regimes, risk management policies, and risk measurement standards as well as the implementation of client policies and the Company's purchase of liability insurance for its directors and supervisors)?			1. The Company offers a good employee welfare program to ensure the rights and interests of employees. Annual health examinations are available to each plant and the head office to promote the physical and mental health of employees. 2. Regularly hold labor and employer meetings to improve the relations and ensure employees' rights and interests. 3. Establish bonus policies for the performance appraisal of the Division of Management and each plant. 4. Establish capability evaluation protocols and measures for quality control and sales personnel in order to improve the quality control and sales work performance and enhance the concrete quality and service capabilities of the Company. 5. The progress of directors' continuing education is considered good. 6. The attendance of directors at board meetings is considered good. 7. 7. The Company has designated units responsible for the risk management policies and measurement standards. 8. 8. The Company has maintained smooth communication processes with its clients. 9. 9. All directors comply with the regulations and recuse themselves from the discussion and voting of motions with which they are the interested persons. 10. 10. The Company has purchased liability insurance policies for directors.	No major differences

IX. Please explain improvements that have been made, as well as priority matters to improve, and the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center.

(I) Issues yet to be improved as priorities according to the 7th corporate governance evaluation conducted in 2020

1. Does the Company release its material information simultaneously in English?
2. Has the Company been invited to convene, or has the Company convened at least two institutional investor conferences, and the two conferences in the same year of the evaluation is more than three months apart?

The abovementioned indicators have been improved and achieved in the 8th corporate governance evaluation conducted in 2021.

(II) Issues to be improved as priorities according to the 8th corporate governance evaluation conducted in 2021:

1. Does the Company publish and report its annual financial report within two months after the end of a fiscal year?
2. Does the Company disclose the interim financial report in English within two months after the deadline of the interim financial report released in Chinese?
3. Has the Company established a fully dedicated (or part-time) operating units promoting corporate social responsibility, which conducts risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulates relevant risk management policies and strategies that are disclosed in the Company's website and annual reports?
4. Has the corporate social responsibility report prepared by the Company been verified by a third-party?

In the future, the Company will maintain effective corporate governance practices, implement information disclosure and transparency, and promote sustainable development.

Note: The assessment items for the independence and competence of the CPAs are as follows:

Issues to be Assessed	Assessment results	Independence
1. Have a direct or significant indirect financial interest relationship with the Company.	No	Yes
2. Have financing or guarantee activities with the Company's directors	No	Yes
3. Have a close business relationship or a potential employment relationship with the Company.	No	Yes
4. CPAs and members of the audit service team are currently serving or have served in the last two years as the Company's directors, supervisors or managers, or the positions that directly and significantly influence the audit.	No	Yes
5. Provide the Company with non-audit services that may directly affect the audit work?	No	Yes
6. Mediate the trading of stocks or other securities issued by the Company.	No	Yes
7. Has acted as a counsel of the Company or represented the Company in coordinating matters relating to conflicts with a third party.	No	Yes
8. Have a family relationship with the Company’s directors, managers, or persons who have significant influence on the audit.	No	Yes

(IV) Composition, responsibilities and operations of the Salary and Remuneration Committee and the Nomination Committee:

(1) Information on members of the Salary and Remuneration Committee

February 28, 2022

Criteria / Title	Name	Professional qualifications and experience	Independence	Number of other public companies for which the director concurrently serving as a salary and remuneration committee member
Independent Director Convener	Wen-Che Tseng	More than 5 years of commercial, financial, accounting or other work experiences required to perform the Company’s operations	Meet the eligibility criteria specified in Article 5 and 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter two years before being appointed and during the term of office.	3
Independent Director	Yin-Wen Chan	More than five years of work experience as a university professor in a relevant department required for business and the Company's operations.		0
Other	Tai-Jen Chen	More than five years of work experience as a university professor in a relevant department required for business and the Company's operations.		2

(2) Operations of the Salary and Remuneration Committee

I. The Salary and Remuneration Committee has 3 members.

II. Term of office for this batch: June 20, 2019 to June 19, 2022. The remuneration committee has held 3 meetings in the most recent fiscal year.

III. Overview of meetings:

<table>
<tr><th>Meeting Date</th><th>Session</th><th>Content of Motions</th><th>All opinions expressed by the committee members and the Company's handling of the opinions</th></tr>
<tr><td>2021.03.15</td><td>5th meeting of the 4th session</td><td>Deliberate over the 2020 directors' remuneration allocation percentage.</td><td rowspan="3">Unanimous approval by the salary and remuneration committee, and reported to the board.</td></tr>
<tr><td>2021.11.09</td><td>6th meeting of the 4th session</td><td>Amendment of the Company's salary and remuneration system for managers.</td></tr>
<tr><td>2022.02.25</td><td>7th meeting of the 4th session</td><td>1. Deliberate over the 2021 directors' remuneration allocation percentage.
2. Deliberate over the Manager Remuneration System to add the remuneration standard for the position of chief operating officer.
Deliberate over the remuneration for newly appointed managers -- President of the Division of Domestic Business Operations.</td></tr>
</table>

(3) Qualifications and attendance of committee members:

<table>
<tr><th>Title</th><th>Name</th><th>Actual Attendance in Person (B)</th><th>Attendance by Substitution</th><th>Percentage of Actual Attendance (%) (B/A)(Note)</th><th>Remarks</th></tr>
<tr><td>Convener</td><td>Wen-Che Tseng</td><td>3</td><td>0</td><td>100%</td><td>Independent Director</td></tr>
<tr><td>Committee member</td><td>Yin-Wen Chan</td><td>3</td><td>0</td><td>100%</td><td>Independent Director</td></tr>
<tr><td>Committee member</td><td>Tai-Jen Chen</td><td>3</td><td>0</td><td>100%</td><td>Non-independent director</td></tr>
<tr><td colspan="6">Other issues to be recorded:
I. If the board of directors does not adopt or amend the recommendations from the Salary and Remuneration Committee, it shall clarify the date, session, proposal content and resolution of the board and how the Company handles the recommendations of the Committee (such as that the salary and remuneration approved by the board are better than what the Committee recommended, and the differences and reasons should be clarified): Not applicable.
II. If the Committee members have objections or reservations and there are records or written statements from the meetings, the date, term, proposal content, opinions of all members and the handling of their opinions shall be clearly stated: Not applicable.</td></tr>
</table>

(4) Profiles of nomination committee members and the information on the operation of the committee

I. Describe the qualifications and responsibilities of the members of the Company's nomination committee.

The board resolution passed the establishment of the nomination committee at the 15th meeting of the 22nd session of board held on November 9, 2021. The committee consists of 3 directors (including 2 independent directors). In order to achieve the sustainable development of the Company and improve the performance of the board and the management, the nomination committee meets at least once a year and submits its recommendations to the board for discussion. The main responsibilities are as follows:

1. Specify the standards of professional knowledge, skills, experience, gender and independence required for board members and senior managers, and search, review and nominate candidates for directors and senior managers accordingly.
2. Construct and develop the organizational structure of the board and committees, conduct performance appraisal of the board, committees, directors and senior managers, and assess the independence of independent directors.
3. Formulate and regularly review the continuing education plan for directors and the succession plan for directors and senior managers.
4. Establish the Company's Corporate Governance Best Practice Principles.

II. Professional qualifications and experience of nomination committee members and the information on the operation of the committee:

(I) The nomination committee has 3 members.

(II) Term of office for this batch: November 9, 2021 to June 19, 2022. The Committee has held 2 meetings in the most recent fiscal year, and the qualifications and attendance of the members and the discussion items are shown as follows:

Title	Name	Professional qualifications and experience	Actual Attendance in Person	Attendance by Substitution	Percentage of Actual Attendance	Remarks
Convener	Wen-Che Tseng	Corporate governance, auditing, taxation	2	–	100%	Independent Director
Committee member	Vincent Lin	Laws, industry, business management	2	–	100%	Vice Chairman
Committee member	Chi-Te Hung	Industry, technology	2	–	100%	Independent Director
Other issues to be recorded: State the meeting date, session, and content of main motions of the nomination committee, the content of the recommendations or objections of the committee members, the results of resolutions, and the Company's handling of the opinions of the nomination committee.						

Meeting Date and Session	Content of Motions	Recommendations or objections from the nomination committee members	Results of resolutions of the nomination committee and the Company's handling of the nomination committee's opinions
2021/11/9 1st meeting of the 1st session	Proposal for the election of the convener and the chairperson of meetings	None	All members in attendance unanimously agreed to nominate Wen-Che Tseng as the convener and chairperson of meetings
2022/2/25 2nd meeting of the 1st session	1. Proposed to amend the provisions of the Corporate Governance Best Practice Principles. 2. Proposed to discuss the number of directors to be elected for the 23rd batch of board. 3. Proposed to discuss the list of candidates for directors and the qualifications of nominees for independent directors.	None	Unanimous vote by all attending committee members to approve the motion and submit it to the board for resolution.

(V) Status of promotion of sustainable development and its difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (or one holding concurrent positions) unit to promote sustainable development, with the board authorizing the senior management to manage the organization which is supervised by the board?	✓		1. The Division of Corporate Governance is responsible for promoting sustainability initiatives, and Director Jie-Tang Chang of the Division reports the status of implementation to the board regularly every year. 2. The Company's Division of Corporate Governance serves as a inter-departmental communication platform consolidating all information going either vertically or horizontally. Regular operation summits covering environmental, social and corporate governance issues related to the Company's operations are held to formulate corresponding strategies and work policies, compile budget for various organizations and sustainability programs, plan and implement the annual plan, and at the same time track the implementation results to ensure that the sustainable development strategy is fully implemented in the Company's daily operations. 3. The Company has compiled the implementation results of sustainability issues and presented them to the 14th meeting of the 22nd session of board held on August 10, 2021. 4. The management team must submit the Company's business strategy and budget (including ESG report) to the board. The board must assess the feasibility and implementation of the plan, and supervise the management team to make timely adjustments in accordance with regulations and environmental changes.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
II. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulated relevant risk management policies and strategies?	✓		The Company holds operations summits regularly to conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulates operational policies. Each department of the Company also pays attention to risk issues in accordance with the operating principles and plans related to internal control protocols. For related content, please refer to the sections covering stakeholders and material topics in the Company's sustainability report.	No major differences.
III. Environmental issues (I) Has the Company set an environmental management system designed to industry characteristics?	✓		The Company is committed to environmental protection, and has continued to prepare budgets to update or increase pollution prevention and control equipment to comply with current environmental regulations. Through equipment improvement, adjustment of production mode and resource recycling, pollution is reduced and the impact on the environment is minimized. Future plans are based on the ISO 14064 standard, and the annual greenhouse gas inventory is taken to track the effectiveness of emissions reduction, which are publicly disclosed in the sustainability report.	No major differences.
(II) Is the Company committed to improving energy efficiency and to the use of renewable materials with low environmental impact?	✓		In consideration of sustainability and product competitiveness, the Company actively develops industrial by-products, reuse of alternatives, carbon capture and storage and other technologies to be used in the ready-mix concrete, so that the reliance on natural resources can be reduced, while achieving the reduction of energy consumption and cement clinker which can cause serious pollution. These measures can elaborate on the positive effects of concrete materials and reduce the negative impact on the environment.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(III) Has the Company assessed the current and future potential risks and opportunities from climate changes and taken contingency measures to address relevant issues?	✓		In addition to the careful selection of sources of raw materials for the greening process of products, the research and development of new concrete enables products to have good quality while reducing the environmental impact. Since the adoption of the green manufacturing process in 1999, 95.2kg CO_2-e/T in carbon emissions per each metric ton of concrete has been eliminated due to the use of new formula, so each department is able to successfully reduce its carbon emissions by 25.19%. The proportioning is constantly adjusted to improve the performance.	No major differences.
(IV) Has the Company compiled the greenhouse gas emissions, water consumption and total weight of waste the past two years and established management policies for reduction of greenhouse gas emission, water consumption and other wastes?	✓		1. The Company's transportation services emphasize energy-saving and carbon reduction practices. Besides incorporating the use of eco-certified ready-mix concrete trucks into the operations, Goldsun Express and Logistics uses a smart GPS dispatching system, in combination with a logistics management platform, to improve the loading efficiency and reduce waiting time, further reducing the greenhouse gas emissions. 2. Establishment of sedimentation pools, water from mixers and washing trucks are automatically recovered and reused, effectively reducing the water consumption. 3. Establishment of sand and gravel classifiers. Concrete brought back by vehicles can be sorted into sand and gravel through the classifiers to effectively achieve waste reduction. 4. For specific data on implementation, please refer to the section on common good on the sustainability report.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
IV. Social Issues (I) Does the Company establish policies and procedures in compliance with regulations and internationally recognized human rights principles?	✓		1. The Company complies with the Labor Standards Act, Act of Gender Equality in Employment and other relevant labor laws and regulations in its hiring of employees, and has established its Work Rules and the Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace to protect labor rights and equality in gender and employment rights. 2. The Company supports and actively complies with internationally recognized conventions, including the United Nations Guiding Principles on Business and Human Rights and the standards of the International Labour Organization Conventions, and develops the in-house Human Rights Policy to be promoted in all locations where the Company operates and to respect the protection stipulated in the Human Rights Convention. The Company's human rights management policies and specific plans have been published on the Company's website. In the future, we will continue to pay attention to human rights protection issues and promote relevant education and training to improve human rights protection awareness and reduce the related potential risks.	No major differences.
(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits) and appropriately reflected the business performance or results in the employee remuneration policy?	✓		1. <u>Overall remuneration policy:</u> The Company pays bonuses from time to time based on business performance. According to the Company's Articles of Incorporation, if there is profit, 3% of the profit is allocated as employee remuneration first, and then distributed to everyone depending on the tenure of service and the results of annual performance appraisal, so as to encourage all employees to work together to achieve the Company's goals.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			2. <u>Employee benefit measures:</u> The Company adjusts salary according to the results of the annual performance appraisal. An employee welfare committee has been established in accordance with the Employee Welfare Fund Act, which offers welfare benefit payments. The benefit measures include bonuses for Dragon Boat, Mid-Autumn and Spring Festivals and Labor Day; subsidies for birthday, continuing education, bonuses for senior citizens; hospitalization or funeral condolence; scholarships for children; employees' domestic or overseas trips or sponsorship for employee tours and others. 3. <u>Workplace diversity and equality:</u> Implement equal pay for equal work and equal opportunities for promotion for both men and women, and maintain more than 4% of female in managerial positions to promote sustainable and inclusive economic growth. In 2021, the average percentage of female employees was about 19%, and the average percentage of female managers was 4.9%. 4. <u>Operating performance is reflected in employee remuneration:</u> The Company participates in salary market surveys every year, and adjusts salaries according to market levels, economic trends and personal performance to maintain overall salary competitiveness. In 2021, there was no significant gap in the salary and remuneration of male and female employees, whether the positions are managerial or non-managerial.	
(III) Has the Company provided employees with a safe and healthy working environment and regularly conducted safety and health training?	✓		The Company formulates its policies based on the Occupational Safety and Health Act and the standards of clients and related groups, and respects the requirements of relevant stakeholders for occupational safety and health, so as to build a healthy and happy workplace.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			In addition to implementing self-inspection of the plant area and manufacturing equipment, checkpoints are set up before, during and after each process to ensure that the equipment, tools, sites and procedures are safe. Occupational safety and health education sessions are held from time to time every year. In 2021, there were training sessions on occupational safety in the plant areas. A total of 597 people completed the training courses, totaling 2,789 hours. In 2021, there were 4 cases of disabling injury, which is an increase over 2020, not meeting the target frequency rate of 3. There were 5 cases of occupational incidents, involving 5 people (accounting for 0.81% of the total number of employees as of the end of 2021), also not meeting the target of 0.	
(IV) Has the Company established an effective career development training program for employees?	✓		The Company has planned comprehensive occupational training programs for managers and colleagues at all levels, including those for new hires, advancement in specialization, managerial positions, etc., to help them continue to learn and grow through diverse learning methods. In order to continuously enhance the professional competence of employees, each unit applies on-the-job training (OJT) in daily work routines. For example, personnel in manufacturing control, quality control and sales are given specialized education and training in their respective functions, and seed coaches developed by the Company, managers or external professional lecturers are invited to hold classes on a variety of professional knowledge skills, further cultivating everyone's core capabilities. During the annual performance interview, supervisors and their subordinates discuss and set up their own annual capability development plans which are further adjusted through regular review and feedback. The status of implementation has been announced on the Company's website.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(V) Has the Company complied with the relevant regulations and international standards and formulated policies for protection of consumers and clients' rights and interests and grievance procedures with respect to consumer health and safety, customer privacy, marketing and labeling of products and services?	✓		1. The Company has passed various technical requirements of ready-mix concrete in the CNS national standards. In 2003, products were given "Excellent" labels awarded by the Good Ready-Mixed Concrete (GRMC) system. Plants has integrated the ISO 9001 quality management system certification. In September 2015, the Company obtained the ISO 9001 quality management system certification for sand and gravel, verifying that manufacturing processes are in compliance with the requirements of the ISO 9001 certification. 2. The Company has provided online customer service mailboxes, customer service systems and hotlines to ensure the rights and interests of customers. Our customer service center also conducts field visits of clients' sites to protect consumer rights.	No major differences.
(VI) Has the Company established supplier management policies which require suppliers to comply with regulations on environmental protection, occupational safety and health or labor rights, and reported the implementation?	✓		1. The board has approved the "Standards on Joint Efforts with Suppliers to Fulfill Corporate Social Responsibility" to highlight the issues of environmental protection, and exerted its influence to encourage vendors in the supply chain to work with the Company in efforts protecting the environment. 2. In order to ensure quality and stable supply of products and raw materials, we have established external supply chain process. Products from suppliers must meet the CNS standards. The establishment and operations of suppliers shall not violate the laws. Suppliers are only listed as Goldsun's approved suppliers if their technologies, prices and transportation satisfy the selection criteria and pass the on-site and samples evaluation. Monthly audits are conducted with respect to the stability in supply and raw materials quality to determine their grades and the subsequent purchase methods.	No major differences.

Promotion Items	Implementation			Difference from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
V. Has the Company referred to international reporting standards or guidelines in its preparation of sustainability reports and other reports which disclose the Company's non-financial information? Have the abovementioned reports obtained the verification or assurance opinions from third-party certification organizations?	✓		The Company complies with the core options of the GRI Standards in its preparation of the sustainability report. The Company has not yet obtained the verification or assurance opinions from any third-party certification organization for the report.	No major differences.
VI. If the Company has established its own sustainability principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation in the Company: The board resolved to approve the developed "Corporate Social Responsibility Best Practice Principles" on November 13, 2015, and the board resolution made on February 25, 2022 approved the amendment to rename it the Sustainable Development Best Practice Principles. The actual operations have no significant differences from the established Principles.				
VII. Other important information for facilitating the understanding of sustainability and its implementation: The Company's sustainability report is disclosed on the corporate website and the MOPS.				

(VI) Status of the Company's practice of ethical management and differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies:

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
I. Establish corporate conduct and ethics policy and implementation measures. (I) Does the company establish ethical management policies approved by the board and have bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures and the commitment regarding the implementation of such policy from the board and the executive management team? (II) Has the Company established a risk assessment mechanism against unethical conduct, analyzed and assessed on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and established prevention programs accordingly which at least cover the prevention measures against the conducts listed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies? (III) Has the Company defined operating procedures, conduct guidelines, disciplinary penalties and grievance process in the program preventing unethical conduct and put them in practice, and regularly reviewed and amended the program?	✓ ✓ ✓		(I) The Company has formulated the “Ethical Corporate Management Best Practice Principles” and the “Procedures for Ethical Operations Management and Guidelines for Conduct”. The Division of Administration is responsible for helping the board and the management team in the development and supervision of ethical operations policies and regulations, which have been incorporated into the follow-up items for internal control protocols, and reports to the board on a quarterly basis. (II) The “Procedures for Ethical Operations Management and Guidelines for Conduct” specifies procedures, conduct guidelines, penalties for violations and grievances filing procedures to realize ethical operations and prevent any unethical behaviors. (III) The “Procedures for Ethical Operations Management and Guidelines for Conduct” has defined standards prohibiting directors, managers and employees from engaging in business activities with high risk of unethical behaviors specified in the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies or other scopes of business.	No major differences

Issues to be Assessed	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies
	Yes	No	Summary description	
II. Practice ethical operations (I) Does the company assess the ethics records of whom it has business relationships with and include business conduct and ethics related clauses in the business contracts? (II) Has the Company established a specialized unit under the board responsible for the promotion of corporate ethics management, which regularly (at least once a year) reports policies on ethical operations, programs on prevention of unethical conduct and the status of supervision to the board? (III) Does the Company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly? (IV) Has the Company established an effective accounting and internal control system to put ethical operations management into practice and arranged for the internal audit unit to formulate audit plans based on the risk assessment of unethical conduct and audit the compliance to prevent unethical conduct, or commissioned independent auditors to conduct the audit? (V) Does the Company provide internal and external ethical conduct training programs on a regular basis?	✓ ✓ ✓ ✓ ✓		(I) Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract. (II) The Division of Administration is responsible for the development and supervision of ethical operations policies and regulation. On March 15, May 4, August 10 and November 9 of 2021 and February 25, 2022, at least once a quarter, the Division submitted the results of the implementation of ethical operations and relevant issues to the board. (III) The Company has established the "Procedures for Ethical Operations Management and Guidelines for Conduct," and clearly defined policies on conflict of interest and provided appropriate channels for filing grievances. (IV) Internal auditors regularly check the compliance with the accounting systems and internal control protocols. Accountants also review the implementation of the internal control protocols every year. (V) 1. Promotion of regulatory compliance: The Company compiles ethical operations guidelines and standards for handling important internal information centering on the topic of "Practice ethical operations," and advocates to employees in meetings or internal announcements on issues to which they should pay attention when performing their duties.	No major differences

<table>
<tr><th rowspan="2">Issues to be Assessed</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences from the Ethical Corporate Management Best Practice Principles for the Listed Companies and reasons for discrepancies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>2. Education and training: Courses on “Ethical values” are regularly arranged on topics such as professional ethics and confidentiality and case studies. Three batches of classes were offered in 2021, and a total of 76 people received a total of 210 training hours.</td><td></td></tr>
<tr><td>III. Operations of the Company's grievance reporting system
(I) Does the Company establish specific complaint and reward procedures, set up conveniently accessible complaint channels and designate responsible individuals to handle the complaint received?
(II) Does the Company establish standard operating procedures for investigating the complaints received, follow-up measures to be adopted and the related confidentiality measures after investigation?
(III) Does the Company adopt proper measures to shield a complainant from retaliation for filing complaints?</td><td>✓
✓
✓</td><td></td><td>(I) The Company has established the “Procedures for Ethical Operations Management and Guidelines for Conduct,” and clearly defined the whistleblowing protocols and provided appropriate channels for filing grievances.
(II) The Company has established the “Procedures for Ethical Operations Management and Guidelines for Conduct,” and made it clear that the identity of whistleblowers and the content of the report are kept confidential.
(III) The Company has established the “Procedures for Ethical Operations Management and Guidelines for Conduct,” and adopted appropriate measures to shield whistleblowers from retaliation for filing grievances.</td><td>No major differences</td></tr>
<tr><td>IV. Enhance information disclosure
Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and the Market Observation Post System?</td><td>✓</td><td></td><td>The Company discloses the relevant information on the corporate website and the MOPS.</td><td>No major differences</td></tr>
<tr><td colspan="5">V. If the company has established corporate governance policies based on “the Ethical Corporate Management Best Practice Principles for the Listed Companies,” please describe any discrepancy between the policies and their implementation in the Company:
The Company has established the Ethical Corporate Management Best Practice Principles, and the related operations are implemented in accordance with the regulations.</td></tr>
<tr><td colspan="5">VI. Other important information to facilitate better understanding of the Company’s corporate conduct and ethics compliance practices (such as reviewing and amending the Company’s existing Ethical Corporate Management Best Practice Principles): None.</td></tr>
</table>

VII. If the Company has formulated the best practice principles or the related regulations, disclose how they can be found: Accessible at the corporate governance section of the Market Observation Post System and the Company's official website (http://www.gdc.com.tw).

VIII. Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed: Accessible at the corporate governance section of the Market Observation Post System and the Company's official website (http://www.gdc.com.tw).

(IX) Status of implementation of the Company's internal control protocols:

1. Statement on Internal Control:

Goldsun Building Materials Co., Ltd.

Statement on Internal Control:

Date: February 25, 2022

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system during the year of **2021**:

I. The Company’s board and management are responsible for establishing, implementing and maintaining a proper internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability of our financial reporting and compliance with applicable laws and regulations.

II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. However, internal control system of the Company features a self-monitoring mechanism that enables immediate rectification of deficiencies upon discovery.

III. The Company evaluates the design and execution of its internal control system based on the criteria specified in “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as “The Governing Principles”) to determine whether or not the existing policies continue to be effective. The criteria adopted by the Regulations identify five key components of managerial internal control: 1. Control environment. 2. Risk assessment. 3. Control activities. 4. Information and communication. 5. Monitoring. Each component has its own items. Please see the Regulations for details.

IV. We have evaluated the design and operating effectiveness of our internal control system according to the aforementioned Regulations.

Based on the findings of such evaluation, we believe that on December 31, 2021, it has maintained, in all material respects an effective internal control system (that includes the supervision and management of our subsidiaries) to provide reasonable assurance over our operational effectiveness and efficiency, reliability of financial reporting and compliance with applicable laws and regulations.

VI. This Statement will be an integral part of the Company’s annual report and prospectus and will be made public. Any falsehood, concealment or other illegality in the content made public will entail legal liability under Article 20, 32, 171 and 174 of the Securities and Exchange Act.

VII. This Statement has been approved by the board in the meeting held on February 25, 2022, with none of the twelve attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Goldsun Building Materials Co., Ltd.

Chairman Lan-Ying Hsu

President Lan-Ying Hsu

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: Not applicable.

(X) For the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, disclose any sanctions imposed in accordance with the law upon the Company or its internal personnel, any sanctions imposed by the Company upon its internal personnel for violations of internal control system, and the penalties which may have a significant impact on shareholders' equity or the price of securities, and list the content of penalties, principal deficiencies, and the state of any efforts to make improvements: Not applicable.

(XI) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Key resolutions from the shareholders' meeting:

Date	Key Resolutions	Implementation
2021/7/5	1. Ratification of the 2020 business report and financial statements.	The consolidated revenue for the year was NT$18 billion 87.780 million, and the net income was NT$25 billion 50.81 million, with an EPS of NT$1.9.
	2. Ratification of the 2020 annual profit distribution.	July 26, 2021 was set as the date of record of dividends, and the cash dividends were issued on August 20, 2021, at NT$1.5 per share.

2. Key resolutions from board meetings:

Date	Key Resolutions
2021/3/15	(1) Approved the 2020 remuneration distribution to employees. (2) Approved resolutions from the Salary and Remuneration Committee. (3) Approved the 2020 business report and financial statements. (4) Approved the 2020 annual profit distribution. (5) Approved the 2020 Statement on Internal Control. (6) Approved the 2021 business report. (7) Approved the plan to issue NT$2 billion in domestic secured corporate bonds. (8) Approved the Company's application to banks for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line. (9) Approved the proposal to authorize the chairman a budget of NT$2.5 billion to purchase land in order to expand the Company's business in ready-mix-concrete. (10) Approved the proposal to amend provisions of the “Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises.” (11) Approved the proposal to switch CPAs who audit the Company's financial report. (12) Approved the convening of the 2021 shareholders general meeting. (13) Approved the implementation of shareholders' rights to proposals at the 2021 shareholders general meeting.
2021/5/4	(1) Pass the proposal for the Company's overseas reinvestment, Goldsun International Development Corp. in the Cayman Islands, to dispose of all shareholding of Kunshan Goldsun Concrete Co.,Ltd. (2) Approved the Company's application to banks for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line. (3) Pass the proposal to issue a letter of commitment for the line of credit issued by banks to Goyu Building Materials Co., Ltd. (referred to as Goyu Building Materials).

2021/6/18	(1) Approved the proposal to set the postponement date of the 2021 annual general meeting. (2) Approved the Company's application to Cathay United Bank for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line.
2021/8/10	(1) Approved the Company's application to banks for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line.
2021/11/9	(1) Passed the proposal to sell the land and buildings located in the Wan-Nei Section of Sanmin District, Kaohsiung City. (2) Passed the proposal to purchase a bulk carrier. (3) Passed the proposal to the Nangang BR2 urban revitalization project. (4) Approved resolutions from the Salary and Remuneration Committee. (5) Approved the Company's application to banks for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line. (6) Approved the assessment of the independence of the Company's CPAs. (7) Approved the proposal to establish the 2022 annual audit plan. (8) Approval of the amendment to the provisions of the “Performance Evaluation Method for the Board of Directors” (9) Approval of the establishment of the Nomination Committee Articles of Incorporation. (10)Passed the proposal to establish a nomination committee
2022/2/25	(1) Approved the 2021 remuneration distribution to employees. (2) Approved resolutions from the Salary and Remuneration Committee. (3) Approved the 2021 business report and financial statements. (4) Approved the 2021 annual profit distribution. (5) Approved the 2021 Statement on Internal Control. (6) Passed the proposal to purchase a bulk carrier. (7) Approved the 2022 business report. (8) Approval of the amendments to provisions of the Articles of Incorporation. (9) Approval of the amendments to the provisions of the “Shareholder Meeting Rules of Procedures”. (10) Passed the amendment to provisions of the Company's Measures for Handling Acquisition or Disposal of Assets. (11) Passed the amendment to provisions of the Company's “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Operations Management and Guidelines for Conduct”. (12) Approval of the proposal to amend the provisions of the Corporate Governance Best Practice Principles. (13) Passed the amendments to the provisions of the Company's “Corporate Social Responsibility Best Practice Principles”. (14) Approved the Company's application to banks for more lines of credit to increase the working capital, and to authorize the chairman to handle all contractual matters and the subsequent use of the credit line. (15) Passed the proposal to promotion of the Company's managers. (16) Approved the appointment of the “corporate governance officers.” (17) Approved the election of the 23rd batch of directors. (18) Approved the list of candidates for directors and independent directors and the qualifications of nominees for independent directors. (19) Approved the convening of the 2022 shareholders general meeting. (20) Approved the implementation of shareholders' rights to proposals at the 2022 shareholders general meeting. (21) Approved the deliberation over candidates for directors nominated by shareholders at the 2022 shareholders general meeting.

(XII) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or independent director has expressed a dissenting opinion with respect to a key resolution passed by the board, and the dissenting opinion has been recorded or prepared as a written declaration: None.

(XIII) A summary of resignations and terminations, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, of the Company's chairman, general manager, principal accounting officer, principal financial officer, chief internal auditor, principal corporate governance officer and principal research and development officer:

February 28, 2022

Title	Name	Starting Date	Termination Date	Reason for Resignation or Termination
Head of corporate governance	James Chiu	March 22, 2019	December 15, 2021	Change of jobs

V. Audit fee of independent auditors

Unit: NT$1,000

Name of Accounting Firm	Name of Accountant	Audit Period	Audit Service	Non-Audit Service	Total	Remarks
Ernst & Young Taiwan	Ian Wang Hsin-Min Hsu	2021/1/1~ 2021/12/31	3,890	50	3,940	NT$50 thousand audit fee from the business tax.

(I) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year: Not applicable.

(II) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more: Not applicable.

VI. Information on change of CPAs: The Company cooperated with the internal operation changes of Ernst & Young, Taiwan, and switched to CPAs Ian Wang and Hsin-Min Hsu starting Q1 of 2021.

VII. If the chairman, president and managers in charge of the Company's finance and accounting operations held any positions within the Company's independent audit firm or its affiliates during the past one year: Not applicable.

VIII. Changes in the transfer or pledge of shares by directors, officers, and shareholders holding over 10% of the outstanding shares in the previous year and by the date of report publication:

(I) Changes in shareholding of directors, managers and principal shareholders:

Title	Name	2021		Year ended February 28	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman	Lan-Ying Hsu	110,000	-	-	-
Vice Chairman	Vincent Lin	-	-	-	-
Director	Taiwan Secom Co., Ltd.	150,000	-	-	-
	Representative: Frank Lin	50,640	-	-	-
Director	Chuang-Yen Wang	-	-	-	-
Director	Tai-Hung Lin	(25,675)	-	-	-
Director	Shih-Tsung Chang	-	-	-	-
Director	Po-Hsi Liao	-	-	-	-
Director	Yu-Feng Lin	79,000	-	-	-
Director	Shang Jing Investment Co., Ltd.	-	-	-	-
	Representative: Hong-Jun Lin	-	-	-	-
Independent Director	Wen-Che Tseng	-	-	-	-
Independent Director	Yin-Wen Chan	-	-	-	-
Independent Director	Chi-Te Hung	-	-	-	-
Chief Executive Officer	Lan-Ying Hsu	110,000	-	-	-
Chief Executive Officer	Lei Lin	-	-	-	-
President	Chih-Jen Wu	-	-	-	-
President	Chiao Lin	-	-	-	-
President	Chia-Ying Chen	-	-	-	-
President	Chin-Yi Huang	-	-	-	-
President	Shang-Yuan Wen	-	-	-	-
Vice President	James Chiu	(170,000)	-	42,000	-
Vice President	Wen-Te Chen	-	-	-	-
Vice President	Chih-Chiang Yang	-	-	-	-
Vice President	Yu-Min Yuan (Note 1)	-	-	-	-
Vice President	Kuo-Chung Lin	-	-	-	-
Vice President	Chia-Chen Lin	-	-	-	-
Vice President	Ching-Pang Ma	-	-	-	-
Department director	Chih-Ping Wang	-	-	-	-
Department director	Chen-Chou Chen	-	-	-	-
Department director	Hsun-Chen Lin	-	-	-	-
Department director	Lin-Yen Cheng	-	-	-	-
Department director	Hao-Hsiang Hsu	-	-	-	-
Department director	Hsiu-Ju Lin	-	-	-	-
Department director	Liang-Cheng Lin	-	-	-	-
Department director	San-Tai Yeh	-	-	-	-
Department director	Chi-Wen Ma	-	-	-	-
Department director	Chao-Yao Shih	-	-	-	-
Department director	Chung-Rui Yang	-	-	-	-
Head of corporate governance	Jie-Tang Chang	-	-	-	-

Note 1: Yu-Min Yuan was dismissed on 2022.02.09.

(II) Stock trade of directors, managers and principal shareholders with a related party:
Not applicable.

(III) Stock pledge of directors, managers and principal shareholders with a related party:
Not applicable.

IX. Information on top ten shareholders and their mutual relationship:

February 28, 2022. Unit: shares; %

Name	Shareholding		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Title, name and relationship of the top ten shareholders who have mutual relationship as spouse or kinship within the second degree as specified by SFAS No.6.		Remarks
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Title	Relationship	
Shin Lan Enterprise INC. Representative: Mei-Hui Li	80,745,341	6.86%	—	—	—	—	—	—	—
	176,046	0.02%	—	—	—	—	—	—	—
Taiwan Secom Co., Ltd. Representative: Shiaw-shinn Lin	77,705,747	6.60%	—	—	—	—	Titan Star International Co., Ltd.	Investment by the Company by using the equity method	—
	16,258,989	1.38%	2,885,901	0.25%	—	—	Cheng Hsin Investment Co., Ltd.	Responsible person of the Company	—
							Shin-Lan Investment Co., Ltd.	Second-degree relative of the representatives of the companies	—
							Yuan-Shin Investment Co., Ltd.		—
Titan Star International Co., Ltd. Representative: Wen-Liang Jiang	50,923,710	4.33%	—	—	—	—	Taiwan Secom Co., Ltd.	Investment in the Company by the counterparty using the equity method	
			—	—	—	—	—	—	
Fubon Life Insurance Co., Ltd. Representative: Richard Tsai	41,015,000	3.49%	—	—	—	—	—	—	—
			—	—	—	—	—	—	—
Cheng Hsin Investment Co., Ltd. Representative: Shiaw-shinn Lin	31,026,689	2.64%	—	—	—	—	—	—	—
	16,258,989	1.38%	2,885,901	0.25%	—	—	Taiwan Secom Co., Ltd.	Responsible person of the Company	—
					—	—	Shin-Lan Investment Co., Ltd.	Second-degree relative of the representatives of the companies	—
					—	—	Yuan-Shin Investment Co., Ltd.		—
Concord International Securities Co., Ltd. Representative: Wen-Ko Hsu	26,642,378	2.26%	—	—	—	—	—	—	
			—	—	—	—	—	—	
Shin-Lan Investment Co., Ltd. Representative: Frank Lin	26,221,411	2.23%	—	—	—	—	—	—	—
	2,406,000	0.20%	—	—	—	—	Taiwan Secom Co., Ltd.	Second-degree relative of the representatives of the companies	—
			—	—	—	—	Cheng Hsin Investment Co., Ltd.		—
			—	—	—	—	Yuan-Shin Investment Co., Ltd.		—
Chuang-Yen Wang	19,447,545	1.65%	—	—	—	—	—	—	—
Yuan-Shin Investment Co., Ltd. Representative: Vincent Lin	17,333,250	1.47%	—	—	—	—	—	—	—
	6,468,322	0.55%	128,997	0.01%	—	—	Taiwan Secom Co., Ltd.	Responsible person of the Company -	—
							Cheng Hsin Investment Co., Ltd.		—
							Shin-Lan Investment Co., Ltd.		—
Ming-Ji Chang	16,405,643	1.39%	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—

X. The total number of shares and total equity stake held in any single enterprise by the Company, its directors, managerial officers, and any companies controlled either directly or indirectly by the Company

December 31, 2021. Unit: shares; %

Investee	Ownership by the Company		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership
Taipei Port Terminal Company Limite	250,000,000	100.00	–	–	250,000,000	100.00
Rei Shin Construction Co., Ltd.	80,000,000	100.00	–	–	80,000,000	100.00
Kuoyung Construction & Engineering Co., Ltd.	30,000,000	100.00	–	–	30,000,000	100.00
Goyu Building Materials Co., Ltd.	28,000,000	70.00	–	–	28,000,000	70.00
Goldsun Nihon Cement Co., Ltd.	11,460,000	58.77	–	–	11,460,000	58.77
Wellpool Co., Ltd.	18,280,389	50.70	828,066	2.30	19,108,455	53.00
Huaya Development Co., Ltd.	15,714,108	30.69	–	–	15,714,108	30.69
Reixin Asset Management Inc.	100,000,000	100.00	–	–	100,000,000	100.00
Lake Vernicia Development Company	100,000	100.00	–	–	100,000	100.00
GALC Inc.	2,100,000	70.00	–	–	2,100,000	70.00
Goldsun Hong Kong Building Materials Co., Ltd.	116,686,664	100.00	–	–	116,686,664	100.00
(Samoa) Ease Great Investments Limited	59,640,000	100.00	–	–	59,640,000	100.00
(Hong Kong) Jin Shun Maritime Limited	78,000,000	100.00	–	–	78,000,000	100.00
(Hong Kong) Yuan Shun Maritime Limited	118,170,000	100.00	–	–	118,170,000	100.00
(Hong Kong) Jing Shun Maritime Limited	10,000,001	100.00	–	–	10,000,001	100.00
(Hong Kong) Feng Shun Maritime Limited	6,250,001	100.00	–	–	6,250,001	100.00
Gimpo Marine Co., Ltd.	10,000,000	100.00	–	–	10,000,000	100.00

Four. Financing Activities

I. Capital and shares:

(I) Source of capital the past 10 years:

1. History of capital formation:

Year	Month	Issue Price (NT$)	Authorized Share Capital		Paid-in Capital		Remarks		
			Number of Shares	Amount	Number of Shares	Amount	Source of capital	Capital Increase by Assets Other than Cash	Other
2008	7	10.00	1,304,000,000	13,040,000,000	1,277,216,240	12,772,162,400	Issue (Surplus)	None	Note 1
2009	7	10.00	1,304,000,000	13,040,000,000	1,302,760,565	13,027,605,650	Issue (Surplus)	None	Note 2
2010	1	11.00	2,000,000,000	20,000,000,000	1,474,760,565	14,747,605,650	Issue (Cash)	None	Note 3
2010	7	10.00	2,000,000,000	20,000,000,000	1,504,255,777	15,042,557,770	Issue (Surplus)	None	Note 4
2011	6	10.00	2,000,000,000	20,000,000,000	1,519,298,335	15,192,983,350	Issue (Surplus)	None	Note 5
2015	10	10.00	2,000,000,000	20,000,000,000	1,494,717,335	14,947,173,350	Capital reduction (Cancellation of treasury stock)	None	Note 6
2016	01	10.00	2,000,000,000	20,000,000,000	1,468,000,335	14,680,003,350	Capital reduction (Cancellation of treasury stock)	None	Note 7
2016	07	10.00	2,000,000,000	20,000,000,000	1,438,000,335	14,380,003,350	Capital reduction (Cancellation of treasury stock)	None	Note 8
2016	09	10.00	2,000,000,000	20,000,000,000	1,428,000,335	14,280,003,350	Capital reduction (Cancellation of treasury stock)	None	Note 9
2017	09	10.00	2,000,000,000	20,000,000,000	1,385,000,335	13,850,003,350	Capital reduction (Cancellation of treasury stock)	None	Note 10
2020	05	10.00	2,000,000,000	20,000,000,000	1,378,809,335	13,788,093,350	Capital reduction (Cancellation of treasury stock)	None	Note 11
2020	07	10.00	2,000,000,000	20,000,000,000	1,180,000,000	11,800,000,000	Capital reduction (Cash)	None	Note 12

Note 1: Capitalization of profit to issue 60,819,821 new shares, declared effective by the Jin-Guan-Zheng-Yi-Zi No. 0970031453, dated June 24, 2008, issued by the Financial Supervisory Commission, Executive Yuan.

Note 2: Capitalization of profit to issue 25,544,325 new shares, declared effective by the Jin-Guan-Zheng-Fa-Zi No. 0980032557, dated June 30, 2009, issued by the Financial Supervisory Commission, Executive Yuan.

Note 3: Cash capital increase to issue 172,000,000 new shares, declared effective by the Jin-Guan-Zheng-Fa-Zi No. 0980058738, dated November 17, 2009, issued by the Financial Supervisory Commission, Executive Yuan.

Note 4: Capitalization of profit to issue 29,495,212 new shares, declared effective by the Jin-Guan-Zheng-Fa-Zi No. 0990034355, dated July 2, 2010, issued by the Financial Supervisory Commission, Executive Yuan.

Note 5: Capitalization of profit to issue 15,042,558 new shares, declared effective by the Jin-Guan-Zheng-Fa-Zi No. 1000028696, dated June 22, 2011, issued by the Financial Supervisory Commission, Executive Yuan.

Note 6: Cancellation of 24,581,000 shares for reduction of capital, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1040044038, dated October 30, 2015, issued by the Financial Supervisory Commission.

Note 7: Cancellation of 26,717,000 shares for reduction of capital, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1040053993, dated January 4, 2016, issued by the Financial Supervisory Commission.

Note 8: Cancellation of 30,000,000 shares for reduction of capital, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1050015719, dated May 2, 2016, issued by the Financial Supervisory Commission.

Note 9: Cancellation of 10,000,000 shares for reduction of capital, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1050028238, dated July 20, 2016, issued by the Financial Supervisory Commission.

Note 10: Cancellation of 43,000,000 shares for reduction of capital, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1060026971, dated July 13, 2017, issued by the Financial Supervisory Commission.

Note 11: Cancellation of 6,191,000 shares of treasury stocks for capital reduction, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1090341313, dated May 1, 2020, issued by the Financial Supervisory Commission.

Note 12: Capital reduction of 198,809,335 shares, approved by the Jin-Guan-Zheng-Jiao-Zi No. 1090350630, dated July 31, 2020, issued by the Financial Supervisory Commission.

2. Type of shares:

Unit: Share

Shares / Type	Authorized Share Capital			Remarks
	Shares outstanding	Un-issued Shares	Total	
Common Stock	1,180,000,000	820,000,000	2,000,000,000	The Company's shares are all

(II) Shareholder structure:

February 28, 2022
Unit: Share, People

Composition of Shareholders / Quantity	Government Agencies	FInancial Institutions	Other Legal Persons	Domestic Natural Persons	Foreign Institutions and Natural Persons	Total
Number of People	7	6	317	78,799	227	79,356
No. of Shares Held	24,014	47,238,000	463,101,880	521,297,886	148,338,220	1,180,000,000
Ownership	0.002%	4.003%	39.246%	44.178%	12.571%	100.00%

Note: IPO companies and emerging listed companies shall disclose the proportion of PRC investments. PRC investments refer to the investments made by the citizens, companies, groups, other organizations, or the companies they invest in a third region: None.

(III) Composition of Shareholders:

February 28, 2022
Face value: NT$10/share

Shareholder Ownership			Number of Shareholders	No. of Shares Held	Ownership
1	To	999	46,335	9,203,904	0.78%
1,000	To	5,000	22,431	50,292,692	4.26%
5,001	To	10,000	4,759	36,088,253	3.06%
10,001	To	15,000	1,610	19,920,710	1.69%
15,001	To	20,000	1,056	19,039,176	1.61%
20,001	To	30,000	962	24,214,751	2.05%
30,001	To	40,000	479	16,811,803	1.42%
40,001	To	50,000	358	16,455,701	1.39%
50,001	To	100,000	641	45,930,320	3.89%
100,001	To	200,000	346	49,052,668	4.16%
200,001	To	400,000	152	43,460,064	3.68%
400,001	To	600,000	62	30,122,717	2.55%
600,001	To	800,000	27	18,830,965	1.60%
800,001	To	1,000,000	24	21,260,072	1.80%
1,000,001 or above			114	779,316,204	66.04%
Total			79,356	1,180,000,000	100.00%

(IV) List of major shareholders:

February 28, 2022

Name of Main Shareholders \ Shares	No. of Shares Held	Ownership
Shin Lan Enterprise INC.	80,745,341	6.86%
Taiwan Secom Co., Ltd.	77,705,747	6.60%
Titan Star International Co., Ltd.	50,923,710	4.33%
Fubon Life Insurance Co., Ltd.	41,015,000	3.49%
Cheng Hsin Investment Co., Ltd.	31,026,689	2.64%
Concord International Securities Co., Ltd.	26,642,378	2.26%
Shin-Lan Investment Co., Ltd.	26,221,411	2.23%
Chuang-Yen Wang	19,447,545	1.65%
Yuan-Shin Investment Co., Ltd.	17,333,250	1.47%
Ming-Ji Chang	16,405,643	1.39%

(V) Market price, net worth, earnings and dividends per share and the related information for the most recent two years:

Unit: NTD

Item \ Year			2020	2021	As of February 28, 2022
Market Price Per Share (Note 1)	Highest		29.70	30.90	29.10
	Lowest		9.49	20.60	25.10
	Average		18.03	24.94	26.92
Net Worth Per Share	Before distribution		17.12	18.13	-
	After distribution		15.62	(note 2)	-
Earnings per share	Weighted Average Shares (thousand shares)		1,299,128	1,176,884	-
	Earnings per share		1.90	2.42	-
Dividends per share (Note 2)	Cash dividends		1.50	1.80	-
	Bonus Share	Shares from Profit	-	-	-
		Additional paid-in capital	-	-	-
	Dividends in Arrears		-	-	-
Analysis of Return on Investment	Price/Earnings Ratio (Note 3)		9.49	10.31	-
	Price/Dividends Ratio (Note 4)		12.02	13.86	-
	Cash Dividends Yield (Note 5)		8.32%	7.22%	-

* If earnings or capital surplus are transferred to issue bonus shares as a capital increase, the information on the market value and cash dividends retrospectively adjusted according to the number of shares issued should be disclosed.

Note 1: List the highest and lowest market price per share of common stock in each fiscal year. Calculate each fiscal year's average market price based upon each fiscal year's actual trading prices and volume.

Note 2: The 2021 earnings distribution proposal was passed by the board, but has not yet been approved by the 2022 shareholders' meeting.

Note 3: Price-Earnings ratio = Average closing price per share / Earnings per share of the year.

Note 4: Price-Dividends ratio = Average closing price per share / Cash dividends per share of the year.

Note 5: Cash dividends yield = Cash dividend per share / Average closing price per share of the year.

(VI) Company's dividends policy and the implementation status:

1. Dividends policy:

In addition to first paying tax contributions and making up for previous annual losses, the profits from annual final accounts shall have 10% allocated for legal reserve and special reserve according to law. Exception can be made if the legal reserve has reached the Company's paid-in capital. The accumulated beginning undistributed profits and the undistributed profits of the current year are added as the profits available for distribution. The board prepares a proposal for dividend distribution and submits it to the shareholders' meeting for approval, and the dividends are distributed according to the shareholding proportion.

The Company is in a mature industry, and the dividend distribution policy takes into consideration the Company's profitability, capital needs for future operating plan, shareholders' interests, balanced dividends and long-term financial planning. Dividends can be distributed in the cash or stocks. The cash dividend shall not be less than 10% of the total shareholders' dividends, and the rest is distributed in stock dividends.

2. The proposed dividend distribution for the year: The board's resolution on February 25, 2022 proposed to distribute cash dividends of NT$1.8 per share.

3. Material change expected in the dividend policy: None.

(VII) The impact of bonus shares on the Company's operating performance and earnings per share: Not applicable.

(VIII) Remuneration for employees and directors:

1. The percentages or ranges with respect to employees' and directors' remuneration specified in the Articles of Incorporation:
If the Company is profitable in the fiscal year, 3% of the profit shall be allocated as bonuses for employees, and no more than 3% of the profit shall be allocated as remuneration for directors. However, if the Company still has accumulated losses, an amount shall be reserved in advance to make up for the losses.

2. The basis for estimating the amount of employee and director compensation, calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.
The estimates of remuneration to employees and directors are based on the Articles of Incorporation. If there is a discrepancy between the actual distributed amount and the estimated figure, it is considered a change in the accounting estimate and included in the profit or loss in 2022.

3. Distribution of compensation as approved by the board:
(1) If the amount of remuneration for employees and directors distributed in cash or stock is different from the estimates recognized in the fiscal year, please disclose the difference,

reasons and treatment:

The board resolution on February 25, 2022 allocated NT$110,850 thousand, each as the remuneration for directors and employees, which was not different from the estimates in the 2021 fiscal year.

(2) The amount of any employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the standalone financial reports or individual financial reports for the current period and total employee remuneration: Not applicable.

4. The actual distribution of employee and director remuneration for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee and director remuneration, additionally the discrepancy, cause, and how it is treated:

The board resolution on March 15, 2021 approved the allocation of NT$79,985 thousand, each as the remuneration for directors and employees, which was not different from the estimates in the 2020 fiscal year.

(IX) Stock buybacks of the Company: None

II. Issuance of corporate bonds: None

III. Issuance of preferred stocks: None.

IV. Issuance of overseas depository receipts: None.

V. Status of employee stock option plan: None.

VI. Status of employee restricted stock: None.

VII. New share issuance in connection with mergers and acquisitions: None.

VIII. Financing plans and implementation: None.

Five. Overview of Operations

I. About Our Business:

(I) Scope of business:

1. Core business:

   Manufacturing, transportation and sales of ready-mix concrete, integration and development of assets, architectural planning and design, lease of shopping malls, cement mining and manufacturing, manufacturing and sales of specialized fireproof building materials.

2. 2021 percentage of operation:

Year / Main products	2021		2020	
	Operating revenue	Percentage of operation (%)	Operating revenue	Percentage of operation (%)
Ready-mix concrete	20,019,430	91.82	17,445,785	92.41
Cement	153,571	0.70	144,622	0.77
Fireproof building materials	891,141	4.09	823,858	4.36
Income from port operation	62,229	0.29	51,059	0.27
Other	675,328	3.10	412,476	2.19
Total	21,801,699	100.00	18,877,800	100.00

3. Main products and services:

   Sales of ready-mix concrete, cement, fireproof building materials, assets management, construction project development and planning, and property operation and management.

4. New products and services under development:

   (1) Continue the mass production of high-end concrete products (ultra-high performance concrete (UHPC) high-performance concrete, self-compacting concrete, high-flow concrete, impermeable concrete, permeable concrete and mass concrete).

   (2) Incorporate the role and application concepts of circular economy, and continue to promote the optimization of the use of minerals and chemical admixtures for

concrete.

(3) Consolidate the Group's resources to establish a laboratory for certifying raw materials and effectively controlling the quality of raw materials.

(4) In order to reduce the dependence on natural resources and minimize the energy consumption and the manufacturing and use of polluting cement clinker, we actively research and develop industrial by-products and the re-use of alternative products for our ready-mix concrete and building materials for our affiliate companies, hoping that we can fully showcase the positive performance by-products and reduce the negative impact on the environment.

(5) Incorporating carbon footprint assessment into various products, building carbon footprint traceability information and database, and the joint development of concrete carbon storage technology.

(6) Large-scale office building compound: Planning and design of corporate group head offices, and joint development of shopping malls and international hotels.

(7) Planning and construction of high-end resort hotels.

(8) Joint development of construction sites, assessment of urban revitalization and collaboration in brand agency.

(II) Industry overview:

1. Status and development of the industry:

The concrete industry processes cement products and is an industry to meet the domestic demand. In Taiwan, it is an upstream raw materials supply to the construction sector. The industry condition is greatly affected by the public works and construction industries.

However, the domestic ready-mix concrete industry is still operated by many self-funded SMEs in various scales and quality levels. Ready-mix concrete plants, whether legal, illegal or built at construction sites, are everywhere. The price-cutting by low-quality and low-price products is prevalent in the market. The Company has developed many value-added concrete products to improve the competitiveness and sustainability development.

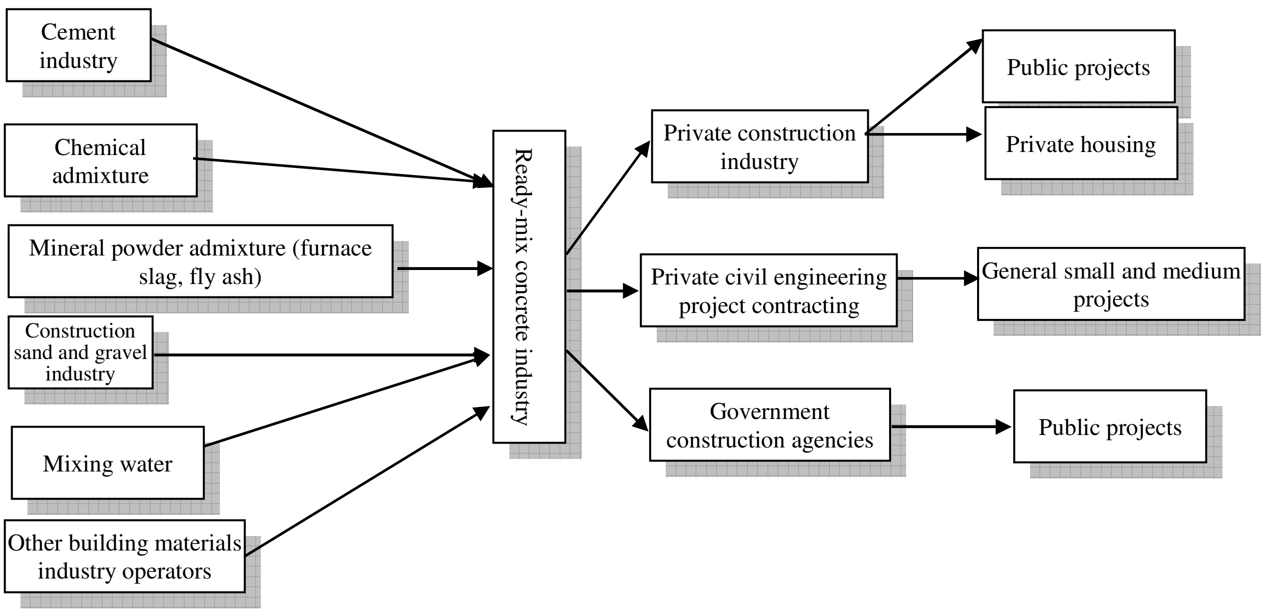
With the continuing socioeconomic growth, the increasing consumer awareness and demand for environmental protection and construction safety, we will introduce high-quality and high-performance products. In the future, only the ready-mix concrete suppliers who value brand image, quality and technology will continue to grow in the increasingly competitive industry environment.

In 2021, factors such as easing the monetary policy, low interest environment, soaring prices of raw materials, repatriation of Taiwanese businesses to drive the demand for industrial land, and continuous expansion of commercial real estate have stimulated the price and volume of transactions in the housing market. According to the latest information released by the Department of Statistics of the Ministry of the Interior, about 348,000 units of houses exchanged hand in 2021, a year-over-year growth of 6.6%, which was an uptrend for the 5th consecutive years and a new high in the past eight years, continuing the "buy" sentiment in the housing market.

With the increase in vaccine coverage, the lifting of lockdown policy and the practices of coexistence with the virus in various regions throughout 2022, the global economy may recover significantly. However, uncertainties brought by inflation and policies, reduction in fiscal support and supply chain bottlenecks may slow the growth in economy. Taiwan's economy remains strong. With factors such as the promotion of urban renewal, accelerated reconstruction of dangerous old properties, the realization of rights to own property through curbing real estate speculation and the continuing trends of strong demand for personal use properties, the bullish outlook of the real estate market should remain unchanged.

2. Relations between upstream, midstream and downstream of the industry:

Supply chain structure showing the upstream, midstream and downstream of the construction sector:



3. Development trends and competition of products:

(1) Competitions:

Ready-mix concrete is considered part of the cement product industry. It is a typical traditional industry to meet domestic demand, and the products are used in a variety of industries, including cement (cement raw materials), earth and stone mining (granule), steel smelting (furnace slag), electric power (fly ash) and others (additives, mixing water). Each industry has its own infrastructure and characteristics, and industry operators form a complex network which involves close-knit operations and interactions.

After the great earthquake of September 21, the issues with poor quality of concrete continued to surface, and improvements for quality and control technologies have been continuously offered. In ready-mix concrete plants, concrete materials need to go through processes such as incoming delivery, sampling and analysis, mixture of different grades, ratio design, trial mixing in different ratios, slump test, sample production and sample curing, before the mixing, transportation, pumping, pouring, tamping and curing processes. The application of concrete requires processes in three different environments (ready-mix plants, transportation routes and construction sites) and at least three companies (ready-mix companies, pumping suppliers and constructors). Products are finished only if the acceptance of curing is completed, and cannot be finished separately during this period. Compared with the other general manufacturing industries, the concrete business is complex, and closely related to the manufacturing and environment. In order to achieve established objectives, structures, regions, environment and application all play an important role. It may be different from the high-tech industry which requires accurate and precise measurement, it is a high technology product made of continuous physical and chemical changes.

Some industry peers who seek quick return have mistakenly believed that the manufacturing and application of concrete are simple and require a low technological threshold. This is the key reason why many construction contractors and concrete suppliers have sprung up in recent years, creating such fierce competition in today's market. If the disorderly and vicious competition continues, it will bring more concerns to the quality of construction projects.

The ready-mix concrete industry is facing increasingly brutal market competition. Improving the core competitiveness of businesses and learning to co-exist with market demand and brutal competition are issues that all practitioners in the ready-mix concrete industry must seriously consider.

(2) Development trends:

Many domestic traditional industries are facing a transition process. Those bearing high costs may choose to manufacture in countries with low labor wages. However, ready-mix concrete businesses cannot adopt this approach due to the limitations in transportation and time. Besides, domestic traditional industries have not invested much in branding. According to statistics, the average annual gross profit margin of traditional industries in Taiwan is about 6% to 8%. In the future, the ready-mix concrete industry must spend more efforts in branding and services to change the image of the traditional industry, so that the market segmentation can be defined clearly, further improving sales and profitability.

(III) Overview of technology and R&D

	2022 (planning)	2021	2020
Research areas	1. Practical application and mass production of the carbon capture and storage technology for concrete. 2. Research and development of diverse carbon reduction technology for concrete. 3. Carbon footprint verification application for green building materials labels and products, and the development of related products. 4. Development of optimization technology for the manufacturing of ready-mixed concrete. 5. Feasibility study on the alternative raw materials of diverse by-products.	1. Optimization and mass production of cooling system for manufacturing mass concrete. 2. Development and optimization of manufacturing system for high-strength mass concrete. 3. Research and development of alternative materials and performance of lightweight partition materials. 4. Development new types of lightweight partition systems. 5. Feasibility study of the carbon capture and storage technology for concrete. 6. Research, development and production of ultra-high strength concrete.	1. Development of materials design of mass concrete. 2. Development of manufacturing cooling system for mass concrete. 3. Development of light compartment building materials with recycled glass. 4. Raw materials variation on the performance of concrete. 5. Development of cement products building materials and application for labels.
R&D expenditure	NT$10.50 million	NT$8.68 million	NT$9.01 million

(IV) Long-term and short-term business development planning

1. Short-term business development plan:

(1) Expand the regional market growth in Taiwan and increase sales.

(2) Create value-added concrete products for segmentation and market niche.

(3) Improve depth and breadth of business development and customer service to reduce complaints and increase service satisfaction.

(4) Stabilize investment in Suzhou, China, and expand production capacity in niche markets in a timely manner to improve overall financial performance.

(5) Revitalize assets: Renovation of shopping malls in Tainan for regional market development, and add lease area coverage to improve the operational performance.

(6) Branding of shopping mall operation: Create the South Urban Village brand and

build consumer word of mouth.

2. Long-term business development plan:

(1) The Company will use its specialized technologies and accumulated operating experience to build plants to serve various market niches, expand business territory and improve operational performance.

(2)Actively engage in the integration of related industries, incorporate resources and capabilities of the corporate group to create more value.

(3)Improve brand image and product quality to increase more returning customers and market share.

(4)Assets revitalization: Actively invest in large-scale commercial building compounds, international hotels and residential buildings.

(5)Hospitality management: Collaborate with international hotel brands to improve asset management.

II. Markets, production, and marketing

(I) Market analysis:

1. Major markets of the Company's products

The Company mainly manufactures ready-mix concrete to supply the domestic architecture and construction industries and public works.

2. Market trends and market share:

Contemporary construction structures are leaning toward large-scale, high floors and large capacity developments. They also must withstand the test of harsh environmental conditions. The development of water conservation, electric power, airports and seaports also have high requirements for the quality of ready-mix concrete. Providing ready-mix concrete to meet the technical requirements of various construction structures at any time is a big challenge for suppliers' manufacturing technologies and innovation, and it determines how a supplier can take the lead in the market competition.

The Company takes pride in being a leading brand with quality in the concrete market. In the consumer market which is increasingly focusing on quality and technology, it is even more beneficial for the Company, so we are still confident about our growth in the future market and our market share.

According to the Department of Statistics of the Ministry of Economic Affairs, the total volume of ready-mix concrete sold in Taiwan in 2020 and 2021 were 43,344 and 43,729 (year-over-year growth of 0.89%) thousand cubic meters, respectively. For Goldsun, the total volume of ready-mix concrete sold in 2021 was 6.56 million, a year-over-year increase of 3.4% compared with 6.35 million cubic meters of 2020. For 2022, it is expected that the major economies in the world will recover, and with the optimistic outlook of the domestic housing market, the sales volume of ready-mix-concrete will experience a small growth.

3. Future market supply-demand and growth:

Looking ahead to the global economy in 2022, major international forecasting agencies believe that the economy will continue its recovery but the growth may slow down. The repatriation of Taiwanese businesses and the restructuring of the supply chain are expected to drive business opportunities and employment. The housing policies suppress speculation and enable the transactions of personal use properties to return to the mainstream. Urban revitalization, renovation of old buildings, introduction of public housing and other strategies for the infrastructure remain unchanged, and there are still many positives supporting the growth of the housing market.

Besides, the continuous promotion of railway construction by the central and local governments has driven the development and use of land plots around the construction projects. The completion of public construction and traffic network projects continues to drive the growth of nearby regions. For example, the re-zoning areas in Taoyuan, the 14th phase of re-zoning projects in Taichung, science park and software park in central Taiwan, and new industry clusters in Tainan and Kaohsiung due to the expansion of TSMC create tech corridors to inject more vitality to the surrounding housing markets through industry investment and urban renewal.

4. Favorable and unfavorable factors affecting the future outlook:

(1) Favorable:

- Good brand image and recognition of having good quality among industry peers. Has rich industry experience, an excellent management team, leading specialized technologies and research and development capabilities. Good understanding of the market. Accumulation of extensive client base and good customer relationships, which facilitate good business development.

- In terms of the production process, research and development, we adhere to the principle of "Quality First," and continue to innovate and comply with the ISO certifications. In recent years, we have actively participated in the Good Ready-Mix Concrete (GRMC) certification, so that the quality of our products can withstand tests, and the efforts provide a positive impact on our business development.
- In terms of raw materials, we can fully grasp the sources of sand and gravel to ensure their quality and cost advantage Goldsun currently operates a sand and gravel wharf for its own businesses in Taipei Port, and has its own ships to transport sand and gravel from China, which allows the Company to control cost and quality of sand and gravel.

(2) Unfavorable:

- The lack of government authority bodies in the industry allows illegal ready-mix concrete plants to participate in the competition with their low price offers, resulting in a chaotic market and driving out legal industry peers.
- Taiwan is densely populated, and the overdevelopment has significantly reduced the available space. With the market demand being greatly reduced, many industry peers have substantially reduced prices for survival, which also damages the market competition.
- The growing environmental awareness raised the restrictions on building factories. The stricter regulations on load limits, growing oil prices, rising prices and shortage of raw materials, and the price cuts of industry peers and 2nd-tier companies have greatly increased operating costs and risks.

(II) Main uses and production processes of major products:

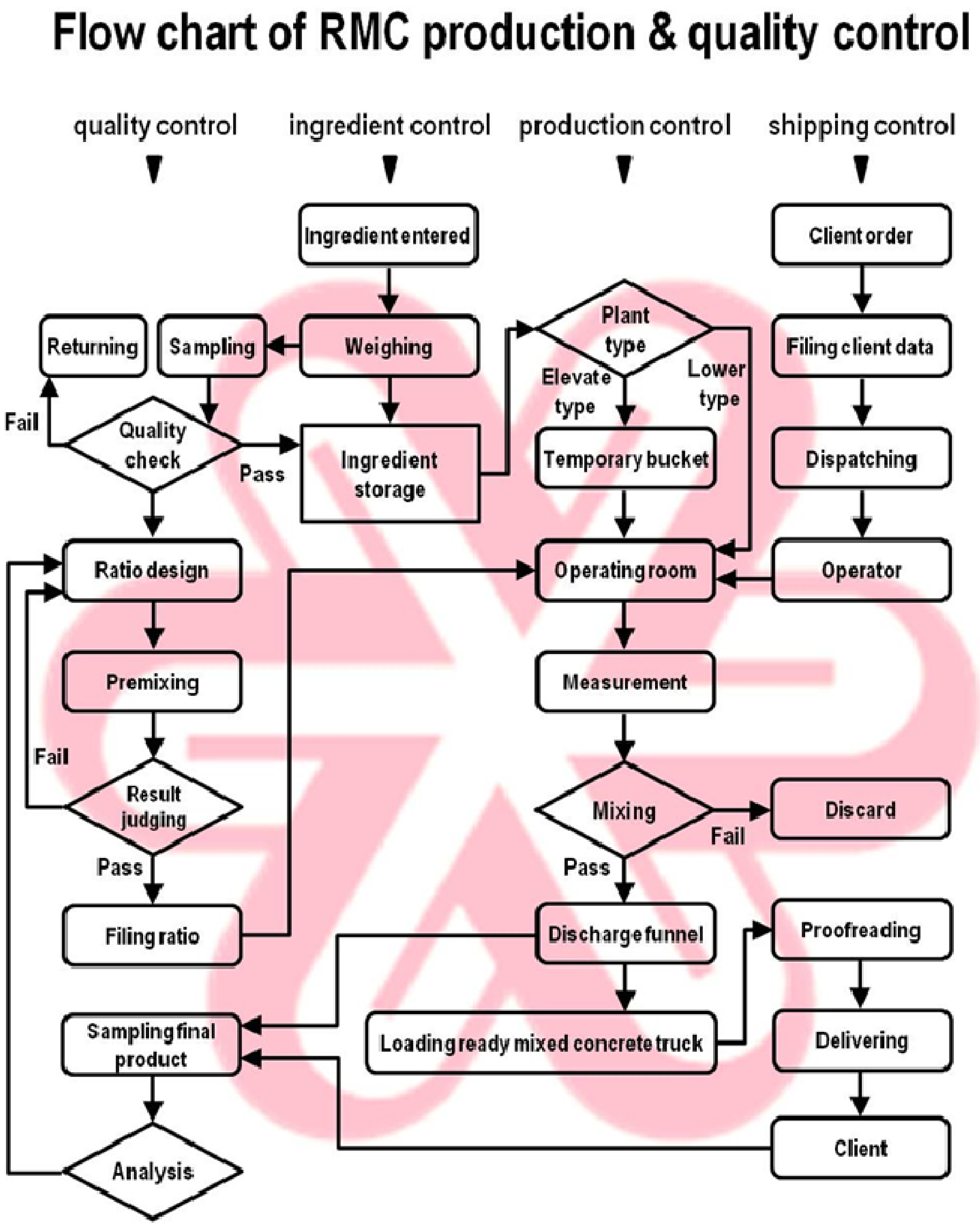
1. Main uses:

The ready-mix concrete industry processes cement products. Ready-mix concrete consists of four to five types of raw materials, cement, water, fine aggregates, coarse aggregates and selected admixtures (may include blast furnace slag, fly ash, silica fume, chemical admixtures), and are mixed by adopting accurate and precise formula and fully automatic measurement, before being transported to construction job sites by concrete mixer trucks.

Ready-mix concrete is delivered in a large volume and can be used quickly, which saves manpower and time required. It can also eliminate the piles of gravel by the roadside to reduce pollution, meeting the requirements of environmental protection. It is one of the main building materials used in public works and private building construction. Besides, the excellent quality and high strength makes it a necessity in the construction of contemporary buildings, ensuring the safety of building structures.

In order to meet the needs of various construction projects today, we have developed our concrete from the general-purpose concrete of the past to the contemporary high-performance concrete which offers high-strength, high-flow, high durability and low shrinkage. At the same time, we provide custom-made specialized concrete to meet customers' special needs and purposes for their construction projects.

2. Manufacturing processes of ready-mix concrete (RMC):



(III) Supply status of main raw materials:

1. Cement:

Mainly supplied by domestic cement manufacturers, and partially supplied by foreign cement manufacturers.

2. Construction sand and gravel:

In the northern region, sand and gravel materials are purchased from China by the Company's one-stop shop approach. In other regions, sand and gravel are from legally dredged streams at various grades. The main source of supply is Hualien Creek, Houlong Creek, Da-An Creek, Dajia River, Zhuoshui River and Laonong River.

(IV) The names of the top ten purchase (sales) parties and the amount and ratio of their purchase (sales) in the past two years:

1. Parties who buy more than 10% of goods sold in any one of the past two years:
In either 2021 or 2020, there were no clients who account for more than 10% of the total sales amount:

2. Parties who account for more than 10% of purchase in any one of the past two years:
In either 2021 or 2020, there were no clients who account for more than 10% of the total purchase amount:

(V) Production volume the most recent two years:

Unit: NT$1,000

Year / Product Name	2021			2020		
	Production capacity	Volume	Value	Production capacity	Volume	Value
Ready-mix concrete (M^3) -- Taiwan	9,000,000	6,365,418	12,645,105	9,000,000	6,172,539	11,810,905
Ready-mix concrete (M^3) -- Suzhou	2,000,000	1,792,014	3,711,928	2,000,000	1,557,771	2,894,136
Calcium silicate board and others (PU)	5,152,000	4,091,843	636,542	5,152,000	3,763,007	552,702
Total			16,993,575			15,257,743

(VI) Sales volume the most recent two years

Unit: NT$1,000

Year / Product Name	2021				2020			
	Domestic		Overseas		Domestic		Overseas	
	Volume	Value	Volum	Value	Volume	Value	Volu	Valu
Ready-mix concrete	6,561,931	16,092,586	-	-	6,347,933	14,277,763	-	-
Ready-mix concrete	1,794,707.5	3,926,844	-	-	1,558,871	3,168,022	-	-
Calcium silicate board	3,971,909	891,114	-	-	3,810,089	823,121	-	-
Portland Type 1	61,590	153,571	-	-	59,448	144,622	-	-
Income from port		62,229	-	-		51,059	-	-
Other		675,355	-	-		413,213	-	-
Total		21,801,699	-	-		18,877,800	-	-

III. Information about employees:

Information on employees for the most recent two years and up to the publication date of the annual report:

Goldsun Building Materials Co., Ltd.

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	555	577	578
	Technicians	2	2	2
	Regular workers	0	0	0
	Drivers	38	36	36
	Total	595	615	616
Average Age		43.80	43.77	43.81
Average Service Tenure		11.18	11.22	11.20
Distribution of Educational Background	Doctoral degree	0.34%	0.33%	0.33%
	Master's degree	3.70%	4.07%	4.06%
	College	46.55%	47.64%	47.56%
	Senior high School	42.02%	40.49%	40.58%
	Below senior high school	7.39%	7.47%	7.47%

Taipei Port Terminal Company Limited

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	6	6	6
	Technicians	20	20	20
	Regular workers	4	2	2
	Drivers	-	-	-
	Total	30	28	28
Average Age		40.5	40.6	40.7
Average Service Tenure		4.0	4.7	4.8
Distribution of Educational Background	Doctoral degree			
	Master's degree			
	College	26.7%	32.1%	32.1%
	Senior high School	70.0%	64.3%	64.3%
	Below senior high school	3.3%	3.6%	3.6%

Kuoyung Construction & Engineering Co., Ltd.

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	3	3	3
	Technicians	-	-	-
	Regular workers	-	-	-
	Drivers	-	-	-
	Total	3	3	3
Average Age		50.6	51.6	51.8
Average Service Tenure		7.8	8.8	8.9
Distribution of Educational Background	Doctoral degree			
	Master's degree			
	College	100.0%	100.0%	100.0%
	Senior high School			
	Below senior high school			

Goldsun Nihon Cement Co., Ltd.

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	8	8	8
	Technicians	-	-	-
	Regular workers	2	2	2
	Drivers	-	-	-
	Total	10	10	10
Average Age		46.5	47.5	47.7
Average Service Tenure		7.7	7.9	8.0
Distribution of Educational Background	Doctoral degree			
	Master's degree			
	College	70.0%	70.0%	70.0%
	Senior high School	30.0%	30.0%	30.0%
	Below senior high school			

Wellpool Co., Ltd.

Year		2020	2021	As of February 28, 2022
Number of Employees	Director labor	116	118	121
	Indirect labor	4	5	5
	Management / Administrative / R&D personnel	31	28	28
	Total	151	151	154
Average Age		43.1	43.1	44.6
Average Service Tenure		9.3	8.69	9.74
Distribution of Educational Background	Doctoral degree	0.66%	0.66%	0.66%
	Master's degree	1.32%	1.32%	1.32%
	College	21.19%	22.51%	22.72%
	Senior high School	52.99%	51.67%	51.28%
	Below senior high school	23.84%	23.84%	24.02%

Goyu Building Materials Co., Ltd.

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	4	5	6
	Technicians	6	20	23
	Regular workers	-	-	-
	Drivers	-	-	-
	Total	10	25	29
Average Age		43.5	40.5	38.7
Average Service Tenure		1.4	1.2	1.2
Distribution of Educational Background	Doctoral degree	-	-	-
	Master's degree	-	-	-
	College	100.0%	68.0%	62.1%
	Senior high School	-	16.0%	24.1%
	Below senior high school	-	16.0%	13.8%

Goldsun Building Materials Co., Ltd. -- Suzhou Business Unit

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	44	45	40
	Technicians	62	62	60
	Regular workers			
	Drivers	2	2	2
	Total	108	109	102
Average Age		41.55	41.2	40.2
Average Service Tenure		10.70	10.72	10.1
Distribution of Educational Background	Doctoral degree	-	-	-
	Master's degree	2.20%	2.20%	2.20%
	College	36.50%	42.10%	45.1%
	Senior high School	28.30%	25.10%	25.10%
	Below senior high school	33.00%	30.60%	27.6%

GALC Inc.

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	-	4	4
	Technicians	-	-	-
	Regular workers	-	-	-
	Drivers	-	-	-
	Total	-	4	4
Average Age			30.5	30.7
Average Service Tenure			0.6	0.7
Distribution of Educational Background	Doctoral degree	-	-	-
	Master's degree	-	-	-
	College	-	100.00%	100.00%
	Senior high School	-	-	-
	Below senior high school	-	-	-

Note: The Company was established on January 29, 2021

Year		2020	2021	As of February 28, 2022
Number of Employees	Employees	-	2	2
	Technicians	-	-	-
	Regular workers	-	-	-
	Drivers	-	-	-
	Total	-	2	2
Average Age			52.2	52.3
Average Service Tenure			0.3	0.5
Distribution of Educational Background	Doctoral degree	-	-	-
	Master's degree	-	-	-
	College	-	100.00%	100.00%
	Senior high School	-	-	-
	Below senior high school	-	-	-

IV. Environmental protection expenditure:

(I) Total amount of loss (including compensation and violation of environmental regulations discovered by environmental audit, which shall specify the date and document number of penalty, provisions of violation, content of violation and content of penalty) due to pollution as of the most recent year and the date of publication of the annual report. It also discloses the current and future potential estimates and countermeasures. If it cannot be reasonably estimated, please explain the fact:

Year of Penalty / Summary	2021	As of February 28, 2022
Pollution status (type, severity)	None (all have complied with requirements)	None (all have complied with requirements)
Compensated parties or the government agencies handing out the fines	None	None
Compensation amount or the status of punishment	None	None
Other losses	None	None

(II) Future countermeasures (including improvement) and their potential expenditures (including estimates for potential loss, disposal and compensation if not taking the countermeasures):

	2022
1. Proposed improvement measures to be adopted	
(1) Improvement plan:	None
(2) Expected environmental capital expenditure in the next three years:	
· Proposed purchase of pollution prevention equipment or content of expenditure	None
· Expected improvement	None
· Amount	None
(3) Impact after improvement:	
· Impact on net income	None
· Impact on competition position	None
2. Countermeasures not adopted:	
(1) Reasons for not adopting countermeasures:	Not applicable
(2) Pollution status:	Not applicable
(3) Possible loss and compensation amount:	Not applicable

(III) In order to implement consistent environmental protection policies, we allocate budgets for establishment of plants to achieve total recycling with pollution prevention and control equipment. In recent years, we have successively updated or added the pollution prevention and control equipment currently in the plants to comply with new regulatory requirements. For example: Grit basin, water meter, tire washing pool, closed aggregate bins and others.

1. The Company's environmental protection policies and implementation philosophy:

(1) The operations of factories must comply with the current environmental protection regulations, adhere to building good community relations and improve environmental quality to become a role model for the industry.

(2) All affiliated factories fully adopt industrial waste reduction and resource recovery measures to reduce operating costs and reinforce competitiveness.

(3) Parallel implementation of environmental protection and occupational safety and health measures at factories to strive for objectives of “Zero pollution to the environment” and “Zero disaster at factories.”

2. Equipment improvement, manufacturing program change, recycling and reuse:

(1) Automatic recovery and recycling of waste (soil) water and wastes (sand, stones, mud) from equipment and converting them into resources. Waste water and wastes from car wash and over-time ready-mix concrete are treated to separate a variety of raw materials which are concentrated to complete the recovery and reuse processes to achieve the conversion.

(2) Raw materials (cement) are transported by high-efficiency pulsating dust collection equipment, so that the air pollution can meet the environmental protection standards. The recovery and reuse at the site are to ensure product quality.

(3) Raw materials (coarse and fine aggregates) are transported and stored in closed equipment, which integrate manufacturing and environmental protection in efforts to achieve zero pollution.

3. Management practices and performance:

(1) Factory management and inventory system

Closed equipment is used for raw materials delivery to plants, transportation, storage, metering, mixing and logistics. Equipment pollution caused during transportation, mixing and logistics by vehicles are washed manually or by machine. Waste (polluted) is then recovered, and wastes (sand, stone and mud) are converted into resources.

(2) Operations management system

The factory administrative management team establishes maintenance checkpoints for each plant and introduces a proposal system to improve the manufacturing process and equipment.

4. Training and promotion:

(1) Employee training

Participate in seminars on waste water treatment for technicians and industrial safety and health organized by the Environmental Protection Administration. Regularly hold education and training sessions on labor safety and health.

(2) Collaborate with government agencies to organize case studies (seminars or factory tours).

5. Others:

(1) Industrial safety and health:

Manufacturing, installation and maintenance of equipment have been designed to ensure safety and instruct employees of industrial safety and health knowledge.

(2) Environmental health:

Transport, storage, metering and mixing of various raw materials and the cleaning of roads within plants have been fully considered. A variety of software and hardware have been purchased and developed to meet the environmental health requirements and make the environment green, so that employees can enjoy a more comfortable work environment.

(3) Protection measures for work environment and employees' personal safety:

- Established the “Occupational Safety and Health Management Plan” and submitted it to the authority for recordkeeping (Taipei City Lao-Jian-Yi-Zi No. 09230172500).
- Established “Occupational Safety and Health Committee” which holds meetings regularly to protect the safety of employees for both the employer and employees.
- The environmental and fire protection inspection is conducted by external specialized vendors contracted by the Company. Local fire bureau office then conducts a secondary examination of the violations.
- Access control management: Access control is set up at offices' main gates. 24-hour surveillance systems are set up at public areas, corridors, elevators, driveways and emergency exits. Mobile communication is reinforced in underground parking lots and elevators to facilitate safety. Plants are equipped with 24-hour surveillance systems.
- First aid equipment: Each floor of offices is equipped with AED and emergency bells.
- Education on advocacy on safety: Labor safety personnel are gathered to undergo education and training. Plants also provide practical training on labor safety for workers based on their functions between February and March every year.

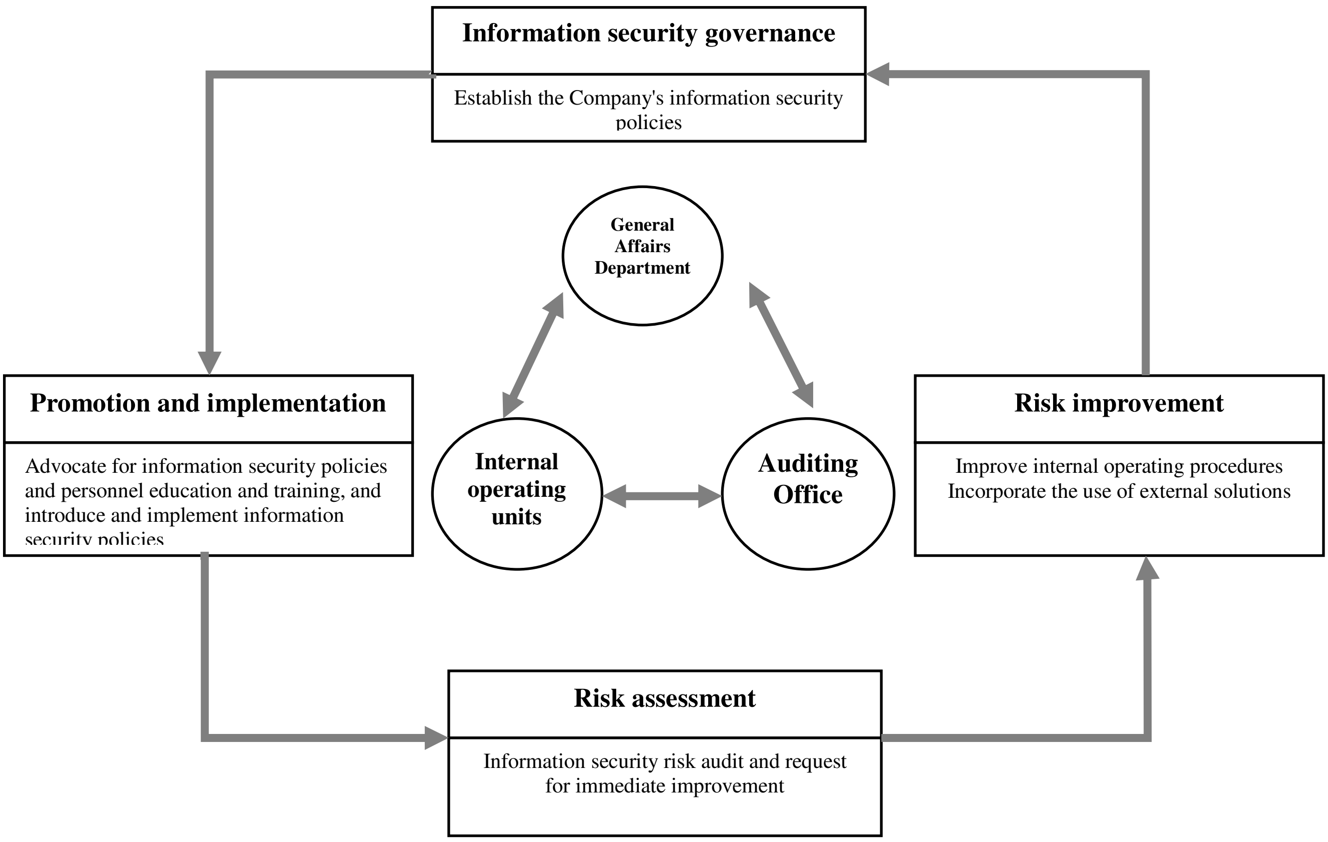
V. Information Security Management

(I) Information security risk management framework

(1) The Company's General Affairs Department is the responsible unit for information security. The department has one supervisor and several contracted professional information personnel. They are responsible for establishing internal information security policies, planning and carrying out information security procedures and promoting and implementing the policies.

(2) The Auditing Office is the supervisory unit of information security. The office has one audit supervisor and several full-time auditors, who are responsible for supervising the implementation of internal information security policies. If the audit finds deficiencies, the audited units are required to propose specific improvement measures. The office periodically follows up on the improvement effectiveness to reduce the internal information security risks, and regularly report the audit results to the board every year.

(3) Organizational operating model: The General Affairs Department formulates the Company's information security policies and operating procedures. Internal operating units promote the implementation and advocate for the policies and procedures and personnel education and training. The Auditing Office conducts information security risk audits, and if any deficiencies are found, the inspected units are required to provide relevant specific improvement measures, and the Auditing Office will regularly track the improvement results.



(II) Information security policies

(1) Effectively manage information assets, continuously perform risk assessment, and take appropriate protective measures.

(2) Protect the information and information system from unauthorized access and maintain the confidentiality of the information and cybersecurity system.

(3) Prevent unauthorized modifications to protect the integrity of information and cybersecurity systems.

(4) Ensure that authorized users can use the information and cybersecurity systems when necessary.

(5) Compliance with laws and regulations.

(6) Implement cybersecurity education and training and conduct information security briefing for new hires to improve employees' cybersecurity awareness.

(7) Implement the reward and penalty measures for personnel handling tasks related to cybersecurity matters.

(8) Implement the management of outsourced vendors to ensure the integrity of cybersecurity services.

(9) Conduct audit and manage review process to achieve the continuous improvement of the information security management measures.

(10) Promote the integration of information security protection and reinforce joint defense of information security and information sharing.

(III) Information security policies

(1) System standards: The Company formulates internal information security policies and operating procedures to regulate the information security behaviors of the Company's personnel, regularly checks whether the relevant systems conform to changes in the operating environment, and adjusts them accordingly. Periodic internal audits are carried out to strengthen the operation management of the Company's information security.

(2) Application of technology: In order to prevent various external information security threats, the Company has established various information security protection systems to improve the security of the overall information environment. In addition, in order to ensure that the operational behaviors of internal personnel conform to the Company's system standards, the information security system tools are incorporated into the implementation of personnel information security management measures.

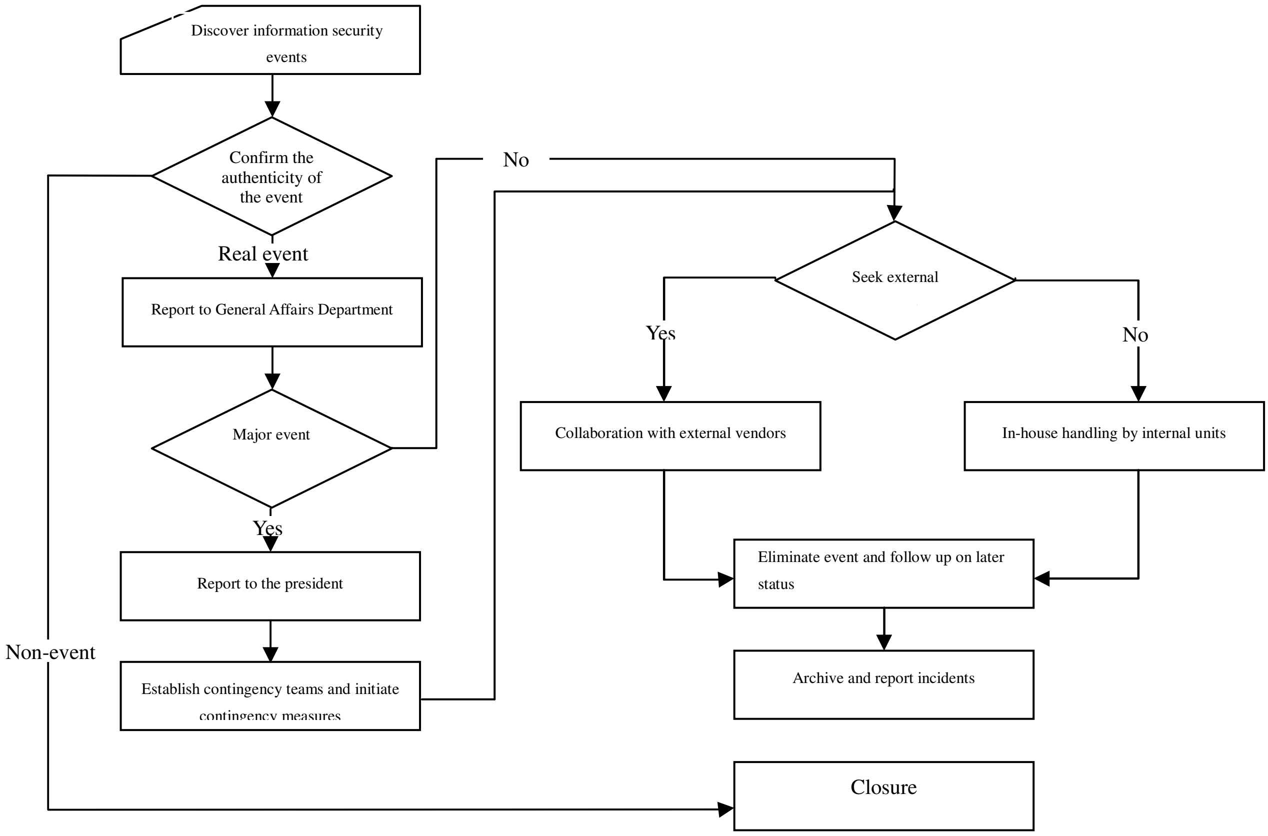
(3) Personnel training: The Company implements information security education and training courses for employees from time to time every year, so as to improve the information security knowledge and professional skills of internal personnel.

(4) Regularly review internal information security standards, analyze internal risk levels, and formulate information security management measures based on the risk assessment results to refine and enhance the overall information security environment.

Information Security Management Measures		
Type	Explanation	Related operations
Access control	Personnel account, authorization management, and operating system behaviors	Personnel account authorization management and review Regular inventory of personnel account authorization
Access control	Control measures for personnel access to internal and external systems and data transmission channels	Internal/external access control measures Control measures for channels of data leakage
External threats	Potential vulnerability in internal systems, hacked channels and protective measures	Regular update measures for servers/computers Virus protection and detection of malware
System availability	System availability status and handling measures when service is interrupted	System/network availability monitoring Contingency measures for service interruption Data duplication and backup measures, and local/remote backup measures Regular disaster recovery drills

(IV) Reporting procedures for information security incidents

The Company's information security incident reporting procedures are as follows. The reporting and handling of information security incidents are carried out in accordance with the specifications of the procedures.



(V) Information security insurance

Information security insurance is an emerging type of insurance. The Company's clients are mainly corporate clients. After considering the insurance coverage, claims, identification of claims, qualifications of identification agencies, and other issues, the Company assesses the applicability of various types of information security insurance policies on the market and determines that it will not purchase such policies for the time being. However, in response to the challenges posed by information security issues, such as advanced persistent threat (APT), DDoS attacks, ransomware, social engineering attacks, information theft and other information security issues, security inspections, cybersecurity health checks, social security and Information security incident drills are conducted every year, and relevant software and hardware, such as firewalls, anti-virus, intrusion prevention systems, etc., have been introduced to strengthen employees' awareness of information security crisis and the capability of information security personnel to offer prevention in advance and detect effectively to prevent spreading. Education and training sessions on information security are provided to employees to help them obtain information security certificates step by step.

(VI) Status of education and training

(1) In response to the pandemic, the Company posted information security precautions on the website on 2021/7/29. The education and training courses are to promote information security policies and share examples on information security issues, reminding everyone of the potential information security threats.

(2) On 2021/11/17, the Company held an annual meeting of the information security task force and education and training session on advocacy for the “Information security risk policies and specific plans”. The meeting lasted 3 hours, and the participants included the meeting convener, information management units and the point of contact of each responsible units.

(VII) Resources committed to cybersecurity management

(1) On 2021/10/4, the Company upgraded the virtual machine backup (VM) at its scientific research center in Neihu and moved the original equipment to the computer room at the head office, officially starting the synchronous backup measures between the two places, which can be used to quickly restore the Company's operations in the event of major disasters.

(2) The Company signed a Symantec anti-virus server maintenance contract with AION Technologies.

(3) The Company set up a spam blocking system on the Notes server to prevent intrusion by unknown emails or hackers.

(4) The Company signed a contract with AION Technologies to use the legal Microsoft-authorized software ProDsktp ALNG SA MVL-A (CoreCAL DvcCAL SA+OfficeProPlus SA + WINENTperDVC SA).

(VIII) In the most recent fiscal year and up to the date of publication of the annual report, Goldsun Building Materials has not suffered losses due to major information security incidents.

VI. Labor relations:

(I) Employee benefit plans, continuing education, training, retirement systems and the status of their implementation, as well as the status of labor-management agreements and measures for preserving employees' rights and interests.

1. Main employee benefit measures:

(1) Insurance:

All employees of the Company participate in labor insurance and national health insurance policies. New hires participate in the employee group insurance policy.

(2) Employee health examination:

The Company conducts physical examinations when hiring. Employees are given regular health examinations in accordance with the requirements of the labor safety and health regulations.

(3) Welfare activities:

The Employee Welfare Committee regularly organizes domestic or overseas tours every year and a variety of team-building activities from time to time to encourage interaction of employees and their cohesion with the organization and work morale.

(4) Training and continuing education:

We organize training for new hires, managers at all levels and a variety of functional and professional skills, and encourage employees to participate in the continuing education programs at domestic universities or colleges to improve their work knowledge or skills or correct attitudes and behaviors to meet the needs of organization, increase the Company's overall performance and maximize the value of human resources.

(5) Retirement system and implementation progress:

The Company has established comprehensive retirement measures and a Labor Retirement Fund Supervisory Committee in accordance with the regulations to supervise the withdrawal and use of retirement funds. In addition, the Labor Pension Act came into effect on July 1, 2005. The Company allocates no less than 6% of employees' monthly salary to their pension plans.

2. Agreement between the employers and employees:

The Company values the rights and interests of employees and respects the opinions of the trade union. The employer and employees regularly or from time to time communicate to reach consummate agreements on disputes. There are no losses due to labor disputes, and the employer-employee relationship is coordinated and harmonious.

(II) Losses due to labor disputes, and the potential current and future amount, and response measures as of the most recent year and the date of publication of the annual report: None.

(III) Whether there are disputes, or employer-employee relationships which need to be coordinated: None.

VII. Important Contracts: None.

Six. Overview of Financial Status

I. Condensed balance sheet and income statement and accountants' auditing recommendations for the past five years

(I) Goldsun Group:

1. Condensed Consolidated Balance Sheet

Unit: NT$1,000

Item \ Year		Financial information for the past five fiscal years				
		2017	2018	2019	2020	2021
Current assets		11,334,642	12,529,732	14,905,806	12,533,765	12,530,850
Property, plant and equipment		9,227,807	8,154,592	8,919,507	9,074,291	9,793,259
Intangible assets		4,013,353	4,078,614	3,717,413	3,875,104	3,787,021
Other assets		10,130,500	10,946,142	9,502,267	9,245,750	9,649,353
Total assets		34,706,302	35,709,080	37,044,993	34,728,910	35,760,483
Current liabilities	Before distribution	9,606,201	11,021,908	9,955,912	6,210,029	7,137,852
	After distribution	10,298,701	11,368,158	10,369,555	7,980,029	Note 1
Non-current liabilities		3,980,096	4,106,880	5,613,214	7,188,505	6,116,784
Total Liabilities	Before distribution	13,586,297	15,128,788	15,569,126	13,398,534	13,254,636
	After distribution	14,278,797	15,475,038	15,982,769	15,168,534	Note 1
Equity attributable to shareholders of the parent company		19,682,502	19,482,295	20,384,349	20,199,329	21,390,258
Capital		13,850,003	13,850,003	13,850,003	11,800,000	11,800,000
Capital surplus		1,163,101	1,177,912	1,177,219	1,178,554	1,183,587
Retained earnings	Before distribution	4,790,063	4,603,083	5,352,154	7,323,281	8,382,319
	After distribution	4,097,563	4,256,833	4,938,511	5,553,281	Note 1
Other equity interests		(110,626)	(138,664)	15,012	(97,717)	29,141
Treasury stock		(10,039)	(10,039)	(10,039)	(4,789)	(4,789)
Non-controlling interests		1,437,503	1,097,997	1,091,518	1,131,047	1,115,589
Total equity	Before distribution	21,120,005	20,580,292	21,475,867	21,330,376	22,505,847
	After distribution	20,427,505	20,234,042	21,062,224	19,560,376	Note 1

Note 1: As of the date of publication of the annual report, the shareholders meeting has not yet been held.

2. Condensed Consolidated Comprehensive Income Statement

Unit: NT$1,000

Item \ Year	Financial information for the past five fiscal years				
	2017	2018	2019	2020	2021
Operating revenue	16,413,796	18,644,806	19,005,069	18,877,800	21,801,699
Gross profit	1,053,047	1,407,877	1,290,471	3,133,447	4,106,129
Operating profit	3,063	449,982	364,231	2,323,557	3,244,392
Non-operating income and expenses	2,936,415	89,656	906,593	382,237	401,938
Pre-tax net profit	2,939,478	539,638	1,270,824	2,705,794	3,646,330
Net income for the year	2,868,733	591,187	1,185,961	2,550,807	2,933,244
Other comprehensive income or loss of the period (net after taxes)	(247,068)	(29,426)	161,018	(199,406)	109,349
Total comprehensive income for the year	2,621,665	561,761	1,346,979	2,351,401	3,042,593
Net income attributable to shareholders of the parent company	2,810,899	514,839	1,101,659	2,472,927	2,848,871
Net income attributable to non-controlling interests	57,834	76,348	84,302	77,880	84,373
Total comprehensive income attributable to shareholders of the parent company	2,563,230	485,808	1,262,246	2,273,233	2,957,678
Total comprehensive income attributable to non-controlling interests -	58,435	75,953	84,733	78,168	84,915
Earnings per share	2.01	0.37	0.80	1.90	2.42

(II) Goldsun Company:

1. Condensed balance sheet

Unit: NT$1,000

Item \ Year		Financial information for the past five fiscal years				
		2017	2018	2019	2020	2021
Current assets		6,237,348	6,658,197	8,050,850	7,607,938	9,374,825
Property, plant and equipment		4,284,550	4,219,115	4,191,993	4,402,375	5,289,935
Intangible assets		11,954	14,293	15,374	14,072	12,501
Other assets		19,018,018	19,800,639	20,033,309	17,421,215	15,934,942
Total assets		29,551,870	30,692,244	32,291,526	29,445,600	30,612,203
Current liabilities	Before distribution	8,575,863	9,440,848	8,872,485	4,662,548	5,602,725
	After distribution	9,268,363	9,787,098	9,286,128	6,432,548	Note 1
Non-current liabilities		1,293,505	1,769,101	3,034,692	4,583,723	3,619,220
Total Liabilities	Before distribution	9,869,368	11,209,949	11,907,177	9,246,271	9,221,945
	After distribution	10,561,868	11,556,199	12,320,820	11,016,271	Note 1
Capital		13,850,003	13,850,003	13,850,003	11,800,000	11,800,000
Capital surplus		1,163,101	1,177,912	1,177,219	1,178,554	1,183,587
Retained earnings	Before distribution	4,790,063	4,603,083	5,352,154	7,323,281	8,382,319
	After distribution	4,097,563	4,256,833	4,938,511	5,553,281	Note 1
Other equity interests		(110,626)	(138,664)	15,012	(97,717)	29,141
Treasury stock		(10,039)	(10,039)	(10,039)	(4,789)	(4,789)
Total equity	Before distribution	19,682,502	19,482,295	20,384,349	20,199,329	21,390,258
	After distribution	18,990,002	19,136,045	19,970,706	18,429,329	Note 1

Note 1: As of the date of publication of the annual report, the shareholders meeting has not yet been held.

2. Condensed Comprehensive Income Statement

Unit: NT$1,000

Item \ Year	Financial information for the past five fiscal years				
	2017	2018	2019	2020	2021
Operating revenue	10,765,477	11,402,464	12,728,434	14,494,761	16,361,670
Gross profit	671,045	437,310	1,020,719	2,515,684	3,513,052
Operating profit	55,126	(114,252)	449,281	2,002,867	2,949,164
Non-operating income and expenses	2,751,886	619,069	673,433	503,336	524,140
Pre-tax net profit	2,807,012	504,817	1,122,714	2,506,203	3,473,304
Net income for the year	2,810,899	514,839	1,101,659	2,472,927	2,848,871
Other comprehensive income or loss of the period (net after taxes)	(247,669)	(29,031)	160,587	(199,694)	108,807
Total comprehensive income for the year	2,563,230	485,808	1,262,246	2,273,233	2,957,678
Earnings per share	2.01	0.37	0.80	1.90	2.42

(II) Names and opinions of auditors for the past five years:

Year \ Item	Name of accounting firm	CPAs	Opinions
2021	Ernst & Young Taiwan	Ian Wang, Hsin-Min	An unqualified opinion
2020	Ernst & Young Taiwan	Chien-Ru Yu, Hsin-Min	An unqualified opinion
2019	Ernst & Young Taiwan	Chien-Ru Yu, Hsin-Min	An unqualified opinion
2018	Ernst & Young Taiwan	Chien-Ru Yu, Hsin-Min	An unqualified opinion
2017	Ernst & Young Taiwan	Chien-Ru Yu, Hsin-Min	An unqualified opinion

II. Financial analysis for the past five years:

(I) Financial analysis for the past five years and the analysis of changes in various financial ratios in the past two years

1. Goldsun Group

Items to be analyzed	Year	Financial analyses for the past five fiscal years				
		2017	2018	2019	2020	2021
Capital structure (%)	Debt to asset ratio	39.15	42.37	42.03	38.58	37.07
	Long-term fund to property, plant and equipment ratio	272.01	302.74	384.72	314.28	292.27
Solvency %	Current ratio	117.99	113.68	149.72	201.83	175.56
	Quick ratio	101.26	97.19	137.36	181.62	150.01
	Times interest earned	2,269.79	465.93	1,092.95	2,834.40	4,407.94
Operating performance	Receivables turnover ratio (times)	2.58	2.78	2.51	2.47	2.99
	Days sales outstanding	141.47	131.30	145.41	147.77	122.07
	Average inventory turnover (times)	18.96	24.05	26.63	23.98	25.16
	Accounts payable turnover ratio (times)	4.90	6.10	6.31	5.68	5.28
	Average inventory turnover days	19.25	15.18	13.71	15.22	14.51
	Property, plant and equipment turnover (times)	1.05	2.15	2.50	2.09	2.31
	Total assets turnover (times)	0.37	0.53	0.52	0.52	0.62
Profitability	Return on total assets (%)	6.79	2.03	3.54	7.32	8.52
	Return on equity (%)	14.34	2.84	5.64	11.92	13.38
	Pre-tax income to paid-in capital (%)	21.22	3.90	9.18	22.93	30.90
	Net margin (%)	17.48	3.17	6.24	13.51	13.45
	Earnings per share (NT$)	2.01	0.37	0.80	1.90	2.42
Cash flow	Cash flow ratio (%)	9.10	0.24	7.83	45.70	53.75
	Cash flow adequacy ratio (%)	10.30	(0.64)	(9.10)	(2.19)	105.48
	Cash flow reinvestment ratio (%)	4.31	(3.95)	2.27	10.97	9.35
Leverage	Operating leverage	666.85	5.21	0.74	1.81	1.62
	Financial leverage	-0.02	1.49	1.54	1.04	1.03

Analysis of deviation of the past two years over 20%:

1. Times interest earned increased by 56% is mainly due to an increase of 35% in pre-tax profits this year.
2. Receivables turnover ratio increased by 21%: Mainly due to an increase of 15% in net sales this year.
3. Pre-tax income to paid-in capital up by 35%: Same as 1.
4. Earnings per share increased by 27%: Net income increased by 15% over last year.
5. Cash flow adequacy ratio up by 4,916%: Mainly due to the increase of 4,663% in net cash flow from operating activities the past five years.

2. Goldsun Company

Items to be analyzed / Year		Financial analyses for the past five fiscal years				
		2017	2018	2019	2020	2021
Capital structure (%)	Debt to asset ratio	33.40	36.52	36.87	31.40	30.13
	Long-term fund to property, plant and equipment ratio	489.57	503.69	558.66	562.95	472.77
Solvency %	Current ratio	72.73	70.53	90.74	163.17	167.33
	Quick ratio	63.37	62.22	81.18	142.90	140.26
	Times interest earned	2,888.52	614.09	1,182.39	3,578.18	6,508.31
Operating performance	Receivables turnover ratio (times)	2.68	2.70	2.65	2.77	2.9
	Days sales outstanding	136.19	135.19	137.74	131.77	125.86
	Average inventory turnover (times)	27.06	28.59	29.27	23.33	23.41
	Accounts payable turnover ratio (times)	7.03	6.89	7.43	8.29	7.07
	Average inventory turnover days	13.49	12.77	12.47	15.65	15.59
	Property, plant and equipment turnover (times)	2.38	2.68	3.03	3.37	3.38
	Total assets turnover (times)	0.36	0.38	0.40	0.47	0.54
Profitability	Return on total assets (%)	9.80	1.98	3.77	8.20	9.64
	Return on equity (%)	15.10	2.63	5.53	12.19	13.7
	Pre-tax income to paid-in capital (%)	20.27	3.64	8.11	21.24	29.43
	Net margin (%)	26.11	4.52	8.66	17.06	17.41
	Earnings per share (NT$)	2.01	0.37	0.80	1.90	2.42
Cash flow	Cash flow ratio (%)	2.77	(0.23)	(6.94)	44.43	55.47
	Cash flow adequacy ratio (%)	5.00	12.91	15.96	63.73	120.99
	Cash flow reinvestment ratio (%)	1.17	(3.47)	(4.29)	7.05	12.82
Leverage	Operating leverage	20.39	(7.83)	3.60	1.57	1.42
	Financial leverage	(1.21)	0.54	1.30	1.04	1.02

Analysis of deviation of the past two years over 20%:

1. Times interest earned increased by 82%: Mainly due to an increase of 39% in pre-tax profits this year.
2. Pre-tax income to paid-in capital up by 39%: Same as 1.
3. Earnings per share increased by 27%: Mainly because the profit margin increased by 15% over last year.
4. Cash flow ratio up by 25%: Mainly due to the increase of 50% in net cash flow from operating activities this year.
5. Cash flow adequacy ratio up by 90%: Mainly due to the increase of 141.62% in net cash flow from operating activities the past five years.
6. Cash flow reinvestment ratio up by 82%: Same as 3.

Formula are shown as follows:

1. Financial structure

   (1) Debt-to-asset ratio = Total liabilities / Total assets

   (2) Long-term fund to property, plant and equipment ratio = (Shareholders' equity + non-current liabilities) / Net property, plant and equipment

2. Liquidity analysis

   (1) Current ratio = Current assets / Current liabilities

   (2) Quick ratio = (Current assets – inventories – prepaid expenses) / Current liabilities

   (3) Times interest earned = Earnings before interest and taxes / Interest expenses

3. Operating performance

   (1) Receivables (including accounts receivable and notes receivable due to business operation) turnover = Net sales / the balance of average receivables of different periods (including accounts receivable and notes receivable due to business operation)

   (2) Average collection days = 365 / Receivable turnover ratio

   (3) Average inventory turnover = Cost of goods sold / average inventory

   (4) Payables (including accounts payables and notes payable due to business operation) turnover = Cost of goods sold / the balance of average payables of different periods (including accounts payables and notes payable due to business operation)

   (5) Average inventory turnover days = 365 / Inventory turnover

   (6) Fixed asset turnover = Net sales / Average net value of fixed asset

   (7) Total asset turnover = Net sales/ Average total asset

4. Profitability analysis

   (1) Return on total assets = [Net income + Interest expenses x (1 – tax rate)] / Average total assets

   (2) Return on equity attributable to shareholders of the parent = Net income attributable to shareholders of the parent / Average equity attributable to shareholders of the parent

   (3) Net margin = Net income / Net sales

   (4) Earnings per share = (Net income attributable to shareholders of the parent – preferred stock dividend) / Weighted average number of shares outstanding (Note 4)

5. Cash flow

   (1) Cash flow ratio = Net cash provided by operating activities / Current Liabilities

   (2) Cash flow adequacy ratio = Five-year sum of cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividend

   (3) Cash flow reinvestment ratio = (Cash provided by operating activities – cash dividends) / (Gross property, plant and equipment + long-term investments + other noncurrent assets + working capital). (Note 5)

6. Leverage:

   (1) Operating leverage = (Net operating income - Variable operating costs and expenses) / Operating profit (Note 6)

   (2) Financial leverage = Operating profit / (Operating profit - Interest expense)

III. Audit committee review of the most recent annual financial report:

Audit Committee Report

The board of directors has prepared the Company's 2021 business report, financial statements (including the consolidated financial statements) and proposals for profits distribution. The accounting firm Ernst & Young, Taiwan is commissioned to audit the Company's financial statements, and an audit report with an unqualified opinion has been issued. The business report, financial statements, and profit distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee. According to relevant requirements of the Securities and Exchange Act and the Company Act, we hereby submit this report.

Sincerely,

The 2022 Annual General Meeting

Goldsun Building Materials Co., Ltd.

Convener of the Audit Committee:

February 25, 2022

IV. Consolidated Financial Statements for the Years Ended December 31, 2021 and 2020, and Independent Auditors' Report：

REPRESENTATION LETTER

The entities included in the consolidated financial statements as of December 31, 2021 and for theyear then ended prepared under the International Financial Reporting Standards, No.10 are the sameas the entities to be included in the combined financial statements of the Company, if any to beprepared, pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises (referred to as "Combined Financial Statements"). Also, the footnotes disclosed in the Consolidated Financial Statements have fully covered the required information in such Combined Financial Statements. Accordingly, the Company did not prepare any other set of combined financial statements than the Consolidated Financial Statements.

Very truly yours,

GOLDSUN BUILDING MATERIALS CO., LTD.

Chairman: Hsu, Lan-Ying
February 25, 2022

Independent Auditors' Report Translated from Chinese

To GOLDSUN BUILDING MATERIALS CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of GOLDSUN BUILDING MATERIALS CO., LTD. and its subsidiaries (the "Group") as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matters section), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and their consolidated financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Revenue Recognition</u>

Revenue from contracts with customers that recognized by the Group amounted to NT$21,076,290 thousand for the year ended December 31, 2021, and the main source of revenue is the sale of pre-mixed concrete, cement and calcium silicate board. The timing of sales was recognized when the performance obligations was satisfied that goods were delivered and accepted by the customers. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to:

1. Assessing the appropriateness of the accounting policy of revenue recognition and the process of generating and recognizing revenue; evaluating and testing the design and operating effectiveness of internal controls around revenue recognition.

2. Selecting samples to perform tests of details, performing tests of transaction detail which included reviewing vouchers of selected samples and cash receipts record to confirm the performance obligations was satisfied.

3. Performing cutoff testing through periods before and after the balance sheet date by reviewing related documentation of selected samples.

4. Executing accounts receivable confirmation procedures to confirm with the Group's customers. Moreover, performing other alternative audit procedures if customers do not return confirmations.

We also consider the appropriateness of the disclosures of operating revenue. Please refer to Note 6.

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain consolidated subsidiaries, which statements reflected total assets in the amount of NT$1,077,230 thousand and NT$1,041,625 thousand, constituting 3% and 3% of consolidated total assets as of December 31, 2021 and 2020, respectively; and total operating revenues in the amount of NT$421,044 thousand and NT$229,792 thousand, constituting 2% and 1% of consolidated operation revenues for the year ended December 31,2021 and 2020, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and

performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion including an Emphasis of Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2021 and 2020.

/s/Wang, Yahn-Jyun

/s/Hsu, Hsin-Min

Ernst & Young, Taiwan
February 25, 2022

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.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and December 31, 2020
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4 and 6	$2,518,161	7	$2,485,369	7
Financial assets at fair value through profit or loss, current	4 and 6	-	-	994	-
Financial assets at fair value through other comprehensive income, current	4,6 and 8	846,720	2	762,048	2
Financial assets at amortized cost, current	4,6 and 8	160,272	-	145,063	-
Notes receivable, net	4,5,6 and 7	1,657,211	5	1,664,346	5
Accounts receivable, net	4,5 and 6	5,415,224	15	5,793,284	18
Accounts receivable-related parties, net	4,5,6 and 7	27,521	-	7,094	-
Other receivables	6	59,547	-	408,544	1
Other receivables-related parties	7	22,899	-	11,852	-
Current tax assets	4	63	-	-	-
Inventories, net	4,6 and 8	653,756	2	752,976	2
Prepayments	7	595,683	2	500,440	1
Non-current Assets Held for Sale, net	4 and 6	573,315	2	-	-
Other current assets		478	-	1,755	-
Total current assets		12,530,850	35	12,533,765	36
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,5,6 and 8	1,350,125	4	1,199,607	3
Financial assets at amortized cost, non-current	4,6 and 8	25,598	-	22,478	-
Investments accounted for under the equity method	4,5 and 6	838,758	2	741,639	2
Property, plant and equipment	4, 6, 7 and 8	9,793,259	27	9,074,291	26
Right-of-use assets	4,5 and 6	681,187	2	792,837	2
Investment property, net	4,5,6 and 8	3,428,091	10	3,976,371	13
Intangible assets	4,6 and 8	3,787,021	11	3,875,104	11
Deferred tax assets	4,5 and 6	803,314	2	789,780	2
Prepayment for equipment		56,297	-	68,678	-
Refundable deposits	8	38,192	-	47,726	-
Long-term receivable	4,5 and 6	2,425,436	7	1,604,142	5
Other assets, non-current		2,355	-	2,492	-
Total non-current assets		23,229,633	65	22,195,145	64
Total assets		$35,760,483	100	$34,728,910	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and December 31, 2020
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of December 31, 2021 Amount	%	As of December 31, 2020 Amount	%
Current liabilities					
Short-term loans	4,6 and 8	$900,000	3	$1,300,000	4
Notes payable		1,182,997	3	703,846	2
Notes payable - related parties	7	-	-	235	-
Accounts payable		2,381,549	7	2,245,339	7
Accounts payable - related parties	7	135,109	-	58,265	-
Other payables	6	1,164,009	3	938,854	3
Other payables - related parties	7	16,175	-	442	-
Current tax liabilities	4 and 5	633,408	2	385,334	1
Lease liabilities, current	4,6 and 7	41,950	-	94,248	-
Other current liabilities		105,821	-	140,751	-
Advanced receipts	6	50,209	-	42,715	-
Current portion of long-term loans	4,6 and 8	526,625	2	300,000	1
Total current liabilities		7,137,852	20	6,210,029	18
Non-current liabilities					
Long-term loans	4,6 and 8	2,973,021	8	3,919,241	11
Provisions, non-current	4 and 6	11,497	-	11,497	-
Deferred tax liabilities	4,5 and 6	514,764	1	638,981	2
Lease liabilities, non-current	4,6 and 7	597,748	2	644,370	2
Net defined benefit liabilities, non-current	4,5 and 6	167,281	1	171,759	-
Long-term notes and bills payable	4,6 and 8	1,796,860	5	1,748,296	6
Guarantee deposits	7	55,613	-	54,361	-
Total non-current liabilities		6,116,784	17	7,188,505	21
Total liabilities		13,254,636	37	13,398,534	39
Equity attributable to the parent	4 and 6				
Capital					
Common stock		11,800,000	33	11,800,000	34
Additional paid-in capital		1,183,587	4	1,178,554	3
Retained earnings					
Legal reserve		1,945,291	5	1,706,814	5
Special reserve		1,874,430	5	1,874,430	5
Unappropriated earnings		4,562,598	13	3,742,037	11
Other components of equity		29,141	-	(97,717)	-
Treasury stock		(4,789)	-	(4,789)	-
Total equity attributable to the parent company		21,390,258	60	20,199,329	58
Non-controlling interests	6	1,115,589	3	1,131,047	3
Total equity		22,505,847	63	21,330,376	61
Total liabilities and equity		$35,760,483	100	$34,728,910	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	2021 Amount	2021 %	2020 Amount	2020 %
Operating revenue	4,5,6 and 7	$21,801,699	100	$18,877,800	100
Operating costs	6 and 7	(17,695,570)	(81)	(15,744,353)	(83)
Gross profit		4,106,129	19	3,133,447	17
Operating expenses	4,5,6 and 7				
Sales and marketing expenses		(171,505)	(1)	(149,435)	(1)
General and administrative expenses		(653,343)	(3)	(603,410)	(4)
Research and development expenses		(8,683)	-	(9,009)	-
Expected credit losses		(28,206)	-	(48,036)	-
Subtotal		(861,737)	(4)	(809,890)	(5)
Operating income		3,244,392	15	2,323,557	12
Non-operating income and loss	4,6 and 7				
Interest income		19,916	-	31,147	-
Other income		176,746	1	294,638	2
Other gains and losses		203,740	1	34,239	-
Finance costs		(84,642)	-	(98,954)	-
Share of profit or loss of associates and joint ventures		86,178	-	121,167	1
Subtotal		401,938	2	382,237	3
Income before income tax		3,646,330	17	2,705,794	15
Income tax (expense) benefit	4,5 and 6	(713,086)	(3)	(154,987)	(1)
Net income		2,933,244	14	2,550,807	14
Other comprehensive income	4 and 6				
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		(26,044)	-	2,483	-
Unrealized gains on fair value through other comprehensive income equity instrument investment		211,684	1	(146,497)	(1)
Income tax related to items that will not be reclassified		5,209	-	(497)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(81,500)	(1)	(54,895)	-
Total other comprehensive (loss) income, net of tax		109,349	-	(199,406)	(1)
Total comprehensive income		$3,042,593	14	$2,351,401	13
Net income attributable to:					
Shareholders of the parent		$2,848,871		$2,472,927	
Non-controlling interests		84,373		77,880	
		$2,933,244		$2,550,807	
Comprehensive income attributable to:					
Shareholders of the parent		$2,957,678		$2,273,233	
Non-controlling interests		84,915		78,168	
		$3,042,593		$2,351,401	
Earnings per share (NT$)	6				
Basic earnings per share		$2.42		$1.90	
Diluted earnings per share		$2.41		$1.90	

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to the Parent Company										
			Retained Earnings			Other Components of Equity					
Description	**Common Stock**	**Additional Paid-in Capital**	**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**	**Treasury Stock**	**Total**	**Non-Controlling Interests**	**Total Equity**
Balance as of January 1, 2020	$13,850,003	$1,177,219	$1,596,648	$1,874,430	$1,881,076	$(497,233)	$512,245	$(10,039)	$20,384,349	$1,091,518	$21,475,867
Appropriations and distributions of 2018 unappropriated earnings											
Legal reserve	-	-	110,166	-	(110,166)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(413,643)	-	-	-	(413,643)	-	(413,643)
Other changes in capital reserve											
Donated surplus	-	179	-	-	-	-	-	-	179	-	179
Net income in 2020	-	-	-	-	2,472,927	-	-	-	2,472,927	77,880	2,550,807
Other comprehensive (loss) income, net of tax in 2020	-	-	-	-	1,698	(54,895)	(146,497)	-	(199,694)	288	(199,406)
Total comprehensive income	-	-	-	-	2,474,625	(54,895)	(146,497)	-	2,273,233	78,168	2,351,401
Cash capital reduction	(1,988,093)	-	-	-	-	-	-	5,250	(1,982,843)	-	(1,982,843)
Treasury stock acquired	-	-	-	-	-	-	-	(61,841)	(61,841)	-	(61,841)
Treasury stock cancelled	(61,910)	69	-	-	-	-	-	61,841	-	-	-
Parent company's cash dividends received by subsidiaries	-	1,092	-	-	-	-	-	-	1,092	-	1,092
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	(5)	-	-	(1,192)	-	-	-	(1,197)	(1,702)	(2,899)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(36,937)	(36,937)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(88,663)	-	88,663	-	-	-	-
Balance as of December 31, 2020	$11,800,000	$1,178,554	$1,706,814	$1,874,430	$3,742,037	$(552,128)	$454,411	$(4,789)	$20,199,329	$1,131,047	$21,330,376
Balance as of January 1, 2021	$11,800,000	$1,178,554	$1,706,814	$1,874,430	$3,742,037	$(552,128)	$454,411	$(4,789)	$20,199,329	$1,131,047	$21,330,376
Appropriations and distributions of 2020 unappropriated earnings											
Legal reserve	-	-	238,477	-	(238,477)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,770,000)	-	-	-	(1,770,000)	-	(1,770,000)
Other changes in capital reserve											
Donated surplus	-	359	-	-	-	-	-	-	359	-	359
Net income in 2021	-	-	-	-	2,848,871	-	-	-	2,848,871	84,373	2,933,244
Other comprehensive (loss) income, net of tax in 2021	-	-	-	-	(21,377)	(81,500)	211,684	-	108,807	542	109,349
Total comprehensive income	-	-	-	-	2,827,494	(81,500)	211,684	-	2,957,678	84,915	3,042,593
Parent company's cash dividends received by subsidiaries	-	4,674	-	-	-	-	-	-	4,674	-	4,674
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	(1,782)	-	-	-	(1,782)	(18,218)	(20,000)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(82,155)	(82,155)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	3,326	-	(3,326)	-	-	-	-
Balance as of December 31, 2021	$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

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Description	2021	2020
Cash flows from operating activities:		
Profit before tax from continuing operations	$3,646,330	$2,705,794
Net income before tax	3,646,330	2,705,794
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	484,927	494,367
Amortization	110,906	102,611
Syndicated loan amortization	405	405
Expected credit losses	28,206	48,036
Interest expense	84,642	98,954
Interest revenue	(19,916)	(31,147)
Dividend income	(105,855)	(91,863)
Gain on disposal of associate	(174,555)	(23,085)
Share of gain of associates and joint ventures	(86,178)	(121,167)
Gain on disposal of property, plant and equipment	(28,828)	(3,983)
Loss on disposal of investment property	-	12,333
Gain on disposal of financial assets at fair value through profit or loss	(11)	(30)
Gain loss on lease modification	(231)	(1,944)
Changes in operating assets and liabilities:		
Notes receivable, net	7,516	(255,743)
Accounts receivable, net	264,243	623,383
Accounts receivable-related parties, net	(20,427)	(3,118)
Other receivables	336,152	(517,510)
Other receivables-related parties	(11,047)	1,601
Inventories, net	96,607	(192,639)
Prepayments	(93,700)	180,909
Other current assets	1,277	2,540
Long-term receivable	(826,192)	(427,530)
Notes payable	479,151	353,552
Notes payable - related parties	(235)	235
Accounts payable	136,210	124,721
Accounts payable - related parties	76,844	(7,247)
Other payables	255,621	36,644
Other payables - related parties	15,733	382
Other current liabilities	(34,930)	8,052
Advanced receipts	7,494	9,203
Net defined liabilities, non-current	(25,313)	(43,601)
Cash inflow generated from operations	4,604,846	3,083,115
Interest received	19,915	31,145
Interest paid	(75,065)	(91,346)
Income tax paid	(713,086)	(185,177)
Net cash provided by operating activities	3,836,610	2,837,737
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through profit or loss	998	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,296	214,428
Acquisition of financial assets at fair value through other comprehensive income	(75,671)	(122,315)
Capital deducted by cash of financial assets at fair value through other comprehensive income	8,540	7,722
Increase in financial assets at amortized cost, current	(15,209)	(37,033)
Decrease (increase) in financial assets at amortized cost, non-current	(3,120)	70,604
Disposal of investments accounted for under the equity method	-	125,607
Acquisition of investments accounted for under the equity method	(15,488)	(11,617)
Proceeds from disposal of subsidiaries	317,712	1,293,137
Proceeds from disposal of property, plant and equipment	93,657	9,214
Acquisition of property, plant and equipment	(1,122,912)	(467,216)
Acquisition of investment property	(62,024)	(8,720)
Disposal of intangible assets	-	1,927
Acquisition of intangible assets	(22,824)	(13,192)
Increase in prepayment for equipment	(67,884)	(114,626)
Decrease in refundable deposits	9,534	27,661
Decrease in other non-current assets	137	81
Dividends received	113,630	413,999
Net cash (used in) provided by investing activities	(809,628)	1,389,661
Cash flows from financing activities:		
Decrease in short-term loans	(400,000)	(1,630,000)
Decrease in short-term notes and bills payable	-	(2,958,328)
Increase in long-term loans	750,000	5,600,000
Decrease in long-term loans	(1,470,000)	(5,669,000)
Increase in long-term notes and bills payable	5,598,564	4,848,296
Decrease in long-term notes payable	(5,550,000)	(3,100,000)
Increase in guarantee deposits	1,252	2,693
Cash payments for the principal portion of the lease liability	(104,868)	(106,519)
Cash capital reduction	-	(1,982,843)
Treasury stock acquired	-	(61,841)
Cash dividends paid	(1,770,000)	(413,643)
Donated surplus	730	378
Changes in non-controlling interests	(11,000)	40,298
Net cash used in financing activities	(2,955,322)	(5,430,509)
Effect of exchange rate changes on cash and cash equivalents	(38,868)	2,959
Net (decrease) increase in cash and cash equivalents	32,792	(1,200,152)
Cash and cash equivalents at beginning of year	2,485,369	3,685,521
Cash and cash equivalents at end of year	$2,518,161	$2,485,369

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years ended December 31, 2021 and 2020

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

1. History and Organization

GOLDSUN BUILDING MATERIALS CO., LTD. ("The Group") was incorporated under the laws of the Republic of China ("R.O.C.") in November 1954. The Group is engaged mainly in the production and sales pre-mixed concrete and building rental. In March 1978, the Group listed its shares of stock on the Taiwan Stock Exchange ("TWSE"). The Group's registered office and the main business location is at 7F, No.8, Xinhu 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 Group and its subsidiaries (the "Group") for the years ended 31 December 2021 and 2020 were authorized for issue by the Board of Director's meeting on February 25, 2022.

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, 2021. There were not newly adopted or revised standards and interpretations that have material impact on The Group's financial position and performance.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, but not yet adopted by The Group as at the end of the reporting period are listed below.

Item	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements	1 January 2022

(a) Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements

A. Updating a Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendments updated IFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018. The amendments also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential "day 2" gains or losses arising for liabilities and contingent liabilities. Besides, the amendments clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Conceptual Framework.

B. Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while The Group is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

C. Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments clarify what costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

D. Annual Improvements to IFRS Standards 2018 - 2020

Amendment to IFRS 1
The amendment simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

Amendment to IFRS 9 Financial Instruments
The amendment clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Amendment to Illustrative Examples Accompanying IFRS 16 Leases
The amendment to Illustrative Example 13 accompanying IFRS 16 modifies the treatment of lease incentives relating to lessee's leasehold improvements.

Amendment to IAS 41

The amendment removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in IAS 41 with those in other IFRS Standards.

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 2022. The standards and interpretations have no material impact on The Group.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by The Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	1 January 2023
c	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2023
d	Disclosure Initiative - Accounting Policies – Amendments to IAS 1	1 January 2023
e	Definition of Accounting Estimates – Amendments to IAS 8	1 January 2023
f	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	1 January 2023

(a) IFRS 10"Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, 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 ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the 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 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains 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 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 June 2020. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(c) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

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

(d) Disclosure Initiative - Accounting Policies – Amendments to IAS 1

The amendments improve accounting policy disclosures that to provide more useful information to investors and other primary users of the financial statements.

(e) Definition of Accounting Estimates – Amendments to IAS 8

The amendments introduce the definition of accounting estimates and included other amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to help companies distinguish changes in accounting estimates from changes in accounting policies.

(f) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

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 statements of the Group for the years ended December 31, 2021 and 2020 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and International Financial Reporting Standards, International Accounting Standards, and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by the FSC.

(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 Group 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 Group controls an investee if and only if the Group has:

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

When the Group has less than a majority of the voting or similar rights of an investee, the Group 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 Group 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 Group 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 Group 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; and
F. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)	
Name of the investors	Name of subsidiaries	Nature of Business	December 31, 2021	December 31, 2020
The Company	KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Construction of civil and architectural construction projects	100%	100%
The Company	REI SHIN CONSTRUCTION CO., LTD	Real estate rental	100%	100%
The Company	REIXIN ASSET MANAGEMENT CO., LTD.	Real estate rental	100%	100%
The Company	WELLPOOL CO., LTD.	Sales of calcium silicate board and other boards	51%	51%
The Company	GOLDSUN NIHON CEMENT CO., LTD.	Cement import and sale	59%	59%
The Company	EASE GREAT INVESTMENTS LTD.	Investment holding	100%	100%
The Company	TAIPEI PORT TERMINAL COMPANY LIMITED	International trade, warehousing and tally packaging	100%	100%
The Company	HWA YA DEVELOPMENT CO., LTD. (Note 1)	Hotel operator	31%	31%

Name of the investors	Name of subsidiaries	Nature of Business	Percentage of ownership (%) December 31, 2021	Percentage of ownership (%) December 31, 2020
The Company	JIN SHUN MARITIME LTD.	Shipping	100%	100%
The Company	YUAN SHUN MARITIME LTD.	Shipping	100%	100%
The Company	JING SHUN MARITIME LTD.	Shipping	100%	100%
The Company	FENG SHUN MARITIME LTD.	Shipping	100%	100%
The Company	GIMPO MARINE CO., LTD.	Shipping	100%	100%
The Company	TAIWAN BUILDING MATERIALS (HONG KONG) LIMITED	Investment	100%	100%
The Company	GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	Sales of pre-mixed concrete and cement	- (Note2)	100%
The Company	GOYU BUILDING MATERIALS CO., LTD.	Sales of building materials	70%	65%
The Company	Lake Vernicia Development Company	Leisure frame management	100%	100%
The Company	GALC Inc. (Note 3)	Interior decoration and	70%	-
WELLPOOL CO., LTD.	GAPE-GOLDSUN CORPORATION	Sales of calcium silicate board and other boards	100%	100%
EASE GREAT INVESTMENTS LTD. (Samoa)	GOLDSUN INTERNATIONAL DEVELOPMENT CORP. (GOLDSUN INC., Cayman)	Investment holding	100%	100%
EASE GREAT INVESTMENTS LTD. (Samoa)	GREAT SMART LTD.(Cayman)	Investment holding	100%	100%
GOLDSUN INC., Cayman	GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%
GOLDSUN INC., Cayman	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	- (Note4)	100%
GOLDSUN INC., Cayman	KUNSHAN GOLDSUN CONCRETE CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	- (Note5)	100%
GOLDSUN INC., Cayman	GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%
GOLDSUN INC., Cayman	GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%
GOLDSUN INC., Cayman	GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%

Note1: The Company determined that it has control over HWA YA DEVELOPMENT CO., LTD. due to the contractual agreement with other shareholders of HWA YA DEVELOPMENT CO., LTD.

Note 2: GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. resolved at its board meeting to proposal of liquidation was approved at the board meeting held on February 26, 2021. The reference date of liquidation was set on March 1, 2021. The Group therefore lost control of GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.

Note3: GALC Inc., was jointly established by the Company and Taiwan Secom Co., Ltd., on February 2, 2021. The total investment amount was NT$30,000 thousand, and the Company acquired 70% of the shares.

Note4: TAICANG PORT GOLDSUN CONCRETE CO., LTD was dissolved by the resolution of the board on September 1, 2020 and completed in the fourth quarter of 2021.

Note5: The Group disposed the subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD, in May 2021 and completed the capital transfer. Please ref to Note 6(27) for more detail.

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

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in NT$, which is also The Group's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of IFRS 39 *Financial Instruments* are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

Each foreign operation of the Company determines its own functional currency and items included in the financial statements of each foreign operation are measured at that functional currency. While preparing the Company's financial statements, the assets and liabilities of foreign operations are translated into NT$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The partial disposals are accounted for as disposals when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation and when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:

A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
B. The Group holds the asset primarily for the purpose of trading
C. The Group expects to realize the asset within twelve months after the reporting period
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
A. The Group expects to settle the liability in its normal operating cycle
B. The Group holds the liability primarily for the purpose of trading
C. The liability is due to be settled within twelve months after the reporting period
D. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value (including fixed-term deposits that have maturities of 3 months from the date of acquisition).

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial instruments: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the delivery date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

a. the Company’s business model for managing the financial assets and
b. the contractual cash flow characteristics of the financial asset.

<u>Financial assets measured at amortized cost</u>

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

a. assets in order to collect contractual cash flows and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

a. Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

a. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
b. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss or retained earnings as a reclassification adjustment.

c. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:
   i. Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
   ii. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Company made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the statement of financial position.

The Group measures expected credit losses of a financial instrument in a way that reflects:

a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

a. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
b. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
c. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

a. The rights to receive cash flows from the asset have expired
b. The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred
c. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carryingamount and the consideration received or to be received including any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss (for debt instruments) or directly in retained earnings (for equity instruments).

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the Company allocates the previous carrying amount of the larger financial asset between the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts on the date of the transfer. Any cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts. The difference between the carrying amount allocated to the part derecognized and the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated that had been recognized in other comprehensive income, is recognized in profit or loss or directly in retained earnings.

D. Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Company evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Company assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. It carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 Financial Instruments.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

a. it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.
b. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
c. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

a. it eliminates or significantly reduces a measurement or recognition inconsistency; or
b. a group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Company is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Fair value measurement

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(10) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials - Purchase cost based on a weighted average cost basis.
Finished goods and work in progress - Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(11) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(12) Investments accounted for under the equity method

The Group's investment in its associate is accounted for under the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affects the Group's percentage of ownership interests in the associate or joint venture, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorate basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate or a joint venture is reduced or increased as the Group fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in Additional Paid in Capital and Investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Group disposes the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 *Investments in Associates and Joint Ventures*. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 *Impairment of Assets*. In determining the value in use of the investment, the Group estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 *Impairment of Assets*.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(13) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	5~55 years
Machinery and equipment	2~10 years
Transportation equipment	2~10 years
Office equipment	5 years
Right-of-use assets	2~50 years
Lease improvement	2~25 years
Other equipment	3~5 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(14) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal Group that is classified as held for sale) in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, investment properties are measured using the cost model in accordance with the requirements of IAS 16 Property, plant and equipment for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	30~55 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Properties are transferred to or from investment properties due to actual use.

Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(15) Leases

For contracts entered, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximizing the use of observable information.

<u>Group as a lessee</u>

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and.
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. Cost of right-of-use asset contains:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(16) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

Concession

The Group construct The Taipei Port Second Bulk Cargo Storage and Transportation Center and obtain the right to charge users under the contract “Bulk & General Cargo Terminal No.2 of Taipei Port building and operating”. The intangible asset method is applicable IFRIC 12 “Service Concession Arrangements”. Construction cost invested during the construction period is classified as concession cost. The concession cost started to be amortized based on the Straight-line Method during the operation period ,since the completion of The Taipei Port Second Bulk Cargo Storage and Transportation Center and start to operate concession business. The concessions and accumulated amortization balance will be written off when the contract is terminated, or the concession period expires.

A summary of the policies applied to the Group’s intangible assets is as follows:

	Concession	Computer software
Useful lives	Finite	Finite
Amortization method used	Amortized on a straight-line basis over the specified period of the operating and maintaining.	Amortized on a straight-line basis over the estimated useful life
Internally generated or acquired	Acquired	Acquired

(17) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 Impairment of Assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (“CGU”) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(18) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

<u>Provision for decommissioning, restoration and rehabilitation costs</u>

The provision for decommissioning, restoration and rehabilitation costs arose on construction of a property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Maintenance warranties

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

(19) Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(20) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

Sale of goods

The Group sells merchandise. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Group is pre-mixed concrete and cement. Revenue is recognized based on the consideration stated in the contract.

The Group provides its customer with a warranty with the purchase of the products. The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Group's sale of goods is from 30 to 120 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. The other part of the accounts receivable is the contract between the Group and the customer to deliver the promised goods or services to the customer, but the payment period is more than one year according to the contract. Therefore, the Group adjusts the transaction price for the time value of money. However, some of the contracts are subject to partial consideration for the customers before the transfer of the goods. The Group is obliged to undertake the subsequent transfer of the goods and is therefore recognized as a contract liability.

(21) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(22) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the statement of comprehensive income over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments. Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grant.

(23) Post-employment benefits

All regular employees of the Group and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee’s name in the specific bank account and hence, not associated with the Group and its domestic subsidiaries. Therefore, fund assets are not included in the Group’s consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Group and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Group recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

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.

(24) Share-based payment transactions

The cost of equity-settled transactions between the Group and employees is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognized, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(25) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

<u>Current income tax</u>

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The 5% surtax on undistributed retained earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

<u>Deferred tax</u>

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(26) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired, and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition-date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's consolidated financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Judgment

In the process of applying the Group's accounting policies, management made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

A. Investment properties

Certain properties of the Group comprise a portion that is held to earn rentals or for capital appreciation and another portion that is owner-occupied. If these portions could be sold separately, the Group accounts for the portions separately as investment properties and property, plant and equipment. If the portions could not be sold separately, the property is classified as investment property in its entirety only if the portion that is owner-occupied is under 5% of the total property.

B. Operating lease commitment-Group as the lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties, and accounts for the contracts as operating leases.

C. De facto control without a majority of the voting rights in subsidiaries

The Group does not have majority of the voting rights in certain subsidiaries. However, after taking into consideration factors such as absolute size of the Group's holding, relative size of the other shareholdings, how widely spread are the remaining shareholders, contractual arrangements between shareholders, potential voting rights, etc., the Group reached the conclusion that it has de facto control over these subsidiaries. Please refer to Note 4(3) for further details.

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

A. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flow model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

B. Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on 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 less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

C. Pension benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate and future salary increases. Please refer to Note 6 for more details.

D. Accounts receivables-estimation of impairment loss

The Group estimates the impairment loss of accounts receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

E. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group Group's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies. Please refer to Note 6 for disclosure on unrecognized deferred tax assets of the Group as of December 31, 2021.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	As of December 31,	
	2021	2020
Cash on hand and petty cash	$5,691	$5,725
Checking accounts and demand deposits	1,911,153	2,018,122
Time deposits	601,317	290,317
Cash equivalents (Note)	-	171,205
Total	$2,518,161	$2,485,369

Note: The Cash equivalents is Bank’s short-term bill that have maturity within 3 months.

(2) Financial assets at fair value through profit or loss, current

	As of December 31,	
	2021	2020
Mandatorily measured at fair value through profit or loss:		
Fund	$-	$994

Financial assets at fair value through profit or loss were not pledged.

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

	As of December 31,	
	2021	2020
Equity instrument investments measured at fair value through other comprehensive income:		
Listed companies' stocks	$1,672,747	$1,418,938
Unlisted companies' stocks	524,098	542,717
Total	$2,196,845	$1,961,655
Current	$846,720	$762,048
Non-current	1,350,125	1,199,607
Total	$2,196,845	$1,961,655

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 measured at fair value through other comprehensive income. Details on derecognition of such investments for the years ended December 31, 2021 and 2020 are as follow:

	For the years ended December 31,	
	2021	2020
The fair value of the investments at the date of derecognition	$31,296	$214,428
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	3,326	(88,663)

(1) Financial assets measured at amortized cost

	As of December 31,	
	2021	2020
Time deposit	$170,463	$152,363
Restricted cash - demand deposits	15,407	15,178
Total	$185,870	$167,541
Current	$160,272	$145,063
Non-current	25,598	22,478
Total	$185,870	$167,541

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

(2) Notes receivable

	As of December 31,	
	2021	2020
Notes receivables arising from operating activities	$1,658,103	$1,665,619
Less: loss allowance	(892)	(1,273)
Total	$1,657,211	$1,664,346

Notes receivable were not pledged.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6(20) for more details on loss allowance and Note 12 for more details on credit risk

(3) Accounts receivable, accounts receivable - related parties, and long - term receivable

Accounts receivable and accounts receivable - related parties

	As of December 31,	
	2021	2020
Accounts receivable	$5,502,301	$5,860,507
Less: loss allowance	(87,077)	(67,223)
Subtotal	5,415,224	5,793,284
Accounts receivable - related parties	27,521	7,094
Less: loss allowance	-	-
Subtotal	27,521	7,094
Total	$5,442,745	$5,800,378

Long-term receivable

	As of December 31,	
	2021	2020
Construction retainage receivable	$2,245,311	$1,352,463
Overdue receivables	290,678	361,805
Subtotal	2,535,989	1,714,268
Less: loss allowance	(110,553)	(110,126)
Total	$2,425,436	$1,604,142

Accounts receivable and long - term receivable were not pledged.

Accounts receivable are generally on 30-120 day terms. The total carrying amount as of December 31, 2021 and 2020 were NT$8,065,811 thousand and NT$7,581,869 thousand, respectively. Please refer to Note 6(20) for more details on loss allowance of accounts receivable for the years ended December 31, 2021 and 2020. Please refer to Note 12 for more details on credit risk management.

(4) Inventories

	As of December 31,	
	2021	2020
Raw materials	$268,688	$403,302
Building for sale	79,872	79,872
Land of construction	210,368	210,367
Work in process	35,061	24,357
Finished goods	59,767	35,078
Total	$653,756	$752,976

For the year ended December 31, 2021, the Group recognized the cost of inventories in expense amounted to NT$15,253,631 thousand, including gain from price recovery of inventories NT$4,306 thousand.

For the year ended December 31, 2020, the Group recognized the cost of inventories in expense amounted to NT$13,478,428 thousand, including gain from price recovery of inventories NT$3,298 thousand.

The Group generated the gain from price recovery of inventories was primarily the result of continuous clear these slow-moving raw materials in 2021 and 2020.

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

(5) Non-current assets held for sale

	As of December 31,	
	2021	2020
Non-current assets held for sale		
Investment property	$573,315	$-

For the purpose of revitalizing assets and providing working capital, On November 9, 2021, the Board of Directors of the Group approved to dispose land and buildings in Sanmin Dist., Kaohsiung City. The Company entered into a contract for the sale of that land and buildings with the Buyer on November 15, 2021. The contract amounted to NT$2,350,000 thousand after deducting Land value increment tax, Business tax and other related expenses of NT$141,325 thousand and was expected to recognize the gain on disposal of land and buildings for NT$1,635,360 thousand. The register of ownership transfer was completed in January 3,2022. As of December 31, 2021, the assets were reclassified as "Non-current assets held for sale".

(6) Investments accounted for using the equity method

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

	As of December 31,			
	2021		2020	
Investees	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:				
LIANYUAN CONCH CEMENT CO., LTD.	$814,731	20%	$724,912	20%
RAIXIN QUALITY PRODUCTS LTD.	24,027	39%	16,727	39%
Total	$838,758		$741,639	

The Group's investments listed above are not individually material. The aggregate carrying amount of the Group's investments in associates is NT$838,758 thousand and NT$741,639 thousand as of December 31, 2021 and 2020, respectively. The aggregate financial information as follows:

	For the years ended December 31,	
	2021	2020
Profit or loss from continuing operations	$86,178	$121,167
Other comprehensive income (post-tax)	-	-
Total comprehensive income	$86,178	$121,167

The associates had no contingent liabilities or capital commitments as of December 31, 2021 and 2020.

(7) Property, plant and equipment

Owner occupied property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Lease Improvements	Construction in progress and equipment awaiting examination	Other equipment	Total
Cost:									
As of January 1, 2021	$5,082,476	$1,885,856	$2,768,928	$26,880	$2,498,442	$135,587	$1,215,279	$184,805	$13,798,253
Additions	735,848	41,895	106,928	2,571	109,522	9,678	100,990	15,480	1,122,912
Disposals	-	(4,347)	(43,028)	(3,043)	(271,795)	(2,904)	-	(5,326)	(330,443)
Disposal of subsidiaries	-	(59,907)	(61,001)	(2,279)	(1,745)	-	-	(3,070)	(128,002)
Transfers	(452,144)	170,428	187,664	221	74,257	4,011	93,152	2,824	80,413
Exchange effect	-	(3,132)	(2,637)	(136)	(33,612)	-	(5)	(111)	(39,633)
As of December 31, 2021	$5,366,180	$2,030,793	$2,956,854	$24,214	$2,375,069	$146,372	$1,409,416	$194,602	$14,503,500
As of January 1, 2020	$5,005,016	$1,712,984	$2,709,514	$23,793	$2,515,682	$131,690	$1,210,726	$200,629	$13,510,034
Additions	63,660	31,686	77,119	3,347	104,798	4,879	173,717	8,010	467,216
Disposals	-	(11,610)	(38,216)	(217)	(130,468)	(2,664)	-	(24,443)	(207,618)
Transfers	13,800	145,495	15,738	(379)	73,885	1,682	(169,177)	331	81,375
Exchange effect	-	7,301	4,773	336	(65,455)	-	13	278	(52,754)
As of December 31, 2020	$5,082,476	$1,885,856	$2,768,928	$26,880	$2,498,442	$135,587	$1,215,279	$184,805	$13,798,253
Depreciation:									
As of January 1, 2021	$-	$1,002,271	$2,167,463	$20,437	$1,023,017	$121,665	$-	$143,717	$4,478,570
Depreciation	-	76,115	112,103	1,566	140,601	4,513	-	11,396	346,294
Disposals	-	(3,950)	(41,140)	(2,751)	(209,882)	(2,904)	-	(4,987)	(265,614)
Disposal of subsidiaries	-	(30,031)	(46,273)	(1,612)	(660)	-	-	(1,824)	(80,400)
Transfers	-	-	-	189	-	-	-	(41)	148
Exchange effect	-	(1,628)	(1,921)	(102)	(9,631)	-	-	(67)	(13,349)
As of December 31, 2021	$-	$1,042,777	$2,190,232	$17,727	$943,445	$123,274	$-	$148,194	$4,465,649
As of January 1, 2020	$-	$942,513	$2,101,508	$18,266	$1,013,855	$116,060	$-	$151,433	$4,343,635
Depreciation	-	68,327	106,301	2,280	150,919	8,269	-	11,850	347,946
Disposals	-	(11,610)	(37,311)	(179)	(126,202)	(2,664)	-	(24,421)	(202,387)
Transfers	-	(857)	(7,044)	(176)	1,865	-	-	4,776	(1,436)
Exchange effect	-	3,898	4,009	246	(17,420)	-	-	79	(9,188)
As of December 31, 2020	$-	$1,002,271	$2,167,463	$20,437	$1,023,017	$121,665	$-	$143,717	$4,478,570
Impairment:									
As of January 1, 2021	$215,335	$322	$987	$-	$28,480	$-	$-	$268	$245,392
Impairment	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	(800)	-	-	-	(800)
As of December 31, 2021	$215,335	$322	$987	$-	$27,680	$-	$-	$268	$244,592
As of January 1, 2020	$215,335	$322	$987	$-	$29,980	$-	$-	$268	$246,892
Impairment	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	(1,500)	-	-	-	(1,500)
As of December 31, 2020	$215,335	$322	$987	$-	$28,480	$-	$-	$268	$245,392
Net carrying amount as of:									
December 31, 2021	$5,150,845	$987,694	$765,635	$6,487	$1,403,944	$23,098	$1,409,416	$46,140	$9,793,259
December 31, 2020	$4,867,141	$883,263	$600,478	$6,443	$1,446,945	$13,922	$1,215,279	$40,820	$9,074,291

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.

(8) Investment property

	Land	Buildings	Total
Cost:			
As of January 1, 2021	$3,327,949	$1,746,060	$5,074,009
Additions from acquisitions	58,969	3,055	62,024
Disposals	-	(969)	(969)
Transferred to non-current assets held for sale	(573,315)	(605,585)	(1,178,900)
As of December 31, 2021	$2,813,603	$1,142,561	$3,956,164
As of January 1, 2020	$3,322,780	$2,056,224	$5,379,004
Additions from acquisitions	5,169	3,551	8,720
Disposals	-	(605,585)	(605,585)
Transfers	-	(278,290)	(278,290)
As of December 31, 2020	$3,327,949	$1,746,060	$5,074,009
Depreciation:			
As of January 1, 2021	$-	$1,084,684	$1,084,684
Depreciation	-	36,989	36,989
Disposals	-	(969)	(969)
Transferred to non-current assets held for sale	-	(605,585)	(605,585)
As of December 31, 2021	$-	$515,119	$515,119
As of January 1, 2020	$-	$1,091,406	$1,091,406
Depreciation	-	41,475	41,475
Disposals	-	(23,092)	(23,092)
Transfers	-	(25,105)	(25,105)
As of December 31, 2020	$-	$1,084,684	$1,084,684

	Land	Buildings	Total
Impairment:			
As of January 1, 2021	$-	$12,954	$12,954
Impairment	-	-	-
Transfers	-	-	-
As of December 31, 2021	$-	$12,954	$12,954
As of January 1, 2020	$-	$12,954	$12,954
Impairment	-	-	-
Transfers	-	-	-
As of December 31, 2020	$-	$12,954	$12,954
Net carrying amount as of:			
December 31, 2021	$2,813,603	$614,488	$3,428,091
December 31, 2020	$3,327,949	$648,422	$3,976,371

	For the years ended December 31,	
	2021	2020
Rental income from investment property	$144,961	$139,902
Less: Direct operating expense generated from rental income of investment property	(62,973)	(84,707)
Total	$81,988	$55,195

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. The fair value of investment properties was NT$9,633,716 thousand as of December 31, 2021. The fair value NT$62,684 thousand has been determined based on valuations performed by an independent valuer. The valuation method used are comparison approach and income approach. The remaining NT$9,571,032 thousand was assessed by the Group. The valuation method used is land development analysis approach which supporting by market evidence and current land value.

The fair value of investment properties was NT$11,602,266 thousand as of December 31, 2020. The fair value NT$60,592 thousand has been determined based on valuations performed by an independent valuer. The valuation method used are comparison approach and income approach. The remaining NT$11,541,674 thousand was assessed by the Group. The valuation method used is land development analysis approach which supporting by market evidence and current land value.

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

(9) Intangible assets

	Concession	Computer software	Total
Cost:			
As of January 1, 2021	$4,278,344	$45,656	$4,324,000
Addition-acquired separately	15,339	7,485	22,824
Exchange effect	-	(8)	(8)
As of December 31, 2021	$4,293,683	$53,133	$4,346,816
As of January 1, 2020	$3,994,792	$39,513	$4,034,305
Addition-acquired separately	7,189	6,003	13,192
Disposals	(1,927)	-	(1,927)
Transfers	278,290	125	278,415
Exchange effect	-	15	15
As of December 31, 2020	$4,278,344	$45,656	$4,324,000
Amortization:			
As of January 1, 2021	$418,603	$30,293	$448,896
Amortization	102,654	8,252	110,906
Exchange effect	-	(7)	(7)
As of December 31, 2021	$521,257	$38,538	$559,795
As of January 1, 2020	$294,111	$22,781	$316,892
Amortization	95,114	7,497	102,611
Transfers	29,378	-	29,378
Exchange effect	-	15	15
As of December 31, 2020	$418,603	$30,293	$448,896
Net carrying amount as of:			
December 31, 2021	$3,772,426	$14,595	$3,787,021
December 31, 2020	$3,859,741	$15,363	$3,875,104

Recognized as amortized amount of intangible assets are as follows.

	2021	2020
Operating costs	$106,038	$95,713
Operating expenses	$4,868	$6,898

(10) Short-term loans

	As of December 31,	
	2021	2020
Unsecured bank loans	$550,000	$300,000
Secured bank loans	350,000	1,000,000
Total	$900,000	$1,300,000
Interest rates		
Credit bank loans	0.73~0.79%	0.85%~0.88%
Secured bank loans	0.73~0.75%	0.85%~0.88%

The Group's unused short-term lines of credits amount (including short-term loans and long-term loans) to NT$11,443,431 thousand and NT$9,110,549 thousand as of December 31, 2021 and 2020, respectively.

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

(11) Long-term loans

Details of long-term loans as of December 31, 2021 and 2020 are as follows:

Lenders	As of December 31, 2021	Maturity date and terms of repayment
Secured long-term loan		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	$1,724,000	Effective October 11, 2018. Since the first use date, principal is repaid in 29 half-yearly payments; interest paid every quarter. Supplemental contract signed on July 14, 2020, the payment terms: Did not need to pay the principal from October 11, 2020 to April 11, 2021, payment will be NT$49,000 thousand from October 11, 20212 to April 11, 2032. The last payment will pay off the principal and interest on October 11, 2032.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
nk of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Unsecured long-term loan		
Shanghai Bank	30,000	Effective January 28, 2021, June 4, 2021, and June 15, 2021. The grace period is one year. Principal is repaid in 8 quarter-yearly payments; interest paid every month.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Bank of East Asia (Note 2)	350,000	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.
Subtotal	3,504,000	
Less: Organization cost	(4,354)	
	3,499,646	
Current portion	(526,625)	
Non-current portion	$2,973,021	
Interest rates	1.061%~1.4%	

Lenders	As of December 31, 2020	Maturity date and terms of repayment
Secured long-term loan		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	$1,724,000	Effective October 11, 2018. Since the first use date, principal is repaid in 29 half-yearly payments; interest paid every quarter. Supplemental contract signed on July 14, 2020, the payment terms: Did not need to pay the principal from October 11, 2020 to April 11, 2021, payment will be NT$49,000 thousand from October 11, 20212 to April 11, 2032. The last payment will pay off the principal and interest on October 11, 2032.
Bank of KGI	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.
O-Bank	200,000	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 Taiwan	400,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Bank of Taiwan	450,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Unsecured long-term loan		
Bank of KGI	380,000	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 Taiwan	400,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Bank of Taiwan	450,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NT$25,000 thousand, 5nd to 8nd payments will be NT$50,000 thousand and 9nd to 10nd payments will be NT$100,000 thousand; interest paid every month.
Subtotal	4,244,000	
Less: Organization cost	(4,759)	
	4,219,241	
Current portion	(300,000)	
Non-current portion	$3,919,241	
Interest rates	0.8871%~1.5895%	

Note 1:The Subsidiary, TAIPEI PORT TERMINAL COMPANY LIMITED, borrowed syndicated loans 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. The ratio of liability to equity and interest coverage ratio were tested per year.

If the financial limited term was breached, the Company need to improve the financial structure in 2020 under the Cooperative Credit Contract signed on July 14, 2020. If not, the Company should pay to bank the compensation fee which 0.05% of the outstanding principal balance to the bank since January 1, 2021.

As of December 31, 2021, 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, Lin Ming-Sheng and his family should keep the right of ultimate control on the Company

C. During the effective period of the syndicated credit agreement, following financial ratio at the end of each year must be maintained at required level.

(a) Debt ratios (Total liabilities + Total assets)：no higher than 70%

(b) Total equity (Total assets － Total liabilities)：no lower than NT$13 billion

(c) Current ratios (Total current assets / Total current liabilities)：no lower than 100%

(d) Interest coverage ratios [(Net profit before tax + Depreciation + Amortization + Interest expense) / Interest expense]：maintained at 200%

As of December 31, 2021, 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 December 31, 2021 and 2020, respectively. Please refer to Note 6(13).

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

(12) Long-term notes payable

	2021	2020
Long-term notes payable	$1,800,000	$1,750,000
Less: Unamortised discount	(3,140)	(1,704)
Total	$1,796,860	$1,748,296
Interest rates	0.358%~0.498%	0.31%~0.34%

The long-term notes and bills payable are a commercial promissory note signed on April 10, 2020 with the Bank of O-bank for a three-year period during March 22, 2021 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.

(13) Post-employment benefits

Defined contribution plan

The Company and its domestic subsidiaries adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company and its domestic subsidiaries will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts. The Company and its domestic subsidiaries have made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Subsidiaries located in the People's Republic of China will contribute social welfare benefits based on a certain percentage of employees' salaries or wages to the employees' individual pension accounts.

Pension benefits for employees of overseas subsidiaries and branches are provided in accordance with the local regulations.

Expenses under the defined contribution plan for the years ended December 31, 2021 and 2020 are NT$21,069 thousand and NT$19,265 thousand, respectively.

Defined benefits plan

The Company and its domestic subsidiaries adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company and its domestic subsidiaries contribute an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company and its domestic subsidiaries assess the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company and its domestic subsidiaries will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under mandation, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Group expects to contribute NT$40,509 thousand to its defined benefit plan during the 12 months beginning after December 31, 2021.

The average duration of the defined benefits plan obligation is both 12 years as of December 31, 2021 and 2020, respectively.

Pension costs recognized in profit or loss for the years ended December 31, 2021 and 2020:

	For the years ended December 31,	
	2021	2020
Current period service costs	$9,325	$10,500
Interest expense (income) of net defined benefit liabilities (assets)	663	1,604
Total	$9,988	$12,104

Changes in the defined benefit obligation and fair value of plan assets are as follows:

	As of December 31,		
	2021	2020	2019
Defined benefit obligation	$498,399	$485,974	$492,135
Plan assets at fair value	(331,118)	(314,215)	(274,789)
Other non-current liabilities - Net defined benefit liabilities recognized on the consolidated balance sheets	$167,281	$171,759	$217,346

Reconciliation of liability of the defined benefit plan is as follows:

	Defined benefit obligation	Fair value of plan assets	Benefit liability (asset)
As of January 1, 2020	$492,135	$(274,789)	$217,346
Current period service costs	10,500	-	10,500
Net interest expense (income)	3,629	(2,025)	1,604
Subtotal	14,129	(2,025)	12,104
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	183	-	183
Actuarial gains and losses arising from changes in financial assumptions	20,248	-	20,248
Experience adjustments	(13,893)	(9,021)	(22,914)
Subtotal	6,538	(9,021)	(2,483)
Payments from the plan	(26,828)	26,828	-
Contributions by employer	-	(55,208)	(55,208)
As of December 31, 2020	485,974	(314,215)	171,759
Current period service costs	9,325	-	9,325
Net interest expense (income)	1,878	(1,215)	663
Subtotal	11,203	(1,215)	9,988
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	738	-	738
Actuarial gains and losses arising from changes in financial assumptions	8,633	-	8,633
Experience adjustments	21,008	(4,335)	16,673
Subtotal	30,379	(4,335)	26,044
Payments from the plan	(29,157)	29,157	-
Contributions by employer	-	(40,510)	(40,510)
As of December 31, 2021	$498,399	$(331,118)	$167,281

The following significant actuarial assumptions are used to determine the present value of the defined benefit obligation:

	As of December 31,	
	2021	2020
Discount rate	0.7%~0.71%	0.32%~0.39%
Expected rate of salary increases	2%	1.50%~2.00%

A sensitivity analysis for significant assumption as of December 31, 2021 and 2020 is, as shown below:

	Effect on the defined benefit obligation			
	2021		2020	
	Increase defined benefit obligation	Decrease defined benefit obligation	Increase defined benefit obligation	Decrease defined benefit obligation
Discount rate increases by 0.5%	$-	$(27,627)	$-	$(28,404)
Discount rate decreases by 0.5%	29,703	-	30,821	-
Future salary increases by 0.5%	29,165	-	30,309	-
Future salary decreases by 0.5%	-	(27,419)	-	(28,245)

The sensitivity analyses above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analyses compared to the previous period.

(14) Provisions

	Maintenance warranties	Decommissioning, restoration and rehabilitation	Total
As of January 1, 2021	$4,596	$6,901	$11,497
Arising during the period	-	-	-
Unused provision reversed	-	-	-
As of December 31, 2021	$4,596	$6,901	$11,497
Current-Dec 31, 2021	$-	$	$
Non-current-Dec 31, 2021	4,596	6,901	11,497
As of Dec 31, 2021	$4,596	$6,901	$11,497
Current-Dec 31, 2020	$-	$-	$-
Non-current-Dec 31, 2020	4,596	6,901	11,497
As of Dec 31, 2020	$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.

(15) Equity

A. Common stock

	As of December 31,	
	2021	2020
Authorized shares (thousand shares)	2,000,000	2,000,000
Authorized capital	$20,000,000	$20,000,000
Issued shares (thousand shares)	1,180,000	1,180,000
Issued capital	$11,800,000	$11,800,000

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

For the purposes of adjusting its capital structure and enhancing the return on shareholders' equity, the Company resolved in its shareholders' meeting on June 17, 2020 to implement a capital reduction in cash through the return of share proceeds to shareholders. The total capital reduction amounted to NT$1,988,093 thousand, which represented the cancellation of 198,809 thousand shares (capital reduction ratio was 14.4189%). After the capital reduction, the amount of issued capital was NT$11,800,000 thousand, which represented the 1,180,000 shares. The capital reduction was approved by the Taiwan FSC on July 31, 2020. On August 11, 2020, the Company's Board of Directors resolved the record date of the capital reduction was August 11, 2020. The registration of capital reduction was completed on September 1, 2020 and the record date for reverse split and stock conversion was October 15, 2020.

B. Capital surplus

	As of December 31,	
	2021	2020
Additional paid-in capital	$551,242	$551,242
Treasury share transactions	313,056	308,382
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries		-
Changes in ownership interests in subsidiaries	187,289	187,289
Share-based payments	103,200	103,200
Donated surplus	13,539	13,180
Others	15,261	15,261
Total	$1,183,587	$1,178,554

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

The Company resolved in its board of directors' meeting on August 11, 2020 to implement a capital reduction in cash through the return of share proceeds to shareholders. The capital reduction ratio was 14.4189%. After the capital reduction, As of December 31, 2021 and 2020, the Company's shares held by the subsidiaries were both NT$4,789 thousand represented 3,116 thousand shares. These shares held by subsidiaries were acquired for the purpose of financing before the amendment of the Company Act on November 12, 2001.

The Company resolved at its board meeting on March 17, 2020 to repurchase stock. The Company estimated that 100,000 thousand shares will be repurchased and canceled. As of December 31, 2020, the Company had bought back 6,191 thousand shares at a total amount of NT$61,841 thousand. On May 6, 2020, the Company's board of directors approved the resolution to cancel treasury shares, the capital reduction was completed registered at June 19, 2020.

D. Retained earnings 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. Set aside 10% of the remaining amount after deducting items a. and b. as legal reserve;
d. Set aside or reverse special reserve in accordance with law and regulations; and
e. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

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

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

The FSC on 31 March 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, 2021, and 2020, 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 period ended December 31, 2021 and 2020 as a result of the use, disposal of or reclassification of related assets. As of December 31, 2021, and 2020, special reserve set aside for the first-time adoption of T-IFRS amounted to NT$1,874,430 thousand.

Details of the 2021 and 2020 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on February 25, 2022 and March 15, 2021, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	2021	2020	2021	2020
Legal reserve	$282,904	$238,477	$-	$-
Common stock-cash dividend	2,124,000	1,770,000	1.80	1.50

Please refer to Note 6(22) for further details on employees' compensation and remuneration to directors and supervisors.

E. Non-controlling interests

	For the years ended December 31,	
	2021	2020
Beginning balance	$1,131,047	$1,091,518
Profit attributable to non-controlling interests	84,373	77,880
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Remeasurements of defined benefit plan	542	288
Donated surplus	371	199
Acquisition of subsidiary	9,001	42,000
Acquisition of additional interest in a subsidiary	(18,218)	(1,702)
Acquisition of cash divided in a subsidiary	(91,527)	(79,136)
Ending balance	$1,115,589	$1,131,047

(1) Operating revenue

	For the years ended December 31,	
	2021	2020
Revenue from contracts with customers		
Sale of goods revenue	$21,076,290	$18,325,646
Other operating revenue (Note)	580,448	412,252
Subtotal	21,656,738	18,737,898
Lease revenue	144,961	139,902
Total	$21,801,699	$18,877,800

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

Analysis of revenue from contracts with customers during the year 2021 and 2020 is as follows:

A. Disaggregation of revenue

For the year ended December 31, 2021

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other Segment	Total
Sale of goods	$16,092,683	$3,928,774	$1,054,833	$21,076,290
Others	192,469	-	387,979	580,448
Total	$16,285,152	$3,928,774	$1,442,812	$21,656,738
Timing of revenue recognition:				
At a point in time	$16,285,152	$3,928,774	$1,442,812	$21,656,738

For the year ended December 31, 2020

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other Segment	Total
Sale of goods	$14,277,915	$3,168,272	$879,459	$18,325,646
Others	146,950	-	265,302	412,252
Total	$14,424,865	$3,168,272	$1,144,761	$18,737,898
Timing of revenue recognition:				
At a point in time	$14,277,915	$3,168,272	$1,144,761	$18,737,898

B. Contract assets and contract liabilities

	For the years ended December 31, 2021	2020
Contract liabilities (Advance receipts)	$20,608	$16,014

(16) Expected credit losses

	For the years ended December 31,	
	2021	2020
Operating expenses - Expected credit (gains) losses		
Notes receivable	$(381)	$521
Accounts receivable	23,689	(23,578)
Long-term receivable	4,898	71,093
Total	$28,206	$48,036

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

The credit risk for the Group's financial assets measured at amortized cost as of December 31, 2021 and 2020 are assessed as low (the same as the assessment result on January 1, 2020). 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 December 31, 2021 and 2020 is as follow:

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 follow:

December 31, 2021

Group 1: The total carrying amount of notes receivable is NT$1,658,103 thousand, its loss allowance amounting to NT$892 thousand which is measured at expected credit loss ratio of 0~15%.

Group 2:

		Ageing of transaction date				
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	Total
Gross carrying amount	$4,262,565	$813,257	$175,657	$55,814	$222,529	$5,529,822
Loss ratio	-%~1%	1%~5%	1%~5%	1%~5%	7%	
Lifetime expected credit losses	18,725	42,202	8,226	2,514	15,410	87,077
Total	$4,243,840	$771,055	$167,431	$53,300	$207,119	$5,442,745

Group 3: The total carrying amount of overdue receivables is NT$290,678 thousand, its loss allowance amounting to NT$95,928 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 retainage receivable is money held back by a customer until the construction is completed, usually exceed one year and interest-free.

	Not yet due	Ageing of transaction date: 90-180 days	181-365 days	1 -2 years	>=2 years	Total
Gross carrying amount	$681,788	$335,456	$637,213	$526,706	$64,148	$2,245,311
Loss ratio	-%	-%	1%	1%	3%	
Lifetime expected credit losses	-	2,128	3,644	6,928	1,925	14,625
Subtotal	$681,788	$333,328	$633,569	$519,778	$62,223	$2,230,686

December 31, 2020

Group 1: The total carrying amount of notes receivable is NT$1,665,619 thousand, its loss allowance amounting to NT$1,273 thousand which is measured at expected credit loss ratio of 0~15%.

Group 2:

	Not yet due	Ageing of transaction date: 90-180 days	181-365 days	1 -2 years	>=2 years	Total
Gross carrying amount	$3,911,128	$881,271	$211,562	$467,480	$396,160	$5,867,601
Loss ratio	-%	3%	3%	3%	4%	
Lifetime expected credit losses	1,729	28,952	7,237	13,008	16,297	67,223
Total	$3,909,399	$852,319	$204,325	$454,472	$379,863	$5,800,378

Group 3: The total carrying amount of overdue receivables is NT$361,805 thousand, its loss allowance amounting to NT$102,021 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 retainage receivable is money held back by a customer until the construction is completed, usually exceed one year and interest-free.

	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	Total
	Ageing of transaction date					
Gross carrying amount	$720,347	$190,025	$238,347	$203,744	$-	$1,352,463
Loss ratio	-%	-%	2%	2%	-%	
Lifetime expected credit losses	-	789	3,707	3,609	-	8,105
Subtotal	$720,347	$189,236	$234,640	$200,135	$-	$1,344,358

B. The movement in the loss allowance of Accounts receivable, accounts receivable and long-term receivable during the period ended December 31, 2021 and 2020 is as follows:

	Notes receivable	Accounts receivable	Long-term receivable
2021.1.1	$1,273	$67,223	$110,126
Addition/(reversal) for the current period	(381)	23,689	4,898
Write off	-	(3,835)	(4,471)
2021.12.31	$892	$87,077	$110,553

	Notes receivable	Accounts receivable	Long-term receivable
2020.1.1	$752	$99,170	$143,180
Addition/(reversal) for the current period	521	(23,578)	71,093
Write off	-	(8,369)	(104,147)
2020.12.31	$1,273	$67,223	$110,126

(17) 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

	As of December 31,	
	2021	2020
Land	$634,664	$730,946
Buildings	44,839	59,381
Transportation equipment	1,684	2,510
Total	$681,187	$792,837

During the years ended December 31, 2021 and 2020, the Group's additions to right-of-use assets amounting to NT$1,834 thousand and NT$26,881 thousand, respectively.

(b) Lease Liabilities

	As of December 31,	
	2021	2020
Lease Liabilities	$639,698	$738,618
Current	41,950	94,248
Noncurrent	597,748	644,370

During the years ended December 31, 2021 and 2020, please refer to Note 6(23)-D finance costs for Interest on lease liabilities; please refer to Note 12(5) liquidity risk management for maturity analysis of lease liabilities.

b. Amounts recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	As of December 31,	
	2021	2020
Land	$84,443	$86,833
Buildings	14,542	15,675
Transportation equipment	2,659	2,438
Total	$101,644	$104,946

c. Income and costs relating to leasing activities

	For the years ended December 31,	
	2021	2020
The expenses relating to short-term leases	$5,050	$3,671
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	364	168

d. Cash outflows related to leasing activities

During the years ended December 31, 2021 and 2020, the Group's total cash outflows for leases amounting to NT$110,282 thousand and NT$110,358 thousand.

e. Other information related to leasing activities

Extension and termination options

Some of the Group's property rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group.

After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

B. Group as a lessor

Please refer to Note 6(10) 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.

	As of December 31,	
	2021	2020
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	$144,961	$139,902

Please refer to Note 6(9) for relevant disclosure of property, plant and equipment for operating leases under IFRS 16. For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining years as of December 31, 2021 and 2020 are as follows:

	As of December 31,	
	2021	2020
Not later than one year	$181,452	$156,770
Later than one year but not later than two years	167,672	127,833
Later than two years but not later than three years	86,922	106,487
Later than three years but not later than four years	69,428	65,187
Later than four years but not later than five years	64,122	60,427
Later than five years	289,277	368,258
Total	$858,873	$884,962

(18) Summary statement of employee benefits, depreciation and amortization expenses by function during the years ended December 31, 2021 and 2020:

	For the years ended December 31,					
	2021			2020		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	$834,138	$440,661	$1,274,79	$762,758	$392,701	$1,155,45
Labor and health insurance	42,159	31,053	73,212	35,325	24,759	60,084
Pension	20,080	10,977	31,057	20,279	11,090	31,369
Other employee benefits expense	14,349	7,116	21,465	14,296	16,068	30,364
Depreciation	414,005	70,922	484,927	446,289	48,078	494,367
Amortization	106,038	4,868	110,906	95,713	6,898	102,611

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.

Based on profit of the year ended December 31, 2021, the Company estimated the amounts of the employees' compensation and remuneration to directors and supervisors for the year ended December 31, 2021 both to be 3% of profit of the current year, recognized as employee benefits expense. A resolution was passed at a Board of Directors meeting held on 110,850, 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 and the actual distribution.

A resolution was passed at a Board of Directors meeting held on March 15, 2021 to distribute NT$79,985 thousand in cash as employees' compensation and remuneration to directors both of 2020. No material differences exist between the estimated amount and the actual distribution.

(19) Non-operating income and expenses

A. Interest income

	For the years ended December 31,	
	2021	2020
Cash in the bank	$18,783	$27,749
Short-term notes	236	3,291
Others	897	107
Total	$19,916	$31,147

A. Other income

	For the years ended December 31,	
	2021	2020
Dividend income	$105,855	$91,863
Premium overpayment revenue (Note)	-	132,619
Others	70,891	70,156
Total	$176,746	$294,638

Note：TAIPEI PORT TERMINAL COMPANY LIMITED has renegotiation the fixed royalty of “Bulk & General Cargo Terminal No.2 of Taipei Port building and operating” with Port of Keeling, Taiwan International Ports Corporation, Ltd. in June 2020. Port of Keeling, Taiwan International Ports Corporation, Ltd. agreed to reduce the rate of royalty fee in June 2020 and returned the overpayment from December 2018 to December 2019.

B. Other gains and losses

	For the years ended December 31,	
	2021	2020
Gain on disposal of property, plant and equipment	$28,828	$3,983
Loss on disposal of Investment property	-	(12,333)
Gain on disposal of investments	174,555	23,085
Foreign exchange gain, net	28,043	33,379
Gain on financial assets at fair value through profit or loss	11	30
Other expense-others	(27,697)	(13,905)
Total	$203,740	$34,239

Note: Please refer to Note 6(27) for more detail.

C. Finance costs

	For the years ended December 31,	
	2021	2020
Interest on borrowings from bank	$(79,916)	$(85,283)
Interest on notes payable	-	(8,099)
Interest on lease liabilities	(4,726)	(5,572)
Total	$(84,642)	$(98,954)

(1) Components of other comprehensive income

For the year ended December 31, 2021

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$(26,044)	$-	$(26,044)	$5,209	$(20,835)
Unrealized gains on fair value through other comprehensive income equity instrument investment	211,684	-	211,684	-	211,684
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(81,500)	-	(81,500)	-	(81,500)
Total of other comprehensive (loss) income	$104,140	$-	$104,140	$5,209	$109,349

For the year ended December 31, 2020

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$2,483	$-	$2,483	$(497)	$1,986
Unrealized gains on fair value through other comprehensive income equity instrument investment	(146,497)	-	(146,497)	-	(146,497)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(54,895)	-	(54,895)	-	(54,895)
Share of other comprehensive loss of associates and joint ventures accounted for under the equity method					
Total of other comprehensive (loss) income	$(198,909)	$-	$(198,909)	$(497)	$(199,406)

(1) Income tax

The major components of income tax expense (income) are as follows:

<u>Income tax expense (income) recognized in profit or loss</u>

	For the years ended December 31,	
	2021	2020
Current income tax expense (income):		
Current income tax charge	$860,375	$456,644
Adjustments in respect of current income tax of prior periods	(14,747)	(3,747)
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	(111,885)	45,568
Deferred tax expense (income) relating to origination and reversal of tax loss and tax credit	(13,873)	(13,254)
Tax expense (income) recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	(6,784)	(330,224)
Total income tax (income) expense	$713,086	$154,987

<u>Income tax relating to components of other comprehensive income</u>

	For the years ended December 31,	
	2021	2020
Deferred tax expense:		
Remeasurements of defined benefit plans	$(5,209)	$497
Income tax related to components of other comprehensive loss(income)	$(5,209)	$497

A reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2021	2020
Accounting profit before tax from continuing operations	$3,646,330	$2,705,794
Tax at the domestic rates applicable to profits in the country concerned	$758,346	$623,151
Tax effect of revenues exempt from taxation	(111,356)	(120,566)
Tax effect of deductible expenses from taxation	1,354	(54,314)
Tax effect of deferred tax assets / liabilities	71,940	(316,118)
Others	3,282	(2,270)
5% surtax on unappropriated retained earnings	3,997	28,851
Adjustments in respect of current income tax of prior periods	(14,477)	(3,747)
Total income tax expense recognized in (profit) or loss	$713,086	$154,987

Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2021

	Beginning balance as of January 1, 2021	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of December 31, 2021
Temporary differences				
Unrealized exchange losses	$3,181	$(1,901)	$-	$1,280
Unrealized exchange gains	(3,712)	(1,487)	-	(5,199)
Loss allowance	14,625	6,259	-	20,884
Inventory valuation losses	1,868	(311)	-	1,557
Impairment losses	649,207	6,176	-	655,383
Components of buildings	16,836	553	-	17,389
Defined benefit liabilities	66,530	(6,104)	5,209	65,635
Increment tax on land value payable	(635,269)	125,704	-	(509,565)
Others	2,164	(124)	-	2,040
Unused taxable loss	35,369	3,777	-	39,146
Deferred tax (expense)/income		$132,542	$5,209	
Net deferred tax assets/(liabilities)	$150,799			$288,550
Reflected in balance sheet as follows:				
Deferred tax assets	$789,780			$803,314
Deferred tax liabilities	$(638,981)			$(514,764)

For the year ended December 31, 2020

	Beginning balance as of January 1, 2020	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of December 31, 2020
Temporary differences				
Unrealized exchange losses	$3,588	$(407)	$-	$3,181
Unrealized exchange gains	(738)	(2,974)	-	(3,712)
Loss allowance	27,790	(13,165)	-	14,625
Inventory valuation losses	2,139	(271)	-	1,868
Impairment losses	318,983	330,224	-	649,207
Components of buildings	25,599	(8,763)	-	16,836
Defined benefit liabilities	75,648	(8,621)	(497)	66,530
Increment tax on land value payable	(635,269)	-	-	(635,269)
Others	1,915	249	-	2,164
Unused taxable loss	33,731	1,638	-	35,369
Deferred tax (expense)/income		$297,910	$(497)	
Net deferred tax assets/(liabilities)	$(146,614)			$150,799
Reflected in balance sheet as follows:				
Deferred tax assets	$489,393			$789,780
Deferred tax liabilities	$(636,007)			$(638,981)

The following table contains information of the unused tax losses in Taiwan of the Group:

Occurred year	Deficit amounts	Unused tax losses 2021	Unused tax losses 2020	Last credit year
2011	$479	$-	$479	2021
2012	475	423	423	2022
2013	54,247	676	676	2123
2014	661	661	661	2024
2015	776	776	776	2025
2016	1,459	1,459	1,459	2026
2017	112,524	1,497	1,497	2027
2018	209,176	45,180	45,180	2028
2019	168,470	163,786	163,786	2029
2020	26,519	26,519	26,519	2030
2021	18,322	18,322	-	2031
		$259,299	$241,456	

Unrecognized deferred tax assets

As of December 31, 2021, and 2020, deferred tax assets that have not been recognized amount to NT$264,531 thousand and NT$237,326 thousand, respectively.

Unrecognized deferred tax liabilities relating to the investment in subsidiaries

The Group did not recognize any deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's overseas subsidiaries, as the Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future. As of December 31, 2021, and 2020, the taxable temporary differences associated with investment in subsidiaries, for which deferred tax liability has not been recognized, aggregate to NT$324,626 thousand and NT$335,520 thousand, respectively.

As of December 31, 2021, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	The assessment of income tax returns	Notes
The Company	Assessed and approved up to 2018	None.
KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Assessed and approved up to 2019	
RUEI SHIN CONSTRUCTIN CO., LTD.	Assessed and approved up to 2019	
WELLPOOL CO., LTD.	Assessed and approved up to 2019	
GAPE-GOLDSUN CORPORATION	Assessed and approved up to 2019	
GOLDSUN NIHON CEMENT CO., LTD.	Assessed and approved up to 2019	
TAIPEI PORT TERMINAL COMPANY LIMITED	Assessed and approved up to 2019	
HUA YA DEVELOPMENT CO., LTD.	Assessed and approved up to 2019	
GOYU BUILDING MATERIALS CO., LTD.	Assessed and approved up to 2019	
GIMPO MARINE CO., LTD.	Assessed and approved up to 2019	

(1) 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.

	For the years ended December 31,	
	2021	2020
A.Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$2,848,871	$2,472,927
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,299,128
Basic earnings per share (NT$)	$2.42	$1.90

	For the years ended December 31,	
	2021	2020
B.Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$2,848,871	$2,472,927
Profit attributable to ordinary equity holders of the Company after dilution (in thousands)	1,176,884	1,299,128
Effect of dilution:		
Employee bonus-stock (in thousands)	4,458	3,935
Weighted average number of ordinary shares outstanding after dilution (in thousands)	1,181,342	1,303,063
Diluted earnings per share (NT$)	$2.41	$1.90

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.

(20) Changes in ownership interests in subsidiaries

A. Acquisition of shares issued by subsidiaries

In 2021, the Company acquired an additional 5% of the voting shares of GOYU BUILDING MATERIALS CO., LTD., A cash consideration of NT$20,000 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT$1,782 thousand recognized as a decrease in unappropriated earnings, and decrease NT$18,218 thousand in non-controlling interests.

In 2020, the Company acquired an additional 0.15% of the voting shares of WELLPOOL CO., LTD., A cash consideration of NT$2,899 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT$5 thousand and NT$1,192 thousand recognized as a decrease in paid-in capital and unappropriated earnings, respectively; and decrease NT$1,702 thousand in non-controlling interests.

B. Disposal of subsidiary

The Board of Directors of the Company resolved on May 4, 2021 to dispose of 100% equity of KUNSHAN GOLDSUN CONCRETE CO., LTD. GOLDSUN INC., 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 May 21, 2021. The Group has completed the equity transfer on May 31, 2021 and has lost control. The payment for equity transfer had been paid on August 12, 2021.

(a) Consideration of disposal: NT$ 331,473 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

	Carrying amount
Cash and cash equivalents	$11,672
Accounts receivable	90,128
Inventories	2,613
Property, plant and equipment	47,602
Right-of-use assets	6,558
Other payable	(17)
Tax liability	(6,709)
Total net assets	$151,847

(c) Gain on disposal of subsidiary

Consideration collected	$331,473
Reduce: Net disposal assets	(151,847)
Reduce: Exchange differences on translation of foreign	(5,071)
Gain on disposal of subsidiary	$174,555

(1) Subsidiaries that have material non-controlling interests

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

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation and operation	For the years ended December 31, 2021	2020
WELLPOOL CO., LTD. and its subsidiary	Taiwan	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.

Accumulated balances of material non-controlling interest:

	As of December 31, 2021	2020
WELLPOOL CO., LTD. and its subsidiary	$534,644	$522,951

Profit/(loss) allocated to material non-controlling interest:

	For the years ended December 31, 2021	2020
WELLPOOL CO., LTD. and its subsidiary	$81,876	$72,189

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:

	For the years ended December 31,	
	2021	2020
Operating revenue	$891,141	$823,858
Profit of (loss) for the period from continuing operations	166,086	146,314
Total comprehensive income for the period	167,185	146,899

Summarized information of financial position:

	As of December 31,	
	2021	2020
Current assets	$552,808	$484,242
Non-current assets	691,579	726,144
Current liabilities	148,878	137,617
Non-current liabilities	10,987	11,967

Summarized cash flow information:

	For the years ended December 31,	
	2021	2020
Operating activities	$139,536	$202,460
Investing activities	(9,829)	(50,936)
Financing activities	(144,704)	(166,204)
Net decrease in cash and cash equivalents	(14,997)	(14,680)

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 of the related parties	Nature of relationship of the related parties
TAIWAN SECOM CO., LTD. and subsidiary	Group with significant influence over the Group
RAIXIN QUALITY PRODUCTS LTD.	Associate
TRUST SANDSTONE CO., LTD.	Other related party
HOBBY WORKS CO., LTD.	Other related party
CHYI YUH CONSTRUCTION CO., LTD.	Other related party
JIN JYUN CONSTRUCTION CO., LTD.	Other related party
FULL MAX CORPORATION LIMITED	Other related party

(1) Operating revenue - Other operating revenue

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Group	$-	$755
Other related party		
FULL MAX CORPORATION LIMITED	98,529	103,537
TRUST SANDSTONE CO., LTD.	53,325	-
CHYI YUH CONSTRUCTION CO., LTD.	42,758	-
Others	87,588	88,919
Total	$282,200	$193,211

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

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

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Group	$676,175	$598,169
Other related party		
FULL MAX CORPORATION LIMITED	223,286	378,735
Others	17,497	-
Total	$916,958	$976,904

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) Accounts receivable - related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$629	$9
Other related party	26,892	7,085
Total	$27,521	$7,094

(4) Other receivables - related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$22,202	$11,849
Associates	697	3
Total	$22,899	$11,852

(5) Notes payable - related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$-	$235

(6) Accounts payable - related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$125,985	$58,265
Other related party	9,124	-
Total	$135,109	$58,265

(7) Other payables - related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$15,958	$442
Other related party	217	-
Total	$16,175	$442

(8) Lease-related parties

A. Rental income and deposits received:

a. Lease income

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$10,355	$9,831
Other related party	-	90
Total	$10,355	$9,921

b. Guarantee deposits

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$733	$947

B. Lease expense

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$4,237	$2,831

C. Interest expense

	As of December 31,	
	2021	2020
Group with significant influence over the Group	$9	$2

(9) The Group has purchased equipment from a group with significant influence over the Group amounted to NT$10,730 thousand and NT$15,442 thousand for the years ended December 31, 2021 and 2020, respectively.

(10) Key management personnel compensation

	As of December 31,	
	2021	2020
Short-term employee benefits	$128,352	$86,459
Post-employment benefits	363	308
Total	$128,715	$86,767

8. Assets pledged as security

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

Assets pledged for security	Carrying amount December 31, 2021	Carrying amount December 31, 2020	Secured liabilities
Inventory - Land of construction	$210,368	$210,367	Bank loan
Financial assets at fair value through other comprehensive income, current	590,400	531,360	Bank loan、C/P
Financial assets at fair value through other comprehensive income, non-current	505,816	437,780	Bank loan、C/P
Securities (Note)	919,500	780,000	Bank loan、C/P
Financial assets measured at amortized cost, current	71,838	8,163	Restricted account、Loan guarantee
Financial assets measured at amortized cost, non-current	22,707	22,478	Performance guarantee
Investment property	2,210,938	2,222,786	Bank loan、C/P
Property, plant and equipment-Land and building	4,505,425	4,632,899	Bank loan、C/P
Property, plant and equipment-Machinery and equipment	46,949	48,402	Bank loan
Intangible assets-Concession	2,969,775	3,050,168	Bank loan
Guarantee deposits	20,000	20,000	Performance guarantee
Total	$12,073,716	$11,964,403	

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

9. Commitments and Contingencies

(1) Promissory notes issued by the Group to secure bank loans and construction performance amounted to NT$3,105,659 thousand as of December 31, 2021.

(2) The Group's unused letters of credit for importing raw materials amounted to NT$6,569 thousand.

10. Losses due to Major Disasters

None.

11. Significant Subsequent Events

On January 3, 2022, the Company sold the land and buildings in Sanmin Dist., Kaohsiung City. The contract amounted to NT$2,350,000 thousand after deducting Land value increment tax, Business tax and other related expenses of NT$141,325 thousand and expect to recognize the gain on disposal of land and buildings for NT$1,635,360 thousand.

12. Others

(1) Categories of financial instruments

	As of December 31,	
	2021	2020
Financial assets		
Financial assets at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss	$-	$994
Financial assets at fair value through other comprehensive income	2,196,845	1,961,655
Financial assets measured at amortized cost:		
Cash and equivalent cash (excluding cash on hand)	2,512,470	2,479,644
Financial assets measured at amortized cost	185,870	167,541
Notes receivable	1,657,211	1,664,346
Accounts receivable (including related parties)	5,442,745	5,800,378
Other receivables (including related parties)	82,446	420,396
Long-term receivables	2,425,436	1,604,142
Refundable deposits	38,192	47,726
Total	$14,541,215	$14,146,822
Financial liabilities		
Financial liabilities at amortized cost:		
Short-term loans	$900,000	$1,300,000
Notes payable (including related parties)	1,182,997	704,081
Accounts payable (including related parties)	2,516,658	2,303,604
Other payables (including related parties)	1,180,184	939,296
Lease liability	639,698	738,618
Long-term loan (including due in one year)	3,499,646	4,219,241
Long-term notes and bills payable	1,796,860	1,748,296
Guarantee deposits	55,613	54,361
Total	$11,771,656	$12,007,497

(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 activates. The Group identifies, measures and manages the aforementioned risks based on the Group's policy and risk appetite.

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

(3) Market risk

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

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

Foreign currency 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 CNY. The information of the sensitivity analyses as follows:

When NTD strengthens/weakens against USD by 10%, the profit for the years ended December 31, 2021 and 2020 is decreased/increased by NT$2,095 thousand and NT$4,785 thousand, respectively.

When NTD strengthens/weakens against CNY by 10%, the profit for the years ended December 31, 2021 and 2020 is decreased/increased by NT$18,241 thousand and NT$586 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$3,678 thousand and NT$4,953 thousand for the years ended December 31, 2021 and 2020, respectively.

Equity price risk

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

For the year ended December 31, 2021 and 2020, 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$167,275 thousand an NT$141,894 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 December 31, 2021, and 2020, amounts receivables from top ten customers represent 24% and 30% of the accounts receivables of the Group, respectively. The credit concentration risk of other accounts receivables is insignificant.

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

The Group adopted IFRS 9 to assess the expected credit losses. Except for contract assets and trade receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories.

The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

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

(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
As of December 31, 2021					
Borrowings	$1,472,827	$1,563,684	$229,312	$1,328,821	$4,594,644
Notes payable	1,182,997	-	-	-	1,182,997
Accounts payable	2,516,658	-	-	-	2,516,658
Other payables	1,180,184	-	-	-	1,180,184
Lease liabilities (Note)	47,364	189,205	152,035	256,508	645,112
Long-term notes and bills payable	-	1,800,000	-	-	1,800,000

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of December 31, 2020					
Borrowings	$1,651,717	$2,032,437	$646,888	$1,437,275	$5,768,317
Notes payable	704,081	-	-	-	704,081
Accounts payable	2,303,604	-	-	-	2,303,604
Other payables	939,296	-	-	-	939,296
Lease liabilities (Note)	102,286	194,601	153,554	305,875	756,316
Long-term notes and bills payable	-	1,750,000	-	-	1,750,000

Note:

1. Including cash flows resulted from short-term leases or leases of low-value assets.
2. Information about the maturities of lease liabilities is provided in the table below:

	Maturities					
	Less than 1 year	2 to 5 years	6 to 10 years	11 to 15 years	> 15 years	Total
As of December 31, 2021	$47,364	$341,240	$121,492	$20,725	$114,291	$645,112
As of December 31, 2020	$102,286	$348,155	$154,876	$20,451	$130,548	$756,316

(6) Reconciliation for liabilities arising from financing activities

Information of reconciliation of liabilities for the year ended December 31, 2021:

	Short-term loans	Long-term loans (including due in one year)	Lease liabilities	Guarantee deposits	Long-term notes and bills payable	Balance of liabilities arising from financing activities
2021.1.1	$1,300,000	$4,219,241	$738,618	$54,361	$1,748,296	$8,060,516
Cash flow	(400,000)	(720,000)	(104,868)	1,252	48,564	(1,175,052)
Non-cash change	-	405	5,948	-	-	6,353
2021.12.31	$900,000	$3,499,646	$639,698	$55,613	$1,796,860	$6,891,817

Information of reconciliation of liabilities for the year ended December 31, 2020:

	Short-term loans	Short-term notes and bills payable	Bonds payable (including due in one year)	Long-term loans (including due in one year)	Lease liabilities	Guarantee deposits	Balance of liabilities arising from financing activities
2020.1.1	$2,930,000	$2,958,328	$4,287,836	$831,605	$51,668	$-	$11,059,437
Cash flow	(1,630,000)	(2,958,328)	(69,000)	(106,519)	2,693	1,748,296	(3,012,858)
Non-cash change	-	-	405	13,532	-	-	13,937
2020.12.31	$1,300,000	$-	$4,219,241	$738,618	$54,361	$1,748,296	$8,060,516

(7) Fair values of financial instruments

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

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

a. The carrying amount of cash and cash equivalents, trade receivables, trade payable and other current liabilities approximate their fair value due to their short maturities.

b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and beneficiary certificates etc.) at the reporting date.

c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public Group and private Group equity securities) are estimated using the market 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

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. Level 1, 2 and 3 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:

As of December 31, 2021

	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	$1,672,747	$-	$524,098	$2,196,845

As of December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Fund	$994	$-	$-	$994
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	1,418,938	-	542,717	1,961,655

<u>Transfers between Level 1 and Level 2 during the period</u>

During the years ended December 31, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

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

	Assets
	Measured at fair value through other comprehensive income
	Stock
Beginning balances as of January 1, 2021	$542,717
Acquisition	(8,540)
Disposal	(3,614)
Total gains recognized for the year ended December 31, 2021:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	(6,465)
Ending balances as of December 31, 2021	$524,098

	Assets
	Measured at fair value through other comprehensive income Stock
Beginning balances as of January 1, 2020	$715,008
Acquisition	19,249
Capital deducted by cash	(6,473)
Total gains recognized for the year ended December 31, 2020:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	(185,067)
Ending balances as of December 31, 2020	$542,717

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:

As of December 31, 2021

	Valuation techniques	Significant unobservable inputs	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					
Stocks	Market approach	Earnings per share	7.37	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$1,474 thousand.
Stocks	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 by NT$2,379 thousand.
Stocks	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$48,471 thousand.

As of December 31, 2020

	Valuation techniques	Significant unobservable inputs	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					
Stocks	Market approach	Earnings per share	8.48	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$1,696 thousand.
Stocks	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 by NT$2,444 thousand.
Stocks	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$49,766 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

As of December 31, 2021

	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(10))	$-	$-	$9,633,716	$9,633,716

As of December 31, 2020

	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(10))	$-	$-	$11,602,266	$11,602,266

(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)

	As of 31 December, 2021		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$757	27.68	$20,954
RMB	42,029	4.34	182,406
Non-monetary items:			
RMB	187,726	4.34	814,731

	As of 31 December, 2020		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$1,680	28.48	$47,846
RMB	1,337	4.38	5,856
Non-monetary items:			
RMB	165,505	4.38	724,912

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.

The foreign exchange gain was NT$28,043 thousand and NT$33,379 thousand for the years ended December 31, 2021 and 2020, 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. <u>Additional disclosure</u>

(1) Information at significant transactions

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 percent of the capital stock: None.
e. Acquisition of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock: Attachment 4.
f. Disposal of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock: Attachment 5.
g. Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million and 20 percent of the capital stock: Attachment 6.
h. Receivables from related parties with amounts exceeding the lower of NT$100 million and 20 percent of capital stock: None.
i. Financial instruments and derivative transactions: None.
j. Significant intercompany transactions between consolidated entities: Please refer to Attachment 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Attachment 8.

(3) Information on investments in mainland 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 Mainland China: Please refer to Attachment 9.

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.

(4) Information of Major 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 10.

14. Segment information

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

(1) Pre-mixed concrete Segment in Taiwan: segment engages in productions and sales of pre-mixed concrete in Taiwan.

(2) Pre-mixed concrete Segment in Mainland China: segment engages in productions and sales of pre-mixed concrete in Mainland 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:

For the year ended December 31, 2021

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	$16,285,152	$3,928,774	$20,213,926	$1,587,773	$-	$21,801,699
Inter-segment	76,518	-	76,518	1,203,947	(1,280,465)	-
Total revenue	$16,361,670	$3,928,774	$20,290,444	$2,791,720	$(1,280,465)	$21,801,699
Segment profit	$3,473,305	$316,479	$3,789,784	$316,842	$(460,296)	$3,646,330

For the year ended December 31, 2020

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	$14,424,865	$3,168,272	$17,593,137	$1,284,663	$-	$18,877,800
Inter-segment	69,896	-	69,896	1,321,822	(1,391,718)	-
Total revenue	$14,494,761	$3,168,272	$17,663,033	$2,606,485	$(1,391,718)	$18,877,800
Segment profit	$2,506,203	$207,969	$2,714,172	$498,277	$(506,655)	$2,705,794

1 Revenue from Taiwan Segment, Cement Segment in Mainland China and Pre-mixed concrete Segment in Mainland China that are operating segments that do not meet the quantitative thresholds for reportable segments.

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

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 December 31, 2021 and 2020:

As of December 31, 2021

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other	Adjustment and elimination	Consolidated
Assets						
Investment accounted for under the equity method	$24,027	$814,731	$838,758	$-	$-	$838,758
Segment assets	$30,612,203	$4,876,091	$35,488,294	$13,074,661	$(12,802,472)	$35,760,483
Segment liabilities	$9,221,945	$1,638,959	$10,860,904	$3,170,322	$(776,590)	$13,254,636

As of December 31, 2020

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other	Adjustment and elimination	Consolidated
Assets						
Investment accounted for under the equity method	$16,727	$-	$16,727	$724,912	$-	$741,639
Segment assets	$29,445,600	$4,901,119	$34,346,719	$14,370,263	$(13,988,072)	$34,728,910
Segment liabilities	$9,246,271	$1,598,100	$10,844,371	$3,560,361	$(1,006,198)	$13,398,534

ATTACHMENT 1 : Financing provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of financing provider	Name of counter party	Account (Note 2)	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for financing	Allowance for doubtful accounts	Assets pledged: Item	Assets pledged: Value	Limit of financing amount for individual counter-party (Note 4)	Limit of total financing amount (Note 4)
1	REI SHIN CONSTRUCTION CO., LTD.	GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	NT$ 680,000	NT$ 400,000	NT$ 400,000	0.91%-0.95%	2	-	Operating	-	-	-	NT$ 770,927	NT$ 770,927
		GIMPO MARINE CO., LTD.	Other receivable	NT$ 110,000	NT$ 110,000	-	1.45%	2	-	Operating	-	-	-	NT$ 770,927	NT$ 770,927
2	KUOYUNG CONSTRUCTION & ENGINEERING CO., LTD.	GOYU BUILDING MATERIALS CO., LTD.	Other receivable	NT$ 40,000	-	-	-	2	-	Operating	-	Promissory note	NT$ 120,000	NT$ 167,726	NT$ 167,726
		GIMPO MARINE CO., LTD.	Other receivable	NT$ 110,000	NT$ 110,000	NT$ 105,000	1.45%	2	-	Operating	-	-	-	NT$ 167,726	NT$ 167,726
3	YUAN SHUN MARITIME LTD.	GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	US$ 5,000 (NT$ 139,250)	-	-	-	2	-	Operating	-	-	-	US$ 31,005 (NT$ 858,212)	US$ 31,005 (NT$ 858,212)
4	JIN SHUN MARITIME LTD.	JING SHUN MARITIME LTD.	Other receivable	US$ 1,000 (NT$ 28,540)	-	-	-	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
		GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	US$ 1,000 (NT$ 27,960)	-	-	-	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
		HUI SHUN MARITIME LTD.	Other receivable	US$ 1,500 (NT$ 41,520)	US$ 1,500 (NT$ 41,520)	-	1.00%	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
5	GOLDSUN CONCRETE (SUZHOU) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	RMB 45,000 (NT$ 195,300)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	RMB 4,500 (NT$ 19,530)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
6	GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	RMB 10,000 (NT$ 43,400)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	RMB 42,000 (NT$ 182,280)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
7	TAICANG PORT GOLDSUN CONCRETE CO., LTD. (Note 6)	GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	-	-	-	2	-	Operating	-	-	-	-	-

ATTACHMENT 1 : Financing provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of financing provider	Name of counter party	Account (Note 2)	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for financing	Allowance for doubtful accounts	Assets pledged Item	Assets pledged Value	Limit of financing amount for individual counter-party (Note 4)	Limit of total financing amount (Note 4)
8	GOLDSUN CONCRETE (WUJIANG) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
9	GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
10	KUNSHAN GOLDSUN CONCRETE CO., LTD. (Note 7)	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	-	-	-	2	-	Operating	-	-	-	-	-

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

(1) The parent company is coded "0".

(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Fill in if the nature of financial statement account is financing.

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

(1) For business transactions fill in "1"

(2) For short-term financing funds necessity fill in "2"

Note 4: YUAN SHUN MARITIME LTD., JING SHUN MARTIME LTD., GOLDSUN CONCRETE (WUJIANG) CO., LTD., KUNSHAN GOLDSUN CONCRETE CO., LTD., GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD., GOLDSUN CONCRETE (SUZHOU) CO., LTD., TAICANG PORT GOLDSUN CONCRETE CO., LTD., and GOLDSUN CONCRETE (SUZHOU) CO., LTD. shall not exceed double of the net asset value from the latest financial statement. RUEI SHIN CONSTRUCTIN CO., LTD and KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD shall not exceed the 40% net asset value from the latest financial statement.

Note 5: GOLDSUN CONCRETE (WUJIANG) CO., LTD., KUNSHAN GOLDSUN CONCRETE CO., LTD., GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD., GOLDSUN CONCRETE (SUZHOU) CO., LTD., TAICANG PORT GOLDSUN CONCRETE CO., LTD., and GOLDSUN CONCRETE (SUZHOU) CO., LTD.'s ending balance would be duplicate calculated in collaboration. Actual ending balance was RMB$80,000 thousand except RMB$100,000 thousand of GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD. The ending balance didn't exceed the limit.

Note 6: The Group cancelled the share of subsidiary, TAICANG PORT GOLDSUN CONCRETE CO., LTD.. on September 27, 2021

Note 7: The Group sold the shares of subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD.. in May 2021.

ATTACHMENT 2 : Endorsement/Guarantee provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of endorsers	Endorsee		Endorsement limit for a single entity (Note 3)	Maximum balance for the period (Note 4)	Ending 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 Mainland China (Note 7)
		Name of endorsees	Relationship (Note 2)										
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOYU BUILDING MATERIALS CO., LTD.	6	$10,695,129	$78,000	$-	$-	$-	-	$10,695,129	Y		
1	REI SHIN CONSTRUCTIN CO., LTD	GOLDSUN BUILDING MATERIALS CO., LTD.	3	3,854,635	2,700,000	2,700,000	1,800,000	-	140.09%	3,854,635		Y	
2	REIXIN ASSET MANAGEMENT INC.	GOLDSUN BUILDING MATERIALS CO., LTD.	3	2,258,884	884,000	884,000	-	-	78.27%	2,258,884		Y	
3	GOLDSUN CONCRETE (SUZHOU) CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	2,916,395	1,744,000	1,736,000	352,799	-	297.63%	2,916,395			Y
4	GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	3,526,830	1,744,000	1,736,000	331,272	-	246.11%	3,526,830			Y
5	GOLDSUN CONCRETE (WUJIANG) CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	3,429,570	1,744,000	1,736,000	382,701	-	253.09%	3,429,570			Y
6	KUNSHAN GOLDSUN CONCRETE CO., LTD. (Note 8)	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	-	-	-	-	-	-	-			Y

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

(1) The parent company is coded "0".

(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

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

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

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

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

(1) For the Company, the endorsement / guarantee amount limit for a single entity that shall not exceed 50% of the Company's net asset value from the latest financial statement; the total amount shall not exceed 50% of net asset value from the latest financial statement.

(2) REI SHIN CONSTRUCTIN 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: The maximum endorsements/guarantees amount current year.

Note 5: All endorsements/guarantees that have been approved by bank shall be calculated in ending balance.

Note 6: Please fill in the actual amount provided by the endorsers.

Note 7: Parent company endorsed/guaranteed for the subsidiaries, subsidiaries endorsed/guaranteed for the parent company, or endorsement/guarantee for entities in China shall fill in "Y".

Note 8: The Group sold the shares of subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD.. in May 2021.

ATTACHMENT 3 : Securities held as of December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Names of companies held	Type and name of securities	Relationship with the Company	Financial statement account	December 31, 2021 Units (thousand) / bonds / shares (thousand)	Carrying amount	Percentage of ownership (%)	Fair value/Net assets value	Remark
GOLDSUN BUILDING MATERIALS CO., LTD.	Stock-							
	TAIWAN CEMENT CORPORATION		Financial assets at fair value through other comprehensive income, current	16,800,000	$806,400	-	$806,400	12,300 thousand shares provide for loan guarantee
	TAIWAN SECOM CO., LTD	Investor under the equity method	Financial assets at fair value through other comprehensive income, non-current	5,935,000	617,240	1%	617,240	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	787	-	787	
	TAIWAN AIRPORT SERVICE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	7,405,200	69,017	17%	69,017	7,405 thousand shares provide for loan guarantee
	FUHWA VENTURE CAPITAL INC.		Financial assets at fair value through other comprehensive income, non-current	15,000	1,228	5%	1,228	
	OVERSEAS INVESTMENT & DEVELOPMENT CORP.		Financial assets at fair value through other comprehensive income, non-current	2,000,000	14,740	2%	14,740	
	ANFENG SPRING ENTERPRISE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	150,000	2,498	5%	2,498	
	CHINESE PRODUCTS PROMOTION CENTRE		Financial assets at fair value through other comprehensive income, non-current	1,334	-	-	-	
	EVERTERMINAL CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	714,826	10,051	1%	10,051	
KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Stock-							
	GOLDSUN BUILDING MATERIALS CO., LTD.	Parent Company	Financial assets at fair value through other comprehensive income, non-current	238,323	6,947	-	6,947	Included in treasury shares
	TAIWAN CEMENT CORPORATION		Financial assets at fair value through other comprehensive income, current	840,000	40,320	-	40,320	
	TAIWAN SECOM CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	2,000,000	208,000	-	208,000	
REIXIN ASSET MANAGEMENT CO., LTD.	Stock-							
	GOLDSUN BUILDING MATERIALS CO., LTD.	Parent Company	Financial assets at fair value through other comprehensive income, non-current	2,877,785	83,887	-	83,887	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	-	404,100	19%	404,100	
	FUJIAN HENGZHONG SAND STONE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	-	22,464	19%	22,464	

Attachment 4 : Acquisition of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock for the year ended December 31, 2021

(Unit: NTD: thousands)

<table>
<tr><th rowspan="2">Company name</th><th rowspan="2">Name of property</th><th rowspan="2">Transaction date</th><th rowspan="2">Transaction amount</th><th rowspan="2">Status of payment</th><th rowspan="2">Counterparty</th><th rowspan="2">Relationship with the Company</th><th colspan="4">If the counter-party is a related party, disclose the previous transfer information</th><th rowspan="2">References for determining price</th><th rowspan="2">Purpose of acquisition and current condition</th><th rowspan="2">Other terms</th></tr>
<tr><th>Owner</th><th>Relationship with the Company</th><th>Transfer date</th><th>Amount</th></tr>
<tr><td>CHENG KUONG CHEMICAL CO., LTD.</td><td>Land</td><td>November 27,2020</td><td>$383,389</td><td>Full payment</td><td>GOLDSUN BUILDING MATERIALS CO., LTD.</td><td>—</td><td colspan="4">—</td><td>Increase production capacity</td><td rowspan="2">Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions</td><td>None</td></tr>
<tr><td>Huanhe St., Xizhi Dist., New Taipei City No.1294</td><td>Land</td><td>October 13,2021</td><td>395,218</td><td>Full payment</td><td>GOLDSUN BUILDING MATERIALS CO., LTD.</td><td>—</td><td colspan="4">—</td><td>For operational use</td><td>None</td></tr>
</table>

Attachment 5:Disposal of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Real estate disposed by	Real estate	Transaction date or date of the event (Note 5)	Acquisition date	Carrying value	Transaction amount (Note 4)	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Price reference	Other terms
GOLDSUN BUILDING MATERIALS CO., LTD.	Wannei St., Sanmin Dist., Kaohsiung City No.763 The land ownership :1/2	November 15,2021	March 15,1993	$573,315	$2,208,675	Based on contract terms	$1,635,360	Bijiang Enterprises Co., Ltd	—	Optimize assets and Enrich the working capital of the Company	Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions	None
	No. 427, Minzu 1st Rd., Sanmin Dist., Kaohsiung City The building ownership :1/2		July 1,2001	-								

Note 1: The disposal of assets shall be appraised, the appraisal results need to be noted in the "Price reference" column.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Transaction date or date of the event, refers to the date of signing the transaction, the date of payment, the date of entrustment transaction, the date of transfer, the date of resolution of the board of directors or the date on which the transaction object and transaction amount are fully funded.

Note 4: The amount is total amount of the contract deduct land value increment tax, business tax and related necessary expenses.

Note 5: The date is contract signing date.

Attachment 6:Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million and 20 percent of capital stock for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Company	Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
			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	$674,195	NOTE	Net 30 days	$-	-	$(124,885)	(5.72)%	
GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	Subsidiary	Operating Cost	556,750	6%	Net 30 days	-	-	(96,925)	(4.44)%	
GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL MATERIALS CO. , LTD.	Subsidiary	Operating Cost	427,181	4%	Net 30 days	-	-	(50,013)	(2.29)%	

Note : The Company provided the services of shipping cement to GOLDSUN BUILDING MATERIALS CO., LTD. and accounted to "Other operating income".

Attachment 7: Significant intercompany transactions between consolidated entities for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No.	Company	Counter-party	Relationship	Account	Amount	Term	As a percentage of total assets or revenues
	Year of 2021						
0	GOLDSUN BUILDING MATERIALS CO., LTD.	WELLPOOL CO., LTD.	1	Sales revenue	$55,556	(Note 4)	0.25%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	WELLPOOL CO., LTD.	1	Accounts receivables	20,284	(Note 4)	0.06%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	1	Lease liabilities	9,941	By contract	0.03%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	1	Cost of goods sold	556,750	(Note 4)	2.55%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	1	Accounts payable	96,925	(Note 4)	0.27%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REI SHIN CONSTRUCTIN CO., LTD	1	Sales revenue	30,000	(Note 4)	0.14%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REI SHIN CONSTRUCTIN CO., LTD	1	Lease liabilities	64,142	By contract	0.18%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REIXIN ASSET MANAGEMENT CO., LTD.	1	Lease liabilities	19,164	By contract	0.05%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GIMPO MARINE CO., LTD.	1	Cost of goods sold	35,412	(Note 4)	0.16%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Cost of goods sold	427,181	(Note 4)	1.96%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Accounts payable	50,013	(Note 4)	0.14%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Lease liabilities	73,731	By contract	0.20%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	JIN SHUN MARITIME LTD.	1	Cost of goods sold	49,199	(Note 4)	0.23%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	YUAN SHUN MARITIME LTD.	1	Cost of goods sold	34,505	(Note 4)	0.16%
1	RUEI SHIN CONSTRUCTIN CO., LTD	GOLDSUN BUILDING MATERIALS CO., LTD.	2	Other operating income	32,531	(Note 4)	0.15%

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) Each subsidiary is numbered from 1.

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: Transaction amount is stated as a ratio of total assets or total revenues. Ratios of assets or liabilities accounts are calculated as ending balance divided by total assets, and ratios of profit or loss accounts are calculated as accumulated amount for the year divided by total revenues.

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 $10,000 thousand.

ATTACHMENT 8: Names, locations and related information of investee companies (Not including investment in Mainland China) for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investor Company	Investee Company	Location	Main business and products	Original / investment amount		Investment as of December 31, 2021			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book value			
GOLDSUN BUILDING MATERIALS CO., LTD.	KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Taipei, TW	Construction of civil and architectural construction projects	$835,000	$835,000	30,000,000	100%	$412,482	$13,068	$12,733	
	REI SHIN CONSTRUCTION CO., LTD	Taipei, TW	Real estate rental, sale and development	-	-	80,000,000	100%	1,579,396	(8,033)	(7,819)	
	WELLPOOL CO., LTD.	Taipei, TW	Sales of calcium silicate board and other boards	303,653	303,653	18,280,389	51%	549,877	166,086	84,209	15,000 thousand shares provide for loan guarantee
	GOLDSUN NIHON CEMENT CO., LTD.	Kaohsiung, TW	Cement import and sale	119,121	119,121	11,460,000	59%	153,407	21,974	12,914	
	TAIPEI PORT TERMINAL COMPANY LIMITED	Taipei, TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,482,120	(10,465)	(10,137)	
	HWA YA DEVELOPMENT CO., LTD.	Taipei, TW	Hotel operator	196,928	196,928	15,714,108	31%	158,449	(3,492)	(1,071)	
	GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	Taipei, TW	Sales of ready-mixed concrete and cement products	(Note 1)	60,000	-	-	-	(2,017)	(2,017)	
	GOYU BUILDING MATERIALS CO., LTD.	Chiayi, TW	Sales of building materials	280,000	260,000	28,000,000	70%	248,592	(14,779)	(9,759)	
	GIMPO MARINE CO., LTD.	New Taipei City, TW	Shipping	100,000	100,000	10,000,000	100%	89,306	(5,346)	(5,346)	
	REIXIN ASSET MANAGEMENT INC.	Taipei, TW	Real estate rental, sale and development	(Note 2)	(Note 2)	100,000,000	100%	1,045,775	180	(4,417)	
	LAKE VERNICIA DEVELOPMENT COMPANY	Taipei, TW	Crop cultivation, special crop cultivation,and edible mushroom cultivation	1,000	1,000	100,000	100%	611	(255)	(255)	
	GALC INC.	Taipei, TW	Construction and architectural works	21,000	-	2,100,000	70%	22,126	1,609	1,126	(Note 3)

ATTACHMENT 8: Names, locations and related information of investee companies (Not including investment in Mainland China) for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investor Company	Investee Company	Location	Main business and products	Original / investment amount		Investment as of December 31, 2021			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book value			
GOLDSUN BUILDING MATERIALS CO., LTD.	JIN SHUN MARITIME LTD.	Hong Kong	Shipping	$314,216 (USD 10,000)	$314,216 (USD 10,000)	78,000,000	100%	$109,232	$(12,110)	$(12,110)	
	YUAN SHUN MARITIME LTD.	Hong Kong	Shipping	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	429,106	25,003	25,003	
	JING SHUN MARITIME LTD.	Hong Kong	Shipping	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	282,553	38,912	38,912	
	FENG SHUN MARITIME LTD.	Hong Kong	Shipping	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	191,160	18,370	18,370	
	EASE GREAT INVESTMENTS LTD.	Samoa	Investment and holding	2,334,183 (USD 59,640)	3,162,697 (USD 89,386)	59,640,000	100%	3,237,133	316,479	316,479	
	TAIWAN BUILDING MATERIALS (HONG KONG) LIMITED	Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	427,500	(42)	(5)	
	RAIXIN QUALITY PRODUCTS LTD.	Taipei, TW	Upholstery and sales of furniture	66,386	41,000	5,421,023	39%	24,027	(20,820)	(6,181)	Associates
GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	RAIXIN QUALITY PRODUCTS LTD.	Taipei, TW	Upholstery and sales of furniture	-	60,284	-	-%	-	(20,820)	-	Associates
WELLPOOL CO., LTD.	GAPE-GOLDSUN CORPORATION	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,480	11	-	
EASE GREAT INVESTMENTS LTD.	GREAT SMART LTD.	Cayman	Investment and holding	629,364 (USD 19,390)	1,008,411 (USD 31,068)	19,390,000	100%	832,670 (USD 30,082)	96,550	-	
	GOLDSUN INTERNATIONAL DEVELOPMENT CORP.	Cayman	Investment and holding	1,316,300 (USD 40,100)	1,874,333 (USD 57,100)	40,100,000	100%	2,402,246 (USD 86,786)	217,517	-	

Note 1: The Board of Directors of GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. approved to dissolve and liquidate on February 26, 2021. The entity was dissolved on March 1, 2021, so is not included in consolidated entities.

Note 2: RUEI SHIN CONSTRUCION CO., LTD., a subsidiary, independently operated business to a newly incorporated company, REIXIN ASSET MANAGEMENT INC., that the Company own 100% share.
The transferred business value is estimated 1,000,000 thousand.
The Company transferred part of its obtained 100,000 thousand new shares issued by REIXIN ASSET MANAGEMENT INC. as consideration. The division reference date was January 1, 2020.

Note 3: GALC Inc., was jointly established by the Company and Taiwan Secom Co., Ltd., on February 2, 2021. The total investment amount was NT$30,000 thousand, and the Company acquired 70% of the shares.

ATTACHMENT 9: Investment in Mainland China as of December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2021	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2021	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of December 31, 2021	Accumulated inward remittance of earnings as of December 31, 2021
					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)	$848	100%	$848	$425,851	$33,567 (Note 9)
GOLDSUN (CHANGSHU) CONCRETE 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)	26,539	100%	26,539 (Note 4)	583,279 (Note 4)	242,608 (Note 10)
TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Production and sales of ready-mixed concrete and cement products	198,678 (USD 5,960)	(Note 1)	198,678 (USD 5,960)	-	198,678 (USD 5,960)	-	722	100%	722	-	93,415 (Note 11)
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)	28,819 (Note 4)	100%	28,819 (Note 4)	685,914 (Note 4)	-
KUNSHAN GOLDSUN CONCRETE CO., LTD.	Production and sales of ready-mixed concrete and cement products	131,864 (USD 4,000)	(Note 1)	131,864 (USD 4,000)	-	131,864 (USD 4,000)	-	(21,796)	-	(21,796)	- (Note 12)	388,510
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)	25,878 (Note 4)	100%	25,878 (Note 4)	705,366 (Note 4)	-
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)	471,829	20%	94,366	814,731	145,190 (Note 8)
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%	-	404,100 (Note 5)	-
FUJIAN HENGZHONG SAND STONE CO., LTD.(Note9)	Sandstone processing	134,790 (RMB 30,000)	(Note 3)	24,777 (USD 810)	-	-	24,777 (USD 810)	-	19%	-	22,464 (Note 5)	-

Accumulated investment in Mainland China as of December 31, 2021	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
$3,138,413 (USD 95,580)	$1,457,136 (USD 52,642)	$13,503,508 (Note 13)

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 Mainland 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 Mainland China.

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

Note 5: Company recognized the investment as "Financial assets at fair value through other comprehensive income, non-current".

Note 6: The Company deposed the subsidiary, GOLDSUN COMENT (FUJIAN) CO., LTD, in 2019. Accumulated outflow of investment from Taiwan was NT$2,369,969 thousand (USD$72,500 thousand). EASE GREAT INVESTMENTS LTD. implement a capital reduction USD$55,277 thousand in cash through the return of share proceeds to the Company and remaining outflow of investment USD$17,223 thousand was not returned to Taiwan as of December 31, 2021.

Note 7: The Company deposed the subsidiary, FU YANG PORT CO., LTD. in 2019. Accumulated outflow of investment from Taiwan was NT$322.625 thousand (USD$10,000 thousand). EASE GREAT INVESTMENTS LTD. implement a capital reduction USD$7,501 thousand in cash through the return of share proceeds to the Company and accumulated outflow of investment from Taiwan was USD$2,499 thousand as of December 31, 2021.

Note 8: The Board of Directors of LIANYUAN CONCH CEMENT CO., LTD. approved a proposal of earnings distribution and dividends per share on July 27, 2020. GREAT SMART LTD. received the dividends RMB$34,815 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 9: The Board of Directors of GOLDSUN CONCRETE (SUZHOU) CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$8,115 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 10: The Board of Directors of GOLDSUN (CHANGSHU) CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$59,147 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 11: The Board of Directors of TAICANG PORT GOLDSUN CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$19,280 thousand, the Board of Directors approved a proposal of earnings distribution and dividends per share on December 25, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$3,253 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.
The Company's board of directors resolved in its meeting on September 1, 2021 to discontinue the operations of its subsidiary, TAICANG PORT GOLDSUN CONCRETE CO., LTD., and was liquidated and written down on September 27, 2021.
EASE GREAT INVESTMENTS LTD. received the dividends USD$7,500 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 12: The Board of Directors of KUNSHAN GOLDSUN CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on March 10, 2021. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$40,142 thousand ,and all of the funds were repatriated to Taiwan as of December 31, 2021.
The Group discontinue the operations of its subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD. on May 21,2021.
As of September 30, 2021, the procedures of the transaction was completed, and the selling price was fully remitted back to Taiwan.

Note 13: 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 mainland China was 60% of consolidated net worth or net worth (higher).

Attachment 10: Information of Major Shareholder as of December 31, 2021

(Unit: share)

Shares/Name	Number of shares		Percentage of ownership (%)
	Ordinary Stock	Preferred stock	
SHIN LAN ENTERPRISE INC.	80,545,341	-	6.82%
TAIWAN SECOM CO., LTD.	77,705,747	-	6.58%

V、Standalone financial statements for the most recent fiscal year audited and validated by certified public accountants

To GOLDSUN BUILDING MATERIALS CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of GOLDSUN BUILDING MATERIALS CO., LTD. (the "Company") as of December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the parent company only financial statements, including the summary of significant accounting policies (together "the parent company only financial statements").

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter – Making Reference to the Audits of Component Auditors section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Revenue Recognition</u>
Revenue from contracts with customers that recognized by the Company amounted to NT$16,092,683 thousand for the year ended December 31, 2021, and the main source of revenue is the sale of pre-mixed concrete. The timing of sales was recognized when the performance obligations was satisfied that goods were delivered and accepted by the customers. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to:

1. Assessing the appropriateness of the accounting policy of revenue recognition and the process of generating and recognizing revenue; evaluating and testing the design and operating effectiveness of internal controls around revenue recognition.

2. Selecting samples to perform tests of details, performing tests of transaction detail which included reviewing vouchers of selected samples and cash receipts record to confirm the performance obligations was satisfied.

3. Performing cutoff testing through periods before and after the balance sheet date by reviewing related documentation of selected samples.

4. Executing accounts receivable confirmation procedures to confirm with the Company's customers. Moreover, performing other alternative audit procedures if customers do not return confirmations.

We also consider the appropriateness of the disclosures of operating revenue. Please refer to Note 4 and 6.

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain associates, which statements reflected investments accounted for under the equity method of NT$1,012,051 thousand and NT$986,640 thousand, representing 3% and 3% of the total assets as of December 31, 2021 and 2020, respectively. The related shares of losses from the associates and joint ventures under the equity method amounted to NT$70,175 thousand and NT$(7,325) thousand, representing 2% and 0% of the net income/(loss) before income tax for the years ended December 31, 2021 and 2020, respectively; and the related shares of other comprehensive loss from the associates and joint ventures under the equity method amounted to NT$0 thousand and NT$0 thousand, representing 0% and 0% of the comprehensive loss for the years ended December 31, 2021 and 2020, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/Wang, Yahn-Jyun

/s/Hsu, Hsin-Min

Ernst & Young, Taiwan
February 25, 2022

Notice to Readers
The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying parent company only 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.

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2021 and December 31, 2020
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
Current assets					
Cash and cash equivalents	4 and 6	$898,100	3	$477,485	2
Financial assets at fair value through other comprehensive income, current	4,5,6 and 8	806,400	3	725,760	3
Financial assets at amortized cost, current	4,6 and 8	118,872	-	103,663	-
Notes receivable, net	4,5 and 6	1,161,314	4	1,045,496	4
Accounts receivable, net	4,5 and 6	4,790,171	16	4,247,656	14
Accounts receivable - related parties, net	4,5,6 and 7	26,234	-	22,587	-
Other receivables		16,641	-	18,745	-
Other receivables - related parties	7	40,876	-	21,535	-
Inventories, net	4,5,6 and 8	475,726	2	622,164	2
Prepayments	7	467,176	1	322,847	1
Non-current Assets Held for Sale, net	4 and 6	573,315	2	-	-
Total current assets		9,374,825	31	7,607,938	26
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,5,6 and 8	715,561	2	583,314	2
Financial assets at amortized cost, non-current	4,6 and 8	2,891	-	-	-
Investments accounted for under the equity method	4,5,6 and 8	11,442,852	37	12,561,673	43
Property, plant and equipment	4,6,7 and 8	5,289,935	17	4,402,375	15
Right-of-use assets	4,6 and 7	449,291	2	576,779	2
Investment property, net	4,5,6 and 8	2,333,527	8	2,871,794	9
Intangible assets	4 and 6	12,501	-	14,072	-
Deferred tax assets	4,5 and 6	748,866	2	737,903	3
Prepayment for equipment		7,537	-	40,483	-
Refundable deposits	7	18,255	-	27,892	-
Long-term receivable	4,5 and 6	22,092	-	21,377	-
Prepayments for investments, non-current	6	194,070	1	-	-
Total non-current assets		21,237,378	69	21,837,662	74
Total assets		$30,612,203	100	$29,445,600	100

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2021 and December 31, 2020
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of December 31, 2021 Amount	%	As of December 31, 2020 Amount	%
Current liabilities					
Short-term loans	4,6 and 8	$900,000	3	$1,300,000	5
Notes payable		297,093	1	-	-
Accounts payable		1,598,517	5	1,229,766	4
Accounts payable - related parties	7	286,328	1	223,350	1
Other payables	7	856,248	3	647,972	2
Other payables - related parties	7	400,000	1	380,000	2
Current tax liabilities	4,5 and 6	580,415	2	329,070	1
Lease liabilities, current	4,6 and 7	94,109	-	122,685	-
Other current liabilities		103,694	-	111,624	-
Advanced receipts		16,321	-	18,081	-
Current portion of long-term loans	4,6 and 8	470,000	2	300,000	1
Total current liabilities		5,602,725	18	4,662,548	16
Non-current liabilities					
Long-term loans	4,6 and 8	1,280,000	4	2,200,000	7
Provisions, non-current	4 and 6	6,900	-	6,900	-
Deferred tax liabilities	4,5 and 6	4,697	-	3,489	-
Lease liabilities, non-current	4,6 and 7	340,372	1	435,508	1
Long-term notes and bills payable	6 and 8	1,796,860	6	1,748,296	6
Net defined benefit liabilities, non-current	4,5 and 6	158,436	1	161,373	1
Guarantee deposits	7	31,955	-	28,157	-
Total non-current liabilities		3,619,220	12	4,583,723	15
Total liabilities		9,221,945	30	9,246,271	31
Equity attributable to the parent					
Capital					
Common stock	4 and 6	11,800,000	39	11,800,000	40
Additional paid-in capital	6	1,183,587	4	1,178,554	4
Retained earnings	6				
Legal reserve		1,945,291	6	1,706,814	6
Special reserve		1,874,430	6	1,874,430	6
Unappropriated earnings		4,562,598	15	3,742,037	13
Total Retained earnings		8,382,319	27	7,323,281	25
Other components of equity	6	29,141	-	(97,717)	-
Treasury stock	6	(4,789)	-	(4,789)	-
Total equity		21,390,258	70	20,199,329	69
Total liabilities and equity		$30,612,203	100	$29,445,600	100

The accompanying notes are an integral part of the parent company only financial statements.

GOLDSUN BUILDING MATERIALS CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	2021		2020	
		Amount	%	Amount	%
Operating revenue	4,5,6 and 7	$16,361,670	100	$14,494,761	100
Operating costs	6 and 7	(12,848,618)	(79)	(11,979,077)	(83)
Gross profit		3,513,052	21	2,515,684	17
Operating expenses	4,5,6 and 7				
Sales and marketing expenses		(106,123)	(1)	(105,653)	(1)
General and administrative expenses		(405,083)	(2)	(351,434)	(2)
Research and development expenses		(9,483)	-	(8,930)	-
Expected credit losses		(43,199)	-	(46,800)	-
Subtotal		(563,888)	(3)	(512,817)	(3)
Operating income		2,949,164	18	2,002,867	14
Non-operating income and loss	4 and 6				
Interst income		5,733	-	7,196	-
Other income		108,773	-	116,526	1
Other gains and losses		13,205	-	(48,790)	-
Finance costs	7	(54,200)	-	(72,055)	-
Share of profit or loss of associates and joint ventures		450,629	3	500,459	3
Subtotal		524,140	3	503,336	4
Income before income tax		3,473,304	21	2,506,203	17
Income tax expense	4,5 and 6	(624,433)	(4)	(33,276)	-
Net income		2,848,871	17	2,472,927	17
Other comprehensive income	4 and 6				
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		(27,418)	-	1,752	-
Unrealized gains on fair value through other comprehensive income equity instrument investment		177,052	1	(164,624)	(1)
Remeasurements of defined benefit plans of subsidiaries and associates		557	-	296	-
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries and associates		34,632	-	18,127	-
Income tax related to items that will not be reclassified		5,484	-	(350)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(81,500)	-	(54,895)	-
Total other comprehensive (loss) income, net of tax		108,807	1	(199,694)	(1)
Total comprehensive income		$2,957,678	18	$2,273,233	16
Earnings per share (NT$)	6				
Basic earnings per share		$2.42		$1.90	
Diluted earnings per share		$2.41		$1.90	

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings			Other Components of Equity			
	Common Stock	Additional Paid-in Capital	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	Treasury Stock	Total Equity
Balance as of January 1, 2020	$13,850,003	$1,177,219	$1,596,648	$1,874,430	$1,881,076	$(497,233)	$512,245	$(10,039)	$20,384,349
Appropriations and distributions of 2019 unappropriated earnings									
Legal reserve	-	-	110,166	-	(110,166)	-	-	-	-
Cash dividends	-	-	-	-	(413,643)	-	-	-	(413,643)
Other changes in capital reserve									
Donated surplus	-	179	-	-	-	-	-	-	179
Net income in 2020 (note)	-	-	-	-	2,472,927	-	-	-	2,472,927
Other comprehensive (loss) income, net of tax in 2020	-	-	-	-	1,698	(54,895)	(146,497)	-	(199,694)
Total comprehensive income	-	-	-	-	2,474,625	(54,895)	(146,497)	-	2,273,233
Cash capital reduction	(1,988,093)	-	-	-	-	-	-	5,250	(1,982,843)
Treasury stock acquired	-	-	-	-	-	-	-	(61,841)	(61,841)
Treasury stock cancelled	(61,910)	69	-	-	-	-	-	61,841	-
Parent company's cash dividends received by subsidiaries	-	1,092	-	-	-	-	-	-	1,092
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	(5)	-	-	(1,192)	-	-	-	(1,197)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(88,663)	-	88,663	-	-
Balance as of December 31, 2020	$11,800,000	$1,178,554	$1,706,814	$1,874,430	$3,742,037	$(552,128)	$454,411	$(4,789)	$20,199,329
Balance as of January 1, 2021	$11,800,000	$1,178,554	$1,706,814	$1,874,430	$3,742,037	$(552,128)	$454,411	$(4,789)	$20,199,329
Appropriations and distributions of 2020 unappropriated earnings									
Legal reserve	-	-	238,477	-	(238,477)	-	-	-	-
Cash dividends	-	-	-	-	(1,770,000)	-	-	-	(1,770,000)
Other changes in capital reserve									
Donated surplus	-	359	-	-	-	-	-	-	359
Net income in 2021	-	-	-	-	2,848,871	-	-	-	2,848,871
Other comprehensive (loss) income, net of tax in 2021	-	-	-	-	(21,377)	(81,500)	211,684	-	108,807
Total comprehensive income	-	-	-	-	2,827,494	(81,500)	211,684	-	2,957,678
Parent company's cash dividends received by subsidiaries	-	4,674	-	-	-	-	-	-	4,674
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	(1,782)	-	-	-	(1,782)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	3,326	-	(3,326)	-	-
Balance as of December 31, 2021	$11,800,000	$1,183,587	$1,945,291	$1,874,430	$4,562,598	$(633,628)	$662,769	$(4,789)	$21,390,258

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Description	2021	2020
Cash flows from operating activities:		
Profit before tax from continuing operations	$3,473,304	$2,506,203
Net income before tax	3,473,304	2,506,203
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	327,628	309,366
Amortization	7,436	6,703
Expected credit losses	43,199	46,800
Interest expense	54,200	72,055
Interest revenue	(5,733)	(7,196)
Dividend income	(88,351)	(81,863)
Share of gain of subsidiaries and associates	(450,629)	(500,459)
Gain on disposal of property, plant and equipment	(2,792)	(2,909)
Loss (gain) on disposal of investment property	-	12,333
(Gain) loss on lease modification	(1,530)	(2,132)
Changes in operating assets and liabilities:		
Notes receivable, net	(115,557)	(146,785)
Accounts receivable, net	(579,398)	3,536
Accounts receivable - related parties, net	(3,647)	(5,012)
Other receivables	2,771	19,028
Other receivables - related parties	(19,341)	12,841
Inventories, net	134,590	(217,356)
Prepayments	(132,074)	134,455
Long-term receivable	(7,292)	(43,134)
Notes payable	297,093	-
Accounts payable	368,751	(42,801)
Accounts payable - related parties	62,978	59,914
Other payables	206,518	68,598
Other current liabilities	(75,631)	(15,742)
Advanced receipts	(1,760)	10,524
Net defined liabilities, non-current	(24,871)	(43,254)
Cash inflow (outflow) generated from operations	3,469,862	2,153,713
Interest received	5,733	7,196
Interest paid	(52,442)	(73,341)
Income tax paid	(315,142)	(16,169)
Net cash provided by (used in) operating activities	3,108,011	2,071,399
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(75,671)	(109,609)
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,296	214,080
Capital deducted by cash of financial assets at fair value through other comprehensive income	8,540	7,722
(Increase) decrease in financial assets at amortized cost	(18,100)	2,967
Acquisition of subsidiaries (net of cash acquired)	-	18,327
Acquisition of investments accounted for under the equity method	(56,488)	(81,899)
Cash returns from capital reduction of subsidiaries	828,514	2,885,172
Proceeds from disposal of property, plant and equipment	5,102	7,651
Acquisition of property, plant and equipment	(989,906)	(284,082)
Acquisition of investment property	(59,335)	(5,849)
Acquisition of intangible assets	(5,865)	(5,276)
Increase in prepayment for equipment	(42,088)	(126,704)
Decrease in refundable deposits	9,637	25,457
Increase in prepayments for investments	(194,070)	-
Dividends received	842,070	234,192
Net cash provided by investing activities	283,636	2,782,149
Cash flows from financing activities:		
Decrease in short-term loans	(400,000)	(1,610,000)
Decrease in short-term notes and bills payable	-	(2,608,730)
Increase (decrease) in other payables - related parties	20,000	(510,000)
Increase in long-term loans	550,000	5,600,000
Decrease in long-term loans	(1,300,000)	(5,600,000)
Increase in long-term notes and bills payable	5,598,564	4,848,296
Decrease in long-term notes payable	(5,550,000)	(3,100,000)
Increase in guarantee deposits	3,798	1,077
Cash payments for the principal portion of the lease liability	(123,372)	(120,552)
Cash capital reduction	-	(1,988,093)
Treasury stock acquired	-	(61,841)
Cash dividends paid	(1,770,000)	(413,643)
Donated surplus	(22)	(31)
Net cash used in financing activities	(2,971,032)	(5,563,517)
Net increase(decrease) in cash and cash equivalents	420,615	(709,969)
Cash and cash equivalents at beginning of year	477,485	1,187,454
Cash and cash equivalents at end of year	$898,100	$477,485

The accompanying notes are an integral part of the parent company only financial statements.

國產建材實業股份有限公司

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS

For the Years Ended December 31, 2021 and 2020

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

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, Xinhu 1st Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)

2. Date and procedures of authorization of financial statements for issue

The parent company only financial statements of the Company for the years ended December 31, 2021 and 2020 were authorized for issue by the Board of Directors on February 25, 2022.

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 Company 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, 2021. There were not newly adopted or revised standards and interpretations that have material impact on the Company's financial position and performance.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, but not yet adopted by The Company as at the end of the reporting period are listed below.

Item	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements	January 1, 2022

(a) Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements

A. Updating a Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendments updated IFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018. The amendments also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential "day 2" gains or losses arising for liabilities and contingent liabilities. Besides, the amendments clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Conceptual Framework.

B. Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

C. Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments clarify what costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

D. Annual Improvements to IFRS Standards 2018 – 2020

Amendment to IFRS 1

The amendment simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

Amendment to IFRS 9 Financial Instruments

The amendment clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Amendment to Illustrative Examples Accompanying IFRS 16 Leases

The amendment to Illustrative Example 13 accompanying IFRS 16 modifies the treatment of lease incentives relating to lessee's leasehold improvements.

Amendment to IAS 41

The amendment removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in IAS 41 with those in other IFRS Standards.

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 2022. The standards and interpretations have no material impact on The Company.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by The Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	January 1, 2023
c	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2023
d	Disclosure Initiative – Accounting Policies – Amendments to IAS 1	January 1, 2023
e	Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023
f	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023

(a) IFRS 10"Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, 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 ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the 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 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains 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 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 June 2020. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(c) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

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

(d) Disclosure Initiative – Accounting Policies – Amendments to IAS 1

The amendments improve accounting policy disclosures that to provide more useful information to investors and other primary users of the financial statements.

(e) Definition of Accounting Estimates – Amendments to IAS 8

The amendments introduce the definition of accounting estimates and included other amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to help companies distinguish changes in accounting estimates from changes in accounting policies.

(f) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when The Company's financial statements were authorized for issue, the local effective dates are to be determined by FSC. The Company 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 Company at this point in time.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The parent company only financial statements of the Company for the years ended December 31, 2021 and 2020 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations").

(2) Basis of preparation

The Company prepared parent company only financial statements in accordance with Article 21 of the Regulations, which provided that the profit or loss and other comprehensive income for the period presented in the parent company only financial statements shall be the same as the profit or loss and other comprehensive income attributable to stockholders of the parent presented in the consolidated financial statements for the period, and the total equity presented in the parent company only financial statements shall be the same as the equity attributable to the parent company presented in the consolidated financial statements. Therefore, the Company accounted for its investments in subsidiaries using equity method and, accordingly, made necessary adjustments.

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

(3) Foreign currency transactions

The Company's parent company only financial statements are presented in NT$, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at its functional currency rates prevailing at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.

B. Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.

C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(4) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NT$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals:

A. when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
B. when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(5) Current and non-current distinction

An asset is classified as current when:

A. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle
B. The Company holds the asset primarily for the purpose of trading
C. The Company expects to realize the asset within twelve months after the reporting period
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

A. The Company expects to settle the liability in its normal operating cycle
B. The Company holds the liability primarily for the purpose of trading
C. The liability is due to be settled within twelve months after the reporting period
D. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(6) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value (including fixed-term deposits that have maturities of 3 months from the date of acquisition).

(7) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial instruments: Recognition and Measurement

The Company accounts for regular way purchase or sales of financial assets on the delivery date.

The Company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

a. the Company’s business model for managing the financial assets and
b. the contractual cash flow characteristics of the financial asset.

<u>Financial assets measured at amortized cost</u>

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

a. assets in order to collect contractual cash flows and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

a. Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

a. A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
b. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss or retained earnings as a reclassification adjustment.

c. Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

   i. Purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

   ii. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Company made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represents a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the statement of financial position.

The Company measures expected credit losses of a financial instrument in a way that reflects:

a. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
b. the time value of money; and
c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

a. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
b. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
c. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Company needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

a. The rights to receive cash flows from the asset have expired
b. The Company has transferred the asset and substantially all the risks and rewards of
c. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carryingamount and the consideration received or to be received including any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss (for debt instruments) or directly in retained earnings (for equity instruments).

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the Company allocates the previous carrying amount of the larger financial asset between the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts on the date of the transfer. Any cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts. The difference between the carrying amount allocated to the part derecognized and the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated that had been recognized in other comprehensive income, is recognized in profit or loss or directly in retained earnings.

D. Financial liabilities and equity

Classification between liabilities or equity

The Company classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Company evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Company assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. It carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 Financial Instruments.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

a. it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
b. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
c. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

a. it eliminates or significantly reduces a measurement or recognition inconsistency; or
b. a Company of financial liabilities or financial assets and financial liabilities is managed, and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(8) Fair value measurement

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(9) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials – Purchase cost based on a weighted average cost basis.

Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(10) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(11) Investments accounted for under the equity method

The investment in a subsidiary is according to “Rule Governing the Preparation of Financial Statements 21 by Securities Issuers”. Therefore, profit for the year and other comprehensive income for the year reported in the parent company only financial statements, shall be equal to profit for the year and other comprehensive income attributable to owners of the parent reported in the consolidated financial statements, equity reported in the parent company only financial statements shall be equal to equity attributable to owners of parent reported in the consolidated financial statements. According to IFRS 10 – Consolidated Financial Statements , agreeing with the amount of net income, other comprehensive income and equity attributable to shareholders of the parent in the consolidated financial statements, the differences of the accounting treatment between the parent company only basis and the consolidated basis are adjusted under the heading of investments accounted for using equity method, share of profits of subsidiaries and associates and share of other comprehensive income of subsidiaries and associates in the parent company only financial statements.

The Company’s investment in its associate is accounted for under the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Company has significant influence.

Under the equity method, the investment in the associate is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Company's share of net assets of the associate. After the interest in the associate is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Company and the associate is eliminated to the extent of the Company's related interest in the associate.

When changes in the net assets of an associate occur and not those that are recognized in profit or loss or other comprehensive income and do not affects the Company's percentage of ownership interests in the associate, the Company recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate on a prorate basis.

When the associate issues new stock, and the Company's interest in an associate is reduced or increased as the Company fails to acquire shares newly issued in the associate proportionately to its original ownership interest, the increase or decrease in the interest in the associate is recognized in Additional Paid in Capital and Investment accounted for using the equity method. When the interest in the associate is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Company disposes the associate.

The financial statements of the associate are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 *Impairment of Assets*. In determining the value in use of the investment, the Company estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 *Impairment of Assets*.

Upon loss of significant influence over the associate, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

For investments of joint control units except for assets held for sale, the company also adopted equity method. Joint control unit means that the Company has joint control and involves in foundation of company, partnership, or other units.

(12) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	5~55 years
Machinery and equipment	2~10 years
Transportation equipment	2~10 years
Right-of-use assets	2~15 years
Other equipment	3~5 years
Lease improvement	2~20 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(13) Investment property

The Company's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal Company that is classified as held for sale) in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, investment properties are measured using the cost model in accordance with the requirements of IAS 16 Property, plant and equipment for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	30~55 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

The Company transfers to or from investment properties when there is a change in use for these assets.

Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(14) Leases

The Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Company for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Company estimates the stand-alone price, maximizing the use of observable information.

Company as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Company recognizes right-of-use asset and lease liability for all leases which the Company is the lessee of those lease contracts.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable.
B. variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date.
C. amounts expected to be payable by the lessee under residual value guarantees.
D. the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and.
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Company measures the lease liability on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. Cost of right-of-use asset contains:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Company measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Company accounted for as short-term leases or leases of low-value assets, the Company presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Company as a lessor

At inception of a contract, the Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Company allocates the consideration in the contract applying IFRS 15.

The Company recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(15) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies applied to the Company's intangible assets is as follows:

	Computer software
Useful lives	Finite
Amortization method used	Amortized on a straight- line basis over the estimated useful life (3~5 years)
Internally generated or acquired	Acquired

(16) Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(17) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for decommissioning, restoration and rehabilitation costs

The provision for decommissioning, restoration and rehabilitation costs arose on construction of a property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(18) Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(19) Revenue recognition

The Company’s revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

Sale of goods

The Company sells merchandise. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Company is pre-mixed concrete and cement. Revenue is recognized based on the consideration stated in the contract.

The Company provides its customer with a warranty with the purchase of the products. The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Company’s sale of goods is from 90 to 120 days. For most of the contracts, when the Company transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Company usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. The other part of the accounts receivable is the contract between the Company and the customer to deliver the promised goods or services to the customer, but the payment period is more than one year according to the contract. Therefore, the Company adjusts the transaction price for the time value of money. However, some of the contracts are subject to partial consideration for the customers before the transfer of the goods. The Company is obliged to undertake the subsequent transfer of the goods and is therefore recognized as a contract liability.

(20) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(21) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the statement of comprehensive income over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual installments. Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grant.

(22) Post-employment benefits

All regular employees of the Company are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee’s name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Company’s parent company only financial statements.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Company recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(23) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

<u>Current income tax</u>

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed retained earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

<u>Deferred tax</u>

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's parent company only financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Judgment

In the process of applying the Company's accounting policies, management made the following judgments, which have the most significant effect on the amounts recognized in the parent company only financial statements:

A. Investment properties

Certain properties of the Company comprise a portion that is held to earn rentals or for capital appreciation and another portion that is owner-occupied. If these portions could be sold separately, the Company accounts for the portions separately as investment properties and property, plant and equipment. If the portions could not be sold separately, the property is classified as investment property in its entirety only if the portion that is owner-occupied is under 5% of the total property.

B. Operating lease commitment – Company as the lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties, and accounts for the contracts as operating leases.

C. De facto control without a majority of the voting rights in subsidiaries

The Company does not have majority of the voting rights in certain subsidiaries. However, after taking into consideration factors such as absolute size of the Company's holding, relative size of the other shareholdings, how widely spread are the remaining shareholders, contractual arrangements between shareholders, potential voting rights, etc., the Company reached the conclusion that it has de facto control over these subsidiaries. Please refer to Note 4(3) for further details.

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

A. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flow model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

B. Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on 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 less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

C. Pension benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate and future salary increases. Please refer to Note 6 for more details.

D. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company company's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies. Please refer to Note 6 for disclosure on unrecognized deferred tax assets of the Company as of December 31, 2021.

E. Accounts receivables–estimation of impairment loss

The Company estimates the impairment loss of accounts receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	As of December 31,	
	2021	2020
Cash on hand and petty cash	$4,590	$4,590
Checking accounts and demand deposits	615,938	296,215
Time deposits	277,572	5,475
Cash equivalents (Note)	-	171,205
Total	$898,100	$477,485

Note: The Cash equivalents is Bank’s short-term bill that have maturity within 3 months.

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

	As of December 31,	
	2021	2020
Equity instrument investments measured at fair value through other comprehensive income:		
Listed companies' stocks	$1,424,427	$1,205,250
Unlisted companies' stocks	97,534	103,824
Total	$1,521,961	$1,309,074
Current	$806,400	$725,760
Non-current	715,561	583,314
Total	$1,521,961	$1,309,074

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

In consideration of the Company's investment strategy, the Company sold, and derecognized partial equity instrument investments measured at fair value through other comprehensive income. Details on derecognition of such investments for the years ended December 31, 2021 and 2020 are as follow:

	For the years ended December 31,	
	2021	2020
The fair value of the investments at the date of derecognition	$31,296	$214,080
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	3,326	(88,663)

(3) Financial assets measured at amortized cost

	As of December 31,	
	2021	2020
Time deposit	$121,763	$103,663
Current	$118,872	$103,663
Non-current	2,891	-
Total	$121,763	$103,663

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

(4) Notes receivable

	As of December 31,	
	2021	2020
Notes receivables arising from operating activities	$1,161,915	$1,046,358
Less: loss allowance	(601)	(862)
Total	$1,161,314	$1,045,496

Notes receivable were not pledged.

The Company adopted IFRS 9 for impairment assessment. Please refer to Note 6(19) for more details on loss allowance and Note 12 for details on credit risk.

(5) Accounts receivable, accounts receivable from related parties, and long-term receivables

Accounts receivable and accounts receivable – related parties

	As of December 31,	
	2021	2020
Accounts receivable	$4,867,303	$4,287,905
Less: loss allowance	(77,132)	(40,249)
Subtotal	4,790,171	4,247,656
Accounts receivable – related parties	26,234	22,587
Less: loss allowance	-	-
Subtotal	26,234	22,587
Total	$4,816,405	$4,270,243

Long-term receivable

	As of December 31,	
	2021	2020
Overdue receivables	$110,458	$106,883
Less: loss allowance	(88,366)	(85,506)
Total	$22,092	$21,377

Accounts receivable were not pledged.

Accounts receivable are generally on 90~120 day terms. The total carrying amount as of December 31, 2021 and 2020 were NT$5,003,995 thousand and NT$4,417,375 thousand, respectively. Please refer to Note 6(19) for more details on loss allowance of accounts receivable for the years ended December 31, 2021 and 2020. Please refer to Note 12 for more details on credit risk management.

(6) Inventories

	As of December 31,	
	2021	2020
Raw materials	$185,486	$331,924
Building for sale	79,872	79,872
Land of construction	210,368	210,368
Total	$475,726	$622,164

The cost of inventories recognized in expenses amounted to NT$10,223,794 thousand and NT$9,592,831 thousand for the years ended December 31, 2021 and 2020, respectively.

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

(7) Non-current assets held for sale

	As of December 31,	
	2021	2020
Non-current assets held for sale		
Investment property	$573,315	$-

For the purpose of revitalizing assets and providing working capital, On November 9, 2021, the Board of Directors of the Company approved to dispose land and buildings in Sanmin Dist., Kaohsiung City. The Company entered into an contract for the sale of that land and buildings with the Buyer on November 15, 2021. The contract amounted to NT$2,350,000 thousand after deducting Land value increment tax, Business tax and other related expenses of NT$141,325 thousand and was expected to recognize the gain on disposal of land and buildings for NT$1,635,360 thousand. The register of ownership transfer was completed in January 3, 2022. As of December 31, 2021, the assets were reclassified as "Non-current assets held for sale".

(8) Investments accounted for under the equity method

Investees	As of December 31, 2021 Carrying amount	2021 Percentage of ownership (%)	2020 Carrying amount	2020 Percentage of ownership (%)
Investments in subsidiaries:				
RUEI SHIN CONSTRUCTIN CO., LTD	$1,579,396	100%	$1,587,216	100%
WELLPOOL CO., LTD.	549,877	51%	537,851	51%
GOLDSUN NIHON CEMENT CO., LTD.	153,407	59%	163,413	59%
KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	412,482	100%	374,846	100%
EASE GREAT INVESTMENT LTD.	3,237,133	100%	4,411,437	100%
HUA YA DEVELOPMENT CO., LTD.	158,449	31%	161,447	31%
TAIPEI PORT TERMINAL COMPANY LIMITED	2,482,120	100%	2,492,257	100%
JIN SHUN MARITIME LIMITED	109,232	100%	124,706	100%
YUAN SHUN MARITIME LIMITED	429,106	100%	416,076	100%
JING SHUN MARITIME LIMITED	282,553	100%	251,141	100%
FENG SUN MARITIME LIMITED	191,160	100%	194,717	100%
TAIWAN BUILDING MATERIALS (HONG KONG) LMITED	427,500	100%	439,862	100%
GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. (Note1)	-	-	12,582	100%
GOYU BUILDING MATERIALS CO., LTD	248,592	70%	240,134	65%
GIMPO MARINE CO., LTD.	89,306	100%	94,651	100%
REIXIN ASSET MANAGEMENT INC.	1,045,775	100%	1,053,650	100%
LAKE VERNICIA DEVELOPMENT COMPANY	611	100%	866	100%
GALC Inc. (Note 2)	22,126	70%	-	-
Subtotal	11,418,825		12,556,852	
Investments in associates:				
RAIXIN QUALITY PRODUCTS LTD. (Note 3)	24,027	39%	4,821	11%
Total	$11,442,852		$12,561,673	

Note1: GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. was dissolved and liquidated on March 1, 2021.

Note2: GALC Inc., was jointly established by the Company and Taiwan Secom Co., Ltd., on February 2, 2021. The total investment amount was NT$30,000 thousand, and the Company acquired 70% of the shares.

Note3: GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. was dissolved on March 1, 2021.The 28% of the shares of RAIXIN QUALITY PRODUCTS LTD. originally held by it was transferred to the Company, so the Company's equity interest in RAIXIN QUALITY PRODUCTS LTD. was increased to approximately 39% in 2021.

A. Investments in subsidiaries

Investments in subsidiaries was accounted for investment accounted for under equity method when preparing the parent company only financial statements.

Please refer to Note 8 for more details on Investments in subsidiaries under pledge.

B. Investments in associates

Investment in the associate has not a quoted market price as of December 31, 2021 and 2020.

No investments in associates were pledged.

The summarized financial information of the associate is as follows:

	For the years ended December 31,	
	2021	2020
Loss from continuing operations	$(6,181)	$(3,676)
Other comprehensive income (post-tax)	-	-
Total comprehensive income	$(6,181)	$(3,676)

The associates had no contingent liabilities or capital commitments and weren't pledged as of December 31, 2021 and 2020.

C. Prepayments for investments

The Company invested a subsidiary, HUI SHUN MARITIME LIMITED, by the amount of NT$194,070 thousand on December 2021. As of December 31, 2021, HUI SHUN MARITIME LIMITED has not yet finished the establishment registration.

(9) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Lease improvement	Construction in progress and equipment awaiting examination	Other equipment	Total
Cost:								
As of January 1, 2021	$2,513,622	$1,130,636	$1,769,230	$1,003,737	$134,616	$754,064	$89,738	$7,395,643
Additions	735,849	9,869	61,263	85,485	9,678	82,094	5,668	989,906
Disposals	-	(3,639)	(38,160)	(116,715)	(2,904)	-	(3,708)	(165,126)
Transfers	-	6,474	11,421	74,257	4,011	(22,714)	1,551	75,000
As of December 31, 2021	$3,249,471	$1,143,340	$1,803,754	$1,046,764	$145,401	$813,444	$93,249	$8,295,423
As of January 1, 2020	$2,444,786	$1,107,712	$1,738,237	$962,397	$130,257	$727,888	$111,100	$7,222,377
Additions	55,036	17,806	55,655	93,889	4,879	53,872	2,945	284,082
Disposals	-	(11,610)	(35,942)	(126,715)	(2,201)	-	(24,230)	(200,698)
Transfers	13,800	16,728	11,280	74,166	1,681	(27,696)	(77)	89,882
As of December 31, 2020	$2,513,622	$1,130,636	$1,769,230	$1,003,737	$134,616	$754,064	$89,738	$7,395,643
Depreciation:								
As of January 1, 2021,	$-	$689,176	$1,467,653	$637,322	$120,694	$-	$77,114	$2,991,959
Depreciation	-	37,866	58,166	68,670	4,513	-	5,821	175,036
Disposals	-	(3,554)	(37,291)	(115,435)	(2,904)	-	(3,632)	(162,816)
Transfers	-	-	-	-	-	-	-	-
As of December 31, 2021	$-	$723,488	$1,488,528	$590,557	$122,303	$-	$79,303	$3,004,179
As of January 1, 2020,	$-	$666,061	$1,448,262	$705,212	$114,626	$-	$94,914	$3,029,075
Depreciation	-	34,725	54,474	54,761	8,269	-	6,611	158,840
Disposals	-	(11,610)	(35,264)	(122,651)	(2,201)	-	(24,230)	(195,956)
Transfers	-	-	181	-	-	-	(181)	-
As of December 31, 2020	$-	$689,176	$1,467,653	$637,322	$120,694	$-	$77,114	$2,991,959
Impairment:								
As of January 1, 2021	$-	$322	$987	$-	$-	$-	$-	$1,309
Impairment	-	-	-	-	-	-	-	-
As of December 31, 2021	$-	$322	$987	$-	$-	$-	$-	$1,309
As of January 1, 2020	$-	$322	$987	$-	$-	$-	$-	$1,309
Impairment	-	-	-	-	-	-	-	-
As of December 31, 2020	$-	$322	$987	$-	$-	$-	$-	$1,309
Net carrying amount as of:								
December 31, 2021	$3,249,471	$419,530	$314,239	$456,207	$23,098	$813,444	$13,946	$5,289,935
December 31, 2020	$2,513,622	$441,138	$300,590	$366,415	$13,922	$754,064	$12,624	$4,402,375

The major components of the buildings are main building structure and pre-mixed equipments, which are depreciated 55 years or 5~ 20 years.

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

(10) Investment property

	Land	Buildings	Total
Cost:			
As of January 1, 2021	$2,529,571	$1,188,754	$3,718,325
Additions from acquisitions	58,969	366	59,335
Disposals	-	(138)	(138)
Transferred to non-current assets held for sale	(573,315)	(605,585)	(1,178,900)
As of December 31, 2021	$2,015,225	$583,397	$2,598,622
As of January 1, 2020	$2,524,402	$1,221,689	$3,746,091
Additions from acquisitions	5,169	680	5,849
Disposals	-	(33,615)	(33,615)
As of December 31, 2020	$2,529,571	$1,188,754	$3,718,325
Depreciation:			
As of January 1, 2021	$-	$838,458	$838,458
Depreciation	-	24,287	24,287
Disposals	-	(138)	(138)
Transferred to non-current assets held for sale		(605,585)	(605,585)
As of December 31, 2021	$-	$257,022	$257,022
As of January 1, 2020	$-	$834,204	$834,204
Depreciation	-	25,536	25,536
Disposals	-	(21,282)	(21,282)
As of December 31, 2020	$-	$838,458	$838,458
Impairment:			
As of January 1, 2021	$-	$8,073	$8,073
Impairment	-	-	-
As of December 31, 2021	$-	$8,073	$8,073
As of January 1, 2020	$-	$8,073	$8,073
Impairment	-	-	-
As of December 31, 2020	$-	$8,073	$8,073
Net carrying amount as of:			
December 31, 2021	$2,015,225	$318,302	$2,333,527
December 31, 2020	$2,529,571	$342,223	$2,871,794

	For the years ended December 31,	
	2021	2020
Rental income from investment property	$76,518	$69,896
Less：Direct operating expense generated from rental income of investment property	(66,778)	(66,568)
Total	$9,740	$3,328

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

The fair value of investment properties was NT$6,833,723 thousand as of December 31, 2021. The fair value hasn't been determined based on valuations performed by an independent valuer. The valuation method used is land development analysis approach which supporting by market evidence and current land value.

The fair value of investment properties was NT$9,288,527 thousand as of December 31, 2020. The fair value hasn't been determined based on valuations performed by an independent valuer. The valuation method used is land development analysis approach which supporting by market evidence and current land value.

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

(11) Intangible assets

	For the years ended December 31,	
	2021	2020
Cost:		
Beginning Balance	$39,112	$33,711
Addition-acquired separately	5,865	5,276
Disposals	-	-
Transfers	-	125
Ending Balance	$44,977	$39,112
Amortization:		
Beginning Balance	$25,040	$18,337
Amortization	7,436	6,703
Disposals	-	-
Transfers	-	-
Ending Balance	$32,476	$25,040
Net carrying amount as of:		
Ending Balance	$12,501	$14,072

Recognized as amortized amount of intangible assets are as follows.

	2021	2020
Operating costs	$654	$600
Operating expenses	$6,782	$6,103

(12) Short-term loans

	As of December 31,	
	2021	2020
Unsecured bank loans	$550,000	$300,000
Secured bank loans	350,000	1,000,000
Total	$900,000	$1,300,000
Interest rates		
Unsecured bank loans	0.73%~0.79%	0.85%~0.88%
Secured bank loans	0.73%~0.75%	0.85%~0.88%

The Company's unused credits amount (included short-term and long-term loans) to NT$11,443,431 thousand and NT$8,960,549 thousand as of December 31, 2021 and 2020, respectively.

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

(13) Long-term loans

Details of long-term loans are as follows:

Lenders	As of December 31, 2021	Maturity date and terms of repayment
Unsecured Long-term from Bank of East Asia (Note)	$350,000	Effective August 18, 2019 (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.
Secured Long-term Loan from Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Unsecured Long-term Loan from Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Secured Long-term Loan from Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1nd to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.

Lenders	As of December 31, 2021	Maturity date and terms of repayment
Unsecured Long-term Loan from Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Subtotal	1,750,000	
Less: current portion	(470,000)	
Total	$1,280,000	
Interest rates	1.061%~1.13%	

Lenders	As of December 31, 2020	Maturity date and terms of repayment
Secured Long-term Loan from Bank of KGI	$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.
Unsecured Long-term Loan from Bank of KGI	380,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term.
Secured Long-term Loan from Bank of O-bank	200,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term.
Secured Long-term Loan from Bank of Taiwan	450,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Unsecured Long-term Loan from Bank of Taiwan	450,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Secured Long-term Loan from Bank of Taiwan	400,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Unsecured Long-term Loan from Bank of Taiwan	400,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4nd payments will be NTD$25,000 thousand, 5nd to 8nd payments will be NTD$50,000 thousand and 9nd to 10nd payments will be NTD$100,000 thousand; interest paid every month.
Subtotal	2,500,000	
Less: current portion	(300,000)	
Total	$2,200,000	
Interest rates	0.8871%~1.13%	

Note: 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, Lin Ming-Sheng, and his family should keep the right of ultimate control on the Company.

C. During the effective period of the syndicated credit agreement, following financial ratio at the end of each year must be maintained at required level.

(a) Debt ratios (Total liabilities + Total assets)：no higher than 70%

(b) Total equity (Total assets – Total liabilites)：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%

As of December 31, 2021, the Company did not breach any such covenants above.

The Company's unused long-term lines of credits amount was contained by short-term lines of credits amount as of December 31, 2021 and 2020, respectively. Please refer to Note 6(12).

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

(14) Long-term notes and bills payable

	As of December 31,	
	2021	2020
Guaranteed by bank	$1,800,000	$1,750,000
Less: Unamortised discount	(3,140)	(1,704)
Net	$1,796,860	$1,748,296
Interest rates	0.358%~0.498%	0.31%~0.34%

The long-term notes and bills payable is a commercial promissory note signed on April 10, 2020 with the Bank of O-bank for a five-year period during March 22, 2021 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) Post-employment benefits

Defined contribution plan

The Company adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C.. Under the Labor Pension Act, the Company will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts. The Company have made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Expenses under the defined contribution plan for the years ended December 31, 2021 and 2020 are NT$14,727 thousand and NT$13,443 thousand, respectively.

Defined benefits plan

The Company adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company contribute an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company assess the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under mandation, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Company expects to contribute NT$39,896 thousand to its defined benefit plan during the 12 months beginning after December 31, 2021.

The average duration of the defined benefits plan obligation were both 12 years as of December 31, 2021 and 2020.

Pension costs recognized in profit or loss for the years ended December 31, 2021 and 2020:

	For the years ended December 31,	
	2021	2020
Current period service costs	$8,912	$10,091
Interest expense (income) of net defined benefit liabilities (assets)	630	1,524
Total	$9,542	$11,615

Changes in the defined benefit obligation and fair value of plan assets are as follows:

	2021.12.31	2020.12.31	2020.1.1
Defined benefit obligation	$474,792	$461,167	$463,742
Plan assets at fair value	(316,356)	(299,794)	(257,713)
Other non-current liabilities – Net defined benefit liabilities recognized on the balance sheets	$158,436	$161,373	$206,029

Reconciliation of liability of the defined benefit plan is as follows:

	Defined benefit obligation	Fair value of plan assets	Benefit liability (asset)
As of January 1, 2020	$463,742	$(257,713)	$206,029
Current period service costs	10,091	-	10,091
Net interest expense (income)	3,431	(1,907)	1,524
Subtotal	13,522	(1,907)	11,615
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	464	-	464
Actuarial gains and losses arising from changes in financial assumptions	19,351	-	19,351
Experience adjustments	(13,142)	(8,425)	(21,567)
Subtotal	6,673	(8,425)	(1,752)
Payments from the plan	(22,770)	22,770	-
Contributions by employer	-	(54,519)	(54,519)
As of December 31, 2020	461,167	(299,794)	161,373
Current period service costs	8,912	-	8,912
Net interest expense (income)	1,799	(1,169)	630
Subtotal	10,711	(1,169)	9,542
Remeasurements of the net defined benefit liability (asset):			
Actuarial gains and losses arising from changes in demographic assumptions	977	-	977
Actuarial gains and losses arising from changes in financial assumptions	9,457	-	9,457
Experience adjustments	21,073	(4,089)	16,984
Subtotal	31,507	(4,089)	27,418
Payments from the plan	(28,593)	28,593	-
Contributions by employer	-	(39,897)	(39,897)
As of December 31, 2021	$474,792	$(316,356)	$158,436

The following significant actuarial assumptions are used to determine the present value of the defined benefit obligation:

	As of December 31,	
	2021	2020
Discount rate	0.71%	0.39%
Expected rate of salary increases	2.00%	1.50%

A sensitivity analysis for significant assumption as of December 31, 2021 and 2020 is, as shown below:

	Effect on the defined benefit obligation			
	2021		2020	
	Increase defined benefit obligation	Decrease defined benefit obligation	Increase defined benefit obligation	Decrease defined benefit obligation
Discount rate increases by 0.5%	$-	$(26,607)	$-	$(27,214)
Discount rate decreases by 0.5%	28,623	-	29,555	-
Future salary increases by 0.5%	28,105	-	29,071	-
Future salary decreases by 0.5%	-	(26,407)	-	(27,068)

The sensitivity analyses above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analyses compared to the previous period.

(16) Provisions, non-current

Decommissioning, restoration and rehabilitation

	As of December 31,	
	2021	2020
Beginning balance	$6,900	$4,800
Reversal	-	2,100
Ending balance	$6,900	$6,900

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

(17) Equity

A. Common stock

	As of December 31,	
	2021	2020
Authorized shares (thousand shares)	2,000,000	2,000,000
Authorized capital	$20,000,000	$20,000,000
Issued shares (thousand shares)	1,180,000	1,180,000
Issued capital	$11,800,000	$11,800,000

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

For the purposes of adjusting its capital structure and enhancing the return on shareholders' equity, the Company resolved in its board of directors' meeting on June 17, 2020 to implement a capital reduction in cash through the return of share proceeds to shareholders. The total capital reduction amounted to NT$1,988,093 thousand, which represented the cancellation of 198,809 thousand shares (capital reduction ratio was 14.4189%). After the capital reduction, the amount of paid-in capital was NT$11,800,000 thousand, which represented the 1,180,000 shares. The capital reduction was approved by the FSC on July 31, 2020. In addition, the record date of the capital reduction, which was set as August 11, 2020, had been approved by the board of directors on August 11, 2020 and the change in registration was completed on September 1, 2020. The record date for reverse split and stock conversion was October 15, 2020.

B. Capital surplus

	As of December 31,	
	2021	2020
Additional paid-in capital	$551,242	$551,242
Treasury share transactions	313,056	308,382
Changes in ownership interests in subsidiaries	187,289	187,289
Share-based payments	103,200	103,200
Donated surplus	13,539	13,180
Others	15,261	15,261
Total	$1,183,587	$1,178,554

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

The Company resolved in its board of directors' meeting on August 11, 2020 to implement a capital reduction in cash through the return of share proceeds to shareholders. The capital reduction ratio was 14.4189%. After the capital reduction, As of December 31, 2021 and 2020, the Company's shares held by the subsidiaries were both NT$4,789 thousand represented 3,116 thousand shares. These shares held by subsidiaries were acquired for the purpose of financing before the amendment of the Company Act on November 12, 2001.

The Company resolved at its board meeting on March 17, 2020 to repurchase stock. The Company estimated that 100,000 thousand shares will be repurchased and canceled. As of December 31, 2020, the Company had bought back 6,191 thousand shares at a total amount of NT$61,841 thousand. On May 6, 2020, the Company's board of directors approved the resolution to cancel treasury shares, the capital reduction was completed registered at June 19, 2020.

D. Retained earnings 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. Set aside 10% of the remaining amount after deducting items a. and b. as legal reserve;
d. Set aside or reverse special reserve in accordance with law and regulations; and
e. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

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

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

The FSC on 30 September 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, 2021 and 2020, 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 period ended December 31, 2021 and 2020 as a result of the use, disposal of or reclassification of related assets. As of December 31, 2021 and 2020, special reserve set aside for the first-time adoption of T-IFRS amounted to NT$1,874,430 thousand.

Details of the 2021 and 2020 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on February 25, 2022 and March 15, 2021, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	2021	2020	2021	2020
Legal reserve	$282,904	$238,477	$-	$-
Common stock-cash dividend	2,124,000	1,770,000	1.80	1.50

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

(18) Operating revenue

	For the years ended December 31,	
	2021	2020
Revenue from contracts with customers		
Sale of goods revenue	$16,092,683	$14,277,915
Other operating revenues	191,421	143,722
Engineering revenues	1,048	3,228
Subtotal	16,285,152	14,424,865
Lease revenue	76,518	69,896
Total	$16,361,670	$14,494,761

Analysis of revenue from contracts with customers during the year 2021 and 2020 is as follows:

	2021	2020
Timing of revenue recognition:		
At a point in time	$16,285,152	$14,424,865

(19) Expected credit losses

	Period ended 31 Dec.	
	2021	2020
Operating expenses – Expected credit (gains) losses		
Notes receivable	$(261)	$404
Accounts receivable	36,883	(21,020)
Long-term receivable	6,577	67,416
Total	$43,199	$46,800

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

The credit risk for the Company's financial assets at fair value through other comprehensive income and financial assets measured at amortized cost are assessed as low (the same as the assessment result in the beginning of the period). Therefore, the loss allowance is measured at an amount equal to 12-month expected credit losses (loss ratio of 0 %).

The Company measures the loss allowance of its accounts receivable (including note receivables, accounts receivables and long-term receivables) at an amount equal to lifetime expected credit losses. The assessment of the Company's loss allowance as of December 31, 2021 and 2020 is as follow:

A. The Company 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 follow:

December 31, 2021

Group 1: The total carrying amount of notes receivable is NT$1,161,915 thousand, its loss allowance amounting to NT$601 thousand which is measured at expected credit loss ratio of 0~3%.

Group 2:

	Not yet due	Ageing of transaction date 90-180 days	181-365 days	1-2 years	>=2 years	Total
Gross carrying amount	$4,019,479	$779,795	$78,194	$14,420	$1,649	$4,893,537
Loss ratio	-%	7%	12%	74%	84%	
Lifetime expected credit losses	-	55,741	9,316	10,693	1,382	77,132
Total	$4,019,479	$724,054	$68,878	$3,727	$267	$4,816,405

Group 3: The total carrying amount of long-term receivable is NT$110,458 thousand, its loss allowance amounting to NT$88,366 thousand which is measured at expected credit loss ratio of 80%.

December 31, 2020

Group 1: The total carrying amount of notes receivable is NT$1,046,358 thousand, its loss allowance amounting to NT$862 thousand which is measured at expected credit loss ratio of 0~3%.

Group 2:

	Not yet due	Ageing of transaction date 90-180 days	181-365 days	1-2 years	>=2 years	Total
Gross carrying amount	$3,34,134	$807,862	$103,232	$12,375	$2,889	$4,310,392
Loss ratio	-%	4%	6%	35%	53%	
Lifetime expected credit losses	-	28,348	6,037	4,342	1,522	40,249
Total	$3,384,134	$779,514	$97,195	$8,033	$1,367	$4,270,243

Group 3: The total carrying amount of long-term receivable is NT$106,883 thousand, its loss allowance amounting to NT$85,506 thousand which is measured at expected credit loss ratio of 80%.

A. The movement in the loss allowance of trade receivables during the period ended December 31, 2021 and 2020 is as follows:

	Notes receivable	Accounts receivable	Long-term receivable
January 1, 2021	$862	$40,249	$85,506
Addition(reversal) for the current period	(261)	36,883	6,577
Write off	-	-	(3,717)
December 31, 2021	$601	$77,132	$88,366
January 1, 2020	$458	$69,259	$122,237
Addition(reversal) for the current period	404	(21,020)	67,416
Write off	-	(7,990)	(104,147)
December 31, 2020	$862	$40,249	$85,506

(20) Leases

A. Company as a lessee

The Company leases various properties, including real estate such as land and buildings and transportation equipment. The lease terms range from 2 to 15 years.

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

a. Amounts recognized in the balance sheet

i. Right-of-use assets

<u>The carrying amount of right-of-use assets</u>

	As of December 31,	
	2021	2020
Land	$404,452	$515,961
Buliding	44,839	59,381
Transportation equipment	-	1,437
Total	$449,291	$576,779

During the years ended December 31, 2021 and 2020, the Company's additions to right-of-use assets amounting to NT$5,835 thousand and NT$130,426 thousand, respectively.

ii. Lease liabilities

	As of December 31,	
	2021	2020
Lease liabilities	$434,481	$558,193
Current	94,109	122,685
Non-current	340,372	435,508

Please refer to Note 6(22)-D finance costs for interest expenses resulted from lease liabilities; please refer to Note 12(5) liquidity risk management for maturity analysis of lease liabilities on December 31, 2021 and 2020.

b. Amounts recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	For the years ended December 31,	
	2021	2020
Land	$112,326	$109,246
Building	14,542	14,513
Transportation equipment	1,437	1,231
Total	$128,305	$124,990

c. Income and costs relating to leasing activities

	For the years ended December 31,	
	2021	2020
The expenses relating to short-term leases	$160	$167

d. Cash outflow relating to leasing activities

During the years ended December 31, 2021 and 2020, the Company's total cash outflows for leases amounting to NT$123,532 thousand and NT$120,719 thousand, respectively.

e. Other information relating to leasing activities

Extension and termination options

Some of the Company's property rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Company has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company 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 Company.

After the commencement date, the Company 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 Company 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. Company as a lessor

Please refer to Note 6(10) for details on the Company'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.

	For the years ended December 31,	
	2021	2020
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	$76,518	$69,896

Please refer to Note 6(9) for relevant disclosure of property, plant and equipment for operating leases under IFRS 16. For operating leases entered by the Company, the undiscounted lease payments to be received and a total of the amounts for the remaining years as of December 31, 2021 and 2020 are as follow:

	As of December 31,	
	2021	2020
Not later than one year	$70,895	$58,815
Later than one year but not later than two years	72,543	57,809
Later than two years but not later than three years	71,465	58,366
Later than three years but not later than four years	69,767	58,681
Later than four years but not later than five years	64,694	57,674
Later than five years	284,646	365,308
Total	$634,010	$656,653

(21) Summary statement of employee benefits, depreciation and amortization expenses by function during the years ended December 31, 2021 and 2020:

	For the years ended December 31,					
	2021			2020		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	$601,165	$207,545	$808,710	$566,131	$193,150	$759,281
Labor and health insurance	26,023	23,522	49,545	23,588	19,823	43,411
Pension	14,915	9,354	24,269	15,510	9,548	25,058
Remuneration to directors	-	129,660	129,660	-	98,795	98,795
Depreciation	298,230	29,398	327,628	276,580	32,786	309,366
Amortization	654	6,782	7,436	600	6,103	6,703

The Company’s average headcount were 618 and 602 employees for the years ended December 31,2021 and 2020, respectively. There were 11 and 11 non-employee directors for the years ended December 31, 2021 and 2020, respectively.

The Company's average employee benefit expenses for the years ended December 31, 2021 and 2020 amounted to NT$1,454 thousand and NT$1,401 thousand, respectively.

The Company's average wages and salaries for the years ended December 31, 2021 and 2020 amounted to NT$1,332 thousand and NT$1,285 thousand, respectively. Average salary expense changed by 4%

The Company has established the Audit Committee in June 2016, the Supervisor institution has no more existed.

The company’s remuneration policy is based on the employee’s job position category, jurisdiction and their contribution to the company’s operations. The company would also consult the market salary level to set the fixed salary of each position, Meanwhile, the variable bonus is based on the company financial position and operation results. Remuneration for directors and employees is distributed in accordance with the company’s articles of association.

Remuneration for directors is also based on their contribution and participation to the company’s operations. Otherwise, managers’ remuneration is paid in accordance with the company’s “Manager Salary and Remuneration Standards”. The remuneration of directors and managers must be reviewed and approved by the Salary and Compensation Committee and reported to the Board of Directors.

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, thereto 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.

Based on profit of the year ended December 31, 2021, the Company estimated the amounts of the employees’ compensation and remuneration to directors and supervisors for the year ended December 31, 2021 both to be 3% of profit of the current year, recognized NT$110,850 thousand as the employee’s compensation and remuneration to directors and supervisors. 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 and the actual distribution.

A resolution was passed at a Board of Directors meeting held on March 15, 2021 to distribute NT$79,985 thousand in cash as employees' compensation and remuneration to directors both of 2020. No material differences exist between the estimated amount and the actual distribution.

(22) Non-operating income and expenses

A. Interest income

	For the years ended December 31,	
	2021	2020
Bank deposits		
Financial assets measured at amortized cost	$4,543	$3,797
Short-term notes and bills	236	3,291
Other	954	108
Total	$5,733	$7,196

B. Other income

	For the years ended December 31,	
	2021	2020
Dividend income	$88,351	$81,863
Other income-others	20,422	34,663
Total	$108,773	$116,526

C. Other gains and losses

	For the years ended December 31,	
	2021	2020
Gain on disposal of property, plant and equipment	$2,792	$2,909
Loss on disposal of investment property	-	(12,333)
Gain on lease modification	1,530	2,132
Foreign exchange gains (loss), net	21,758	(25,810)
Other expense-others	(12,875)	(15,688)
Total	$13,205	$(48,790)

D. Finance costs

	For the years ended December 31,	
	2021	2020
Interest on borrowings from bank	$46,253	$60,266
Interest on lease liabilities	4,726	5,414
Interest on borrowings from related party	3,221	6,375
Total	$54,200	$72,055

(23) Components of other comprehensive income

For the year ended December 31, 2021

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$(27,418)	$-	$(27,418)	$5,484	$(21,934)
Unrealized gains on fair value through other comprehensive income equity instrument investment	177,052	-	177,052	-	177,052
Remeasurements of defined benefit plans of subsidiaries and associates	557	-	557	-	557
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries and associates	34,632	-	34,632	-	34,632
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	(81,500)	-	(81,500)	-	(81,500)
Total of other comprehensive (loss) income	$103,323	$-	$103,323	$5,484	$108,807

For the year ended December 31, 2020

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$1,752	$-	$1,752	$(350)	$1,402
Unrealized gains on fair value through other comprehensive income equity instrument investment	(164,624)	-	(164,624)	-	(164,624)
Remeasurements of defined benefit plans of subsidiaries and associates	296	-	296	-	296
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries and associates	18,127	-	18,127	-	18,127
To be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	(54,895)	-	(54,895)	-	(54,895)
Total of other comprehensive (loss) income	$(199,344)	$-	$(199,344)	$(350)	$(199,694)

(24) Income tax

The major components of income tax expense (income) as of December 31, 2021 and 2020 are as follows:

Income tax expense (income) recognized in profit or loss

	For the years ended December 31,	
	2021	2020
Current income tax expense (income):		
Current income tax charge	$643,999	$330,683
Adjustments in respect of current income tax of prior periods	(15,294)	47
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	1,948	32,955
Adjustments in respect of current income tax of prior periods	(6,220)	(330,409)
Total income tax expenses	$624,433	$33,276

Income tax relating to components of other comprehensive income

	For the years ended December 31,	
	2021	2020
Deferred tax (income) expense:		
Remeasurements of defined benefit plans	$5,484	$(350)
Income tax relating to other comprehensive income	$5,484	$(350)

A reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2021	2020
Accounting profit before tax from continuing operations	$3,473,304	$2,506,203
Tax at the domestic rates applicable to profits in the country concerned	$694,661	$501,241
Tax effect of revenues exempt from taxation	(107,857)	(118,059)
Tax effect of expenses not deductible for tax purposes	1,354	1,460
Tax effect of deferred tax assets / liabilities	44,306	(379,994)
Others	3,266	5
Corporate income surtax on undistributed retained earnings	3,997	28,576
Adjustments in respect of current income tax of prior periods	(15,294)	47
Total income tax expense recognized in profit or loss	$624,433	$33,276

Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2021

	Beginning balance as of January 1, 2021	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of December 31, 2021
Temporary differences				
Defined benefit liabilities	$64,060	$(6,071)	$5,484	$63,473
Loss allowance	14,441	6,443	-	20,884
Inventory valuation losses	1,322	-	-	1,322
Unrealized impairment loss	649,154	6,220	-	655,374
Decommissioning costs	887	90	-	977
Components of buildings	4,679	891	-	5,570
Unrealized exchange losses	3,167	(1,901)	-	1,266
Unrealized exchange gains	(3,489)	(1,208)	-	(4,697)
Allowance for sales return and discounts	193	(193)	-	-
Deferred tax income		$4,271	$5,484	
Net deferred tax assets	$734,414			$744,169
Reflected in balance sheet as follows:				
Deferred tax assets	$737,903			$748,866
Deferred tax liabilities	$(3,489)			$(4,697)

For the year ended December 31, 2020

	Beginning balance as of January 1, 2020	Deferred tax income (expense) recognized in profit or loss	Deferred tax income (expense) recognized in other comprehensive income	Ending balance as of December 31, 2020
Temporary differences				
Defined benefit liabilities	$72,992	$(8,582)	$(350)	$64,060
Loss allowance	27,622	(13,181)	-	14,441
Inventory valuation losses	1,322	-	-	1,322
Unrealized impairment loss	318,745	330,409	-	649,154
Decommissioning costs	796	91	-	887
Components of buildings	12,941	(8,262)	-	4,679
Unrealized exchange losses	3,443	(276)	-	3,167
Unrealized exchange gains	(738)	(2,751)	-	(3,489)
Allowance for sales return and discounts	187	6	-	193
Deferred tax (expense)/income		$297,454	$(350)	
Net deferred tax assets/(liabilities)	$437,310			$734,414
Reflected in balance sheet as follows:				
Deferred tax assets	$438,048			$737,903
Deferred tax liabilities	$(738)			$(3,489)

Unrecognized deferred tax assets

As of December 31, 2021 and 2020, the aggregate deductible temporary differences for which no deferred income tax assets have been recognized amounted to NT$218,785 thousand and NT$180,467 thousand, respectively.

Unrecognized deferred tax liabilities relating to the investment in subsidiaries

The Company did not recognize any deferred tax liability for taxes that would be payable on the unremitted earnings of the Company's overseas subsidiaries, as the Company has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future. As of December 31, 2021 and 2020, the taxable temporary differences associated with investment in subsidiaries, for which deferred tax liability has not been recognized, aggregate to NT$324,626 thousand and NT$335,520 thousand, respectively.

The assessment of income tax returns

As of December 31, 2021, the assessment of the income tax returns of the Company through 2018.

(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.

	For the years ended December 31,	
	2021	2020
A. Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$2,848,871	$2,472,927
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,299,128
Basic earnings per share (NT$)	$2.42	$1.90

	For the years ended December 31,	
B. Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	$2,848,871	$2,472,927
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,299,128
Effect of dilution:		
Employee bonus-stock (in thousands)	4,458	3,935
Weighted average number of ordinary shares outstanding after dilution (in thousands)	1,181,342	1,303,063
Diluted earnings per share (NT$)	$2.41	$1.90

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 parent's interest in subsidiaries

Acquisition of shares issued by subsidiaries

In 2021, the Company acquired an additional 5% of the voting shares of GOYU BUILDING MATERIALS CO., LTD., A cash consideration of NT$20,000 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT$1,782 thousand recognized as a decrease in unappropriated earnings.

In 2020, the Company acquired an additional 0.15% of the voting shares of WELLPOOL CO., LTD., A cash consideration of NT$2,899 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT$5 thousand and NT$1,192 thousand recognized as a decrease in paid-in capital and unappropriated earnings, respectively.

7. Related Party Transactions

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

Name and nature of relationship of the related parties

Related Party Name	The Relationship with The Company
TAIWAN SECOM CO., LTD. and subsidiaries	Group with significant influence over the Company
WELLPOOL CO., LTD.	Subsidiary
JIN SHUN MARITIME LIMITED	Subsidiary
YUAN SHUN MARITIME LIMITED	Subsidiary
JING SHUN MARITIME LIMITED	Subsidiary
FENG SHUN MARITIME LIMITED	Subsidiary
TAIPEI PORT TERMINAL COMPANY LIMITED	Subsidiary
KUOYUNG CONSTRUCTION & ENGINEERING CO., LTD.	Subsidiary
GOLDSUN NIHON CEMENT CO., LTD.	Subsidiary
REI SHIN CONSTRUCTION CO., LTD.	Subsidiary
GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	Subsidiary
GOYU BUILDING MATERIALS CO., LTD.	Subsidiary
GIMPO MARINE CO., LTD.	Subsidiary
REIXIN ASSET MANAGEMENT INC.	Subsidiary
LAKE VERNICIA DEVELOPMENT COMPANY	Subsidiary
GALC INC.	Subsidiary
RAIXIN QUALITY PRODUCTS LTD.	Associate
TRUST SANDSTONE CO., LTD.	Other related party
HOBBY WORKS CO., LTD	Other related party
FULL MAX CORPORATION LIMITED	Other related party

(1) Operating revenue – Sales

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Company	$451	$27
Subsidiaries	180	183
Total	$631	$210

The selling price and discount to the above related parties is depended on the product specifications and shipment distance. The terms were determined on order quantity, the discount of related parties was similar to bulk-order from non-related parties.

(2) Operating revenue – Other operating revenue

	For the years ended December 31,	
	2021	2020
Subsidiaries	$109,947	$88,092
Other related parties	29,758	31,682
Associate	6	-
Total	$139,711	$119,774

The general terms were similar to bulk-order from non-related parties.

(3) Operating costs (included purchase and other operating costs)

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Company		
GOLDSUN EXPRESS & LOGISTICS CO., LTD	$674,195	$597,015
Others	1,042	1,080
Subsidiaries		
GOLDSUN NIHON CEMENT CO., LTD.	556,750	560,953
TAIPEI PORT TERMINAL COMPANY LIMITED	362,381	389,643
Others	136,230	174,503
Other related parties		
FULL MAX CORPORATION LIMITED	133,213	302,070
Total	$1,863,811	$2,025,264

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

(4) Accounts receivable – related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Company	$120	$-
Subsidiaries		
WELLPOOL CO., LTD.	20,284	19,223
Others	3,515	10
Other related parties		
TRUST SANDSTONE CO., LTD.	1,806	3,354
Others	509	-
Total	$26,234	$22,587

(5) Accounts payable – related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Company		
GOLDSUN EXPRESS & LOGISTICS CO., LTD.	$124,885	$57,249
Others	510	962
Subsidiaries		
GOLDSUN NIHON CEMENT CO., LTD.	96,925	100,772
TAIPEI PORT TERMINAL COMPANY LIMITED	50,013	45,043
Others	13,444	19,324
Other related parties	551	-
Total	$286,328	$223,350

(6) Other receivable – related parties

	As of December 31,	
	2021	2020
Group with significant influence over the Company		
GOLDSUN EXPRESS & LOGISTICS CO., LTD.	$22,172	$11,849
Subsidiaries		
FENG SHUN MARITIME LIMITED	2,471	5,038
YUAM SHUN MARITIME LIMITED	12,198	4,278
GIMPO MARINE CO., LTD	2,667	-
Others	641	370
Associate	697	-
Other related parties	30	-
Total	$40,876	$21,535

(7) Prepayments

	As of December 31,	
	2021	2020
Group with significant influence over the Company	$36,024	$20,647

(8) Financing provided

Other payables – related parties

	For the year ended December 31, 2021				
	Maximum balance	Ending balance	Rate	Total interest disbursement	Ending interest payable
REI SHIN CONSTRUCTION CO., LTD.	$680,000	$400,000	0.91%~ 0.95%	$3,193	$1,848

Effective April 9, 2021 to April 8, 2022. The Company should pay in full when the loan was expired but paying off in advance was permitted.

	For the year ended December 31, 2020				
	Maximum balance	Ending balance	Rate	Total interest disbursement	Ending interest payable
REI SHIN CONSTRUCTION CO., LTD.	$900,000	$380,000	0.95%~ 1.28%	$6,375	$17

Effective July 9, 2020 to July 9, 2021. The Company should pay in full when the loan was expired but paying off in advance was permitted.

(9) Lease – Company as lessee

The lease term was based on market conditions, and paid rent monthly.

A. Acquisition of right-of-use assets

	For the year ended December 31,	
	2021	2020
Subsidiaries	$165,294	$223,677

During the years ended December 31, 2021 and 2020, the depreciation charge for above right-of-use assets amounting to NT$64,217 thousand and NT$58,255, respectively.

B. Lease liabilities

	For the year ended December 31,	
	2021	2020
Subsidiaries	$166,979	$224,567
Current	64,654	62,664
Non-current	102,325	161,903

During the years ended December 31, 2021 and 2020, the interest on above lease liabilities amounting to NT$2,650 thousand and NT$2,696 thousand, respectively.

C. Refundable deposits

	For the year ended December 31,	
	2021	2020
Subsidiaries	$1,948	$1,948

(10) Lease – Company as lessor

A. Lease revenue

	For the year ended December 31	
	2021	2020
Subsidiaries	$3,711	$3,755
Group with significant influence over the Company	4,695	5,870
Other related parties	-	90
Total	$8,406	$9,715

B. Guarantee deposits

	As of December 31,	
	2021	2020
Group with significant influence over the Company	$733	$878
Subsidiaries	649	654
Total	$1,382	$1,532

(11) Lease costs

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Company		
GOYUN SECURITY CO., LTD.	$2,296	$2,222
GUOYUN TECHNOLOGY CO., LTD.	1,606	1,776
Others	653	450
Total	$4,555	$4,448

(12) Operating expense

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Company	$44,636	$23,656
Subsidiaries	800	5,865
Total	$45,436	$29,521

(13) Property transactions

The Company has purchased machinery, transport and other equipment and commissioned to build a business building, which were recognized as property plant and equipment:

	For the years ended December 31,	
	2021	2020
Group with significant influence over the Company	$10,517	$9,076
Subsidiaries	363	-
Total	$10,880	$9,076

(14) Key management personnel compensation

	For the years ended December 31,	
	2021	2020
Short-term employee benefits	$96,826	$57,204
Post-employment benefits	-	-
Total	$96,826	$57,204

8. Assets pledged as Security

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

Assets pledged for security	Carrying amount December 31, 2021	Carrying amount December 31, 2020	Secured liabilities
Inventories－Land of construction	$210,368	$210,368	Bank loan
Financial assets at fair value through other comprehensive income, current	590,400	531,360	Bank loan、C/P
Financial assets at fair value through other comprehensive income, non-current	505,816	437,780	Bank loan、C/P
Long-term equity investment for using equity method	919,500	780,000	Bank loan、C/P
Financial assets measured at amortized cost-current	71,838	8,163	Restricted account、Loan guarantee
Property, plant and equipment－Land and Buildings	1,921,614	2,181,157	Bank loan、C/P
Investment property, net	1,307,491	1,484,566	Bank loan、C/P
Total	$5,527,027	$5,633,394	

9. Commitments and Contingencies

(1) Promissory notes issued by the Company to secure bank loans and construction performance amounted to NT$3,105,659 thousand as of December 31, 2021.

(2) The Company's unused letters of credit for importing raw materials amounted to NT$6,569 thousand.

(3) The Company provide endorsements or guarantees for subsidiaries, please refer to Note 13.

10. Losses due to Major Disasters

None.

11. Significant Subsequent Events

On January 3, 2022, the Company sold the land and buildings in Sanmin Dist., Kaohsiung City . The contract amounted to NT$2,350,000 thousand after deducting Land value increment tax, Business tax and other related expenses of NT$141,325 thousand and expect to recognize the gain on disposal of land and buildings for NT$1,635,360 thousand.

12. Others

(1) Categories of financial instruments

Financial assets

	As of December 31,	
	2021	2020
Financial assets at fair value through other comprehensive income	$1,521,961	$1,309,074
Financial assets measured at amortized cost		
Cash and cash equivalents (exclude cash on hand)	893,510	472,895
Financial assets measured at amortized cost	121,763	103,663
Notes receivable	1,161,314	1,045,496
Accounts receivable (including related parties)	4,816,405	4,270,243
Other receivables (including related parties)	57,517	40,280
Long-term receivable	22,092	21,377
Refundable deposits	18,255	27,892
Total	$8,612,817	$7,290,920

Financial liabilities

	As of December 31,	
	2021	2020
Financial liabilities at amortized cost:		
Short-term loan	$900,000	$1,300,000
Short-term notes and bills payable	297,093	-
Accounts payable (including related parties)	1,884,845	1,453,116
Other payables (including related parties)	1,256,248	1,027,972
Lease liabilities	434,481	558,193
Long-term loan (including due in one year)	1,750,000	2,500,000
Long-term notes and bills payable	1,796,860	1,748,296
Guarantee deposits	31,955	28,157
Total	$8,351,482	$8,615,734

(2) Financial risk management objectives and policies

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

The Company 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 Company complies with its financial risk management policies at all times.

(3) Market risk

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

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

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's net investments in foreign subsidiaries. The net investments in foreign subsidiaries are a strategic investment that the Company has not hedged this.

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

When NTD strengthens/weakens against USD by 10%, the profits for the years ended 31 December 2021 and 2020 are decreased/increased by NT$2,095 thousand and NT$4,785 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's loans and receivables at floating interest rates, bank borrowings with fixed interest rates and floating interest rates.

The Company manages its interest rate risk by maintaining a balanced portfolio of fixed and floating interest loans and debts, along with interest rate swaps.

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 Company's profit would decrease / increase by NT$3,553 thousand and NT$5,075 thousand for the years ended December 31, 2021 and 2020, respectively.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's listed and unlisted equity securities are classified under financial assets at fair value through other comprehensive income. The Company 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 Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

The equity price sensitivity analysis is counting based on changes of fair value for a fiscal year. Assumed that when the investment price of measured at fair value through other comprehensive income of financial assets of publicly quoted entity increase / decrease by 10%, the Company's equity would increase / decrease by NT$142,364 thousand and NT$120,525 thousand for the year ended December 31, 2021 and 2020, respectively.

(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 Company 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 December 31, 2021, and 2020, amounts receivables from top ten customers are 24% and 30%, respectively, compared to the total accounts receivables of the Company. The credit concentration risk of other accounts receivables is insignificant.

Credit risk from balances with banks and other financial instruments is managed by the Company's treasury in accordance with the Company's policy. The Company 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.

(5) Liquidity risk management

The Company'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, bank borrowings and convertible bonds. The table below summarizes the maturity profile of the Company'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 variable interest rates is extrapolated based on the estimated interest rate yield curve 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
As of December 31, 2021					
Borrowings	$1,382,271	$1,294,270	$-	$-	$2,676,541
Notes payable	297,093	-	-	-	297,093
Accounts payable	1,884,845	-	-	-	1,884,845
Other payables	856,248	-	-	-	856,248
Others payable-related parties	400,977	-	-	-	400,977
Lease liabilities (Note)	100,072	221,299	110,981	45,022	477,374
Long-term notes and bills payable	-	1,800,000	-	-	1,800,000
As of December 31, 2020					
Borrowings	$1,624,793	$1,833,320	$404,200	$-	$3,862,313
Accounts payable	1,451,116	-	-	-	1,453,116
Other payables	647,972	-	-	-	647,972
Others payable-related parties	381,619	-	-	-	381,619
Lease liabilities (Note)	129,494	256,485	124,607	60,969	571,555
Long-term notes and bills payable	-	1,750,000	-	-	1,750,000

Note: Including cash flows resulted from short-term leases or leases of low-value assets.

(6) Fair values of financial instruments

Information of reconciliation for liabilities during 2021 is as follows:

	Short-term loans	Other payable – related parties	Long-term loans (including due in one year)	Long-term notes and bills payable	Lease liabilities	Guarantee deposits	Balance of liabilities arising from financing activities
2021.01.01	$1,300,000	$380,000	$2,500,000	$1,748,296	$558,193	$28,157	$6,514,646
Cash flow	(400,000)	20,000	(750,000)	48,564	(123,372)	3,798	(1,201,010)
Non-cash change	-	-	-	-	(340)	-	(340)
2021.12.31	$900,000	$400,000	$1,750,000	$1,796,860	$434,481	$31,955	$5,313,296

Information of reconciliation for liabilities during 2020 is as follows:

	Short-term loans	Short-term notes and bills payable	Other payable – related parties	Bonds Payable (including due in one year)	Long-term loans (including due in one year)	Lease liabilities	Guarantee deposits	Balance of liabilities arising from financing activities
2020.01.01	$2,910,000	$2,608,730	$890,000	$2,500,000	$-	$593,355	$27,080	$9,529,165
Cash flow	(1,610,000)	(2,608,730)	(510,000)	-	1,748,296	(120,552)	1,077	(3,099,909)
Non-cash change	-	-	-	-	-	85,390	-	85,390
2020.12.31	$1,300,000	$-	$380,000	$2,500,000	$1,748,296	$558,193	$28,157	$6,514,646

(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 Company 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, beneficiary certificates etc.) at the reporting date.

c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using 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 Company’s financial assets and financial liabilities measured at amortized cost, cash and cash equivalents, trade receivables, trade payable, other current liabilities and bonds payable 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 Company.

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 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 Company 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 Company's assets and liabilities

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

As of December 31, 2021

	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	$1,424,427	$-	$97,534	$1,521,961

As of December 31, 2020

	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	$1,205,250	$-	$103,824	$1,309,074

Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

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

	Assets
	Measured at fair value through other comprehensive income
	Stock
Beginning balances as of January 1, 2021	$103,824
Capital deducted by cash	(8,540)
Disposal	(3,614)
Total gains recognized for the year ended December 31, 2021:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	5,864
Ending balances as of December 31, 2021	$97,534
Beginning balances as of January 1, 2020	$242,676
Acquisition	29,572
Capital deducted by cash	(6,473)
Total losses recognized for the year ended December 31, 2020:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	(161,951)
Ending balances as of December 31, 2020	$103,824

Total profits and losses recognized in profit or loss for the year ended 31 December 2021 in the table above contain gains or losses related to assets on hand in the amount of NT$0 thousand.

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:

As of December 31, 2021

	Valuation techniques	Significant unobservable inputs	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					
Stocks	Market approach	Earnings per share	7.37	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 Company's equity by NT$1,474 thousand.
Stocks	Income approach	Discount rate	16.65~81.91	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 Company's equity by NT$133 thousand.
Stocks	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 Company's equity by NT$7,907 thousand.

As of December 31, 2020

	Valuation techniques	Significant unobservable inputs	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					
Stocks	Market approach	Earnings per share	8.48	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 Company's equity by NT$1,696 thousand.
Stocks	Income approach	Discount rate	9.96~16.65	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 Company's equity by NT$133 thousand.
Stocks	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 Company's equity by NT$8,034 thousand.

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

The Company'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 Company's accounting policies at each reporting date.

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

As of December 31, 2021

	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(10))	$-	$-	$6,833,723	$6,833,723

As of December 31, 2020

	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(10))	$-	$-	$9,288,527	$9,288,527

(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)

	As of 31 December, 2021		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$757	27.68	$20,954
CNY	42,029	4.34	182,406
Non-monetary items:			
USD	168,955	27.68	4,676,685

	As of 31 December, 2020		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD	$1,680	28.48	$47,846
CNY	1,337	4.38	5,856
Non-monetary items:			
USD	204,984	28.48	5,837,939

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

(10) Capital management

The primary objective of the Company'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 Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Additional disclosure

(1) Information at significant transactions

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 percent of the capital stock: None.
E. Acquisition of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock: Please refer to Attachment 4.
F. Disposal of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock: Please refer to Attachment 5.
G. Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million and 20 percent of the capital stock: Please refer to Attachment 6.
H. Receivables from related parties with amounts exceeding the lower of NT$100 million and 20 percent of capital stock: None.
I. Financial instruments and derivative transactions: None.
J. Significant intercompany transactions between consolidated entities: Please refer to Attachment 7.
K. Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Attachment 8.

(2) Information on investments in mainland 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 Mainland China: Please refer to Attachment 9.

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.

(3) Information of Major 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 10.

ATTACHMENT 1 : Financing provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of financing provider	Name of counter party	Account (Note 2)	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for financing	Allowance for doubtful accounts	Assets pledged Item	Assets pledged Value	Limit of financing amount for individual counter-party (Note 4)	Limit of total financing amount (Note 4)
1	REI SHIN CONSTRUCTION CO., LTD.	GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	NT$ 680,000	NT$ 400,000	NT$ 400,000	0.91%-0.95%	2	-	Operating	-	-	-	NT$ 770,927	NT$ 770,927
		GIMPO MARINE CO., LTD.	Other receivable	NT$ 110,000	NT$ 110,000	-	1.45%	2	-	Operating	-	-	-	NT$ 770,927	NT$ 770,927
2	KUOYUNG CONSTRUCTION & ENGINEERING CO., LTD.	GOYU BUILDING MATERIALS CO., LTD.	Other receivable	NT$ 40,000	-	-	-	2	-	Operating	-	Promissory note	NT$ 120,000	NT$ 167,726	NT$ 167,726
		GIMPO MARINE CO., LTD.	Other receivable	NT$ 110,000	NT$ 110,000	NT$ 105,000	1.45%	2	-	Operating	-	-	-	NT$ 167,726	NT$ 167,726
3	YUAN SHUN MARITIME LTD.	GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	US$ 5,000 (NT$ 139,250)	-	-	-	2	-	Operating	-	-	-	US$ 31,005 (NT$ 858,212)	US$ 31,005 (NT$ 858,212)
4	JIN SHUN MARITIME LTD.	JING SHUN MARITIME LTD.	Other receivable	US$ 1,000 (NT$ 28,540)	-	-	-	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
		GOLDSUN BUILDING MATERIALS CO., LTD.	Other receivable	US$ 1,000 (NT$ 27,960)	-	-	-	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
		HUI SHUN MARITIME LTD.	Other receivable	US$ 1,500 (NT$ 41,520)	US$ 1,500 (NT$ 41,520)	-	1.00%	2	-	Operating	-	-	-	US$ 7,892 (NT$ 218,464)	US$ 7,892 (NT$ 218,464)
5	GOLDSUN CONCRETE (SUZHOU) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	RMB 45,000 (NT$ 195,300)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	RMB 4,500 (NT$ 19,530)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 196,245 (NT$ 851,702)	RMB 196,245 (NT$ 851,702)
6	GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	RMB 10,000 (NT$ 43,400)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	RMB 42,000 (NT$ 182,280)	2.01%~2.02%	2	-	Operating	-	-	-	RMB 268,792 (NT$ 1,166,558)	RMB 268,792 (NT$ 1,166,558)
7	TAICANG PORT GOLDSUN CONCRETE CO., LTD. (Note 6)	GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	-	-	-	2	-	Operating	-	-	-	-	-

ATTACHMENT 1 : Financing provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of financing provider	Name of counter party	Account (Note 2)	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for financing	Allowance for doubtful accounts	Assets pledged: Item	Assets pledged: Value	Limit of financing amount for individual counter-party (Note 4)	Limit of total financing amount (Note 4)
8	GOLDSUN CONCRETE (WUJIANG) CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	RMB 100,000 (NT$ 434,000)	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 316,089 (NT$ 1,371,828)	RMB 316,089 (NT$ 1,371,828)
9	GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	RMB 80,000 (NT$ 347,200)	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
		KUNSHAN GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	RMB 325,053 (NT$ 1,410,732)	RMB 325,053 (NT$ 1,410,732)
10	KUNSHAN GOLDSUN CONCRETE CO., LTD. (Note 7)	TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (WUJIANG) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (CHANGSHU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN CONCRETE (SUZHOU) CO., LTD.	Other receivable	RMB 80,000 (NT$ 350,400)	-	-	-	2	-	Operating	-	-	-	-	-
		GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Other receivable	RMB 100,000 (NT$ 438,000)	-	-	-	2	-	Operating	-	-	-	-	-

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

(1) The parent company is coded "0".

(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Fill in if the nature of financial statement account is financing.

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

(1) For business transactions fill in "1"

(2) For short-term financing funds necessity fill in "2"

Note 4: YUAN SHUN MARITIME LTD., JING SHUN MARTIME LTD., GOLDSUN CONCRETE (WUJIANG) CO., LTD., KUNSHAN GOLDSUN CONCRETE CO., LTD., GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD., GOLDSUN CONCRETE (SUZHOU) CO., LTD., TAICANG PORT GOLDSUN CONCRETE CO., LTD., and GOLDSUN CONCRETE (SUZHOU) CO., LTD.. shall not exceed double of the net asset value from the latest financial statement. RUEI SHIN CONSTRUCTIN CO., LTD and KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD shall not exceed the 40% net asset value from the latest financial statement.

Note 5: GOLDSUN CONCRETE (WUJIANG) CO., LTD., KUNSHAN GOLDSUN CONCRETE CO., LTD., GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD., GOLDSUN CONCRETE (SUZHOU) CO., LTD., TAICANG PORT GOLDSUN CONCRETE CO., LTD., and GOLDSUN CONCRETE (SUZHOU) CO., LTD..'s ending balance would be duplicate calculated in collaboration. Actual ending balance was RMB$80,000 thousand except RMB$100,000 thousand of GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD. The ending balance didn't exceed the limit.

Note 6: The Group cancelled the share of subsidiary, TAICANG PORT GOLDSUN CONCRETE CO., LTD.. on September 27, 2021

Note 7: The Group sold the shares of subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD.. in May 2021.

ATTACHMENT 2 : Endorsement/Guarantee provided to others for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No. (Note 1)	Name of endorsers	Endorsee: Name of endorsees	Endorsee: Relationship (Note 2)	Endorsement limit for a single entity (Note 3)	Maximum balance for the period (Note 4)	Ending 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 Mainland China (Note 7)
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOYU BUILDING MATERIALS CO., LTD.	6	$10,695,129	$78,000	$-	$-	$-	-	$10,695,129	Y		
1	REI SHIN CONSTRUCTIN CO., LTD	GOLDSUN BUILDING MATERIALS CO., LTD.	3	3,854,635	2,700,000	2,700,000	1,800,000	-	140.09%	3,854,635		Y	
2	REIXIN ASSET MANAGEMENT INC.	GOLDSUN BUILDING MATERIALS CO., LTD.	3	2,258,884	884,000	884,000	-	-	78.27%	2,258,884		Y	
3	GOLDSUN CONCRETE (SUZHOU) CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	2,916,395	1,744,000	1,736,000	352,799	-	297.63%	2,916,395			Y
4	GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	3,526,830	1,744,000	1,736,000	331,272	-	246.11%	3,526,830			Y
5	GOLDSUN CONCRETE (WUJIANG) CO., LTD.	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	3,429,570	1,744,000	1,736,000	382,701	-	253.09%	3,429,570			Y
6	KUNSHAN GOLDSUN CONCRETE CO., LTD. (Note 8)	GOLDSUN CONCRETE (SUZHOU) CO., LTD. and other three companies	4	-	-	-	-	-	-	-			Y

Note 1: The parent company and its subsidiaries are coded as follows:
(1) The parent company is coded "0".
(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories:
(1) Having business relationship.
(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.
(5) Mutual guarantee of the trade as required by the construction contract.
(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: The procedure of endorsement is showed as the follows:
(1) For the Company, the endorsement / guarantee amount limit for a single entity that shall not exceed 50% of the Company's net asset value from the latest financial statement;
the total amount shall not exceed 50% of net asset value from the latest financial statement.
(2) REI SHIN CONSTRUCTIN 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: The maximum endorsements/guarantees amount current year.

Note 5: All endorsements/guarantees that have been approved by bank shall be calculated in ending balance.

Note 6: Please fill in the actual amount provided by the endorsers.

Note 7: Parent company endorsed/guaranteed for the subsidiaries, subsidiaries endorsed/guaranteed for the parent company, or endorsement/guarantee for entities in China shall fill in "Y".

Note 8: The Group sold the shares of subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD.. in May 2021.

ATTACHMENT 3 : Securities held as of December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Names of companies held	Type and name of securities	Relationship with the Company	Financial statement account	December 31, 2021				Remark
				Units (thousand) / bonds / shares (thousand)	Carrying amount	Percentage of ownership (%)	Fair value/Net assets value	
GOLDSUN BUILDING MATERIALS CO., LTD.	Stock-							
	TAIWAN CEMENT CORPORATION		Financial assets at fair value through other comprehensive income, current	16,800,000	$806,400	-	$806,400	12,300 thousand shares provide for loan guarantee
	TAIWAN SECOM CO., LTD	Investor under the equity method	Financial assets at fair value through other comprehensive income, non-current	5,935,000	617,240	1%	617,240	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	787	-	787	
	TAIWAN AIRPORT SERVICE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	7,405,200	69,017	17%	69,017	7,405 thousand shares provide for loan guarantee
	FUHWA VENTURE CAPITAL INC.		Financial assets at fair value through other comprehensive income, non-current	15,000	1,228	5%	1,228	
	OVERSEAS INVESTMENT & DEVELOPMENT CORP.		Financial assets at fair value through other comprehensive income, non-current	2,000,000	14,740	2%	14,740	
	ANFENG SPRING ENTERPRISE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	150,000	2,498	5%	2,498	
	CHINESE PRODUCTS PROMOTION CENTRE		Financial assets at fair value through other comprehensive income, non-current	1,334	-	-	-	
	EVERTERMINAL CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	714,826	10,051	1%	10,051	
KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Stock-							
	GOLDSUN BUILDING MATERIALS CO., LTD.	Parent Company	Financial assets at fair value through other comprehensive income, non-current	238,323	6,947	-	6,947	Included in treasury shares
	TAIWAN CEMENT CORPORATION		Financial assets at fair value through other comprehensive income, current	840,000	40,320	-	40,320	
	TAIWAN SECOM CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	2,000,000	208,000	-	208,000	
REIXIN ASSET MANAGEMENT CO., LTD.	Stock-							
	GOLDSUN BUILDING MATERIALS CO., LTD.	Parent Company	Financial assets at fair value through other comprehensive income, non-current	2,877,785	83,887	-	83,887	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	-	404,100	19%	404,100	
	FUJIAN HENGZHONG SAND STONE CO., LTD.		Financial assets at fair value through other comprehensive income, non-current	-	22,464	19%	22,464	

Attachment 4 : Acquisition of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock for the year ended December 31, 2021

(Unit: NTD: thousands)

Company name	Name of property	Transaction date	Transaction amount	Status of payment	Counterparty	Relationship with the Company	If the counter-party is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Other terms
							Owner	Relationship with the Company	Transfer date	Amount			
CHENG KUONG CHEMICAL CO., LTD.	Land	November 27,2020	$383,389	Full payment	GOLDSUN BUILDING MATERIALS CO., LTD.	—	—				Increase production capacity	Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions	None
Huanhe St., Xizhi Dist., New Taipei City No.1294	Land	October 13,2021	395,218	Full payment	GOLDSUN BUILDING MATERIALS CO., LTD.	—	—				For operational use		None

Attachment 5:Disposal of individual real estate with amount exceeding the lower of NT$300 million and 20 percent of the capital stock for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Real estate disposed by	Real estate	Transaction date or date of the event (Note 5)	Acquisition date	Carrying value	Transaction amount (Note 4)	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Price reference	Other terms
GOLDSUN BUILDING MATERIALS CO., LTD.	Wannei St., Sanmin Dist., Kaohsiung City No.763 The land ownership :1/2	November 15,2021	March 15,1993	$573,315	$2,208,675	Based on contract terms	$1,635,360	Bijiang Enterprises Co., Ltd	—	Optimize assets and Enrich the working capital of the Company	Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions	None
	No. 427, Minzu 1st Rd., Sanmin Dist., Kaohsiung City The building ownership :1/2		July 1,2001	-								

Note 1: The disposal of assets shall be appraised, the appraisal results need to be noted in the "Price reference" column.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Transaction date or date of the event, refers to the date of signing the transaction, the date of payment, the date of entrustment transaction, the date of transfer, the date of resolution of the board of directors or the date on which the transaction object and transaction amount are fully funded.

Note 4: The amount is total amount of the contract deduct land value increment tax, business tax and related necessary expenses.

Note 5: The date is contract signing date.

Attachment 6:Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million and 20 percent of capital stock for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Company	Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
			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	$674,195	NOTE	Net 30 days	$-	-	$(124,885)	(5.72)%	
GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	Subsidiary	Operating Cost	556,750	6%	Net 30 days	-	-	(96,925)	(4.44)%	
GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL MATERIALS CO. , LTD.	Subsidiary	Operating Cost	427,181	4%	Net 30 days	-	-	(50,013)	(2.29)%	

Note : The Company provided the services of shipping cement to GOLDSUN BUILDING MATERIALS CO., LTD. and accounted to "Other operating income".

Attachment 7: Significant intercompany transactions between consolidated entities for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

No.	Company	Counter-party	Relationship	Account	Amount	Term	As a percentage of total assets or revenues
	Year of 2021						
0	GOLDSUN BUILDING MATERIALS CO., LTD.	WELLPOOL CO., LTD.	1	Sales revenue	$55,556	(Note 4)	0.25%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	WELLPOOL CO., LTD.	1	Accounts receivables	20,284	(Note 4)	0.06%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	1	Lease liabilities	9,941	By contract	0.03%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	1	Cost of goods sold	556,750	(Note 4)	2.55%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GOLDSUN NIHON CEMENT CO., LTD.	1	Accounts payable	96,925	(Note 4)	0.27%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REI SHIN CONSTRUCTIN CO., LTD	1	Sales revenue	30,000	(Note 4)	0.14%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REI SHIN CONSTRUCTIN CO., LTD	1	Lease liabilities	64,142	By contract	0.18%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	REIXIN ASSET MANAGEMENT CO., LTD.	1	Lease liabilities	19,164	By contract	0.05%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	GIMPO MARINE CO., LTD.	1	Cost of goods sold	35,412	(Note 4)	0.16%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Cost of goods sold	427,181	(Note 4)	1.96%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Accounts payable	50,013	(Note 4)	0.14%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	TAIPEI PORT TERMINAL COMPANY LIMITED	1	Lease liabilities	73,731	By contract	0.20%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	JIN SHUN MARITIME LTD.	1	Cost of goods sold	49,199	(Note 4)	0.23%
0	GOLDSUN BUILDING MATERIALS CO., LTD.	YUAN SHUN MARITIME LTD.	1	Cost of goods sold	34,505	(Note 4)	0.16%
1	RUEI SHIN CONSTRUCTIN CO., LTD	GOLDSUN BUILDING MATERIALS CO., LTD.	2	Other operating income	32,531	(Note 4)	0.15%

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) Each subsidiary is numbered from 1.

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: Transaction amount is stated as a ratio of total assets or total revenues. Ratios of assets or liabilities accounts are calculated as ending balance divided by total assets, and ratios of profit or loss accounts are calculated as accumulated amount for the year divided by total revenues.

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 $10,000 thousand.

ATTACHMENT 8: Names, locations and related information of investee companies (Not including investment in Mainland China) for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investor Company	Investee Company	Location	Main business and products	Original / investment amount		Investment as of December 31, 2021			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book value			
GOLDSUN BUILDING MATERIALS CO., LTD.	KUNYUNG CONSTRUCTION & ENGINEERING CO., LTD	Taipei, TW	Construction of civil and architectural construction projects	$835,000	$835,000	30,000,000	100%	$412,482	$13,068	$12,733	
	REI SHIN CONSTRUCTION CO., LTD	Taipei, TW	Real estate rental, sale and development	-	-	80,000,000	100%	1,579,396	(8,033)	(7,819)	
	WELLPOOL CO., LTD.	Taipei, TW	Sales of calcium silicate board and other boards	303,653	303,653	18,280,389	51%	549,877	166,086	84,209	15,000 thousand shares provide for loan guarantee
	GOLDSUN NIHON CEMENT CO., LTD.	Kaohsiung, TW	Cement import and sale	119,121	119,121	11,460,000	59%	153,407	21,974	12,914	
	TAIPEI PORT TERMINAL COMPANY LIMITED	Taipei, TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,482,120	(10,465)	(10,137)	
	HWA YA DEVELOPMENT CO., LTD.	Taipei, TW	Hotel operator	196,928	196,928	15,714,108	31%	158,449	(3,492)	(1,071)	
	GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	Taipei, TW	Sales of ready-mixed concrete and cement products	(Note 1)	60,000	-	-	-	(2,017)	(2,017)	
	GOYU BUILDING MATERIALS CO., LTD.	Chiayi, TW	Sales of building materials	280,000	260,000	28,000,000	70%	248,592	(14,779)	(9,759)	
	GIMPO MARINE CO., LTD.	New Taipei City, TW	Shipping	100,000	100,000	10,000,000	100%	89,306	(5,346)	(5,346)	
	REIXIN ASSET MANAGEMENT INC.	Taipei, TW	Real estate rental, sale and development	(Note 2)	(Note 2)	100,000,000	100%	1,045,775	180	(4,417)	
	LAKE VERNICIA DEVELOPMENT COMPANY	Taipei, TW	Crop cultivation, special crop cultivation,and edible mushroom cultivation	1,000	1,000	100,000	100%	611	(255)	(255)	
	GALC INC.	Taipei, TW	Construction and architectural works	21,000	-	2,100,000	70%	22,126	1,609	1,126	(Note 3)

ATTACHMENT 8: Names, locations and related information of investee companies (Not including investment in Mainland China) for the year ended December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investor Company	Investee Company	Location	Main business and products	Original / investment amount		Investment as of December 31, 2021			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book value			
GOLDSUN BUILDING MATERIALS CO., LTD.	JIN SHUN MARITIME LTD.	Hong Kong	Shipping	$314,216 (USD 10,000)	$314,216 (USD 10,000)	78,000,000	100%	$109,232	$(12,110)	$(12,110)	
	YUAN SHUN MARITIME LTD.	Hong Kong	Shipping	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	429,106	25,003	25,003	
	JING SHUN MARITIME LTD.	Hong Kong	Shipping	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	282,553	38,912	38,912	
	FENG SHUN MARITIME LTD.	Hong Kong	Shipping	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	191,160	18,370	18,370	
	EASE GREAT INVESTMENTS LTD.	Samoa	Investment and holding	2,334,183 (USD 59,640)	3,162,697 (USD 89,386)	59,640,000	100%	3,237,133	316,479	316,479	
	TAIWAN BUILDING MATERIALS (HONG KONG) LIMITED	Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	427,500	(42)	(5)	
	RAIXIN QUALITY PRODUCTS LTD.	Taipei, TW	Upholstery and sales of furniture	66,386	41,000	5,421,023	39%	24,027	(20,820)	(6,181)	Associates
GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD.	RAIXIN QUALITY PRODUCTS LTD.	Taipei, TW	Upholstery and sales of furniture	-	60,284	-	-%	-	(20,820)	-	Associates
WELLPOOL CO., LTD.	GAPE-GOLDSUN CORPORATION	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,480	11	-	
EASE GREAT INVESTMENTS LTD.	GREAT SMART LTD.	Cayman	Investment and holding	629,364 (USD 19,390)	1,008,411 (USD 31,068)	19,390,000	100%	832,670 (USD 30,082)	96,550	-	
	GOLDSUN INTERNATIONAL DEVELOPMENT CORP.	Cayman	Investment and holding	1,316,300 (USD 40,100)	1,874,333 (USD 57,100)	40,100,000	100%	2,402,246 (USD 86,786)	217,517	-	

Note 1: The Board of Directors of GOLDSUN INNOVATIVE BUILDING MATERIALS CO., LTD. approved to dissolve and liquidate on February 26, 2021. The entity was dissolved on March 1, 2021, so is not included in consolidated entities.

Note 2: RUEI SHIN CONSTRUCION CO., LTD., a subsidiary, independently operated business to a newly incorporated company, REIXIN ASSET MANAGEMENT INC., that the Company own 100% share.
The transferred business value is estimated 1,000,000 thousand.
The Company transferred part of its obtained 100,000 thousand new shares issued by REIXIN ASSET MANAGEMENT INC. as consideration. The division reference date was January 1, 2020.

Note 3: GALC Inc., was jointly established by the Company and Taiwan Secom Co., Ltd., on February 2, 2021. The total investment amount was NT$30,000 thousand, and the Company acquired 70% of the shares.

ATTACHMENT 9: Investment in Mainland China as of December 31, 2021

(Unit:Foreign currency: thousands, NTD: thousands)

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2021	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2021	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of December 31, 2021	Accumulated inward remittance of earnings as of December 31, 2021
					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)	$848	100%	$848	$425,851	$33,567 (Note 9)
GOLDSUN (CHANGSHU) CONCRETE 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)	26,539	100%	26,539 (Note 4)	583,279 (Note 4)	242,608 (Note 10)
TAICANG PORT GOLDSUN CONCRETE CO., LTD.	Production and sales of ready-mixed concrete and cement products	198,678 (USD 5,960)	(Note 1)	198,678 (USD 5,960)	-	198,678 (USD 5,960)	-	722	100%	722	-	93,415 (Note 11)
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)	28,819 (Note 4)	100%	28,819 (Note 4)	685,914 (Note 4)	-
KUNSHAN GOLDSUN CONCRETE CO., LTD.	Production and sales of ready-mixed concrete and cement products	131,864 (USD 4,000)	(Note 1)	131,864 (USD 4,000)	-	131,864 (USD 4,000)	-	(21,796)	-	(21,796)	- (Note 12)	388,510
GOLDSUN (SUZHOU) BUILDING MATERIALS CO., LTD.	Production and sales of ready-mixed concrete and	198,527 (USD 5,960)	(Note 1)	198,527 (USD 5,960)	-	-	198,527 (USD 5,960)	25,878 (Note 4)	100%	25,878 (Note 4)	705,366 (Note 4)	-
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)	471,829	20%	94,366	814,731	145,190 (Note 8)
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%	-	404,100 (Note 5)	-
FUJIAN HENGZHONG SAND STONE CO., LTD.(Note9)	Sandstone processing	134,790 (RMB 30,000)	(Note 3)	24,777 (USD 810)	-	-	24,777 (USD 810)	-	19%	-	22,464 (Note 5)	-

Accumulated investment in Mainland China as of December 31, 2021	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
$3,138,413 (USD 95,580)	$1,457,136 (USD 52,642)	$13,503,508 (Note 13)

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 Mainland 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 Mainland China.

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

Note 4: Amount was recognized based on the audited financial statements.

Note 5: Company recognized the investment as "Financial assets at fair value through other comprehensive income, non-current".

Note 6: The Company deposed the subsidiary, GOLDSUN COMENT (FUJIAN) CO., LTD, in 2019. Accumulated outflow of investment from Taiwan was NT$2,369,969 thousand (USD$72,500 thousand). EASE GREAT INVESTMENTS LTD. implement a capital reduction USD$55,277 thousand in cash through the return of share proceeds to the Company and remaining outflow of investment USD$17,223 thousand was not returned to Taiwan as of December 31, 2021.

Note 7: The Company deposed the subsidiary, FU YANG PORT CO., LTD. in 2019. Accumulated outflow of investment from Taiwan was NT$322.625 thousand (USD$10,000 thousand). EASE GREAT INVESTMENTS LTD. implement a capital reduction USD$7,501 thousand in cash through the return of share proceeds to the Company and accumulated outflow of investment from Taiwan was USD$2,499 thousand as of December 31, 2021.

Note 8: The Board of Directors of LIANYUAN CONCH CEMENT CO., LTD. approved a proposal of earnings distribution and dividends per share on July 27, 2020. GREAT SMART LTD. received the dividends RMB$34,815 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 9: The Board of Directors of GOLDSUN CONCRETE (SUZHOU) CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$8,115 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 10: The Board of Directors of GOLDSUN (CHANGSHU) CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$59,147 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 11: The Board of Directors of TAICANG PORT GOLDSUN CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on September 1, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$19,280 thousand, the Board of Directors approved a proposal of earnings distribution and dividends per share on December 25, 2020. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$3,253 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.
The Company's board of directors resolved in its meeting on September 1, 2021 to discontinue the operations of its subsidiary, TAICANG PORT GOLDSUN CONCRETE CO., LTD., and was liquidated and written down on September 27, 2021.
EASE GREAT INVESTMENTS LTD. received the dividends USD$7,500 thousand and all of the funds were repatriated to Taiwan as of December 31, 2021.

Note 12: The Board of Directors of KUNSHAN GOLDSUN CONCRETE CO., LTD. approved a proposal of earnings distribution and dividends per share on March 10, 2021. GOLDSUN INTERNATIONAL DEVELOPMENT CORP. received the dividends RMB$40,142 thousand ,and all of the funds were repatriated to Taiwan as of December 31, 2021.
The Group discontinue the operations of its subsidiary, KUNSHAN GOLDSUN CONCRETE CO., LTD. on May 21,2021.
As of September 30, 2021, the procedures of the transaction was completed, and the selling price was fully remitted back to Taiwan.

Note 13: 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 mainland China was 60% of consolidated net worth or net worth (higher).

Attachment 10: Information of Major Shareholder as of December 31, 2021

(Unit: share)

Shares/Name	Number of shares		Percentage of ownership (%)
	Ordinary Stock	Preferred stock	
SHIN LAN ENTERPRISE INC.	80,545,341	-	6.82%
TAIWAN SECOM CO., LTD.	77,705,747	-	6.58%

VI. If the company and its affiliates have experienced financial difficulties in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the annual report shall explain how said difficulties will affect the Company's financial situation: None.

Seven. Review and Analysis of the Financial Position and Performance and Risk Management:

I. Financial position:

Unit: NT$1,000

Year / Item	2021.12.31	2020.12.31	Difference	
			Amount	%
Current assets	12,530,850	12,533,765	(2,915)	(0.02%)
Property, plant and equipment	9,793,259	9,074,291	718,968	7.92%
Intangible assets	3,787,021	3,875,104	(88,083)	(2.27%)
Other assets	9,649,353	9,245,750	403,603	4.37%
Total assets	35,760,483	34,728,910	1,031,573	2.97%
Current liabilities	7,137,852	6,210,029	927,823	14.94%
Total Liabilities	13,254,636	13,398,534	(143,898)	(1.07%)
Capital	11,800,000	11,800,000	-	-
Capital surplus	1,183,587	1,178,554	5,033	0.43%
Retained earnings	8,382,319	7,323,281	1,059,038	14.46%
Other adjustments to shareholders' equity	24,352	(102,506)	126,858	123.76%
Total equity attributable to shareholders of the parent company -	21,390,258	20,199,329	1,190,929	5.9%
Total non-controlling interest	1,115,589	1,131,047	(15,458)	1.37%
Total equity	22,505,847	21,330,376	1,175,471	5.51%

Analysis of major variance:

1. Other adjustments to shareholders' equity increased over the previous period are mainly due to the increase of NT$208,358 thousand in unrealized gains from financial assets at fair value through profit or loss.

II. Financial performance:

Unit: NT$1,000

Item / Year	2021	2020	Different in amount	Change in %
Net revenue	21,801,699	18,877,800	2,923,899	15.49%
Operating cost	17,695,570	15,744,353	(1,951,217)	12.39%
Gross profit	4,106,129	3,133,447	972,682	31.04%
Operating expenses	861,737	809,890	(51,847)	(6.4%)
Operating profit	3,244,392	2,323,557	920,835	39.63%
Non-operating income and	401,938	382,237	19,701	5.15%
Pre-tax net profit	3,646,330	2,705,794	940,536	34.76%
Income tax (expense) benefit	(713,086)	(154,987)	(558,099)	360.09%
Net income for the year	2,933,244	2,550,807	382,437	14.99%
Other comprehensive income for the year (Net income after taxes)	109,349	(199,406)	308,755	154.84%
Total comprehensive income for the year	3,042,593	2,351,401	691,192	29.39%
Profits attributable to shareholders of the parent company	2,848,871	2,472,927	375,944	15.2%
Total comprehensive income attributable to shareholders of the parent company	2,957,678	2,273,233	684,445	30.11%

Analysis of percentage increase / decrease:

1. Income tax expenses increased over the previous year is mainly due to the significant decrease in the deferred income tax assets last year.
2. Other comprehensive income in the current period increased over the previous period was mainly due to the increase of NT$358,181 thousand in unrealized gains from equity instruments measured at fair value through other comprehensive income.

III. Cash flow:

(I) Analysis of the changes in cash flow in the most recent year:

Opening Balance A	Net cash flow from operating activities for the year B	Cash outflow (inflow) for the year C	Amount of cash surplus (shortfall) A+B-C	Remedy for insufficient cash	
				Investment plan	Financing plan
2,485,369	3,836,610	3,803,818	2,518,161	-	-

1. Operating activities: Net cash inflow of NT$3,836,610 thousand was mainly due to the increase in selling price and operating gross profit.
2. Investment activities: Net cash of NT$809,628 thousand used was mainly due to the acquisition of real estate, plant and equipment.
3. Financing activities: Net cash of NT$2,955,322 thousand used was mainly due to the decrease in long-term notes payable.

(II) Improvement plan for liquidity shortfall and liquidity analysis:

1.Improvement plan for liquidity shortfall: Not applicable.

2. Liquidity analysis:

Item \ Year	2021	2020	Percentage increase / decrease (%)
Cash flow ratio	53.75%	45.70%	17.61%
Cash flow adequacy ratio	105.48%	(2.19%)	4,916.44%
Cash flow reinvestment ratio	9.35%	10.97%	(14.77%)

Analysis of percentage increase / decrease:
1. Cash flow ratio: Mainly due to the net cash flow from operating activities increased by 35.2% over last year.
2. Cash flow adequacy ratio: Mainly due to the increase in net cash flow from operating activities the past five years.
3. Cash reinvestment ratio: Mainly due to the increase in gross fixed assets.

(III) Cash flow analysis for the coming year:

Unit: NT$1,000

Opening Balance A	Estimated cash flow from operating activities B	Estimated cash outflow for the year C	Estimated amount of cash surplus (shortfall) A+B-C	Remedy for insufficient cash	
				Investment plan	Financing plan
2,518,161	3,293,125	5,140,181	671,105	-	-

1. Cash flow analysis for the coming year:
(1) Operating activities: Revenue and profits are expected to grow steadily, resulting in net cash inflow for operating activities.
(2) Investing activities: Cash outflows are for the implementation of various investment plants in accordance with the Company's policies.
(3) Financing activities: Mainly to pay cash dividends.

2. Remedy and flow analysis for the estimated cash shortfalls: None.

IV. Impact of major capital expenditures on financial operations

(I) Uses of major capital expenditures and sources of funds:

Unit: NT$1,000

Program	Actual or planned source of capital	Actual or planned completion date	Total capital required	Actual or planned use of capital				
				2018	2019	2020	2021	2022
Nangang urban revitalization project	Cash flow generated from operation	2026	Planning	32,816	62,951	33,212	31,803	61,224
Rende plant	Cash flow generated from operation	2022	576,439	-	-	39,738	17,393	519,308

(II) Expected impact from profits generated on the financials:

The two sets of mixing machines at Rende plant are expected to be officially operational by the end of 2022. The monthly sales volume of ready-mix concrete will be 30,000 cubic meters in the future.

V. Company's re-investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year

(I) Reinvestment policy and main reasons for profits or losses:

No investment this year exceeded 5% of the paid-in capital.

(II) Investment plan for the coming year:

None.

VI. Analysis and assessment of risks in the most recent fiscal year and up to publication date of the annual report

(I) Impact of changes in interest rates and currency exchange and inflation on the Company's profit and loss and the response measures to be taken in the future:

The Company faces interest rate risks which correspond to long-term and short-term liabilities arising from business activities. Depending on the market situation, the Company will consider the overall liquidity and safety to make the best combination of capital to respond to changes in the financial market.

The exchange rate risk is mainly related to the net investment in a foreign operation. A net investment in a foreign operation is considered a strategic investment. We will continue to monitor changes in market exchange rates to respond to the impact of exchange rate fluctuations in a timely manner.

According to the Director-General of Budget, Accounting and Statistics, Executive Yuan, the 2021 consumer price index experienced a 1.96% year-over-year increase. The inflation risk is within an acceptable level and has no significant impact on the Company's operations.

(II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees and derivatives transactions is the main reason contributing to its profits and losses and the response measures to be taken in the future:

Based on the prudent concept and the business philosophy of practicality, we focus on long-term investments related to the industry and have not engaged in high-risk, high-leverage investments. Loans to other parties, endorsements, guarantees and derivatives transactions are all carried in accordance with the Company's "Measures for Handling Acquisition or Disposal of Assets," "Procedures for Lending Funds to Others" and "Operating Procedures for Loans to Others and Endorsement and Guarantee." In the future, we will still rigorously abide by the procedures specified by relevant rules at the Company's best interests.

(III) Future R&D projects and the projected R&D expenses:

1. Continuing development and optimization of concrete products

In addition to maintaining the current concrete product line, we continue to actively engage in the study of mass production of special concrete (ultra-high performance concrete (UHPC), new permeable concrete, high-strength lightweight concrete, etc.), optimize the overall production technology and promote the practical application in private construction projects, civil engineering projects and major public construction projects and other structures, expanding the applicability.

2. Technological development of low-carbon concrete

In response to the future trends of carbon reduction and carbon footprint traceability, we will introduce the inventory and tracking of carbon footprint and greenhouse gas emission for the raw materials, process and transportation of concrete products, establish carbon footprint and greenhouse gas emission data at each stage, and develop carbon reduction manufacturing technology and feasibility of alternative materials. We will develop diverse carbon reduction technologies to reduce the overall environmental impact, improve the competitiveness in the industry to copy with the carbon offset and trading issues in the future.

3. Continue to incorporate circular economy and refine raw materials quality inspection capabilities

Due to the rising cost of raw materials for concrete and the impact from energy consumption and circular economy and other sustainability issues, industrial by-products such as blast furnace slag, fly ash and pozzolanic materials have been used to replace part of cement, and technologies of carbon capture and storage for concrete have been developed. Besides improving the durability of concrete, they reduce the carbon emissions from the manufacturing of cement. Incorporating energy conservation and carbon reduction for the circular economy application is a must for the development of contemporary concrete technologies, and they will become the future for concrete materials.

Besides, the internal resources of the Group are consolidated to plan for the expansion of certification of raw materials inspection lab, add needed instruments and manpower, improve the inspection effectiveness of raw materials currently in use and strengthen the control capabilities of raw materials, so that customers can receive better concrete products.

4. Assist in the development of new building materials

Help the building materials-related departments of the Group develop new products and optimize production process to maintain competitive advantages in the field.

A total of NT$10.05 million is expected to be used as the R&D expenditure of 2022 to continue improving the performance of the Company's concrete products and the applications and technologies of diverse admixture materials. The manufacturing technology for low-carbon concrete products will be developed to improve the added value of our concrete products and leadership. In addition, we will improve the raw materials quality inspection capabilities and help develop new building materials to enhance competitiveness and meet the diverse needs of clients.

(IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

We comply with the national policies and regulations, and pay attention to the information on policy and regulatory changes both at home and abroad to help us grasp the biggest opportunity, further ensuring the financial stability and maintaining the development of sustainability.

(V) Effect on the Company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response:

"Goldsun Peace-of-Mind Building Materials Traceability" conducts quality audits of mine sources of sand and gravel with third-party units, including SGS and the Taiwan Construction Research Institute. Incorporating the cloud technology, we have established an advanced transparent and open system which holds back the flows of furnace slag. Buildings upon completion have transparent and open identifications. This approach protects the housing safety of domestic citizens, and has accumulated more than 2,100 project site applications, and it is highly recognized by the market and citizens. In addition, we provided an in-depth report with our "Tour of Peace-of-Mind Construction Projects" in 2017. People can get to understand the culture and business philosophy of construction firms through objective interviews and cultural warmth. This practice drove the sales of projects and improved the corporate image, fulfilling the goals of "Buy a house with traceability and live in a home with peace of mind for a lifetime" with Goldsun Building Materials.

(VI) Effect on the Company's crisis management from changes in the Company's corporate image, and measures to be taken in response:

We are the largest domestic producer of ready-mix concrete. "Quality" and "Service" are the business philosophy we rigorously adhere to, and they are also the Company's consistent brand image to external stakeholders, which we will not change.

In recent years, we have adopted the traceability management in our vertical integration, a 7-stage chloride ion quality control and inspection processes from our own mine sources all the way to the construction sites of our clients, and introduced the certification of "Goldsun Peace-of-Mind Building Materials Traceability" to increase our efficiency and ensure the best product quality. We have achieved 99% in our customer satisfaction to make customers trust us. We hope that our long-term development will enable the concrete industry to become a respected and sustainable industry.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: Not applicable.

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: In response to the growing market demand in Tainan, the Company expects to establish a plant in Rende in 2022.

(IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken: There is no concern about concentration risks for major suppliers and customers.

(X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director or shareholder holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: Not applicable.

(XI) Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: Not applicable.

(XII) Litigation or non-litigation incidents:

Major litigation, non-litigation or administrative incidents that involve the Company and/or any director, the president, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10% and/or any other company or companies controlled by the Company and of which the results may have a significant impact on the Company's shareholders' interests or the securities prices: Not applicable.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

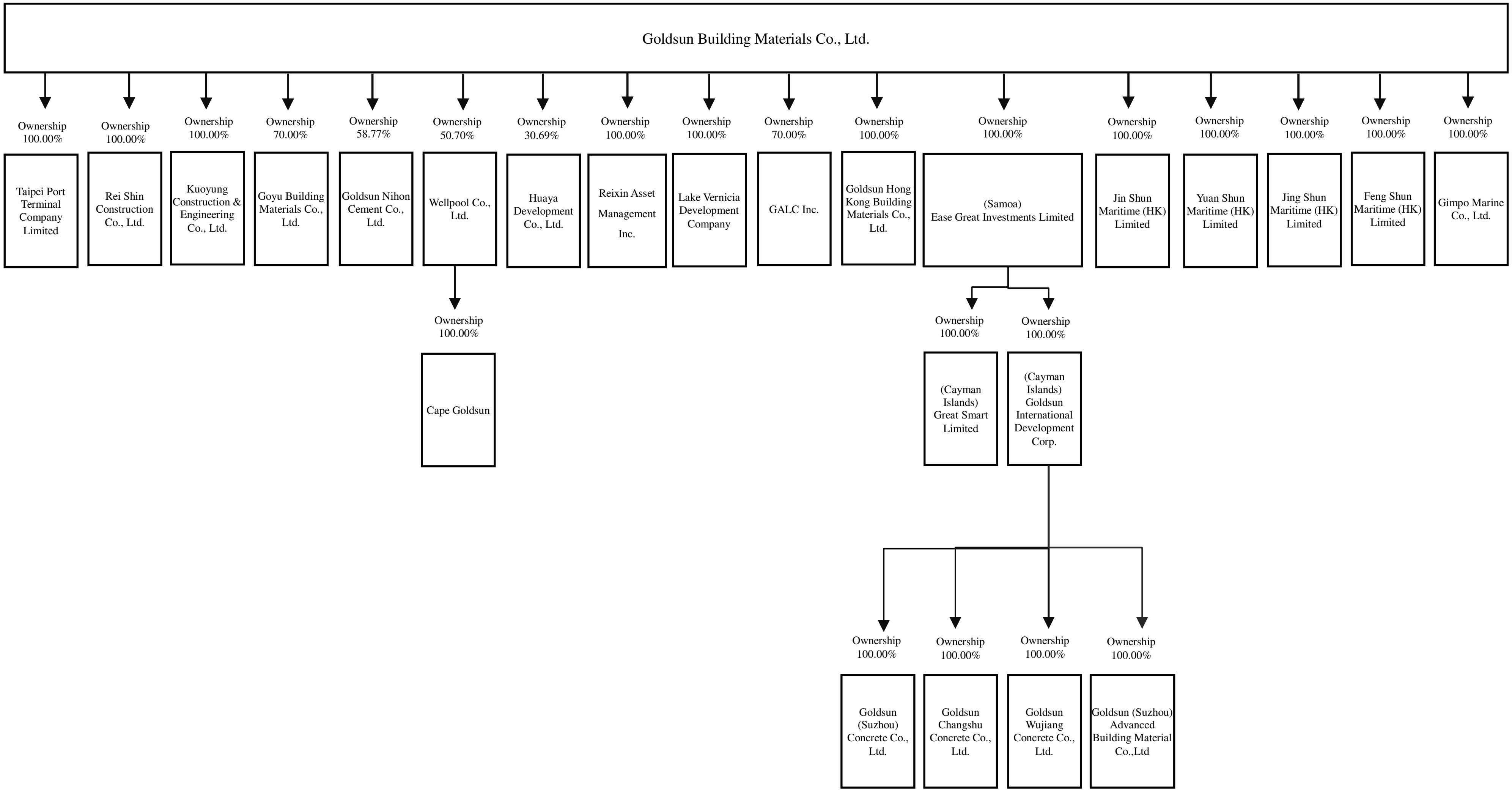
VII. Other impiortant matters: In order to protect the security of the Company's information system, we have established security monitoring and data backup measures. We also regularly conduct system recovery tests to examine the effectiveness of data backup, expecting that the information system can be restored to normal business operatons in the shortest time in the event of force majeure disasters or other forms of damages caused by humans.

Eight. Special Matters to be Included

I. Information related to the Company's affiliates.

(I) Consolidated report on subsidiaries

1. Organizational chart of subsidiaries (Base date: December 31, 2021)



2. Basic information of each affiliate: Please see Table 1.
3. Controlling company and affiliate companies presumed to share the same shareholders according to Article 369-3 of the Company Act: Not applicable.
4. If affiliates are related in their business activities, please describe the division of labor:
   (1) Taipei Port Terminal Company Limited: Engage in the construction and operation of the second bulk cargo storage and logistics center of Taipei Port.
   (2) Rei Shin Construction Co., Ltd.: Real estate management, leasing, trading and development
   (3) Kuoyung Construction & Engineering Co., Ltd.: Civil engineering and construction business, mainly bid for the government's public works and some projects in the private sector.
   (4) Goyu Building Materials Co., Ltd.: Manufacturing and sales of concrete products.
   (5) Goldsun Nihon Cement Co., Ltd.: Sales of imported cement.
   (6) Wellpool Co., Ltd. and Cape Goldsun: Manufacturing and sales of calcium silicate board and fiber cement board.
   (7) Huaya Development: Hotel management and sales of cement and asbestos wave board products
   (8) Reixin Asset Management Inc: Real estate leasing, trading and development.
   (9) Lake Vernicia Development Company: Growing of crops, growing of special crops and growing of edible fungi.
   (10) GALC Inc.: Interior decoration, house equipment installation engineering.
   (11) Goldsun (HK) Building Materials Co., Ltd., (Samoa) Ease Great Investment Limited, (Cayman Islands) Great Smart Limited, (Cayman Islands) Goldsun International Development Corp.: Offshore holding company.
   (12) Jin Shun Maritime Limited (HK), Yuan Shun Maritime Limited (HK), Jing Shun Maritime Limited (HK), Feng Shun Maritime Limited (HK), Gimpo Marine Co., Ltd.: Provide maritime transport.
   (13) Goldsun (Suzhou) Concrete Co., Ltd., Goldsun (Changshu) Concrete Co., Ltd., Goldsun (Wujiang) Concrete Co., Ltd., Goldsun (Suzhou) Advanced Building Material Co., Ltd.: Manufacturing and sales of ready-mix concrete.
5. Information on the directors, supervisors and general manager of each affiliate: Please see Table 2.
6. Overview of the business operations of each affiliate: Please see Table 3.

Table 1

Basic information of each affiliate

Unit: NT$1,000, unless otherwise specified thousand

Company Name	Date of Establishment	Address	Paid-in capital	Main business activities or products
Taipei Port Terminal Company Limite	2009.08.24	No. 133, Shanggang Road, Bali District, New Taipei City	2,500,000	Harbor Cargoes Forwarding Services
Rei Shin Construction Co., Ltd.	1996.09.16	7F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	800,000	Real estate management, renting and leasing, commerce and development
Kuoyung Construction & Engineering Co., Ltd.	1976.07.23	6F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	300,000	Construction of civil engineering and architectural projects
Goyu Building Materials Co., Ltd.	2018.03.21	No. 50, Zhongshan Road, Minxiong Township, Chiayi County	400,000	Manufacturing and sales of concrete products
Goldsun Nihon Cement Co., Ltd.	1991.11.22	No. 21-1, Dahua 3rd Road, Qianzhen District, Kaohsiung City	195,000	Sales of imported cement
Wellpool Co., Ltd.	1981.11.30	5F-1, No. 139, Zhengzhou Road, Datong District, Taipei City	360,544	Manufacturing and sales of calcium silicate board and fiber cement board.
Cape Goldsun	2005.07.27	5F-1, No. 139, Zhengzhou Road, Datong District, Taipei City	1,000	Trading of building materials and fireproof materials
Huaya Development Co., Ltd.	1990.10.16	7F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	512,000	Recently established, and has not started its operating activities.
Reixin Asset Management Inc.	2020.02.18	7F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	1,000,000	Real estate leasing, trading and development
Lake Vernicia Development Company	2020.10.07	7F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	1,000	Growing of crops, growing of special crops, and growing of edible fungi.
GALC Inc.	2021.02.02	6F, No. 8, Xinhu 1st Road, Neihu District, Taipei City	30,000	Interior decoration, house equipment installation engineering.
Goldsun Hong Kong Building Materials Co., Ltd.	2014.12.01	Unit 1501, 15th Floor, AT Tower, 180 Electric Road, Hong Kong	USD 15,436,611	Investment holdings
(Samoa) Ease Great Investments Limited	2004.11.19	Samoa	USD 59,640,000	Investment holdings

Company Name	Date of Establishment	Address	Paid-in capital		Main business activities or products
(Cayman Islands) Great Smart Limited	2004.11.19	British Cayman Islands	USD	19,390,000	Investment holdings
(Cayman Islands) Goldsun International Development Corp.	2002.09.17	British Cayman Islands	USD	40,100,000	Investment holdings
Jin Shun Maritime (HK) Limited	2012.07.18	Unit 1501, 15th Floor, AT Tower, 180 Electric Road, Hong Kong	USD	10,000,000	Maritime transport business
Yuan Shun Maritime (HK) Limited	2013.10.23	Unit 1501, 15th Floor, AT Tower, 180 Electric Road, Hong Kong	USD	15,150,000	Maritime transport business
Jing Shun Maritime (HK) Limited	2017.09.22	Unit 1501, 15th Floor, AT Tower, 180 Electric Road, Hong Kong	USD	10,000,001	Maritime transport business
Feng Shun Maritime (HK) Limited	2018.04.11	Unit 1501, 15th Floor, AT Tower, 180 Electric Road, Hong Kong	USD	6,250,001	Maritime transport business
Gimpo Marine Co., Ltd.	2018.12.14	No. 133, Shanggang Road, Bali District, New Taipei City		100,000	Maritime transport business
Goldsun (Suzhou) Concrete Co., Ltd.	2002.10.09	Room 1201, Building 3, No. 112, Yingchun South Road, Chengnan Street, Wuzhong Economic Development Zone, Wuzhong City, Jiangsu Province	RMB	96,102,323	Manufacturing and sales of ready-mix concrete
Goldsun (Changshu) Concrete Co., Ltd.	2003.03.20	Xingangzhen, Changshu City, Jiangsu Province	RMB	108,709,173	Manufacturing and sales of ready-mix concrete
Goldsun (Wujiang) Concrete Co., Ltd.	2003.08.20	Tunxi Village, Tongli Town, Wujiang City, Jiangsu Province	RMB	48,245,722	Manufacturing and sales of ready-mix concrete
Goldsun (Suzhou) Advanced Building Material Co.,Ltd	2003.04.07	No. 288, Yinzhong South Road, Hedong Industrial Park, Wuzhong Economic Development Zone, Wuzhong City, Jiangsu Province	RMB	48,245,688	Manufacturing and sales of ready-mix concrete

Table 2

Information on the directors and president of each affiliate

Unit: Share, %

Company Name	Title	Name or Representative	Shareholding	
			Number of Shares	Ownership
Taipei Port Terminal Company Limite	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chih-Jen Wu	250,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	250,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Cheng-Feng Liu	250,000,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: Chia-Ying Chen	250,000,000	100.00%
Rei Shin Construction Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chiao Lin	80,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	80,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Jie-Tang Chang	80,000,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: James Chiu	80,000,000	100.00%
Kuoyung Construction & Engineering Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chiao Lin	30,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	30,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lei Lin	30,000,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: James Chiu	30,000,000	100.00%
Goldsun Nihon Cement Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chiu-Lan Chen	11,460,000	58.77%
	Vice Chairman	Taiheiyo Cement Corp. Representative: Yutaka Murakami	6,825,000	35.00%
	Director	Taiheiyo Cement Corp. Representative: Hidekatsu Maekawa	6,825,000	35.00%
	Director	Taiheiyo Cement Corp. Representative: Yasuhiro Kawaragi	6,825,000	35.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Vincent Lin	11,460,000	58.77%
	Director	Goldsun Building Materials Co., Ltd. Representative: Frank Lin	11,460,000	58.77%
	Director	Goldsun Building Materials Co., Ltd. Representative: Chih-Hsing Yu	11,460,000	58.77%
	Supervisor	Shin-Lan Enterprise Co., Ltd. Representative: Lan-Ying Hsu	90,000	0.46%

Company Name	Title	Name or Representative	Shareholding	
			Number of Shares	Ownership
Goyu Building Materials Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chih-Jen Wu	28,000,000	70.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Chih-Chiang Yang	28,000,000	70.00%
	Director	Chi-Yu Construction Representative: Jien-Ming Cheng	12,000,000	30.00%
	Supervisor	Chia-Ying Chen	-	-
Wellpool Co., Ltd.	Chairman	Shih-Tsung Chang	828,066	2.30%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	18,280,389	50.70%
	Director	Goldsun Building Materials Co., Ltd. Representative: Chih-Jen Wu	18,280,389	50.70%
	Director	Goldsun Building Materials Co., Ltd. Representative: Te-Hsien Wang	18,280,389	50.70%
	Director	Pao-Hsi Sheng	1,100	0.00%
	Director	Sung-Chi Chien	10,100	0.03%
	Independent Director	Li-Sheng Chu	-	-
	Independent Director	Chang-Chi Chang	-	-
	Independent Director	Shih-Chung Chen	-	-
Cape Goldsun	Chairman	Wellpool Co., Ltd. Representative: Yong Ni	100,000	100.00%
	Director	Wellpool Co., Ltd. Representative: Shih-Tsung Chang	100,000	100.00%
	Director	Wellpool Co., Ltd. Representative: Chao-Chia Kuo	100,000	100.00%
	Supervisor	Wellpool Co., Ltd. Representative: Chia-Ming Hsu	100,000	100.00%
Huaya Development Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chiao Lin	15,714,108	30.69%
	Director	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	15,714,108	30.69%
	Director	Taiwan Secom Co., Ltd. Representative: Frank Lin	25,512,892	49.83%
	Supervisor	Shin-Lan Enterprise Co., Ltd. Representative: James Chiu	9,973,000	19.48%
Reixin Asset Management Inc.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chiao Lin	100,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Chia-Ying Chen	100,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Jie-Tang Chang	100,000,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: James Chiu	100,000,000	100.00%

Company Name	Title	Name or Representative	Shareholding	
			Number of Shares	Ownership
Lake Vernicia Development Company	Chairman	Goldsun Building Materials Co., Ltd. Representative: Lan-Ying Hsu	100,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Vincent Lin	100,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Chiao Lin	100,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: Chia-Ying Chen	100,000	100.00%
GALC Inc.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Chih-Jen Wu	2,100,000	70.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Shang-Yuan Wen	2,100,000	70.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Shing-Yuan Hsu	2,100,000	70.00%
	Supervisor	Chia-Ying Chen	-	-
Goldsun (Suzhou) Concrete Co., Ltd.	Chairman	Goldsun International Development Corp. Representative: Chin-Yi Huang	11,882,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lei Lin	11,882,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lan-Ying Hsu	11,882,000	100.00%
	Supervisor	Goldsun International Development Corp. Representative: Frank Lin	11,882,000	100.00%
Goldsun (Changshu) Concrete Co., Ltd.	Chairman	Goldsun International Development Corp. Representative: Chin-Yi Huang	14,200,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lei Lin	14,200,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lan-Ying Hsu	14,200,000	100.00%
	Supervisor	Goldsun International Development Corp. Representative: Frank Lin	14,200,000	100.00%
Goldsun (Wujiang) Concrete Co., Ltd.	Chairman	Goldsun International Development Corp. Representative: Chin-Yi Huang	5,960,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lei Lin	5,960,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lan-Ying Hsu	5,960,000	100.00%
	Supervisor	Goldsun International Development Corp. Representative: Frank Lin	5,960,000	100.00%
Goldsun (Suzhou) Advanced Building Material Co.,Ltd	Chairman	Goldsun International Development Corp. Representative: Chin-Yi Huang	5,960,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lei Lin	5,960,000	100.00%
	Director	Goldsun International Development Corp. Representative: Lan-Ying Hsu	5,960,000	100.00%

	Supervisor	Goldsun International Development Corp. Representative: Frank Lin	5,960,000	100.00%
Goldsun Hong Kong Building Materials Co.,	Director	Jie-Tang Chang	116,686,664	100.00%
(Samoa) Ease Great Investments Ltd.	Director	Goldsun Building Materials Co., Ltd. Representative: Jie-Tang Chang	59,640,000	100.00%
(Cayman Islands) Great Smart Ltd.	Director	Ease Great Investments Ltd. Representative: Jie-Tang Chang	19,390,000	100.00%
(Cayman Islands) Goldsun International	Director	Ease Great Investments Ltd. Representative: Jie-Tang Chang	40,100,000	100.00%
Jin Shun Maritime (HK) Limited	Director	Hao-Hsiang Hsu	78,000,000	100.00%
Yuan Shun Maritime (HK) Limited	Director	Hao-Hsiang Hsu	118,170,000	100.00%
Jing Shun Maritime (HK) Limited	Director	Hao-Hsiang Hsu	10,000,001	100.00%
Feng Shun Maritime (HK) Limited	Director	Hao-Hsiang Hsu	6,250,001	100.00%
Gimpo Marine Co., Ltd.	Chairman	Goldsun Building Materials Co., Ltd. Representative: Hao-Hsiang Hsu	10,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Hsun-Chen Lin	10,000,000	100.00%
	Director	Goldsun Building Materials Co., Ltd. Representative: Jie-Tang Chang	10,000,000	100.00%
	Supervisor	Goldsun Building Materials Co., Ltd. Representative: Chia-Ying Chen	10,000,000	100.00%

Table 3

Overview of the business operations of each affiliate

December 31, 2021; Unit: NT$1,000, unless otherwise specified

Company Name	Paid-in capital	Total assets	Total Liabilities	Net value	Operating revenue	Operating profit	Profit and loss for the period
Taipei Port Terminal Company Limite	2,500,000	4,525,060	2,043,392	2,481,668	491,985	7,153	-10,465
Rei Shin Construction Co., Ltd.	800,000	2,277,681	350,376	1,927,305	32,531	-12,094	-8,045
Kuoyung Construction & Engineering Co., Ltd.	300,000	433,860	14,545	419,315	652	-4,614	13,068
Goyu Building Materials Co., Ltd.	400,000	511,526	158,114	353,412	81,627	-14,743	-14,779
Goldsun Nihon Cement Co., Ltd.	195,000	492,032	230,999	261,033	710,322	26,989	21,974
Wellpool Co., Ltd.	360,544	1,244,387	159,865	1,084,522	891,141	197,597	166,086
Cape Goldsun	1,000	1,480	-	1,480	-	-	11
Huaya Development Co., Ltd.	512,000	517,860	1,599	516,261	-	-3,534	-3,492
Reixin Asset Management Inc.	1,000,000	1,299,732	170,290	1,129,442	38,095	-6,282	-180
Lake Vernicia Development Company	1,000	672	62	610	-	-256	-255
GALC Inc.	30,000	60,074	28,465	31,609	45,253	1,967	1,609
Goldsun Hong Kong Building Materials Co., Ltd.	USD 15,436,611	USD 15,444,376	-	USD 15,444,376	-	-	USD 191
EASE GREAT INVESTMENTS LTD. (Samoa)	USD 59,640,000	USD 116,948,437	-	USD 116,948,437	USD 0	USD -1,220	USD 11,302,826
(Cayman Islands) Great Smart Limited	USD 19,390,000	USD 30,097,119	USD 15,108	USD 30,082,011	USD 0	USD -9,231	USD 3,448,204
(Cayman Islands) Goldsun International Development Corp.	USD 40,100,000	USD 86,786,360	-	USD 86,786,360	USD 0	USD -16,213	USD 7,768,459
Jin Shun Maritime (HK) Limited	USD 10,000,000	USD 4,217,922	USD 271,675	USD 3,946,247	USD 2,240,932	USD -515,924	USD -432,484
Yuan Shun Maritime (HK) Limited	USD 15,150,000	USD 15,971,168	USD 468,767	USD 15,502,401	USD 4,913,576	USD -437,651	USD 892,981
Jing Shun Maritime (HK) Limited	USD 10,000,001	USD 10,735,504	USD 527,655	USD 10,207,849	USD 3,897,869	USD 1,346,207	USD 1,389,705

Company Name	Paid-in capital	Total assets	Total Liabilities	Net value	Operating revenue	Operating profit	Profit and loss for the period
Feng Shun Maritime (HK) Limited	USD 6,250,001	USD 7,759,645	USD 853,583	USD 6,906,062	USD 3,984,901	USD 595,179	USD 656,060
Gimpo Marine Co., Ltd.	100,000	206,960	117,654	89,306	79,070	-2,662	-5,346
Goldsun (Suzhou) Concrete Co., Ltd.	RMB 96,102,323	RMB 99,130,580	RMB 1,129,499	RMB 98,001,081	RMB 60,000	RMB -1,290,025	RMB 195,370
Goldsun (Changshu) Concrete Co., Ltd.	RMB 108,709,173	RMB 264,170,240	RMB 129,940,213	RMB 134,230,027	RMB 192,401,637	RMB 4,962,426	RMB 6,113,348
Goldsun (Wujiang) Concrete Co., Ltd.	RMB 48,245,722	RMB 276,178,590	RMB 118,329,145	RMB 157,849,445	RMB 287,191,331	RMB 7,105,315	RMB 6,638,602
Goldsun (Suzhou) Advanced Building Material Co.,Ltd	RMB 48,245,688	RMB 391,671,517	RMB 229,345,570	RMB 162,325,947	RMB 403,112,104	RMB 8,929,968	RMB 5,961,162

(II) Affiliated Enterprise Consolidated Financial Statements Declaration

In 2021 (from January 1, 2021 to December 31, 2021), the companies that should be included in the consolidated financial reports of affiliated companies based on "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and the companies that should be included in the consolidated financial reports of subsidiaries based on "Consolidated and separate financial statements" of No. 10 of International Financial Reporting Standards were the same. The related information that should be disclosed in the consolidated financial statements of affiliated companies are also already disclosed in the consolidated financial reports for subsidiaries, so that the consolidated financial statements of affiliated companies would not be published separately.

Very truly yours

Company Name: Goldsun Building Materials Co., Ltd.

Chairman: Lan-Ying Hsu

February 25, 2022

(III) Affiliation report: Not applicable. None.

II. Status of private placement of securities during the most recent fiscal year or up to the date of publication of the annual report: Not applicable.

III. Holding or disposal of shares in the Company by the Company's subsidiaries during the most recent fiscal year or up to the date of publication of the annual report:

Unit: NT$1,000; shares: %

Name of Subsidiary	Paid-in capital	Sources of Capital	Company's Ownership	Transaction Date	Number of shares acquired and amount	Shares Disposed of and Amount	Investment Profit and Loss	Shares Owned and Amount as of Publication Date of Annual Report	Set Pledge	Amount of Company's Endorsement/Guarantee for Subsidiaries	Amount of Company's Loans to Subsidiaries
Kuoyung Construction & Engineering Co., Ltd.	300,000,000	Cash capital increase	100%	-	-	-	-	238,323 shares 6,292,000	-	-	-
Reixin Asset Management Inc.	1,000,000,000	Split from Rui-Shin	100%	-	-	-	-	2,877,785 shares 75,974,000	-	-	-

IV. Other matters that require additional description: Not applicable.

Nine. If any of the situations listed in Article 36, paragraph 3, sub-paragraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, have occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

Goldsun Building Materials Co., Ltd.

Chairman Lan-Ying Hsu