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GOLDSUN BUILDING MATERIALS CO., LTD AND SUBSIDIARIES
Consolidated Financial Statements for the Years Ended
March 31, 2023 and 2022 and Independent Auditors' Report

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GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES

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Independent Auditors' Review Report

To Goldsun Building Materials Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of GOLDSUN BUILDING MATERIALS CO., LTD. and its subsidiaries (the "Group") as of March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the periods from January 1 to March 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively referred to as "the consolidated financial statements"). The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34: Interim Financial Reporting endorsed and issued into effect by the Financial Supervisory Commission. We are responsible for making conclusions on the consolidated financial statements based on the review results.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4 (3) of the consolidated financial statements, the financial statements of the same period of some insignificant subsidiaries included in the abovementioned consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of March 31, 2023 and 2022 were NT\$15,550,357 thousand and NT\$11,876,096 thousand, accounting for 39% and 34% of the total consolidated assets, respectively; the total amounts of their liabilities were NT\$3,928,738 thousand and NT\$2,277,840 thousand, accounting for 28% and 23% of the total consolidated liabilities, respectively; the total amounts of comprehensive income from January 1 to March 31, 2023 and 2022 were NT\$302,205 thousand and NT\$188,732 thousand, accounting for 29% and 8% of the total consolidated comprehensive income, respectively. As stated in Note 6 (7) of the consolidated financial statements, the investment accounted for using the equity method as of March 31, 2023 and 2022 was NT\$866,363 thousand and NT\$871,528 thousand, respectively. The share of the profit or loss of associates and joint ventures using the equity method for the periods

from January 1 to March 31, 2023 and 2022 was NT\$568 thousand and NT\$2,026 thousand, respectively, while the other comprehensive income of associates and joint ventures using the equity method during the same periods were both NT\$0, all of which were based on the financial statements of the same period of investees that have not been reviewed by the accountants. In addition, as disclosed in Note 13 of the consolidated financial statements, the relevant information of the aforementioned subsidiaries and investees has not been reviewed by the accountants.

Qualified Conclusion

According to our results of the review, except for the part described by the basis for qualified conclusion that the financial statement of insignificant subsidiaries and the investees using the equity method may affect adjustments to the consolidated financial statements upon the CPA's review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Goldsun Building Materials and its subsidiaries as of March 31, 2023 and 2022, and the results of the consolidated financial operations and the consolidated cash flows from January 1 to March 31, 2023 and 2022 in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34: Interim financial reporting endorsed by the Financial Supervisory Commission.

/s/Wang, Hsuan-hsuan

/s/ Liu, Hui-Yuan

Ernst & Young, Taiwan
May 11, 2023

Notice to Readers

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

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

Goldsun Building Materials Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

As of March 31, 2023, December 31 and March 31, 2022

(Consolidated balance sheets as of March 1, 2023 and 2022 were for review only, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Assets				March 31, 2023		December 31, 2022		March 31, 2022		Financial liabilities and equity					
Code	Account	Notes	Amount	%	Amount	%	Amount	%	Code	Account	Notes	Amount	%	Amount	%
	Current assets									Current liabilities					
1100	Cash and cash equivalents	4 and 6	\$2,087,650	5	\$2,106,579	5	\$2,203,302	6	2100	Short-term loans	4,6 and 8	\$1,410,000	4	\$2,645,000	7
1120	Financial assets at fair value through other comprehensive income, current	4, 6 and 8	-	-	-	-	-	-	2110	Short-term notes payable	6	399,748	1	-	1
1136	Financial assets at amortized cost, current	4, 6 and 8	719,359	2	666,402	2	885,321	-	2150	Notes payable		587,984	2	733,433	2
1150	Notes receivable, net	4, 5 and 6	1,248,723	3	1,416,809	5	1,672,270	1	2170	Accounts payable		1,466,876	4	1,934,329	5
1160	Notes receivable - Net from related parties	4, 5,6 and 7	225	-	-	-	225	1	2180	Accounts payable - related parties	7	62,445	-	106,268	-
1170	Accounts receivable	4, 5 and 6	5,319,223	14	6,443,088	16	4,974,512	-	2200	Other payables	6	1,020,206	3	1,687,070	4
1180	Accounts payable - related parties	4, 5,6 and 7	23,745	-	13,006	-	23,660	14	2220	Other payables - related parties	7	21,584	-	26,811	-
1200	Other receivables	6	697,768	2	489,203	1	66,289	-	2230	Current income tax liabilities	4 and 5	867,518	2	704,889	2
1210	Other receivables-related parties	7	18,724	-	21,219	-	20,978	-	2280	Lease liabilities, current	4 and 6	116,883	-	110,591	-
1220	Current tax assets	4	881	-	879	-	248	-	2300	Other current liabilities		156,574	-	144,745	-
13xx	Inventories, net	4, 6 and 8	886,802	2	843,867	2	587,188	2	2310	Advanced receipts	6	48,261	-	52,660	-
1410	Prepayments		569,597	1	489,665	1	825,338	2	2322	Current portion of long-term loans	4, 6 and 8	1,098,750	3	920,750	3
1470	Other current assets		4,053	-	2,342	-	8,408	-	21xx	Total current liabilities		7,256,829	19	9,066,546	23
11xx	Total current assets		11,746,425	30	12,657,734	32	11,428,011	33		Non-current liabilities					
	Non-current assets								2540	Long-term loans	4, 6 and 8	4,814,943	12	3,766,551	10
1517	Financial assets at fair value through other comprehensive income, non-current	4, 5, 6 and 8	1,295,546	3	1,234,408	3	1,423,062	4	2550	Provisions, non-current	4 and 6	11,497	-	11,497	-
1535	Financial assets measured at amortized cost, non-current	4, 6 and 8	74,082	-	73,733	-	25,448	-	2570	Deferred tax liabilities	4 and 5	509,571	2	510,594	1
1550	Investment accounted for under the equity method	4, 5 and 6	866,363	2	860,569	2	871,528	3	2580	Lease liabilities, non-current	4 and 6	682,898	2	437,533	1
1600	Property, plant and equipment	4, 6, 7 and 8	12,437,101	33	12,242,233	32	10,232,014	29	2640	Net defined benefit liabilities, non-current	4 and 5	102,014	-	116,489	-
1755	Right-of-use assets	4, 5 and 6	835,681	2	615,220	2	686,481	2	2611	Long-term notes payable	4,6 and 8	-	-	599,865	2
1760	Investment property, net	4, 5, 6 and 8	5,482,918	14	5,492,361	14	3,419,402	10	2645	Guarantee deposit received	7	40,792	-	43,117	-
1780	Intangible assets	4, 6 and 8	3,653,454	10	3,680,866	10	3,762,411	11	2670	Other non-current liabilities		28,505	-	1,835	-
1840	Deferred tax assets	4 and 5	681,611	2	753,670	2	799,402	2	25xx	Total non-current liabilities		6,190,220	16	5,487,481	14
1915	Prepayment for equipment		62,819	-	59,819	-	68,630	-	2xxx	Total liabilities		13,447,049	35	14,554,027	37
1920	Refundable deposits	8	52,463	-	51,047	-	38,351	-		Equity attributable to the parent	4 and 6				
1932	Long-term receivable	4, 5 and 6	1,702,531	4	1,245,160	3	1,954,263	6	3100	Capital					
1990	Other assets, non-current		1,928	-	2,263	-	2,411	-	3110	Common stock		11,800,000	30	11,800,000	30
15xx	Total non-current assets		27,146,497	70	26,293,349	68	23,283,403	67	3200	Capital surplus		1,189,709	3	1,189,725	3
									3300	Retained earnings					
									3310	Legal reserve		2,228,195	6	2,228,195	6
									3320	Special reserve		1,874,430	5	1,874,430	5
									3350	Unappropriated earnings		7,128,870	18	6,281,390	16
									3400	Other equity interests		69,706	-	(103,470)	-
									3500	Treasury stock		(4,789)	-	(4,789)	-
									31xx	Equity attributable to shareholders of the parent company		24,286,121	62	23,265,481	60
									36xx	Non-controlling interests	6	1,159,752	3	1,139,252	3
									3xxx	Total equity		25,445,873	65	24,397,056	63
1xxx	Total Assets		\$38,892,922	100	\$38,951,083	100	\$34,711,414	100		Total Liabilities and Equity		\$38,892,922	100	\$38,951,083	100

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
January 1 to March 31, 2023 and 2022
(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Code	Assets	Notes	January 1 to March 31, 2023		January 1 to March 31, 2022	
			Amount	%	Amount	%
4000	Operating revenue	4,5,6 and 7	\$5,030,462	100	\$4,853,435	100
5000	Operating cost	6 and 7	(3,887,040)	(77)	(3,919,545)	(81)
5900	Operating gross profit		1,143,422	23	933,890	19
6000	Operating expenses	4,5,6 and 7				
6100	Marketing expenses		(40,374)	(1)	(48,243)	(1)
6200	General and administrative expenses		(179,119)	(4)	(214,127)	(4)
6300	R&D expense		(6,394)	-	(2,903)	-
6450	Expected loss on credit impairment		(3,069)	-	(2,779)	-
	Total operating expenses		(228,956)	(5)	(268,052)	(5)
6900	Operating profit		914,466	18	665,838	14
7000	Non-operating income and expenses	4, 6 and 7				
7100	Interests income		5,989	-	2,752	-
7010	Other income		16,230	-	21,981	-
7020	Other benefits and losses		201,454	4	1,736,626	36
7050	Financial cost		(29,514)	-	(14,723)	-
7060	Share of profit or loss of associates and joint ventures		568	-	2,026	-
	Total operating income and expenses		194,727	4	1,748,662	36
7900	Profit before income tax		1,109,193	22	2,414,500	50
7950	Income tax expense	4, 5 and 6	(233,875)	(5)	(306,783)	(6)
8200	Net income for the year		875,318	17	2,107,717	44
8300	Other comprehensive income	4 and 6				
8310	Items that will not be reclassified subsequently to profit or loss					
8316	Equity instrument measured at fair value through other comprehensive income instrument investment		101,590	2	90,009	2
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		71,586	1	177,326	4
	Other comprehensive income (post-tax)		173,176	3	267,335	6
8500	Total comprehensive income		\$1,048,494	20	\$2,375,052	50
8600	Net income attributable to:					
8610	Shareholders of the parent company		\$847,127		\$2,083,737	
8620	Non-controlling interests		28,191		23,980	
			\$875,318		\$2,107,717	
8700	Comprehensive income attributable to:					
8710	Shareholders of the parent company		\$1,020,303		\$2,351,072	
8720	Non-controlling interests		28,191		23,980	
			\$1,048,494		\$2,375,052	
	Earnings per share (NT\$)	6				
9750	Basic earnings per share		\$0.72		\$1.77	
9850	Diluted earnings per share		\$0.72		\$1.76	

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to March 31, 2023 and 2022

(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Code	Description	Equity attributable to the parent								Non-controlling interests	Total equity	
		Capital	Capital surplus	Retained earnings			Other Components of Equity		Treasury shares			Grand Total
				Legal reserve	Special reserve	Unappropriated earnings	Exchange differences arising on the translation of foreign operations	Unrealized gains and losses on financial assets at fair value through other comprehensive income				
		3100	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2022	\$11,800,000	\$1,183,587	\$1,945,291	\$1,874,430	\$4,562,598	\$(633,628)	\$662,769	\$(4,789)	\$21,390,258	\$1,115,589	\$22,505,847
C3	Other changes in capital reserve Due to donated assets received	-	381	-	-	-	-	-	-	381	376	757
D1	Net profit January 1 to March 31, 2022	-	-	-	-	2,083,737	-	-	-	2,083,737	23,980	2,107,717
D3	Other comprehensive income January 1 to March 31, 2022	-	-	-	-	-	177,326	90,009	-	267,335	-	267,335
D5	Total comprehensive income	-	-	-	-	2,083,737	177,326	90,009	-	2,351,072	23,980	2,375,052
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	259	-	-	-	-	-	-	259	(259)	-
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	(434)	(434)
Z1	Balance as of March 31, 2022	\$11,800,000	\$1,184,227	\$1,945,291	\$1,874,430	\$6,646,335	\$(456,302)	\$752,778	\$(4,789)	\$23,741,970	\$1,139,252	\$24,881,222
A1	Balance as of January 1, 2023	\$11,800,000	\$1,189,725	\$2,228,195	\$1,874,430	\$6,281,390	\$(407,703)	\$304,233	\$(4,789)	\$23,265,481	\$1,131,575	\$24,397,056
C3	Other changes in capital reserve Due to donated assets received	-	(16)	-	-	-	-	-	-	(16)	(14)	(30)
D1	Net profit January 1 to March 31, 2023	-	-	-	-	847,127	-	-	-	847,127	28,191	875,318
D3	Other comprehensive income January 1 to March 31, 2023	-	-	-	-	-	71,586	101,590	-	173,176	-	173,176
D5	Total comprehensive income	-	-	-	-	847,127	71,586	101,590	-	1,020,303	28,191	1,048,494
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	353	-	-	-	353	-	353
Z1	Balance as of March 31, 2023	\$11,800,000	\$1,189,709	\$2,228,195	\$1,874,430	\$7,128,870	\$(336,117)	\$405,823	\$(4,789)	\$24,286,121	\$1,159,752	\$25,445,873

(See notes to consolidated financial statements)

Goldsun Building Materials Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to March 31, 2023 and 2022
(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)

(In Thousands of New Taiwan Dollars)

Description	January 1 to March 31, 2023	January 1 to March 31, 2022	Description	January 1 to March 31, 2023	January 1 to March 31, 2022
	Amount	Amount		Amount	Amount
Cash flows from operating activities:			Cash flows from investing activities:		
Profit before tax from continuing operations			Acquisition of financial assets at fair value through other comprehensive income	(15,372)	(6,889)
Net income before tax	\$1,109,193	\$2,414,500	Financial assets at amortized cost - Decrease in current	(5,000)	150
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Financial assets at amortized cost - Decrease in non-current	(349)	-
Depreciation	135,136	124,307	Proceeds from disposal of subsidiaries	561,237	-
Amortization	27,412	27,851	Proceeds from disposal of property, plant and equipment	3,579	5,057
Syndicated loan amortization	102	102	Acquisition of property, plant and equipment	(391,492)	(486,696)
Expected credit losses	3,069	2,779	Disposal of non-current assets held for sale	-	2,316,496
Interest expense	29,514	14,723	Acquisition of investment property	(168)	(5,045)
Interest income	(5,989)	(2,752)	Acquisition of intangible assets	-	(2,601)
Share of gain of associates and joint ventures	(568)	(2,026)	Increase in prepayment for equipment	(3,117)	(13,499)
Loss (gain) on disposal of investments	(207,441)	-	Increase in refundable deposits	(1,416)	(159)
Gain (loss) on disposal of property, plant and equipment	(2,276)	(1,033)	Decrease (increase) in other non-current assets	335	(56)
Gain on disposal of non-current assets held for sale	-	(1,743,181)	Net cash generated by (used in) investing activities	148,237	1,806,758
Losses on real estate investment impairments	-	3,640			
Gain loss on lease modification	7,470	(1,305)	Cash flows from financing activities:		
Changes in operating assets and liabilities:			Increase (Decrease) in short-term loans	(1,235,000)	(500,000)
Notes receivable	168,202	(15,077)	Increase in short-term notes payable	399,748	9,979
Notes receivable - related parties	(225)	(225)	Increase in long-term loans	1,829,040	-
Accounts receivables	838,147	432,399	Decrease in long-term loans	(602,750)	(1,151,000)
Accounts receivable-related parties, net	(10,739)	3,861	Decrease in long-term notes payable	(599,865)	(969,716)
Other receivables	(141,468)	(6,707)	Decrease in guarantee deposit	(2,325)	(11,005)
Other receivables-related parties	2,495	1,921	Cash payments for the principal portion of the lease liability	(26,429)	(26,438)
Inventories, net	(45,029)	66,568	Donated surplus	(30)	757
Prepayments	(78,389)	(228,112)	Net cash used in financing activities	(237,611)	(2,647,423)
Other current assets	(1,711)	(7,930)			
Long-term receivable	(489,755)	476,725			
Notes payable	(145,449)	(98,509)			
Accounts payable	(467,453)	(573,042)			
Accounts payable - related parties	(43,823)	(65,860)			
Other payables	(661,523)	(263,512)			
Other payables - related parties	(5,277)	(2,263)			
Other current liabilities	11,829	49,890			
Advanced receipts	(4,399)	(2,741)			
Net defined benefit liabilities, non-current	(14,475)	(22,755)			
Increase (decrease) in other operating liabilities	26,670	-			
Cash inflow generated from operations	33,300	582,236			
Interest received	5,906	2,717	Effect of exchange rate changes on cash and cash equivalents	76,930	87,702
Interest paid	(29,827)	(14,325)	Net increase (decrease) in cash and cash equivalents	(18,929)	(314,859)
Income tax paid	(15,864)	(132,524)	Cash and cash equivalents at beginning of the period	2,106,579	2,518,161
Net cash provided by operating activities	(6,485)	438,104	Cash and cash equivalents at end of the period	\$2,087,650	\$2,203,302

(See notes to consolidated financial statements)

GOLDSUN BUILDING MATERIALS CO., LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
for January 1 to March 31, 2023
and January 1 to March 31, 2022

(Only reviewed, not audited in accordance with the Generally Accepted Auditing Standards)
(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, Xinhua 1st Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)

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

The consolidated financial statements of the Company and its subsidiaries (the “Group”) for the periods from January 1 to March 31, 2023 and 2022 were authorized for issue by the Board of Director’s meeting on May 11, 2023.

3. Newly Issued or Revised Standards and Interpretations

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

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

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

Item	Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
A	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 17 “Insurance Contracts”	1 January 2023
C	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
D	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
E	Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024

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

C. 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. Lease Liability in a Sale and Leaseback (Amendment)– Amendments to IFRS 16

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

E. Non current Liabilities with Covenants – Amendments to IAS 1

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

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

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The consolidated financial report of the Group for the periods from January 1 to March 31, 2023 and 2022 is prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the IAS 34: Interim financial reporting endorsed and issued into effect by the Financial Supervisory Commission.

(2) Basis of preparation

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

(3) Basis of consolidation

Preparation principle of consolidated financial statements

Control is achieved when the 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:

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- 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 Company loses control of a subsidiary, it

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

The consolidated entities are listed as follows:

Name of the investors	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2023.3.31	2022.12.31	2022.3.31
The Company	Kuoyung Construction & Engineering Co., Ltd.	Construction of civil and architectural construction projects	100%	100%	100%
The Company	Rei Shin Construction Co., Ltd.	Real estate leasing, trading and development	100%	100%	100%
The Company	Reixin Asset Management Co., Ltd.	Real estate leasing, trading and development	100%	100%	100%
The Company	Wellpool Co., Ltd.	Trading and construction installation of calcium silicate boards and various carpets	51%	51%	51%
The Company	Goldsun Nihon Cement Co., Ltd.	Sales of imported cement	59%	59%	59%
The Company	Ease Great Investments Ltd.	Investment holding	100%	100%	100%
The Company	Taipei Port Terminal Company Limited	International trade, arehousing and tally packaging	100%	100%	100%

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Name of the investors	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2023.3.31	2022.12.31	2022.3.31
The Company	Hwa Ya Development Co., Ltd. (Note 1、2)	Hotel operator	41%	41%	41%
The Company	Jin Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Yuan Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Jing Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Feng Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Hui Shun Maritime Ltd.	Shipping	100%	100%	100%
The Company	Gimpo Marine Co., Ltd.	Shipping	100%	100%	100%
The Company	Taiwan Building Materials (Hong Kong) Limited	Investment	100%	100%	100%
The Company	Goyu Building Materials Co., Ltd.	Sales of building materials	70%	70%	70%
The Company	Lake Vernicia Development Company	Leisure frame management	100%	100%	100%
The Company	Galc Inc.	Construction of civil and architectural construction projects	70%	70%	70%
Wellpool Co., Ltd.	Gape-Goldsun Corporation	Sales of calcium silicate board and other boards	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Goldsun International Development Corp. (Cayman Islands)	Investment holding	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Great Smart Ltd.(Cayman)	Investment holding	100%	100%	100%
Goldsun Inc., Cayman	Goldsun Concrete (Suzhou) Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
Goldsun Inc., Cayman	Goldsun Concrete (Wujiang) Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
Goldsun Inc., Cayman	Goldsun Concrete (Changshu) Co., Ltd.	Manufacturing and sales of ready-mix concrete	(Note 3)	100%	100%
Goldsun Inc., Cayman	Goldsun (Suzhou) Building Materials Co., Ltd.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%	100%

Note 1: 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: Hwa Ya Development conducted cash capital increase of NT\$88,000 thousand on March 31, 2022, all of which were subscribed by the Group to increase the shareholding to 41%. The transaction is detailed in Note 6 (26).

Note 3: The Group has disposed of Goldsun Concrete (Changshu) Co., Ltd. in March 2023. The transaction is detailed in Note 6 (26).

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

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The financial statements of some subsidiaries included in the consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of March 31, 2023 and 2022 were NT\$15,550,357 thousand and NT\$11,876,096 thousand, respectively; the total amounts of their liabilities were NT\$3,928,738 thousand and NT\$2,277,840 thousand, respectively; the total amounts of comprehensive income from January 1 to March 31, 2023 and 2022 were NT\$302,205 thousand and NT\$188,732 thousand, respectively.

(4) Other significant accounting policies

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

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

5. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

The major sources of uncertainty in the significant accounting judgments, estimates and assumptions used in the Group's consolidated financial reports for the period from January 1 to March 31, 2023 and 2022 are the same with that of the 2022 consolidated financial report. Please refer to the 2022 consolidated financial report of the Group.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	2023.3.31	2022.12.31	2022.3.31
Cash on hand and petty cash	\$5,486	\$5,657	\$5,506
Checking accounts and demand deposits	1,636,570	1,614,480	1,765,303
Time deposits	445,594	486,442	432,493
Total	<u>\$2,087,650</u>	<u>\$2,106,579</u>	<u>\$2,203,302</u>

(2) Measured at fair value through other comprehensive income

	2023.3.31	2022.12.31	2022.3.31
Equity instrument investments measured at fair value through other comprehensive income:			
Listed companies' stocks	\$1,571,032	\$1,460,684	\$1,751,034
Unlisted companies' stocks	443,873	440,126	557,349
Total	<u>\$2,014,905</u>	<u>\$1,900,810</u>	<u>\$2,308,383</u>

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Current	\$719,359	\$666,402	\$885,321
Non-current	1,295,546	1,234,408	1,423,062
Total	<u>\$2,014,905</u>	<u>\$1,900,810</u>	<u>\$2,308,383</u>

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

In consideration of the Group's investment strategy, the Group sold, and derecognized partial equity instrument investments measured at fair value through other comprehensive income. Details on derecognition of such investments for the periods from January 1 to March 31, 2023 and 2022 are as follows:

	<u>Q1 2023</u>	<u>Q1 2022</u>
The fair value of the investments at the date of derecognition	\$-	\$-
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	353	-

(3) Financial assets measured at amortized cost

	<u>2023.3.31</u>	<u>2022.12.31</u>	<u>2022.3.31</u>
Time deposits	\$176,975	\$171,975	\$170,463
Restricted cash - demand deposits	66,782	66,433	15,257
Total	<u>243,757</u>	<u>\$238,408</u>	<u>\$185,720</u>
	<u>2023.3.31</u>	<u>2022.12.31</u>	<u>2022.3.31</u>
Current	\$169,675	\$164,675	\$160,272
Non-current	74,082	73,733	25,448
Total	<u>\$243,757</u>	<u>\$238,408</u>	<u>\$185,720</u>

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

(4) Notes receivable

	<u>2023.3.31</u>	<u>2022.12.31</u>	<u>2022.3.31</u>
Notes receivables arising from operating activities	\$1,249,450	\$1,417,653	\$1,673,180
Less: loss allowance	(727)	(844)	(910)
Subtotal	<u>1,248,723</u>	<u>1,416,809</u>	<u>1,672,270</u>
Notes receivable - Related parties	225	-	225
Less: loss allowance	-	-	-
Subtotal	<u>225</u>	<u>-</u>	<u>225</u>
Total	<u>\$1,248,948</u>	<u>\$1,416,809</u>	<u>\$1,672,495</u>

The Group's notes receivables were not guaranteed.

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

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

Accounts receivable and accounts receivable - related parties

	2023.3.31	2022.12.31	2022.3.31
Accounts receivables	\$5,397,327	\$6,554,197	\$5,069,902
Less: Loss allowance	(78,104)	(111,109)	(95,390)
Subtotal	5,319,223	6,443,088	4,974,512
Accounts receivable-related parties, net	23,745	13,006	23,660
Less: Loss allowance	-	-	-
Subtotal	23,745	13,006	23,660
Total	\$5,342,968	\$6,456,094	\$4,998,172

Long-term receivables

	2023.3.31	2022.12.31	2022.3.31
Construction retainage receivable	\$1,443,397	\$1,040,088	\$1,907,736
Overdue receivables	375,667	289,221	151,331
Subtotal	1,819,064	1,329,309	2,059,067
Less: Loss allowance	(116,533)	(84,149)	(104,804)
Total	\$1,702,531	\$1,245,160	\$1,954,263

Accounts receivable and long - term receivable were not pledged.

Accounts receivable are generally on 30-120 day terms. The total carrying amount as of March 31, 2023, December 31, 2022 and March 31, 2022 were NT\$7,240,136 thousand, NT\$7,896,512 thousand and NT\$7,152,629 thousand, respectively. Please refer to Note 6 (19) for more details on loss allowance of accounts receivable for the periods from January 1 to March 31, 2023 and 2022. Please refer to Note 12 for more details on credit risk management.

(6) Inventories

	2023.3.31	2022.12.31	2022.3.31
Raw materials	\$486,959	\$450,236	\$212,150
Building for sale	79,872	79,872	79,872
Land of construction	210,368	210,368	210,368
Work in process	22,058	32,602	28,775
Finished goods	87,545	70,789	56,023
Total	\$886,802	\$843,867	\$587,188

The cost of inventories recognized as expenses by the Company for the period from January 1 to March 31, 2023 was NT\$3,804,492 thousand , which included the gain of NT\$51 thousand from inventory recovery.

The cost of inventories recognized as expenses by the Company for the period from January 1 to March 31, 2022 was NT\$3,663,971 thousand, which included the gain of NT\$627 thousand from inventory recovery.

The Group generated the gain from price recovery of inventories was primarily the result of continuous clear these slow-moving raw materials during the periods from January 1 to March 31, 2023 and 2022.

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

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(7) Investment accounted for under the equity method

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

Investees	2023.3.31		2022.12.31		2022.3.31	
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:						
Lianyuan Conch Cement Co., Ltd.	\$853,402	20%	\$844,831	20%	\$849,870	20%
Raixin Quality Products Ltd.	12,961	39%	15,738	39%	21,658	39%
Total	<u>\$866,363</u>		<u>\$860,569</u>		<u>\$871,528</u>	

The Group's investments listed above are not individually material. The aggregate carrying amount of the Group's investments in associates is NT\$866,363 thousand, NT\$860,569 thousand and NT\$871,528 thousand as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively. The aggregate financial information is shown as follows:

	Q1 2023	Q1 2022
Profit or loss from continuing operations	\$568	\$2,026
Other comprehensive income or loss of the period (net after taxes)	-	-
Total comprehensive income	<u>\$568</u>	<u>\$2,026</u>

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

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

(8) Property, plant and equipment

Owner occupied property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Lease Improvements	Unfinished construction and equipment under acceptance	Other equipment	Total
Cost:									
2023.1.1	\$5,373,942	\$1,950,609	\$2,954,504	\$27,002	\$2,602,245	\$162,902	\$3,521,245	\$229,479	\$16,821,928
Additions	828	3,721	48,446	481	2,048	1,332	316,600	18,036	391,492
Disposals	-	(2,560)	(41,871)	(245)	(12,714)	(903)	-	(3,418)	(61,711)
Transfers	-	(142,964)	(114,553)	(1,418)	(603)	-	-	(2,970)	(262,508)
Disposal of subsidiary	-	3,336	22,585	-	-	-	(25,836)	-	85
Exchange effect	-	3,360	2,310	130	(11,191)	-	-	83	(5,308)
2023.3.31	<u>\$5,374,770</u>	<u>\$1,815,502</u>	<u>\$2,871,421</u>	<u>\$25,950</u>	<u>\$2,579,785</u>	<u>\$163,331</u>	<u>\$3,812,009</u>	<u>\$241,210</u>	<u>\$16,883,978</u>
2022.1.1	\$5,421,938	\$2,030,793	\$2,956,854	\$24,214	\$2,375,069	\$146,372	\$1,409,416	\$194,602	\$14,559,258
Additions	-	1,469	27,163	1,357	333,916	1,343	106,824	14,624	486,696
Disposals	-	(233)	(11,225)	(710)	(16,619)	-	-	(506)	(29,293)
Transfers	(55,036)	-	5,916	-	600	943	(7,091)	160	(54,508)
Exchange effect	-	15,652	12,401	679	44,404	-	-	491	73,627
2022.3.31	<u>\$5,366,902</u>	<u>\$2,047,681</u>	<u>\$2,991,109</u>	<u>\$25,540</u>	<u>\$2,737,370</u>	<u>\$148,658</u>	<u>\$1,509,149</u>	<u>\$209,371</u>	<u>\$15,035,780</u>

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Depreciation:									
2023.1.1	\$-	\$1,036,286	\$2,153,789	\$18,525	\$873,971	\$126,972	\$-	\$153,240	\$4,362,783
Depreciation	-	18,273	35,807	602	37,418	2,437	-	4,723	99,260
Disposals	-	(2,390)	(41,105)	(93)	(12,499)	(903)	-	(3,418)	(60,408)
Disposal of subsidiary	-	(89,832)	(81,103)	(928)	(530)	-	-	(1,617)	(174,010)
Exchange effect	-	2,042	1,796	86	(1,635)	-	-	51	2,340
2023.3.31	\$-	\$964,379	\$2,069,184	\$18,192	\$896,725	\$128,506	\$-	\$152,979	\$4,229,965
2022.1.1	\$-	\$1,042,777	\$2,190,232	\$17,727	\$943,445	\$123,274	\$-	\$148,194	\$4,465,649
Depreciation	-	19,363	30,205	465	33,708	1,569	-	2,931	88,241
Disposals	-	(233)	(11,184)	-	(13,374)	-	-	(478)	(25,269)
Exchange effect	-	8,857	8,797	483	11,177	-	-	289	29,603
2022.3.31	\$-	\$1,070,764	\$2,218,050	\$18,675	\$974,956	\$124,843	\$-	\$150,936	\$4,558,224
Impairment:									
2023.1.1	\$215,335	\$322	\$987	\$-	\$-	\$-	\$-	\$268	\$216,912
Impairment	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	-	-	-	-	-
2023.3.31	\$215,335	\$322	\$987	\$-	\$-	\$-	\$-	\$268	\$216,912
2022.1.1	\$215,335	\$322	\$987	\$-	\$27,680	\$-	\$-	\$268	\$244,592
Impairment	-	-	-	-	-	-	-	-	-
Exchange effect	-	-	-	-	950	-	-	-	950
2022.3.31	\$215,335	\$322	\$987	\$-	\$28,630	\$-	\$-	\$268	\$245,542
Net carrying amount as of:									
2023.3.31	\$5,159,435	\$850,801	\$801,250	\$7,758	\$1,683,060	\$34,825	\$3,812,009	\$87,963	\$12,437,101
2022.12.31	\$5,158,607	\$914,001	\$799,728	\$8,477	\$1,728,274	\$35,930	\$3,521,245	\$75,971	\$12,242,233
2022.3.31	\$5,151,567	\$976,595	\$772,072	\$6,865	\$1,733,784	\$23,815	\$1,509,149	\$58,167	\$10,232,014

The Group's expenditures incurred during the construction of the "Nangang Development Project" were accounted for unfinished construction. The total amount as of March 31, 2023, December 31, 2022, and March 31, 2022 were NT\$ 2,635,705 thousand, NT\$ 2,374,840 thousand, and NT\$0 thousand, respectively.

The capitalized amount of interest on unfinished construction were NT\$8,258 thousand, and NT\$0 thousand, from January 1 to March 31, 2023 and 2022 respectively. The relevant loan cost capitalization interest rate ranges were 1.59%~1.71% and 0% from January 1 to March 31, 2023 and 2022, respectively.

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

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

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

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(9) Investment property

	Land	Buildings	Total
Cost:			
2023.1.1	\$4,923,560	\$1,154,775	\$6,078,335
Additions from acquisitions	-	168	168
Disposals	-	-	-
Transfers	-	32	32
2023.3.31	<u>\$4,923,560</u>	<u>\$1,154,975</u>	<u>\$6,078,535</u>
2022.1.1	\$2,757,845	\$1,142,561	\$3,900,406
Additions from acquisitions	4,556	489	5,045
Disposals	-	(489)	(489)
Transfers	55,036	-	55,036
2022.3.31	<u>\$2,817,437</u>	<u>\$1,142,561</u>	<u>\$3,959,998</u>
Depreciation:			
2023.1.1	\$-	\$553,000	\$553,000
Depreciation	-	9,643	9,643
Disposals	-	-	-
2023.3.31	<u>\$-</u>	<u>\$562,643</u>	<u>\$562,643</u>
2022.1.1	\$-	\$515,119	\$515,119
Depreciation	-	9,370	9,370
Disposals	-	(487)	(487)
2022.3.31	<u>\$-</u>	<u>\$524,002</u>	<u>\$524,002</u>
Impairment:			
2023.1.1	\$-	\$32,974	\$32,974
Impairment	-	-	-
Transfers	-	-	-
2023.3.31	<u>\$-</u>	<u>\$32,974</u>	<u>\$32,974</u>
2022.1.1	\$-	\$12,954	\$12,954
Impairment	-	3,640	3,640
Transfers	-	-	-
2022.3.31	<u>\$-</u>	<u>\$16,594</u>	<u>\$16,594</u>
Net carrying amount as of:			
2023.3.31	<u>\$4,923,560</u>	<u>\$559,358</u>	<u>\$5,482,918</u>
2022.12.31	<u>\$4,923,560</u>	<u>\$568,801</u>	<u>\$5,492,361</u>
2022.3.31	<u>\$2,817,437</u>	<u>\$601,965</u>	<u>\$3,419,402</u>
		Q1 2023	Q1 2022
Rental income from investment property		\$19,954	\$30,289
Less: Direct operating expense generated from rental income of investment property		(9,183)	(9,587)
Total		<u>\$10,771</u>	<u>\$20,702</u>

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

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Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. As of March 31, 2023, December 31, 2022 and March 31, 2022, the fair value of investment properties was NT\$12,077,434 thousand, NT\$12,077,434 thousand and NT\$9,633,716 thousand, respectively. The fair value NT\$65,926 thousand, NT\$65,926 thousand and NT\$62,684 thousand has been determined based on valuations performed by an independent appraiser adopting the comparison approach and income approach of the direct capitalization method. The fair value of the remaining investment properties of NT\$12,011,508 thousand, NT\$12,011,508 thousand and NT\$9,571,032 thousand has not been evaluated by independent external appraisal experts. The determination of their fair value is based on market evidence, using the land development analysis method and considering the announced current value after the increase.

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

(10) Intangible assets

	Concession	Computer software	Total
Cost:			
2023.1.1	\$4,293,685	\$57,148	\$4,350,833
Addition-acquired separately	-	-	-
Transfers	-	-	-
Exchange effect	-	6	6
2023.3.31	<u>\$4,293,685</u>	<u>\$57,154</u>	<u>\$4,350,839</u>
2022.1.1	\$4,293,683	\$53,133	\$4,346,816
Addition-acquired separately	-	2,601	2,601
Transfers	-	640	640
Exchange effect	-	37	37
2022.3.31	<u>\$4,293,683</u>	<u>\$56,411</u>	<u>\$4,350,094</u>
Amortization:			
2023.1.1	\$624,103	\$45,864	\$669,967
Amortization	25,711	1,701	27,412
Exchange effect	-	6	6
2023.3.31	<u>\$649,814</u>	<u>\$47,571</u>	<u>\$697,385</u>
2022.1.1	\$521,257	\$38,538	\$559,795
Amortization	25,711	2,140	27,851
Exchange effect	-	37	37
2022.3.31	<u>\$546,968</u>	<u>\$40,715</u>	<u>\$587,683</u>
Net carrying amount as of:			
2023.3.31	<u>\$3,643,871</u>	<u>\$9,583</u>	<u>\$3,653,454</u>
2022.12.31	<u>\$3,669,582</u>	<u>\$11,284</u>	<u>\$3,680,866</u>
2022.3.31	<u>\$3,746,715</u>	<u>\$15,696</u>	<u>\$3,762,411</u>

Recognized as amortized amount of intangible assets are as follows:

	Q1 2023	Q1 2022
Operating costs	<u>\$25,988</u>	<u>\$26,543</u>
Operating expenses	<u>\$1,424</u>	<u>\$1,308</u>

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(11) Short-term loans

	2023.3.31	2022.12.31	2022.3.31
Unsecured bank loans	\$610,000	\$973,000	\$200,000
Secured bank loans	800,000	1,672,000	200,000
Total	<u>\$1,410,000</u>	<u>\$2,645,000</u>	<u>\$400,000</u>
Range of interest rate			
Unsecured bank loans	1.61~2.11%	1.48~1.52%	0.73~0.79%
Secured bank loans	1.61~1.74%	1.48~2.00%	0.73~0.76%

The Group's unused short-term lines of credits amount (including short-term loans and longterm loans) to NT\$12,187,520 thousand, NT\$11,726,500 thousand and NT\$14,463,431 thousand as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.

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

(12) Short-term notes payable

	2023.3.31	2022.12.31	2022.3.31
Guaranteed by financial institutions	\$400,000	\$-	\$10,000
Less: Unamortized discount	(252)	-	(21)
Net amount	<u>\$399,748</u>	<u>\$-</u>	<u>\$9,979</u>
Range of interest rate	1.588%~1.738%	-	0.38%

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

(13) Long-term loans

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

Lenders	2023.3.31	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,675,000	The principal is repaid every half a year starting October 11, 2012. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest.
Bank of Taiwan	1,000,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month.
KGI Bank	190,000	Effective April 16, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on April 16, 2024.
Chang Hwa Commercial Bank	104,000	Effective March 31, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.

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Unsecured long-term loan

Bank of Taiwan	1,000,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month
East Asia Bank(Note 2)	210,000	Effective August 18, 2021 (the first drawdown). Principal payable semi-annually after 12 months. A total of 5 instalments of which were amortized at an average of 20% of the principal
KGI Bank	410,000	Effective December 1, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on December 1, 2023
Hua Nan Commercial Bank	215,040	Effective January 30, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period
First Commercial Bank	1,000,000	Effective Nov 29, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on Nov 29, 2024.
Chang Hwa Commercial Bank	100,000	Effective February 10, 2023(the grant day). The grace period is three year. The principal shall be repaid monthly after the Grace Period.
Shanghai Commercial & Savings Bank	13,500	Effective January 28, 2021(the grant day). The grace period is one year. The principal shall be repaid by quarterly basis.
Subtotal	5,917,540	
Less: Organization cost	(3,847)	
	5,913,693	
Current portion	(1,098,750)	
Non-current portion	\$4,814,943	
Range of interest rate	1.197%~2.45%	

Lenders	2022.12.31	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,675,000	The principal is repaid every half a year starting October 11, 2012. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest
Bank of Taiwan	1,420,000	Effective January 12, 2024, principal payable semiannually, A total of 8 instalments and each payment will be NTD\$250,000 thousand, interest paid every month.
KGI Bank	190,000	Effective April 16, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on April 16, 2024.

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Unsecured long-term loan

First Commercial Bank	770,000	Effective Nov 29, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on Nov 29, 2024.
Bank of East Asia	210,000	Effective August 18, 2021 (the first drawdown). Principal payable semi-annually after 12 months. A total of 5 instalments of which were amortized at an average of 20% of the principal.
KGI Bank	410,000	Effective December 1, 2022 (the grant day). Revolving use within the credit period and principal will be due in a lump-sum payment on December 1, 2023.
Shanghai Commercial & Savings Bank	16,250	Effective January 28, 2021 (the grant day). The grace period is one year. The principal shall be repaid by quarterly basis.
Subtotal	4,691,250	
Less: Organization cost	(3,949)	
	4,687,301	
Current portion	(920,750)	
Non-current portion	\$3,766,551	
Range of interest rate	1.545%~2.2%	

Lenders	2022.3.31	Maturity date and terms of repayment
<u>Secured borrowings</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,724,000	The principal is repaid every half a year starting October 11, 2012. Instalments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest..
Bank of East Asia (Note 2)	210,000	Effective August 18, 2021 (the first drawdown). Principal payable semi-annually after 12 months. A total of 5 installments of which were amortized at an average of 20% of the principal.
<u>Unsecured long-term loan</u>		
Bank of Taiwan	400,000	Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$50 million each, 5th to 8th payments will be NT\$100 million each and 9th to 10th payments will be NT\$200 million each; interest paid every month.
Shanghai Commercial & Savings Bank	19,000	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.
Subtotal	2,353,000	
Less: Organization cost	(4,252)	
	2,348,748	
Current portion	(54,250)	
Non-current portion	\$2,294,498	
Range of interest rate	1.061%~1.65%	

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Note 1: In October 2011, the Company's subsidiary, TAIPEI PORT TERMINAL COMPANY LIMITED, entered into a twenty-year syndicated loan in a total amount of NT\$2,700,000 thousand from multiple banks and Taiwan Cooperative Bank as the leading bank. Land use rights and part of property, plant and equipment, which acquired under the contract 「Bulk & General Cargo Terminal No.2 of Taipei Port building and operating」, were pledged as collateral for the syndicated loan. When the construction of terminal was completed, the Company need to observe two financial limited terms in the next year of the date of commencement of operation,

a) Ratio of Liability to Equity shall not exceed 200%;

b) Interest Coverage Ratio may not be less than two times.

Above financial limited terms need to be tested by bank by yearly. If the financial limited term was breached, the Company need to improve the financial structure in next year. If the financial structure does not be improved, the Company should pay to bank the compensation fee which 0.05% of the outstanding principal balance.

As of December 31, 2022 and 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, Ming-Sheng Lin and his family should keep the right of ultimate control on the Company.

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

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

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

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

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

The above financial ratios are checked every six months. As of December 31, 2022 and 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 March 31, 2023 and 2022, December 31, 2022, respectively. Please refer to Note 6(11).

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

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(14) Long-term notes payable

	2023.3.31	2022.12.31	2022.3.31
Long-term notes payable	\$-	\$600,000	\$830,000
Less: Unamortised discount	-	(135)	(2,856)
Total	\$-	\$599,865	\$827,144
Interest rates	-	1.34%	0.4%~0.48%

The long-term notes and bills payable are a commercial promissory note signed on April 10, 2020 with O-bank for a three-year period from 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

For the periods from January to March 31, 2023 and 2022, the expenses recognized for the defined-contribution plan were NT\$6,165 thousand and NT\$4,227 thousand, respectively.

Defined benefits plan

For the periods from January to March 31, 2023 and 2022, the expenses recognized for the defined-benefit plan were NT\$2,401 thousand and NT\$3,972 thousand, respectively.

(16) Provisions

	Maintenance warranties	Decommissioning, restoration and rehabilitation	Total
2023.1.1	\$4,596	\$6,901	\$11,497
Arising during the period	-	-	-
Unused provision reversed	-	-	-
2023.3.31	\$4,596	\$6,901	\$11,497
Current -- 2023.3.31	\$-	\$-	\$-
Non-current -- 2023.3.31	4,596	6,901	11,497
2023.3.31	\$4,596	\$6,901	\$11,497
Current-2022.12.31	\$-	\$	\$
Non-current-2022.12.31	4,596	6,901	11,497
2022.12.31	\$4,596	\$6,901	\$11,497
Current -- 2022.3.31	\$-	\$-	\$-
Non-current -- 2022.3.31	4,596	6,901	11,497
2022.3.31	\$4,596	\$6,901	\$11,497

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Maintenance warranties

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

Decommissioning, restoration and rehabilitation

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

(17) Equity

A. Common Stock

	2023.3.31	2022.12.31	2022.3.31
Authorized shares (thousand shares)	2,000,000	2,000,000	2,000,000
Authorized capital	\$20,000,000	\$20,000,000	\$20,000,000
Issued shares (thousand shares)	1,180,000	1,180,000	1,180,000
Issued capital	\$11,800,000	\$11,800,000	\$11,800,000

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

B. Capital surplus

	2023.3.31	2022.12.31	2022.3.31
Additional paid-in capital	\$551,242	\$551,242	\$551,242
Treasury share transactions	318,664	318,664	313,056
Changes in ownership interests in subsidiaries	187,550	187,550	187,289
Share-based payments	103,200	103,200	103,200
Donated surplus	13,792	13,808	13,920
Difference between actual acquisition price and carrying value of equity	-	-	259
Others	15,261	15,261	15,261
Total	\$1,189,709	\$1,189,725	\$1,184,227

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

C. Treasury stock

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

D. 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. Allocate 10% as legal reserve.
- d. Set aside or reverse special reserve in accordance with law and regulations.
- e. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

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

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

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

The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

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As of January 1, 2023, and 2022, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand. The Company did not reverse special reserve to retained earnings for the periods from January 1 to March 31, 2023 and 2022 as a result of the use, disposal of or reclassification of related assets. As of March 31, 2023 and 2022, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand.

Details of the 2022 and 2021 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on February 24, 2023 and May 31, 2022, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$412,570	\$282,904	\$-	\$-
Cash dividends	2,360,000	2,124,000	2.00	1.80

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

E. Non-controlling interests

	Q1 2023	Q1 2022
Beginning balance	\$1,131,575	\$1,115,589
Profit attributable to non-controlling interests	28,191	23,980
Donated surplus	(14)	376
Difference between actual acquisition price and carrying value of equity in subsidiaries	-	(259)
Acquisition of cash divided in a subsidiary	-	(434)
Ending balance	\$1,159,752	\$1,139,252

(18) Operating revenue

	Q1 2023	Q1 2022
Revenue from contracts with customers		
Sale of goods revenue	\$4,843,439	\$4,689,215
Other operating revenue (Note)	167,069	133,931
Subtotal	5,010,508	4,823,146
Lease revenue	19,954	30,289
Total	\$5,030,462	\$4,853,435

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

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Information on revenue from contracts with customers during is as follows:

A. Disaggregation of revenue

January 1 to March 31, 2023

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total of other comprehensive (loss) income
Sale of goods	\$4,185,935	\$316,217	\$341,287	\$4,843,439
Other income	107,338	-	59,731	167,069
	<u>\$4,293,273</u>	<u>\$316,217</u>	<u>\$401,018</u>	<u>\$5,010,508</u>

Timing of revenue
recognition:

At a point in time	<u>\$4,293,273</u>	<u>\$316,217</u>	<u>\$401,018</u>	<u>\$5,010,508</u>
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January 1 to March 31, 2022

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total of other comprehensive (loss) income
Sale of goods	\$3,944,348	\$405,147	\$339,720	\$4,689,215
Other income	62,260	-	71,671	133,931
	<u>\$4,006,608</u>	<u>\$405,147</u>	<u>\$411,391</u>	<u>\$4,823,146</u>

Timing of revenue
recognition:

At a point in time	<u>\$4,006,608</u>	<u>\$405,147</u>	<u>\$411,391</u>	<u>\$4,823,146</u>
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B. Contract assets and contract liabilities

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

	2023.3.31	2022.12.31	2022.3.31
Contract liabilities (Advance receipts)	<u>\$24,969</u>	<u>\$27,682</u>	<u>\$21,378</u>

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(19) Expected credit losses

	Q1 2023	Q1 2022
Operating expenses -- Expected loss (gain) on credit impairment		
Notes receivable	\$117	\$(18)
Accounts receivable	29,198	(8,313)
Long-term receivable	(32,384)	5,552
Total	\$(3,069)	\$(2,779)

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 March 31, 2023, December 31, 2022 and March 31, 2022 is assessed as low (the same as the assessment result on January 1, 2021). 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 March 31, 2023, December 31, 2022 and March 31, 2022 is as follows:

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

2023.3.31

Group 1: The total carrying amount of notes receivable is NT\$1,249,675 thousand, its loss allowance amounting to NT\$727 thousand which is measured at expected credit loss ratio of 0~6%.

	Ageing of transaction date					
			181-365 days			
	Not yet due	90-180 days	1-2 years	>=2 years	Total	
Gross carrying amount	\$4,178,532	\$935,703	\$144,796	\$109,148	\$52,893	\$5,421,072
Loss ratio	-%~1%	-%~6%	1%~8%	1%~10%	2%~11%	
Lifetime expected credit losses	1,071	52,219	10,389	9,050	5,375	78,104
Total	\$4,177,461	\$883,484	\$134,407	\$100,098	\$47,518	\$5,342,968

Group 3: The total carrying amount of overdue receivables is NT\$375,667 thousand, its loss allowance amounting to NT\$98,051 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

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

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	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$188,021	\$182,818	\$351,996	\$517,639	\$202,923	\$1,443,397
Loss ratio	-%	-%~1%	-%~1%	1%~2%	2%~4%	
Lifetime expected credit losses	-	707	4,160	7,375	6,240	18,482
Total	\$188,021	\$182,111	\$347,836	\$510,264	\$196,683	\$1,424,915

2022.12.31

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

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

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

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

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

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Group 1: The total carrying amount of notes receivable is NT\$1,673,405 thousand, its loss allowance amounting to NT\$910 thousand which is measured at expected credit loss ratio of 0~6%.

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$3,769,775	\$808,387	\$147,528	\$245,288	\$122,584	\$5,093,562
Loss ratio	-%	-%~5%	1%~6%	2%~6%	3%~6%	
Lifetime expected credit losses	1,834	65,618	8,188	12,866	6,884	95,390
Total	\$3,767,941	\$742,769	\$139,340	\$232,422	\$115,700	\$4,998,172

Group 3: The total carrying amount of overdue receivables is NT\$151,331 thousand, its loss allowance amounting to NT\$86,463 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

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

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$443,383	\$242,895	\$658,316	\$520,551	\$42,591	\$1,907,736
Loss ratio	-%	-%	-%~2%	1.5%	3%	
Lifetime expected credit losses	-	1,979	7,276	7,808	1,278	18,341
Total	\$443,383	\$240,916	\$651,040	\$512,743	\$41,313	\$1,889,395

B. The movement in the loss allowance of Accounts receivable, accounts receivable and long-term receivable during the periods from January 1 to March 31, 2023 and 2022 is as follows:

	Notes receivable	Accounts receivable	Long-term receivable
2023.1.1	\$844	\$111,109	\$84,149
Addition/(reversal) for the current period	(117)	(29,198)	32,384
Write off	-	(3,807)	-
2023.3.31	\$727	\$78,104	\$116,533
2022.1.1	\$892	\$87,077	\$110,553
Addition/(reversal) for the current period	18	8,313	(5,552)
Write off	-	-	(197)
2022.3.31	\$910	\$95,390	\$104,804

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(20) Leases

A. Group as a lessee

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

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

a. Amount recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	2023.3.31	2022.12.31	2022.3.31
Land	\$777,099	\$552,682	\$643,901
Buildings	32,921	36,975	41,203
Machinery equipment	12,216	12,689	-
Transportation equipment	13,445	12,874	1,377
Total	<u>\$835,681</u>	<u>\$615,220</u>	<u>\$686,481</u>

During the period from January 1 to March 31, 2023 and 2022 ,the Group's additions to right-of-use assets amounting to NT\$273,958 thousand and NT\$205,866 thousand , respectively.

(b) Lease liabilities

	2023.3.31	2022.12.31	2022.3.31
Lease liabilities	<u>\$799,781</u>	<u>\$548,124</u>	<u>\$646,282</u>
Current	116,883	110,591	86,860
Non-current	682,898	437,533	559,422

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

b. Amount recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	Q1 2023	Q1 2022
Land	\$20,387	\$22,752
Buildings	4,054	3,636
Machinery equipment	473	-
Transportation equipment	1,319	308
Total	<u>\$26,233</u>	<u>\$26,696</u>

c. Income and costs relating to leasing activities

	Q1 2023	Q1 2022
The expenses relating to short-term leases	\$1,327	\$1,319
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	57	56

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d. Cash outflows related to leasing activities

During the periods from January 1 to March 31, 2023 and 2022, the Group's total cash outflows for leases amounting to NT\$27,813 thousand and NT\$27,813 thousand, respectively.

e. Other information related to leasing activities

Extension and termination options

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

B. Group as a lessor

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

	Q1 2023	Q1 2022
Lease income for operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$19,954	\$26,988

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

	2023.3.31	2022.12.31	2022.3.31
Not later than one year	\$54,697	\$78,957	\$129,825
Later than one year but not later than two years	29,474	56,868	68,067
Later than two years but not later than three years	22,137	46,961	27,596
Later than three years but not later than four years	8,081	27,285	23,954
Later than four years but not later than five years	5,963	9,736	13,304
More than five years	15,650	11,285	19,658
Total	\$136,002	\$231,092	\$282,404

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

Function Type	Q1 2023			Q1 2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Payroll expenses	\$227,171	\$131,054	\$358,225	\$283,405	\$104,637	\$388,042
Labor and health insurance fees	11,946	8,641	20,587	10,976	7,705	18,681
Pension costs	5,469	3,097	8,566	5,401	2,798	8,199
Other employee benefit expenses	4,052	2,666	6,718	4,129	1,225	5,354
Depreciation expense	123,184	11,952	135,136	113,520	10,787	124,307
Amortization	25,988	1,424	27,412	26,543	1,308	27,851

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

The Company's remuneration for employees and directors is estimated at 3% according to the profitability status during the periods from January 1 to March 31, 2023 and 2022. From January 1 to March 31, 2023, the amounts of remuneration to employees and directors were both NT\$33,985 thousand. From January 1 to March 31, 2022, the amounts of remuneration to employees and directors were both NT\$75,834 thousand. The amounts were all accounted for under salary expenses.

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

(22) Non-operating income and expenses

A. Interest income

	Q1 2023	Q1 2022
Cash in the bank	\$5,796	\$2,716
Other	193	36
Total	<u>\$5,989</u>	<u>\$2,752</u>

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B. Others

	Q1 2023	Q1 2022
Rental income	\$448	\$908
Others	15,782	21,073
Total	<u>\$16,230</u>	<u>\$21,981</u>

C. Other gains and losses

	Q1 2023	Q1 2022
Gain (loss) on disposal of property, plant and equipment	\$2,276	\$1,033
Gain on disposal of subsidiaries (NOTE 1)	207,441	-
Gain on disposal of non-current assets held for sale(Note 2)	-	1,743,181
Losses on real estate investment impairments	-	(3,640)
Foreign exchange gain, net	525	1,271
Gain loss on lease modification	(7,470)	1,305
Other expense-others	(1,318)	(6,524)
Total	<u>\$201,454</u>	<u>\$1,736,626</u>

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

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

D. Finance costs

	Q1 2023	Q1 2022
Interest on borrowings from bank	\$(24,739)	\$(12,086)
Interest on notes payable	(2,580)	-
Interest on lease liabilities	(1,651)	(2,603)
Imputed interest from deposits	(544)	(34)
Total	<u>\$(29,514)</u>	<u>\$(14,723)</u>

(23) Components of other comprehensive income

Components of other comprehensive income January 1 to March 31, 2023:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income (Expense)	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$101,590	\$-	\$101,590	\$-	\$101,590
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	71,586	-	71,586	-	71,586
Total	<u>\$173,176</u>	<u>\$-</u>	<u>\$173,176</u>	<u>\$-</u>	<u>\$173,176</u>

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Components of other comprehensive income January 1 to March 31, 2022:

	Arising during the period	Reclassificati on adjustments during the period	Other comprehensiv e income	Income tax relating to components of other comprehensi ve income (Expense)	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$90,009	\$-	\$90,009	\$-	\$90,009
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	177,326	-	177,326	-	177,326
Total	<u>\$267,335</u>	<u>\$-</u>	<u>\$267,335</u>	<u>\$-</u>	<u>\$267,335</u>

(24) Income taxes

Components of income tax expenses (benefits) for the periods from January 1 to March 31, 2023 and 2022:

Income tax expense (income) recognized in profit or loss

	Q1 2023	Q1 2022
Current income tax expense (income):		
Current income tax charge	\$180,732	\$308,714
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	2,844	(3,123)
Deferred income tax assets write-off	50,299	(2,179)
Tax expense (income) recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	-	3,371
Income tax expense (benefit)	<u>\$233,875</u>	<u>\$306,783</u>

The assessment of income tax returns

As of March 31, 2023, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2020
Kunying Construction & Engineering Co., Ltd	Assessed and approved up to 2021
Rei Shin Construction Co., Ltd	Assessed and approved up to 2021
Wellpool Co., Ltd.	Assessed and approved up to 2021
Gape-Goldsun Corporation	Assessed and approved up to 2021
Goldsun Nihon Cement Co., Ltd.	Assessed and approved up to 2020
Taipei Port Terminal Company Limited	Assessed and approved up to 2021
Hua Ya Development Co., Ltd.	Assessed and approved up to 2021
Goyu Building Materials Co., Ltd.	Assessed and approved up to 2021
Gimpo Marine Co., Ltd.	Assessed and approved up to 2021
Lake Vernicia Development Company	Assessed and approved up to 2021
Reixin Asset Management Co., Ltd.	Assessed and approved up to 2021
GALC INC.	Assessed and approved up to 2021

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(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.

	Q1 2023	Q1 2022
A. Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	\$847,127	\$2,083,737
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884
Basic earnings per share (NT\$)	\$0.72	\$1.77
B. Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousands)	\$847,127	\$2,083,737
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884
Effect of dilution:		
Employee bonus-stock (in thousands)	4,702	5,189
Weighted average number of ordinary shares outstanding after dilution (in thousands)	1,181,586	1,182,073
Diluted earnings per share (NT\$)	\$0.72	\$1.76

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

(26) Changes in ownership interests in subsidiaries

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

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

	Q1 2022
Capital increase cash obtained by the Group	\$-
Decrease in non-controlling interests	259
Differences in capital reserves recognized in equity	\$259

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B. Disposal of subsidiary

The Board of Directors of the Company resolved on February 24, 2023 to dispose of 100% equity of Goldsun(Changshu) Concrete Co., Ltd., that owns the 100% shareholding of Goldsun International Development Corp. (Goldsun Inc., Cayman). GOLDSUN INC., Cayman signed an equity transfer agreement with the buyer on March 8, 2023. The Group has completed the equity transfer on March 15, 2023 and has lost control. As of March 31, 2023, 80% of the sale price was collected according to the agreement, and the receivables of NT\$ 42,009 thousand were listed under other receivables.

- (a) Consideration of disposal: NT\$ 890,226 thousand (net of costs and expenses that may be incurred in equity transactions)
- (b) Analysis of assets and liabilities of subsidiary as of the date losing control

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

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

(c) Gain on disposal of subsidiary

Collect consideration	\$890,226
Reduce: Net disposal assets	(612,897)
Reduce: Exchange differences on translation of foreign	(69,888)
Gain on disposal of associate	\$207,441

(27) Subsidiaries that have material non-controlling interests

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

Proportion of equity interest held by non-controlling interests:

Name of Subsidiary	Country of Incorporation and operation	2023.3.31	2022.12.31	2022.3.31
Wellpool Co., Ltd. and its subsidiary	Taiwan	49%	49%	49%

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

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	2023.3.31	2022.12.31	2022.3.31
Accumulated balances of material non-controlling interest:			
Wellpool Co., Ltd. and its subsidiary	\$567,342	\$547,970	\$556,709
Profit/(loss) allocated to material non-controlling interest:		Q1 2023	Q1 2022
Wellpool Co., Ltd. and its subsidiary		\$19,386	\$21,688

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:

	Q1 2023	Q1 2022
Operating revenue	\$239,382	\$249,000
Net income this period from continuing operations	39,325	43,994
Total comprehensive income for the year	39,325	43,994

Summarized information of financial position:

	2023.3.31	2022.12.31	2022.3.31
Current assets	\$645,944	\$617,737	\$601,060
Non-current assets	671,411	677,591	687,551
Current liabilities	157,622	174,576	148,500
Non-current liabilities	8,883	9,199	10,831

Summarized cash flow information:

	Q1 2023	Q1 2022
Operating activities	\$67,030	\$118,463
Investing activities	(9,379)	(6,127)
Financing activities	(341)	451
Net increase in cash and cash equivalents	57,310	112,787

7. Related-Party Transactions

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

Name and nature of relationship of the related parties

Name	Nature of relationship of the related parties
Taiwan Secom Co., Ltd. and subsidiary	Group with significant influence over the Group
Raixin Quality Products	Associate
Trust Sandstone Co., Ltd.	Other related party
Hobby Works Co., Ltd.	Other related party
Shin-Lan Enterprise Inc.	Other related party
Full Max Corporation Limited	Other related party

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Significant transactions with the related parties

(1) Revenue -- Other revenue

	Q1 2023	Q1 2022
Other related party	\$32,153	\$47,400

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

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

	Q1 2023	Q1 2022
Group with significant influence over the Group	\$124,306	\$139,159
Other related party		
Full Max Corporation Limited	319,562	174,081
Others	2,695	3,309
Total	\$446,563	\$316,549

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

(3) Notes receivable -- Related parties

	2023.3.31	2022.12.31	2022.3.31
Group with significant influence over the Group	\$225	\$-	\$225

(4) Accounts receivable-related parties, net

	2023.3.31	2022.12.31	2022.3.31
Group with significant influence over the Group	\$-	\$509	\$2,162
Other related party	23,745	12,497	21,498
Total	\$23,745	\$13,006	\$23,660

(5) Accounts payable - related parties

	2023.3.31	2022.12.31	2022.3.31
Group with significant influence over the Group	\$59,078	\$103,255	\$53,303
Other related party	3,367	3,013	15,946
Total	\$62,445	\$106,268	\$69,249

(6) Other receivables-related parties

	2023.3.31	2022.12.31	2022.3.31
Group with significant influence over the Group	\$18,718	\$21,216	\$20,975
Associate	6	3	3
Total	\$18,724	\$21,219	\$20,978

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(7) Other payables - related parties

	<u>2023.3.31</u>	<u>2022.12.31</u>	<u>2022.3.31</u>
Group with significant influence over the Group	\$21,584	\$26,811	\$13,899
Other related party	-	-	13
Total	<u>\$21,584</u>	<u>\$26,811</u>	<u>\$13,912</u>

(8) Lease -- Related parties

A. Rental income and deposits received:

a. Lease revenue

	<u>Q1 2023</u>	<u>Q1 2022</u>
Group with significant influence over the Group	\$3,002	\$2,984

b. Guarantee deposits

	<u>2023.3.31</u>	<u>2022.12.31</u>	<u>2022.3.31</u>
Group with significant influence over the Group	\$733	\$733	\$733

B. Lease expense

	<u>Q1 2023</u>	<u>Q1 2022</u>
Group with significant influence over the Group	\$1,089	\$1,063

(9) The Group has purchased equipment from a group with significant influence over the Group amounted to NT\$5,687 thousand and NT\$4,811 thousand for the periods from January 1 to March 31, 2023 and 2022, respectively.

(10) Key management personnel compensation

	<u>Q1 2023</u>	<u>Q1 2022</u>
Short-term employee benefits	\$26,812	\$22,278
Employment retirement benefits	89	108
Total	<u>\$26,901</u>	<u>\$22,386</u>

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8. Pledged Assets

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

Description	Carrying amount			Secured liabilities
	2023.3.31	2022.12.31	2022.3.31	
Inventory - Land of construction	\$210,368	\$210,368	\$210,368	Bank borrowings
Financial assets at fair value through other comprehensive income, current	447,720	413,895	613,770	Bank loan 、 C/P
Financial assets at fair value through other comprehensive income, non-current	497,973	474,873	528,890	Bank loan 、 C/P
Securities (Note)	1,036,500	991,500	1,051,500	Bank loan 、 C/P
Financial assets at amortized cost - Current	63,675	63,675	68,163	Restricted account 、 Loan guarantee
Financial assets at amortized cost - Non-current	74,082	73,733	22,557	Performance guarantee
Investment property	1,587,680	1,591,772	1,620,296	Bank loan 、 C/P
Property, plant and equipment-Land and building	4,408,964	3,847,278	4,362,210	Bank loan 、 C/P
Property, plant and equipment-Machinery and equipment	45,134	45,497	46,586	Bank borrowings
Intangible assets - Concession	2,869,397	2,889,473	2,949,700	Bank borrowings
Refundable deposit	20,000	20,000	20,000	Performance guarantee
Total	<u>\$11,261,493</u>	<u>\$10,622,064</u>	<u>\$11,494,040</u>	

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

9. Material contingent liabilities and unrecognized contractual commitments

- (1) Promissory notes issued by the Group to secure bank loans and construction performance amounted to NT\$5,348,405 thousand as of March 31, 2023.
- (2) As of March 31, 2023, subsidiary company - Hellpool Co., Ltd. has an unused letter of credit limit of approximately USD 81 thousand.
- (3) The Group's "Nangang Development Project" signed an engineering contract with another company in 2022. The total contract price is NT\$19,268,800 thousand.
- (4) Subsidiary company - Kunyung Construction Engineering Co., Ltd. undertook the "Xizhi Ready-Mixed Concrete Plant New Construction Project" and subcontracted the retaining wall and enclosure wall works to Jingxiang Technology Co., Ltd. Jingxiang Technology has a dispute over the engineering payment owed by Kunyung. The company filed a lawsuit against Kunyung in the Taipei District Court in 2017. Currently, the case is still under trial, and as of March 31, 2023, there is no definitive outcome. According to the professional judgment of the appointed lawyer, the probability of Kunyung having to pay the related consideration in this lawsuit is very low. However, Kunyung has still provisioned a liability of NT\$3,122 thousand for the estimated amount payable at the time of the project and interest expenses during the litigation period.
- (5) Subsidiary company - Huaya Development Co., Ltd. has invested in a project to construct a tourist hotel, which includes the development of hot springs. They obtained the water supply permit from Hualien County Government on September 30, 2022. They also appointed Spring Energy Development Co., Ltd. to handle the application for hot spring development, planning consulting, and drilling works. This includes a supplementary contract for drilling works signed on February 7, 2022, with a total contract value of NT\$23,600 thousand.

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- (6) Subsidiary company - Goyu Building Materials Co., Ltd. is constructing a factory in the Minxiong Industrial Zone, Chiayi. On December 3, 2018, they signed an engineering contract with Chung Yi Construction Co., Ltd. (referred to as "Chung Yi" below). They also signed supplementary contracts in 2019 and 2020 to add additional work to the project. The total contract value amounts to approximately NT\$180 million. Although the project was completed in 2021, it exceeded the agreed-upon timeframe in the contract. As a result, on October 8, 2020, Goyu sent a lawyer's letter to Chung Yi requesting compensation for breach of contract. In September 2021, Goyu redeemed a commercial promissory note from Chung Yi worth NT\$5,850 thousand, which served as a performance guarantee. They also temporarily withheld the final payment of NT\$22,655 thousand for the project, totaling NT\$28,505 thousand, which was recorded as other non-current liabilities. However, Chung Yi argues that the delay in completion was not due to their fault and thus contends that Goyu cannot impose penalties for breach of contract, confiscate the performance guarantee, or require compensation for damages. Chung Yi has filed a lawsuit demanding payment of the project funds from Goyu. The case is currently under trial at the Taipei District Court in Taiwan. As of March 31, 2023, there is no outcome in the litigation.
- (7) The Fair Trade Commission alleges that Goldsun Building Materials Co., Ltd. (referred to as "the company" below) and other ready-mixed concrete industry participants engaged in joint conduct. As per the disposition document No. 108121 issued on April 29, 2019, and the letter No. 1121360080 dated February 20, 2023, the company was fined NT\$20,000 thousand and NT\$50,000 thousand, respectively. These fines have been recorded as prepaid expenses. In the case filed in 2019, an administrative litigation was initiated, and the judgment on June 30, 2020, concluded that there was no violation of fair trade practices. The Fair Trade Commission appealed against this decision, and as of March 31, 2023, there is no outcome in the litigation. In the case filed in 2023, an administrative litigation was initiated, and as of March 31, 2023, there is no outcome in the litigation.

10. Losses Due to Major Disasters

None.

11. Significant Subsequent Events

None.

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12. Others

(1) Types of financial instrument

	2023.3.31	2022.12.31	2022.3.31
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Measured at fair value through other comprehensive income	2,014,905	1,900,810	2,308,383
Financial assets measured at amortized cost			
Cash and equivalent cash (excluding cash on hand)	2,082,164	2,100,922	2,197,796
Financial assets measured at amortized cost			
Notes receivable	243,757	238,408	185,720
Accounts receivable (including related parties)	1,248,948	1,416,809	1,672,495
Other receivables (including related parties)	5,342,968	6,456,094	4,998,172
Long-term receivable	716,492	510,422	87,267
Refundable deposit	1,702,531	1,245,160	1,954,263
Total	52,463	51,047	38,351
	<u>\$13,404,228</u>	<u>\$13,919,672</u>	<u>\$13,442,447</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost:			
Short-term debts	\$1,410,000	\$2,645,000	\$400,000
Short-term notes and bills payable	399,748	-	9,979
Notes payable (including related parties)	587,984	733,433	1,084,488
Accounts payable (including related parties)	1,529,321	2,040,597	1,877,756
Other payables (including related parties)	1,041,790	1,713,881	913,280
Lease liabilities	799,781	548,124	646,282
Long-term loan (including due in one year)	5,913,693	4,687,301	2,348,748
Long-term notes payable	-	599,865	827,144
Guarantee deposit received	40,792	43,117	44,608
Total	<u>\$11,723,109</u>	<u>\$13,011,318</u>	<u>\$8,152,285</u>

(2) Financial risk management objectives and policies

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

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

(3) Market risk

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

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

Foreign exchange risk

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

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

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

When NTD strengthens/weakens against USD by 10%, the profit for the periods from January 1 to March 31, 2023 and 2022 is decreased/increased by NT\$11,979 thousand and NT\$2,880 thousand, respectively.

When NTD strengthens/weakens against RMB by 10%, the profit for the periods from January 1 to March 31, 2023 and 2022 is decreased/increased by NT\$386 thousand and NT\$5,513 thousand, respectively.

Interest rate risk

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

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

The interest rate sensitivity analysis is performed on items assumed to be possessed for a fiscal year and exposed to interest rate risk as of the end of the reporting period, including borrowings with floating interest rates. The analysis indicates that when the interest rates increase / decrease by ten basis points, the Group's profit would decrease / increase by NT\$6,002 thousand and NT\$2,986 thousand for the periods from January to March 31, 2023 and 2022, respectively.

Equity price risk

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

For the periods from January 1 to March 31, 2023 and 2022, an increase/decrease of 10% in the price of the listed equity securities classified as financial assets at fair value through other comprehensive income could have an impact of NT\$162,591 thousand and NT\$175,104 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 March 31, 2023, December 31, 2022 and March 31, 2022, amounts receivables from top ten customers represent 24%, 30% and 24% 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.

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

(5) Liquidity risk management

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

Non-derivative financial instruments

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2023.3.31					
Borrowings	\$2,605,472	\$2,495,348	\$1,225,422	\$1,392,083	\$7,718,325
Short-term notes payable	400,000	-	-	-	400,000
Notes payable	587,984	-	-	-	587,984
Accounts payable	1,529,321	-	-	-	1,529,321
Other accounts payable	1,041,790	-	-	-	1,041,790
Lease liabilities (Note)	118,267	225,499	152,786	304,613	801,165
Refundable deposits	40,792	-	-	-	40,792
	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2022.12.31					
Borrowings	\$3,733,866	\$1,653,917	\$1,087,964	\$1,233,933	\$7,709,680
Notes payable	733,433	-	-	-	733,433
Accounts payable	2,040,597	-	-	-	2,040,597
Other accounts payable	1,713,881	-	-	-	1,713,881
Lease liabilities (Note)	116,045	165,665	128,109	143,759	553,578
Long-term notes payable	-	600,000	-	-	600,000
Refundable deposits	43,117	-	-	-	43,117
	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2022.3.31					
Borrowings	\$481,286	\$870,825	\$229,312	\$1,328,821	\$2,910,244
Short-term notes payable	10,000	-	-	-	10,000
Notes payable	1,084,488	-	-	-	1,084,488
Accounts payable	1,877,756	-	-	-	1,877,756
Other accounts payable	913,280	-	-	-	913,280
Lease liabilities (Note)	88,235	185,612	148,453	225,357	647,657
Long-term notes payable	-	830,000	-	-	830,000
Refundable deposits	44,608	-	-	-	44,608

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- 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					Total of other comprehensive (loss) income
	Less than 1 year	2 to 5 years	6 to 10 years	11 to 15 years	> 15 years	
2023.3.31	\$118,267	\$378,285	\$174,650	\$21,072	\$108,891	\$801,165
2022.12.31	\$116,045	\$293,774	\$49,586	\$21,002	\$73,171	\$553,578
2022.3.31	\$88,235	\$334,065	\$83,917	\$20,794	\$120,646	\$647,657

(6) Reconciliation for liabilities arising from financing activities

Information of reconciliation of liabilities for the period from January 1 to March 31, 2023:

	Short-term loans	Short-term notes and bills payable	Long-term borrowings (Mature within one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Balance of liabilities arising from financing activities
2023.01.01	\$2,645,000	\$-	\$4,687,301	\$548,124	\$43,117	\$599,865	\$8,523,407
Cash flow	(1,235,000)	399,748	1,226,290	(26,429)	(2,325)	(599,865)	(237,581)
Non-cash change	-	-	102	278,086	-	-	278,188
2023.3.31	\$1,410,000	\$399,748	\$5,913,693	\$799,781	\$40,792	\$-	\$8,564,014

Information of reconciliation of liabilities for the period from January 1 to March 31, 2022:

	Short-term loans	Short-term notes and bills payable	Long-term borrowings (Mature within one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Balance of liabilities arising from financing activities
2022.01.01	\$900,000	\$-	\$3,499,646	\$639,698	\$55,613	\$1,796,860	\$6,891,817
Cash flow	(500,000)	9,979	(1,151,000)	(26,438)	(11,005)	(969,716)	(2,648,180)
Non-cash change	-	-	102	33,022	-	-	33,124
2022.3.31	\$400,000	\$9,979	\$2,348,748	\$646,282	\$44,608	\$827,144	\$4,276,761

(7) Fair values of financial instruments

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

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

- a. The carrying amount of cash and cash equivalents, trade receivables, trade payable and other current liabilities approximate their fair value due to their short maturities.
- b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and beneficiary certificates etc.) at the reporting date.

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- c. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public Group and private Group equity securities) are estimated using the market approach or the income approach. the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities). The income method assesses the recoverable amount based on the present value of the financial assets that are expected to be received from cash dividends or disposals at the market.
- d. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)
- e. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

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

C. Fair value measurement hierarchy for financial instruments

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

(8) Fair value measurement hierarchy

- A. 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.

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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 March 31, 2023:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,571,032	\$-	\$443,873	\$2,014,905

As of December 31, 2022:

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

As of March 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,751,034	\$-	\$557,349	\$2,308,383

Transfers between Level 1 and Level 2 during the period

During the periods from January 1 to March 31, 2023 and 2022, the Company's assets and liabilities at recurring fair value do not have transfers between Level 1 and Level 2 of the fair value hierarchy.

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

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

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	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2023.1.1	\$440,126
Acquisition	2,400
Total gains recognized for the year ended December 31, 2022:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	1,347
2023.3.31	\$443,873
	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2022.1.1	\$524,098
Capital deducted by cash	2,000
Total gains recognized for the year ended December 31, 2022:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	31,251
2022.3.31	\$557,349

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 March 31, 2023:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Through other comprehensive income					
Financial assets at fair value					
Stock	Market approach	Earnings per share	7.89	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,578 thousand.
Stock	Income approach	Discount rate	16.35	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity by NT\$1,836 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$39,248 thousand.

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As of December 31, 2022:

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

As of March 31, 2022:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
Through other comprehensive income					
Financial assets at fair value					
Stock	Market approach	Earnings per share	9.26	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\$1,338 thousand.
Stock	Income approach	Discount rate	1~16.65	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity by NT\$2,383 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$51,516 thousand.

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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 March 31, 2023:

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

As of December 31, 2022:

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

As of March 31, 2022:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6 (9))	\$-	\$-	\$9,633,716	\$9,633,716

(9) Significant assets and liabilities denominated in foreign currencies

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

Unit: Foreign currency: thousands, NTD: thousands

	2023.3.31		
	Foreign currencies	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$3,934	30.45	\$119,790
CNY	871	4.43	3,859
Non-monetary items:			
CNY	192,642	4.43	853,402

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	2022.12.31		
	Foreign currencies	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$9,360	30.71	\$287,446
CNY	2,213	4.41	9,759
Non-monetary items:			
CNY	190,980	4.41	842,222
	2022.3.31		
	Foreign currencies	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$1,006	28.63	\$28,802
CNY	12,224	4.51	55,130
Non-monetary items:			
CNY	188,441	4.51	849,870

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. During the periods from January 1 to March 31, 2023 and 2022, the Group's net foreign currency exchange gains (losses) amounting to NT\$525 thousand and NT\$1,271 thousand, respectively.

(10) Capital management

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

13. Additional Disclosures

(1) Significant transactions information:

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

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

C. Securities held: Please refer to Attachment 3.

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

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

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

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 5.

(2) Information on investees:

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

(3) Information on investments in China:

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

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

(4) Information of principal shareholders:

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

14. Segments information

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

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

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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:

January 1 to March 31, 2023

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others (Note 1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$4,277,813	\$316,217	\$4,594,030	\$436,432	\$-	\$5,030,462
Inter-segment	27,118	-	27,118	461,542	(488,660)	-
Total revenue	<u>\$4,304,931</u>	<u>\$316,217</u>	<u>\$4,621,148</u>	<u>\$897,974</u>	<u>\$(488,660)</u>	<u>\$5,030,462</u>
Segment profit	<u>\$1,065,240</u>	<u>\$205,106</u>	<u>\$1,270,346</u>	<u>\$66,719</u>	<u>\$(227,872)</u>	<u>\$1,109,193</u>

January 1 to March 31, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others (Note 1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$4,006,124	\$405,147	\$4,411,271	\$442,164	\$-	\$4,853,435
Inter-segment	12,379	-	12,379	380,259	(392,638)	-
Total revenue	<u>\$4,018,503</u>	<u>\$405,147</u>	<u>\$4,423,650</u>	<u>\$822,423</u>	<u>\$(392,638)</u>	<u>\$4,853,435</u>
Segment profit	<u>\$2,377,785</u>	<u>\$(3,838)</u>	<u>\$2,373,947</u>	<u>\$63,479</u>	<u>\$(22,926)</u>	<u>\$2,414,500</u>

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

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

GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES NOTES TO CONSOLIDATED
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B. Information on assets and liabilities of the reportable segment:

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

2023.3.31

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$12,962	\$853,401	\$866,363	\$-	\$-	\$866,363
Segment assets	<u>\$34,423,862</u>	<u>\$5,461,964</u>	<u>\$39,885,826</u>	<u>\$13,958,626</u>	<u>\$(14,951,530)</u>	<u>\$38,892,922</u>
Segment liabilities	<u>\$10,137,740</u>	<u>\$1,868,220</u>	<u>\$12,005,960</u>	<u>\$3,484,676</u>	<u>\$(2,043,587)</u>	<u>\$13,447,049</u>

2022.12.31

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

2022.3.31

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$21,658	\$849,870	\$871,528	\$-	\$-	\$871,528
Segment assets	<u>\$29,659,625</u>	<u>\$5,735,553</u>	<u>\$35,395,178</u>	<u>\$13,683,490</u>	<u>\$(14,367,254)</u>	<u>\$34,711,414</u>
Segment liabilities	<u>\$5,917,653</u>	<u>\$1,511,347</u>	<u>\$7,429,000</u>	<u>\$3,584,440</u>	<u>\$(1,183,248)</u>	<u>\$9,830,192</u>

Attachment 1 : Financing provided to others for the three months ended March 31, 2023

Unit: Foreign currency: thousands, NTD: thousands

No. (Note 1)	Company that lent funds	Borrowing party	Account (Note 2)	Maximum balance for the period	Ending balance approved by the board	Actual amount drawn down	Interest rates	Nature of financing activity (Note 3)	Amount of sales to (purchase from) counter-party	Reason for short-term financing	Allowance for doubtful accounts	Assets pledged		Limit of financing amount for individual counter-party (Note 4)	Limit of total financing amount (Note 4)
												Item	Value		
1	Rei Shin Construction Co., Ltd	Goldsun Building Materials Co., Ltd.	Other receivables	NT\$ 550,000	NT\$ 550,000	NT\$ 550,000	1.125%-1.25%	2	-	Operating	-	-	-	NT\$ 773,505	NT\$ 773,505
2	Kuoyung Construction & Engineering Co., Ltd.	Gimpo Marine Co., Ltd.	Other receivables	NT\$ 110,000	NT\$ 110,000	NT\$ 100,000	1.98%~2.105%	2	-	Operating	-	-	-	NT\$ 161,502	NT\$ 161,502
		Goldsun Nihon Cement Co., Ltd.	Other receivables	NT\$ 30,000	NT\$ 30,000	-	-	2	-	Operating	-	-	-	NT\$ 161,502	NT\$ 161,502
3	Yuan Shun Maritime Ltd.	Hui Shun Maritime Ltd.	Other receivables	US\$ 4,500 (NT\$ 137,160)	US\$ 4,500 (NT\$ 137,025)	US\$ 3,700 (NT\$ 112,665)	2.00%	2	-	Operating	-	-	-	US\$ 30,669 (NT\$ 933,884)	US\$ 30,669 (NT\$ 933,884)
		Feng Shun Maritime Ltd.	Other receivables	US\$2,000 (NT\$ 60,960)	US\$ 2,000 (NT\$60,900)	US\$ 1,600 (NT\$ 48,720)	2.00%	2	-	Operating	-	-	-	US\$ 30,669 (NT\$ 933,884)	US\$ 30,669 (NT\$ 933,884)
		Jin Shun Maritime Ltd.	Other receivables	US\$1,000 (NT\$ 30,480)	US\$1,000 (NT\$30,450)	-	-	2	-	Operating	-	-	-	US\$ 30,669 (NT\$ 933,884)	US\$ 30,669 (NT\$ 933,884)
4	Goldsun Concrete (Suzhou) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NT\$ 445,000)	RMB 100,000 (NT\$ 443,000)	RMB72,416 (NT\$ 322,250)	2.01%	2	-	Operating	-	-	-	RMB 195,834 (NT\$ 867,546)	RMB 195,834 (NT\$ 867,546)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 195,834 (NT\$ 867,546)	RMB 195,834 (NT\$ 867,546)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 195,834 (NT\$ 867,546)	RMB 195,834 (NT\$ 867,546)
5	Goldsun Concrete (Changshu) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NT\$ 445,000)	RMB 100,000 (NT\$ 443,000)	-	-	2	-	Operating	-	-	-	RMB 273,965 (NT\$ 1,213,664)	RMB 273,965 (NT\$ 1,213,664)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 273,965 (NT\$ 1,213,664)	RMB 273,965 (NT\$ 1,213,664)
		Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 273,965 (NT\$ 1,213,664)	RMB 273,965 (NT\$ 1,213,664)
6	Goldsun Concrete (Wujiang) Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NT\$ 445,000)	RMB 100,000 (NT\$ 443,000)	-	-	2	-	Operating	-	-	-	RMB 338,973 (NT\$ 1,501,650)	RMB 338,973 (NT\$ 1,501,650)
		Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 338,973 (NT\$ 1,501,650)	RMB 338,973 (NT\$ 1,501,650)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 338,973 (NT\$ 1,501,650)	RMB 338,973 (NT\$ 1,501,650)
7	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun Concrete (Suzhou) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 315,819 (NT\$ 1,399,080)	RMB 315,819 (NT\$ 1,399,080)
		Goldsun Concrete (Wujiang) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 315,819 (NT\$ 1,399,080)	RMB 315,819 (NT\$ 1,399,080)
		Goldsun Concrete (Changshu) Co., Ltd.	Other receivables	RMB 80,000 (NT\$ 356,000)	RMB 80,000 (NT\$ 354,400)	-	-	2	-	Operating	-	-	-	RMB 315,819 (NT\$ 1,399,080)	RMB 315,819 (NT\$ 1,399,080)

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

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

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

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

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

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

Note 5 The ending balances of Goldsun Concrete (Wujiang) Co., Ltd., Goldsun (Suzhou) Advanced Building Material Co., Ltd., Goldsun Concrete (Changshu) Co., Ltd. and Goldsun Concrete (Suzhou) Co., Ltd. are due to sharing quota, resulting in double calculation of the ending balance.

The actual ending balance of Goldsun (Suzhou) Advanced Building Materials is RMB100,000 thousand, and the ending balance of others is RMB80,000 thousand each, which do not exceed the quota.

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

No (Note 1)	Name of subsidiaries	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)										
1	Rei Shin Construction Co., Ltd	Goldsun Hong Kong Building Materials Co., Ltd.	3	\$3,867,523	\$2,700,000	\$2,700,000	\$	2,700,000	139.62%	\$3,867,523		Y	
2	Reixin Asset Management Co., Ltd.	Goldsun Building Materials Co., Ltd.	3	2,235,621	884,000	884,000	236,000	-	79.08%	2,235,621		Y	
3	Goldsun Concrete (Changshu) Co., Ltd.(Note 8)	Goldsun Concrete (Suzhou) Co., Ltd. And Other Two Companies	4	3,034,160	1,780,000	1,772,000	253,662	-	292.01%	3,034,160			Y
4	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun Concrete (Suzhou) Co., Ltd. And Other Two Companies	4	3,497,700	1,780,000	1,772,000	72,918	-	253.31%	3,497,700			Y
5	Goldsun Concrete (Wujiang) Co., Ltd.	Goldsun Concrete (Suzhou) Co., Ltd. And Other Two Companies	4	3,754,125	1,780,000	1,772,000	180,744	-	236.01%	3,754,125			Y

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

1. Issuer fills in 0.
2. The subsidiaries are numbered in order starting from 1.

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

1. A company with business relations.
2. The Company directly or indirectly holds more than 50% of the voting shares of the other company.
3. The other company directly or indirectly holds more than 50% of the voting shares of the Company.
4. The Company directly or indirectly holds more than 90% of the voting shares of the other company.
6. Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
5. Companies that are mutual protected due to mutual endorsement between industry partners or joint construction builders based on the needs of the project.
7. Industry partners who are engaged in the sales of pre-construction homes and conduct joint guarantee for the performance of contract based on Consumer Protection Act.

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

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

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

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

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	End of period				Remarks	
				Number of shares / Units	Carrying amount	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	18,478,794	\$672,628	-	\$672,628	12,300 thousand shares provide for loan guarantee	
	Kinpo Electronics, Inc.		Financial assets at fair value through other comprehensive income, current	1,000,000	13,100	-	13,100		
	Taiwan Secom Co., Ltd	Investor under the equity method	Financial assets at fair value through other comprehensive income, non-current	6,065,000	639,858	1 %	639,858		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	815	-	815		
	Taiwan Airport Service Co., Ltd.		Financial assets at fair value through other comprehensive income, non-current	7,405,200	54,873	17 %	54,873		7,405 thousand shares provide for loan guarantee
	Overseas Investment & Development Corp.		Financial assets at fair value through other comprehensive income, non-current	2,000,000	15,780	2 %	15,780		
	Anfeng Spring Enterprise Co., Ltd.		Financial assets at fair value through other comprehensive income, non-current	150,000	2,452	5 %	2,452		
	Chinese Products Promotion Centre		Financial assets at fair value through other comprehensive income, non-current	1,334	-	-	-		
	Celebrity Green Concrete		Financial assets at fair value through other comprehensive income, non-current	200,000	2,000	9 %	2,000		
	Regenerated Concrete Co., Ltd.		Financial assets at fair value through other comprehensive income, non-current	540,000	5,400	16 %	5,400		
Everterminal Co., Ltd.	Financial assets at fair value through other comprehensive income, non-current		714,826	20,508	1 %	20,508			
Chi Hsiang Brownstone Co., Ltd.	Financial assets at fair value through other comprehensive income, non-current		6,300	7,060	18 %	7,060			
Kunying 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	6,649	-	6,649	Included in treasury shares	
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income, current	923,939	33,631	-	33,631		
Taiwan Secom Co., Ltd	Financial assets at fair value through other comprehensive income, non-current		2,000,000	211,000	-	211,000			
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	80,290	-	80,290	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	-	317,601	19 %	317,601		
	Fujian Hengzhong Sand Stone Co., Ltd.		Financial assets at fair value through other comprehensive income, non-current	-	18,199	19 %	18,199		

Attachment 4: Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million and 20 percent of capital stock for the three months ended March 31, 2023

Unit: NTD thousands

Purchaser/seller	Counterparty	Relationship	Transaction				Differences in transaction terms compared with third party transactions		Notes/accounts receivable (payable)		Remarks
			Purchase / Sales	Carrying amount	Percentage of total purchases (sales)	Term	Unit Price	Credit term	Balance	Percentage of total receivables (payable)	
Goldsun Building Materials Co., Ltd.	Goldsun Express & Logistics Co., Ltd.	Associate Company	NOTE	\$121,714	Note	Net 30 days	\$-	-	\$(55,075)	(2.60)%	
Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	Subsidiary	Operating cost	255,174	7%	Net 30 days	-	-	(99,609)	(4.70)%	
Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Co., Ltd.	Subsidiary	Operating cost	126,550	3%	Net 30 days	-	-	(60,480)	(2.86)%	
Goldsun Nihon Cement Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent company	Operating Income	(255,174)	93%	Net 30 days	-	-	99,609	100.00%	
Taipei Port Terminal Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent company	Operating Income	(126,550)	97%	Net 30 days	-	-	60,480	66.78%	

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

Attachment 5: Significant intercompany transactions between consolidated entities for for the three months ended March 31, 2023

Unit: NTD thousands

Number	Company Name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	As a percentage of total assets or revenues
	<u>January 1 to March 31, 2023</u>						
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Sales revenue	\$16,839	Note 4	0.33%
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Accounts receivable	24,842	Note 4	0.06%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Cost of goods sold	255,174	Note 4	5.07%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Accounts payable	99,609	Note 4	0.25%
0	Goldsun Building Materials Co., Ltd.	Gimpo Marine Co., Ltd.	1	Cost of goods sold	15,199	Note 4	0.30%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Co., Ltd.	1	Cost of goods sold	126,550	Note 4	2.52%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Co., Ltd.	1	Accounts payable	60,480	Note 4	0.15%
0	Goldsun Building Materials Co., Ltd.	Rei Shin Construction Co., Ltd.	1	Other payables	552,292	Note 4	1.39%
0	Goldsun Building Materials Co., Ltd.	Feng Shun Maritime Ltd.	1	Other receivables	10,320	Note 4	0.03%
0	Goldsun Building Materials Co., Ltd.	Jing Shun Maritime Ltd.	1	Cost of goods sold	22,011	Note 4	0.44%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Cost of goods sold	28,338	Note 4	0.56%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Accounts payable	10,253	Note 4	0.03%
1	Goyu Building Materials Co., Ltd.	Galc Inc.	3	Cost of goods sold	16,064	Note 4	0.32%
2	Kuoyung Construction & Engineering Co., Ltd.	Gimpo Marine Co., Ltd.	3	Other payables	100,093	Note 4	0.25%

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

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

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

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

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

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

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

Name of Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remarks
				Balance at the end of period	End of the previous year	Number of shares / Units	Ownership	Book value			
Goldsun Building Materials Co., Ltd.	Kuoyung Construction & Engineering Co., Ltd.	Taipei,TW	Construction of civil engineering and architectural projects	\$835,000	\$835,000	30,000,000	100%	\$398,811	\$384	\$367	
	Rei Shin Construction Co., Ltd.	Taipei,TW	Real estate rental, sale and development	(Note 1)	(Note 1)	80,000,000	100%	1,585,868	926	926	
	Wellpool Co., Ltd.	Taipei,TW	Sales of Calcium silicate board and other types of boards	303,653	303,653	18,280,389	51%	583,507	39,325	19,939	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%	165,600	17,126	10,065	
	Taipei Port Terminal Company Limite	Taipei,TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,470,861	(6,614)	(6,594)	
	Hua Ya Development Co., Ltd.	Taipei,TW	Hotel operator	284,928	284,928	24,514,108	41%	243,213	(2,087)	(853)	
	Goyu Building Materials Co., Ltd.	Chiayi, TW	Sales of building materials	280,000	280,000	28,000,000	70%	260,732	6,040	4,433	
	Gimpo Marine Co., Ltd.	New Taipei City,TW	Shipping	100,000	100,000	10,000,000	100%	93,339	(1,269)	(1,269)	
	Reixin Asset Management Co., Ltd.	Taipei,TW	Real estate rental, sale and development	(Note 2)	(Note 2)	100,000,000	100%	1,045,189	(15)	(17)	
	Lake Vernicia Development Company	Taipei,TW	Crop cultivation, special crop cultivation, and edible mushroom cultivation	1,000	1,000	100,000	100%	301	(73)	(73)	
Galc Inc.	Taipei,TW	Construction and architectural works	21,000	21,000	2,100,000	70%	30,906	3,883	2,718		

Name of Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remarks
				Balance at the end of period	End of the previous year	Number of shares / Units	Ownership	Book value			
Goldsun Building Materials Co., Ltd.	Jin Shun Maritime Ltd.	Hong Kong	Shipping	\$583,591 (USD 19,000)	\$583,591 (USD 19,000)	148,200,000	100%	\$433,411	\$117	\$117	
	Yuan Shun Maritime Ltd.	Hong Kong	Shipping	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	464,801	1,810	1,810	
	Jing Shun Maritime Ltd.	Hong Kong	Shipping	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	303,735	31	31	
	Feng Shun Maritime Ltd.	Hong Kong	Shipping	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	176,280	4,123	4,123	
	Hui Shun Maritime Ltd.	Hong Kong	Shipping	253,931 (USD 9,000)	253,931 (USD 9,000)	9,000,001	100%	231,133	(12,205)	(12,205)	
	Ease Great Investments Ltd. (Samoa)	Samoa	Investment and holding	2,334,183 (USD 59,640)	2,334,183 (USD 59,640)	59,640,000	100%	3,650,744	208,026	208,026	
	Taiwan Building Materials (Hong Kong) Limited	Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	336,570	12	12	
	Raixin Quality Products Ltd.	Taipei, TW	Upholstery and sales of furniture	66,386	66,386	2,710,512	39%	12,961	(7,170)	(2,776)	Associates
Wellpool Co., Ltd.	Gape-Goldsun Corporation	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,498	5	-	
Ease Great Investments Ltd.	Great Smart Ltd.	Cayman	Investment and holding	629,364 (USD 19,390)	629,364 (USD 19,390)	19,390,000	100%	868,025	204,548	-	
	Goldsun International Development Corp.	Cayman	Investment and holding	1,316,300 (USD 40,100)	1,316,300 (USD 40,100)	40,100,000	100%	2,780,367	3,503	-	

Note1: On September 6, 2019, Rei Shin Construction Co., Ltd. passed the resolution of the board of directors to reduce the capital, and returned the long-term investment equity held by it (EASE GREAT INVESTMENTS LTD. and Taipei Port Terminal Company Limite) as a capital reduction Equity and cash to Goldsun Building Materials Co., Ltd (shareholder) .

Note2: Rei Shin Construction Co., Ltd., a subsidiary, independently operated business to a newly incorporated company, Reixin Asset Management Co., Ltd., 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 Co., Ltd. as consideration. The division reference date was January 1, 2020.

Investee Company	Main business activities	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2023	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized	Carrying value as of March 31, 2023	Accumulated inward remittance of earnings as of March 31, 2023
					Outflow	Inflow						
Goldsun Concrete (Suzhou) Co., Ltd.	Production and sales of ready-mixed concrete and cement products	\$402,217 (USD 11,882)	(Note 1)	\$402,217 (USD 11,882)	\$-	\$-	\$402,217 (USD 11,882)	\$597	100%	\$597	\$436,961	\$33,567
Goldsun Concrete (Changshu) Co., Ltd.	Production and sales of ready-mixed concrete and cement products	459,388 (USD 14,200)	(Note 1)	459,388 (USD 14,200)	-	-	459,388 (USD 14,200)	(3,763)	- (Note 5)	(3,763)	- (Note 5)	242,608
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)	(5,248)	100%	(5,248)	698,446	-
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)	(643)	100%	(643)	754,659	-
Lianyuan Conch Cement Co., Ltd.	Cement production and distribution	2,383,120 (USD 74,800)	(Note2)	376,549 (USD 10,800)	-	-	376,549 (USD 10,800)	16,719	20%	3,344	853,402	145,190
Fuzhou Sanshun Stone Material Co., Ltd.	Sandstone processing	1,016,143 (USD 33,503)	(Note 3)	453,555 (USD 14,566)	-	-	453,555 (USD 14,566)	-	19%	-	317,601 (Note 4)	-
Fujian Hengzhong Sand Stone Co., Ltd.	Sandstone processing	134,790 (RMB 30,000)	(Note 3)	24,777 (USD 810)	-	-	24,777 (USD 810)	-	19%	-	18,199 (Note 4)	-

Accumulated investment in Mainland China as of March 31, 2023	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
\$2,756,583 (USD83,900)	\$1,457,136 (USD 52,642)	\$15,267,524 (Note 6)

Note 1 : The Company established Ease Great Investments Ltd. in a third region. The Company reinvested in Goldsun International Development Corp. (through Ease Great Investments Ltd.) and then invested in 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 : The company recognized the investment as "Financial assets at fair value through other comprehensive income, non-current".

Note 5 : Goldsun Concrete (Changshu) Co., Ltd. was disposed of on March 15, 2023, and the equity transfer has been completed as of March 31, 2023. The transaction description of the subsidiary is detailed in Note 6(26).

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

Name of Main Shareholders	No. of Shares Held		Ownership
	Ordinary Stock	Preferred stock	
Shin Lan Enterprise INC.	80,995,341	-	6.86%
Taiwan Secom Co., Ltd.	77,705,747	-	6.58%

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

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

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

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

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