

2504

**GOLDSUN BUILDING MATERIALS CO., LTD.  
AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS  
WITH REPORT OF INDEPENDENT AUDITORS FOR THE NINE-  
MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021**

Company Address: 7F, No.8, Xinhua 1st Rd., Neihu Dist., Taipei City  
Company Phone Number: (02) 8792-8088

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

# GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES

## INDEX

Description	Pages
I. Cover	1
II. Index	2
III. Independent Auditor's Review Report	3-4
IV. Consolidated Balance Sheet	5
V. Consolidated Comprehensive Income Statements	6
VI. Consolidated Statement of Changes in Equity	7
VII. Consolidated Statement of Cash Flows	8
VIII. Notes to the Consolidated Financial Statements	
(I) Company history	9
(II) Date and Procedures for Passing the Financial Report	9
(III) Application of New and Revised International Financial Reporting Standards	9-12
(IV) Summary of Significant Accounting Policies	12-15
(V) Critical Accounting Judgments and Key Sources of Estimation and Uncertainty	15
(VI) Contents of Significant Accounts	15-46
(VII) Related-Party Transactions	46-49
(VIII) Pledged Assets	49
(IX) Material contingent liabilities and unrecognized contractual commitments	50
(X) Losses Due to Major Disasters	50
(XI) Major Subsequent Issues	50
(XII) Others	50-62
(XIII) Additional Disclosures	
1. Significant transactions information	62, 66-73
2. Information on investees	63, 74-75
3. Information on investments in China	63, 66, 76
4. Information of principal shareholders	63, 77
(XIV) Segments information	63-65

## Independent Auditor's Review Report

To Goldsun Building Materials Co., Ltd.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Goldsun Building Materials Co., Ltd. and its subsidiaries (the “Company”) as of September 30, 2022 and 2021, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2022 and 2021 and the consolidated statements of changes in equity and cash flows for the nine-month periods ended September 30 2022 and 2021, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting” as endorsed and effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### **Scope**

Unless otherwise described in the basic paragraph of a qualified opinion, we perform the review in accordance with Statement on Auditing Standards No. 65 Review of financial statements. The procedures performed when reviewing the consolidated financial statements include inquiries (mainly inquiring personnel responsible for financial and accounting tasks), analytical procedures and other review procedures. The scope of review is obviously smaller than that of audit. Therefore, the accountant may not be able to detect all the significant matters that can be identified through audit, so it is impossible to express an audit opinion.

### **Basis for qualified opinion**

As stated in Note 4 (3) of the consolidated financial statements, the financial statements of the same period of some insignificant subsidiaries included in the abovementioned consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of September 30, 2022 and 2021 were NT\$11,996,064 thousand and NT\$12,089,920 thousand, accounting for 33% and 35% of the total consolidated assets, respectively; the total amounts of their liabilities were NT\$1,600,102 thousand and NT\$2,321,369 thousand, accounting for 12% and 18% of the total consolidated liabilities, respectively; the total amounts of comprehensive income from July 1 to September 30, 2022 and 2021 and from January 1 to September 30, 2022 and 2021 were NT\$154,609 thousand and NT\$65,947 thousand and NT\$383,899 thousand and NT\$133,394 thousand, accounting for 19% and 9% and 10% and 6% the total consolidated comprehensive income, respectively. As stated in Note 6.8 of the consolidated financial statements, the investment accounted for

using the equity method as of September 30, 2022 and 2021 were NT\$868,534 thousand and NT\$796,760 thousand, respectively. The share of the profit or loss of associates and joint ventures using the equity method for the periods from July 1 to September 30, 2022 and 2021 and then January 1 to September 30, 2022 and 2021 were NT\$2,163 thousand and NT\$23,886 thousand and NT\$7,196 thousand and NT\$51,668 thousand, respectively, while the other comprehensive income of associates and joint ventures using the equity method during the same periods were both NT\$0 thousand, all of which were based on the financial statements of the same period of investees that have not been reviewed by the accountants. In addition, as disclosed in Note 13 of the consolidated financial statements, the relevant information of the aforementioned subsidiaries and investees has not been reviewed by the accountants.

### **Qualified opinion**

According to our results of the review, except for the part described by the basis for qualified opinion that the financial statement of insignificant subsidiaries and the investees using the equity method may affect adjustments to the consolidated financial statements upon the CPA's review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Goldsun Building Materials and its subsidiaries as of September 30, 2022 and 2021, and the results of the consolidated financial operations and the consolidated cash flows from July 1 to September 30, 2022 and 2021 and January 1 to September 30, 2022 and 2021 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.

Yahn-Jyun Wang

Hsin-Min Hsu

November 4, 2022

Ernst & Young, Taiwan

### **Notice to Readers**

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

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

Goldsun Building Materials Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet  
September 30, 2022, December 31, 2021 and September 30, 2021 (September 30, 2022 and 2021 are unaudited)  
(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2022		December 31, 2021		September 30, 2021		Financial liabilities and equity		September 30, 2022		December 31, 2021		September 30, 2021			
Code	Assets	Notes	Amount	%	Amount	%	Amount	%	Code	Assets	Notes	Amount	%	Amount	%		
1100	Current assets								2100	Current liabilities							
	Cash and cash equivalents	4 and 6	\$2,032,673	6	\$2,518,161	7	\$2,364,011	7	2100	Short-term loans	4,6 and 8	\$3,572,000	10	\$900,000	3	\$1,250,000	4
1120	Financial assets at fair value through other comprehensive income - Current	4,6 and 8	669,162	2	846,720	2	899,640	3	2110	Short-term notes payable	6 and 8	-	-	-	-	354,972	1
1136	Financial assets at amortized cost - Current	4,6 and 8	191,154	1	160,272	-	138,663	-	2150	Notes payable		573,890	2	1,182,997	3	845,333	2
1150	Notes receivable, net	4, 5 and 6	1,299,107	4	1,657,211	5	1,451,138	4	2170	Accounts payable		1,758,442	5	2,381,549	7	2,007,795	7
1160	Notes receivable - Net from related parties	4,5,6 and 7	75	-	-	-	1,481	-	2180	Accounts payable - Related parties	7	43,145	-	135,109	-	56,325	-
1170	Accounts receivable, net	4, 5 and 6	5,319,535	14	5,415,224	15	5,043,884	16	2200	Other payables	6	1,145,277	3	1,164,009	3	1,044,021	3
1180	Accounts payable - Net from related parties	4,5,6 and 7	7,642	-	27,521	-	7,281	-	2220	Other payables - Related parties	7	10,821	-	16,175	-	11,727	-
1200	Other receivables		81,437	-	59,547	-	495,477	1	2230	Tax liability	4 and 5	542,274	1	633,408	2	470,255	1
1210	Other receivables - Related parties	7	22,674	-	22,899	-	14,755	-	2280	Lease liabilities - Current	4, 6 and 7	46,898	-	41,950	-	92,533	-
1220	Current tax assets	4 and 6	1,358	-	63	-	327	-	2300	Other current liabilities		165,144	1	105,821	-	107,505	-
13xx	Inventories	4,6 and 8	854,563	2	653,756	2	794,178	2	2310	Advanced receipts	6	69,764	-	50,209	-	52,075	-
1410	Prepayments	7	466,353	1	595,683	2	404,795	1	2322	Current portion of long-term loans	4,6 and 8	297,750	1	526,625	2	270,250	1
1460	Non-current assets held for sale, net	4 and 6	-	-	573,315	2	-	-	21xx	Total current liabilities		8,225,405	23	7,137,852	20	6,562,791	19
1470	Other current assets		7,852	-	478	-	7,088	-									
11xx	Total current assets		10,953,585	30	12,530,850	35	11,622,718	34									
	Non-current assets								2540	Non-current liabilities							
	Financial assets at fair value through other comprehensive income - Non-current	4, 5, 6 and 8	1,386,147	4	1,350,125	4	1,301,012	4	2550	Long-term loans	4,6 and 8	2,851,200	9	2,973,021	8	3,229,295	9
1517	Financial assets measured at amortized cost - Non-current	4,6 and 8	76,313	-	25,598	-	22,478	-	2550	Provisions - Non-current	4 and 6	11,497	-	11,497	-	11,497	-
1535	Investment accounted for under the equity method	4, 5 and 6	868,534	2	838,758	2	796,760	2	2570	Deferred tax liabilities	4, 5 and 6	511,096	1	514,764	1	513,407	2
1600	Property, plant and equipment	4, 6, 7 and 8	11,006,481	30	9,849,017	28	9,372,436	27	2580	Lease liabilities - Non-current	4, 6 and 7	513,319	1	597,748	2	570,163	2
1755	Right-of-use assets	4,5,6 and 7	624,320	2	681,187	2	706,531	2	2640	Net defined benefit liabilities - Non-current	4, 5 and 6	128,217	-	167,281	1	149,034	-
1760	Investment property, net	4, 5, 6 and 8	5,503,164	15	3,372,333	9	3,952,986	12	25xx	Long-term notes payable	4,6 and 8	527,962	1	1,796,860	5	1,697,651	5
1780	Intangible assets	4,6 and 8	3,707,964	10	3,787,021	11	3,810,820	11	2645	Guarantee deposits	7	43,914	-	55,613	-	53,946	-
1840	Deferred tax assets	4, 5 and 6	790,858	2	803,314	2	790,131	2	25xx	Total non-current liabilities		4,587,205	12	6,116,784	17	6,224,993	18
1915	Prepayment for equipment		93,422	-	56,297	-	63,374	1	2xxx	Total liabilities		12,812,610	35	13,254,636	37	12,787,784	37
1920	Refundable deposits	8	42,407	-	38,192	-	39,464	-		Equity attributable to the parent	4 and 6						
1932	Long-term receivable	4, 5 and 6	1,721,484	5	2,425,436	7	1,993,379	6	3100	Capital							
1990	Other assets, non-current		2,330	-	2,355	-	2,367	-	3110	Common stock		11,800,000	32	11,800,000	33	11,800,000	34
15xx	Total non-current assets		25,823,424	70	23,229,633	65	22,851,738	66	3200	Capital surplus		1,189,752	3	1,183,587	4	1,183,590	4
									3300	Retained earnings							
									3310	Legal reserve		2,228,195	6	1,945,291	5	1,945,291	6
									3320	Special reserve		1,874,430	5	1,874,430	5	1,874,430	5
									3350	Unappropriated earnings		5,603,502	16	4,562,598	13	3,794,418	11
									3400	Others		165,315	-	29,141	-	233	-
									3500	Treasury stock		(4,789)	-	(4,789)	-	(4,789)	-
									31xx	Total equity attributable to the parent company		22,856,405	62	21,390,258	60	20,593,173	60
									36xx	Non-controlling interests	6	1,107,994	3	1,115,589	3	1,093,499	3
									3xxx	Total equity		23,964,399	65	22,505,847	63	21,686,672	63
1xxx	Total liabilities and equity		\$36,777,009	100	\$35,760,483	100	\$34,474,456	100		Total Liabilities and Equity		\$36,777,009	100	\$35,760,483	100	\$34,474,456	100

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

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
July 1 to September 30, 2022 and 2021 and January 1 to September 30, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Assets	Notes	July 1 to September 30, 2022		July 1 to September 30, 2021		January 1 to September 30, 2022		January 1 to September 30, 2021	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	4,5,6 and 7	\$5,402,532	100	\$5,276,634	100	\$15,509,144	100	\$15,854,681	100
5000	Operating costs	6 and 7	(4,284,780)	(79)	(4,234,656)	(80)	(12,406,507)	(80)	(12,924,641)	(82)
5900	Gross profit		1,117,752	21	1,041,978	20	3,102,637	20	2,930,040	18
6000	Operating expenses	4,5,6 and 7								
6100	Sales and marketing expenses		(55,588)	(1)	(54,081)	(1)	(130,758)	(1)	(135,641)	(1)
6200	General and administrative expenses		(160,565)	(3)	(155,140)	(3)	(542,927)	(4)	(473,314)	(3)
6300	R&D expense		(7,118)	-	(1,889)	-	(10,385)	-	(6,395)	-
6450	Expected credit losses		(1,797)	-	(4,878)	-	(28,953)	-	(17,489)	-
	Subtotal		(225,068)	(4)	(215,988)	(4)	(713,023)	(5)	(632,839)	(4)
6900	Operating profit		892,684	17	825,990	16	2,389,614	15	2,297,201	14
7000	Non-operating income and expenses	4, 6 and 7								
7100	Interest income		2,052	-	7,846	-	7,991	-	21,687	-
7010	Other income		35,676	1	124,849	3	113,675	1	156,317	1
7020	Other benefits and losses		(17,901)	(1)	19,722	-	1,748,299	11	200,918	2
7050	Financial cost		(28,148)	(1)	(21,361)	-	(61,237)	-	(63,215)	-
7060	Share of profit or loss of associates and joint ventures		2,163	-	23,886	-	7,196	-	51,668	-
	Subtotal		(6,158)	(1)	154,942	3	1,815,924	12	367,375	3
7900	Income before income tax		886,526	16	980,932	19	4,205,538	27	2,664,576	17
7950	Income tax (expense) benefit	4, 5 and 6	(190,363)	(3)	(200,830)	(4)	(668,289)	(4)	(539,585)	(3)
8200	Net income		696,163	13	780,102	15	3,537,249	23	2,124,991	14
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		(60,275)	(1)	(2,223)	-	(225,985)	(1)	217,212	1
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of foreign operations		165,356	3	(10,037)	-	353,516	2	(118,787)	(1)
	Total other comprehensive(loss)income, net of tax		105,081	2	(12,260)	-	127,531	1	98,425	-
8500	Total comprehensive income		\$801,244	15	\$767,842	15	\$3,664,780	24	\$2,223,416	14
8600	Net income attributable to:									
8610	Shareholders of the parent		\$670,007		\$762,068		\$3,456,451		\$2,062,165	
8620	Non-controlling interests		26,156		18,034		80,798		62,826	
			\$696,163		\$780,102		\$3,537,249		\$2,124,991	
8700	Comprehensive income attributable to:									
8710	Shareholders of the parent		\$775,088		\$749,808		\$3,583,982		\$2,160,590	
8720	Non-controlling interests		26,156		18,034		80,798		62,826	
			\$801,244		\$767,842		\$3,664,780		\$2,223,416	
	Earnings per share (NT\$)	6								
9750	Basic earnings per share		\$0.57		\$0.65		\$2.94		\$1.75	
9850	Diluted earnings per share		\$0.57		\$0.65		\$2.92		\$1.75	

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

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
January 1 to September 30, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

Code	Description	Equity attributable to the parent									Non-controlling interests	Total Equity
		Capital	Additional paid-in capital	Retained Earnings			Other Components of Equity		Treasury stock	Total		
				Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income				
		3100	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2021	\$11,800,000	\$1,178,554	\$1,706,814	\$1,874,430	\$3,742,037	\$(552,128)	\$454,411	\$(4,789)	\$20,199,329	\$1,131,047	\$21,330,376
	Appropriations and distributions of 2020 unappropriated earnings											
B1	Legal reserve			238,477		(238,477)						
B5	Cash dividends					(1,770,000)				(1,770,000)		(1,770,000)
	Other changes in capital reserve											
C3	Donated surplus	-	362	-	-	-	-	-	-	362	-	362
D1	January 1 to September 30, 2021	-	-	-	-	2,062,165	-	-	-	2,062,165	62,826	2,124,991
D3	Other comprehensive income January 1 to September 30, 2021	-	-	-	-	-	(118,787)	217,212	-	98,425	-	98,425
D5	Total comprehensive income	-	-	-	-	2,062,165	(118,787)	217,212	-	2,160,590	62,826	2,223,416
M1	Adjustments for dividends subsidiaries received from parent company		4,674							4,674		4,674
M5	The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	(1,782)	-	-	-	(1,782)	(18,218)	(20,000)
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	(82,156)	(82,156)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	475	-	(475)	-	-	-	-
Z1	Balance as of September 30, 2021	\$11,800,000	\$1,183,590	\$1,945,291	\$1,874,430	\$3,794,418	\$(670,915)	\$671,148	\$(4,789)	\$20,593,173	\$1,093,499	\$21,686,672
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
	Appropriations and distributions of 2021 unappropriated earnings											
B1	Legal reserve	-	-	282,904	-	(282,904)	-	-	-	-	-	-
B5	Cash dividends	-	-	-	-	(2,124,000)	-	-	-	(2,124,000)	-	(2,124,000)
	Other changes in capital reserve											
C3	Donated surplus	-	297	-	-	-	-	-	-	297	658	955
D1	Net profit January 1 to September 30, 2022	-	-	-	-	3,456,451	-	-	-	3,456,451	80,798	3,537,249
D3	Other comprehensive income January 1 to September 30, 2022	-	-	-	-	-	353,516	(225,985)	-	127,531	-	127,531
D5	Total comprehensive income	-	-	-	-	3,456,451	353,516	(225,985)	-	3,583,982	80,798	3,664,780
M1	Parent company's cash dividends received by subsidiaries	-	5,609	-	-	-	-	-	-	5,609	-	5,609
M5	The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	259	-	-	-	-	-	-	259	(259)	-
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	(88,792)	(88,792)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(8,643)	-	8,643	-	-	-	-
Z1	Balance as of September 30, 2022	\$11,800,000	\$1,189,752	\$2,228,195	\$1,874,430	\$5,603,502	\$(280,112)	\$445,427	\$(4,789)	\$22,856,405	\$1,107,994	\$23,964,399

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

Goldsun Building Materials Co., Ltd. and Subsidiaries  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
January 1 to September 30, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

Description	January 1 to	January 1 to	Description	January 1 to	January 1 to
	September 30, 2022	September 30, 2021		September 30, 2022	September 30, 2021
	Amount	Amount		Amount	Amount
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$4,205,538	\$2,664,576	Proceeds from disposal of financial assets at fair value through profit or loss	-	989
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Proceeds from disposal of financial assets at fair value through other comprehensive income	-	23,998
Depreciation	386,008	366,618	Acquisition of financial assets at fair value through other comprehensive income	(21,728)	(64,031)
Amortization	82,964	83,258	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	8,540
Syndicated loan amortization	304	304	Proceeds from redemption of financial assets measured at amortized cost	-	6,400
Expected credit losses	28,953	17,489	Acquisition of financial assets measured at amortized cost	(81,597)	-
Interest expense	61,237	63,215	Acquisition of investments accounted for using equity method	-	(15,488)
Interest income	(7,991)	(21,687)	Proceeds from disposal of subsidiaries	-	319,801
Dividend income	(75,238)	(101,538)	Proceeds from disposal of property, plant and equipment	125,334	91,003
Gain on disposal of associate	-	(179,438)	Acquisition of property, plant and equipment	(1,397,321)	(694,877)
Share of gain of associates and joint ventures	(7,196)	(51,668)	Disposal of non-current assets held for sale	2,316,496	-
(Gain) loss on disposal of property, plant and equipment	(59,374)	(27,040)	Disposal of investment property	50	-
Loss on disposal of investment property	261	-	Acquisition of investment property	(2,093,586)	(4,310)
Gain on disposal of non-current assets held for sale	(1,743,181)	-	Proceeds from disposal of intangible assets	92	-
Losses on real estate investment impairments	14,560	-	Acquisition of intangible assets	(2,788)	(18,431)
Gain loss on lease modification	(1,885)	(231)	(Increase)Decrease in prepayments for business facilities	(47,566)	4,017
Changes in operating assets and liabilities:			(Increase)Decrease in refundable deposits	(4,215)	8,262
Notes receivable	358,104	213,683	Decrease in other non-current assets	25	125
Notes receivable - Related parties	(75)	(1,481)	Dividends received	33,163	101,538
Accounts receivables	70,377	639,490	Net cash used in investing activities	<u>(1,173,641)</u>	<u>(232,464)</u>
Accounts receivable-- Related parties	19,879	(187)	Cash flows from financing activities:		
Other receivables	20,191	(89,209)	Increase (Decrease) in short-term loans	2,672,000	(50,000)
Other receivables - Related parties	225	(2,903)	Increase in short-term notes payable	-	354,972
Inventories	(200,807)	(20,119)	Increase in long-term loans	1,200,000	580,000
Prepayments	130,873	73,492	Decrease in long-term loans	(1,551,000)	(1,300,000)
Other current assets	(7,374)	(5,333)	Increase in long-term notes payable	1,331,102	4,199,355
Long-term receivable	700,311	(387,419)	Decrease in long-term notes payable	(2,600,000)	(4,250,000)
Notes payable	(609,107)	141,487	Decrease in guarantee deposit	(11,699)	(415)
Notes payable - Related parties	-	(235)	Payments of lease liabilities	(105,774)	(80,287)
Accounts payable	(623,107)	(237,544)	Cash dividends paid	(2,124,000)	(1,770,000)
Accounts payable - Related parties	(91,964)	(1,940)	Donated surplus	621	733
Other payables	(102,021)	(13,548)	Changes in non-controlling interests	-	(11,000)
Other payables - Related parties	(5,354)	11,285	Net cash used in financing activities	<u>(1,188,750)</u>	<u>(2,326,642)</u>
Other current liabilities	59,323	(33,246)	Effect of exchange rate changes on cash and cash equivalents	90,994	(73,163)
Advanced receipts	19,555	9,360	Decrease in cash and cash equivalents for the period	(485,488)	(121,358)
Net defined benefit liabilities - Non-current	(39,064)	(22,725)	Cash and cash equivalents at beginning of year	2,518,161	2,485,369
Cash inflow generated from operations	<u>2,584,925</u>	<u>3,086,766</u>	Cash and cash equivalents at end of year	<u>\$2,032,673</u>	<u>\$2,364,011</u>
Interest received	7,985	21,675			
Interest paid	(55,071)	(56,665)			
Income tax paid	(751,930)	(540,865)			
Net cash provided by operating activities	<u>1,785,909</u>	<u>2,510,911</u>			

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



**GOLDSUN BUILDING MATERIALS CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
For the Nine-Month Periods Ended September 30, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

**I. Company History**

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

**II. Date and Procedures for Passing the Financial Report**

The consolidated financial statements of the Company and its subsidiaries (the “Group”) for the periods from January 1 to June 30, 2022 and 2021 were authorized for issue by the Board of Director’s meeting on November 4, 2022.

**III. Application of New and Revised International Financial Reporting Standards**

**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, 2022. There were not newly adopted or revised standards and interpretations that have material impact on the Group’s financial position and performance.

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

Item	Newly released / corrected / amended standards and interpretations	Effective Date issued by IASB
1	Disclosure Initiative - Accounting Policies - Amendments to IAS 1	January 1, 2023
2	Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023
3	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023

**(1) Disclosure Initiative - Accounting Policies - Amendments to IAS 1**

The amendment is to improve the disclosure of accounting policies to provide investors and other main users of financial statements with more useful information.

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

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

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

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

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2023. The standards and interpretations have no material impact on the Group.

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

Item	New, Revised or Amended Standards and Interpretations	Effective date announced by the IASB
1	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 the IASB
2	IFRS 17 - Insurance contracts	January 1, 2023
3	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2023
4	Amendments to IFRS 16 “Leases” - Lease Liability in a Sale and Leaseback	January 1, 2024
5	Non-current liabilities in contracts -Amendment to IAS 1	January 1, 2024

- (1) 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.

(2) IFRS 17 “Insurance Contracts”

It 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.

The Standards were issued in May 2007, and the amendments were published in 2020 and 2021. In the transitional provisions, the amendments delayed the effective date by 2 years (moving from January 1, 2021 to January 1, 2023) and provided additional exemptions, and some parts were simplified to reduce the cost of adopting the Standards, making it easier to interpret some particular situations. The effectiveness of these Standards will replace the interim standards (i.e. IFRS 4 Insurance Contracts).

(3) 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.

(4) IFRS 16 “Leases” (“IFRS 16”) - Lease Liability in a Sale and Leaseback (Amendment)

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

(5) Non-current liabilities in contracts -Amendment to IAS1

This amendment is to enhance information provided by companies on long-term debt contracts. Note that contractual agreements that are subject to compliance within the twelve months following the reporting period do not affect the classification of these liabilities 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 (2), it is not practicable to estimate their impact on The Group at this point in time.

#### IV. Summary of Significant Accounting Policies

##### 1. Compliance statement

The consolidated financial report of the Group for the periods from January 1 to September 30, 2022 and 2021 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 ("NTD") unless otherwise stated.

##### 3. Basis of consolidation

###### Preparation principle of consolidated financial statements

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

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

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

- (1) The contractual arrangement with the other vote holders of the investee
- (2) Rights arising from other contractual arrangements
- (3) The Group's voting rights and potential voting rights.

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

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

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

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

If the Company loses control of a subsidiary, it:

- (1) Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- (2) Derecognizes the carrying amount of any non-controlling interest.
- (3) Recognizes the fair value of the consideration received.
- (4) Recognizes the fair value of any investment retained.
- (5) Recognizes any surplus or deficit in profit or loss.
- (6) Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are listed as follows:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2022.9.30	2021.12.31	2021.9.30
The Company	Kuoyung Construction & Engineering Co., Ltd.	Construction of civil and architectural construction projects	100%	100%	100%
The Company	Rei Shin Construction Co., Ltd.	Real estate leasing, trading and development	100%	100%	100%
The Company	Reixin Asset Management Inc.	Real estate leasing, trading and development	100%	100%	100%
The Company	Wellpool Co., Ltd.	Trading and construction installation of calcium silicate boards and various carpets	51%	51%	51%
The Company	Goldsun Nihon Cement Co., Ltd.	Sales of imported cement	59%	59%	59%
The Company	Ease Great Investments Ltd.	Investment holding	100%	100%	100%
The Company	Taipei Port Terminal Company Limited	Investment holding	100%	100%	100%
The Company	Huaya Development Co., Ltd. (Note 1)	Hotel operator	41%	31%	31%
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%	-	-

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of ownership (%)		
			2022.9.30	2021.12.31	2021.9.30
The Company	Gimpo Marine Co., Ltd.	Shipping	100%	100%	100%
The Company	Taiwan Building Materials (Hong Kong) Limited	Investment	100%	100%	100%
The Company	Goyu Building Materials Co., Ltd.	Sales of building materials	70%	70%	70%
The Company	Lake Vernicia Development Company	Leisure frame management	100%	100%	100%
The Company	Galc Inc.	Construction of civil and architectural construction projects	70%	70%	70%
Wellpool Co., Ltd.	Cape Goldsun Corporation	Sales of calcium silicate board and other boards	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Goldsun International Development Corp. (Goldsun International, Cayman)	Investment holding	100%	100%	100%
Ease Great Investments Ltd. (Samoa)	Great Smart Ltd.(Cayman)	Investment holding	100%	100%	100%
Goldsun International (Cayman)	Goldsun (Suzhou) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
Goldsun International (Cayman)	Taicang Port Goldsun Concrete Co., Ltd. (Note 3)	Production and sales of Sales of pre-mixed concrete and cement	-	-	100%
Goldsun International (Cayman)	Goldsun (Wujiang) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
Goldsun International (Cayman)	Goldsun (Changshu) Concrete Co., Ltd.	Manufacturing and sales of ready-mix concrete	100%	100%	100%
Goldsun International (Cayman)	Goldsun (Suzhou) Building Materials Co., Ltd.	Production and sales of Sales of pre-mixed concrete and cement	100%	100%	100%

Note1: The Company determined that even if its has less than 50% of the voting rights, it has control over Huaya Development Co., Ltd. due to the contractual agreement with other shareholders of Huaya Development Co., Ltd., which gives the Company the right to exercise its voting rights. As a result, the Company obtained a majority of the voting rights to give it the control over Huaya Development Co., Ltd.

Note 2: Huaya Development Co., Ltd. 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 (27).

Note 3: Taicang Port Goldsun Concrete Co., Ltd. was dissolved by the resolution of the board on September 1, 2020 and completed in the fourth quarter of 2021.

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

The financial statements of some subsidiaries included in the consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of September 30, 2022 and 2021 were NT\$11,996,064 thousand and NT\$12,089,920 thousand, respectively; the total amounts of their liabilities were NT\$1,600,102 thousand and NT\$2,321,369 thousand, respectively; the amounts of comprehensive income from July 1 to September 30, 2022 and 2021 were NT\$ 154,609 thousand and NT\$65,947 thousand, respectively; the total amounts of comprehensive income from January 1 to September 30, 2022 and 2021 were NT\$383,899 thousand and NT\$133,394 thousand, respectively.

#### 4. Other significant accounting policies

In addition to the following explanations, please refer to the Group's 2021 consolidated financial report for a summary explanation of significant accounting policies.

- (1) 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.
- (2) 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.

#### V. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

The major sources of uncertainty in the significant accounting judgments, estimates and assumptions used in the Group's consolidated financial reports for the period from January 1 to September 30, 2022 and 2021 are the same with that of the 2021 consolidated financial report. Please refer to the 2021 consolidated financial report of the Group.

#### VI. Contents of Significant Accounts

##### 1. Cash and cash equivalents

	2022.9.30	2021.12.31	2021.9.30
Cash on hand and petty cash	\$5,522	\$5,691	\$5,588
Checking accounts and demand deposits	1,588,824	1,911,153	1,673,914
Time deposits	438,327	601,317	684,509
Total	<u>\$2,032,673</u>	<u>\$2,518,161</u>	<u>\$2,364,011</u>

## 2. Measured at fair value through other comprehensive income

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Equity instrument investments measured at fair value through other comprehensive income:			
Listed companies' stocks	\$1,471,377	\$1,672,747	\$1,670,564
Unlisted companies' stocks	583,932	524,098	530,088
Total	<u>\$2,055,309</u>	<u>\$2,196,845</u>	<u>\$2,200,652</u>
Current	\$669,162	\$846,720	\$899,640
Non-current	1,386,147	1,350,125	1,301,012
Total	<u>\$2,055,309</u>	<u>\$2,196,845</u>	<u>\$2,200,652</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 July 1 to September 30, 2022 and 2021 and January 1 to September 30, 2022 and 2021 are as follows:

	<u>2022.7.1~ 2022.9.30</u>	<u>2021.7.1~ 2021.9.30</u>	<u>2022.1.1~ 2022.9.30</u>	<u>2021.1.1~ 2021.9.30</u>
The fair value of the investments at the date of derecognition	\$-	\$-	\$-	\$23,998
The cumulative gain or loss on disposal reclassified from other equity to retained earnings	-	-	(8,643)	475

## 3. Financial assets measured at amortized cost

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Time deposits	\$201,345	\$170,463	\$145,963
Restricted cash - demand deposits	66,122	15,407	15,178
Total	<u>\$267,467</u>	<u>\$185,870</u>	<u>\$161,141</u>
Current	\$191,154	\$160,272	\$138,663
Non-current	76,313	25,598	22,478
Total	<u>\$267,467</u>	<u>\$185,870</u>	<u>\$161,141</u>

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



#### 4. Notes receivable

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Notes receivables - Arising from operating activities	\$1,299,999	\$1,658,103	\$1,451,936
Less: loss allowance	(892)	(892)	(798)
Subtotal	<u>1,299,107</u>	<u>1,657,211</u>	<u>1,451,138</u>
Notes receivable - Related parties	75	-	1,481
Less: loss allowance	-	-	-
Subtotal	<u>75</u>	<u>-</u>	<u>1,481</u>
Total	<u><u>\$1,299,182</u></u>	<u><u>\$1,657,211</u></u>	<u><u>\$1,452,619</u></u>

The Group's notes receivables were not guaranteed.

The Group assesses impairments in accordance with the requirements of IFRS 9. Please refer to Note 6.20 for information related to loss allowance, and Note 12 for information related to credit risk.

#### 5. Accounts receivable, accounts receivable - Related parties, and long-term receivable

##### Accounts receivable and accounts receivable - Related parties

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Accounts receivable	\$5,431,924	\$5,502,301	\$5,130,889
Less: Loss allowance	(112,389)	(87,077)	(87,005)
Subtotal	<u>5,319,535</u>	<u>5,415,224</u>	<u>5,043,884</u>
Accounts receivable - Related parties	7,642	27,521	7,281
Less: Loss allowance	-	-	-
Subtotal	<u>7,642</u>	<u>27,521</u>	<u>7,281</u>
Total	<u><u>\$5,327,177</u></u>	<u><u>\$5,442,745</u></u>	<u><u>\$5,051,165</u></u>

##### Long-term receivable

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Construction retainage receivable	\$1,514,040	\$2,245,311	\$1,852,304
Overdue receivables	288,772	290,678	245,757
Subtotal	<u>1,802,812</u>	<u>2,535,989</u>	<u>2,098,061</u>
Less: Loss allowance	(81,328)	(110,553)	(104,682)
Total	<u><u>\$1,721,484</u></u>	<u><u>\$2,425,436</u></u>	<u><u>\$1,993,379</u></u>

Accounts receivable and long - term receivable were not pledged.

Accounts receivable are generally on 30-120 day terms. The total carrying amount as of September 30, 2022, December 31, 2021 and September 30, 2021 were NT\$7,241,698 thousand, NT\$8,065,811 thousand and NT\$7,236,231 thousand, respectively. Please refer to Note 6 (20) for more details on loss allowance of accounts receivable for the periods from January 1 to September 30, 2022 and 2021. Please refer to Note 12 for more details on credit risk management.

#### 6. Inventories

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Raw materials	\$487,848	\$268,688	\$400,820
Building for sale	79,872	79,872	79,872
Land of construction	210,367	210,368	210,367
Work in process	33,185	35,061	34,519
Finished goods	43,291	59,767	68,196
Merchandise	-	-	404
Total	<u>\$854,563</u>	<u>\$653,756</u>	<u>\$794,178</u>

The cost of inventories recognized as expenses by the Group for the period from July 1 to September 30, 2022 and 2021 was NT\$3,370,838 thousand and NT\$3,346,745 thousand, respectively, which included the loss of NT\$858 thousand from inventory decline and the gain NT\$1,540 thousand from inventory recovery.

The cost of inventories recognized as expenses by the Group for the period from January 1 to September 30, 2022 and 2021 was NT\$9,901,591 thousand and NT\$10,617,802 thousand, respectively, which included the gain of NT\$522 thousand and NT\$2,838 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 September 30, 2022 and 2021.

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

#### 7. Non-current assets held for sale

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Non-current assets held for sale			
Investment property	<u>\$-</u>	<u>\$573,315</u>	<u>\$-</u>

For the purpose of revitalizing assets and providing working capital, On November 9, 2021, the Board of Directors of the Group approved to dispose land and buildings in Sanmin Dist., Kaohsiung City. The contract, signed with the buyer on November 15, 2021, amounted to NT\$2,350,000 thousand after deducting the lease receivables, business tax and other related expenses of NT\$33,504 thousand and was expected to recognize the gain on disposal of land and buildings for NT\$1,743,181 thousand in January 2022. The register of ownership transfer was completed in January 3, 2022.

## 8. Investment accounted for under the equity method

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

Investee	2022.9.30		2021.12.31		2021.9.30	
	Amount	Ownership	Amount	Ownership	Amount	Ownership
Investments in associates:						
Lianyuan Conch Cement Company Limited	\$850,858	20%	\$814,731	20%	\$770,296	20%
Raixin Quality Products Ltd.	17,676	39%	24,027	39%	26,464	39%
Total	<u>\$868,534</u>		<u>\$838,758</u>		<u>\$796,760</u>	

The Group's investments listed above are not individually material. The aggregate carrying amount of the Group's investments in associates is NT\$868,534 thousand, NT\$838,758 thousand and NT\$796,760 thousand as of September 30, 2022, December 31, 2021 and September 30, 2021, respectively. The aggregate financial information is shown as follows:

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Profit or loss from continuing operations	\$2,163	\$23,886	\$7,196	\$51,668
Other comprehensive income or loss of the period (net after taxes)	-	-	-	-
Total comprehensive income	<u>\$2,163</u>	<u>\$23,886</u>	<u>\$7,196</u>	<u>\$51,668</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 September 30, 2022, December 31, 2021, and September 30, 2021, nor did they have any guarantees.

## 9. 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:									
2022.1.1	\$5,421,938	\$2,030,793	\$2,956,854	\$24,214	\$2,375,069	\$146,372	\$1,409,416	\$194,602	\$14,559,258
Additions	8,949	13,971	92,539	3,091	784,039	13,739	434,871	46,122	1,397,321
Disposals	(1,909)	(83,860)	(136,997)	(1,030)	(285,800)	(3,135)	-	(9,649)	(522,380)
Transfers	(55,036)	(19,331)	16,276	-	600	5,007	(19,767)	95	(72,156)
Impact from change in exchange rate	-	12,178	12,385	536	202,409	-	-	206	227,714
2022.9.30	<u>\$5,373,942</u>	<u>\$1,953,751</u>	<u>\$2,941,057</u>	<u>\$26,811</u>	<u>\$3,076,317</u>	<u>\$161,983</u>	<u>\$1,824,520</u>	<u>\$231,376</u>	<u>\$15,589,757</u>
2021.1.1	\$5,082,476	\$1,885,856	\$2,768,928	\$26,880	\$2,498,442	\$135,587	\$1,215,279	\$184,805	\$13,798,253
Additions	386,090	32,511	89,122	2,099	107,943	6,823	57,776	12,513	694,877
Disposals	-	(4,346)	(37,309)	(2,972)	(192,672)	(2,025)	-	(4,188)	(243,602)
Disposal of subsidiary	-	(59,907)	(61,001)	(2,279)	(1,745)	-	-	(3,070)	(128,002)
Transfers	(452,144)	165,533	172,318	221	-	2,883	110,381	1,699	891
Exchange effect	-	(7,001)	(5,356)	(305)	(26,764)	-	(48)	(238)	(39,712)
2021.9.30	<u>\$5,016,422</u>	<u>\$2,012,646</u>	<u>\$2,926,702</u>	<u>\$23,644</u>	<u>\$2,385,114</u>	<u>\$143,268</u>	<u>\$1,383,388</u>	<u>\$191,521</u>	<u>\$14,082,705</u>

	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Lease Improvements	Unfinished construction and equipment under acceptance	Other equipment	Total
Depreciation:									
2022.1.1	\$-	\$1,042,777	\$2,190,232	\$17,727	\$943,445	\$123,274	\$-	\$148,194	\$4,465,649
Depreciation	-	57,814	94,841	1,530	108,151	5,617	-	10,110	278,063
Disposals	-	(83,767)	(136,243)	(902)	(193,745)	(3,135)	-	(9,378)	(427,170)
Exchange effect	-	6,933	7,539	371	34,920	-	-	59	49,822
2022.9.30	\$-	\$1,023,757	\$2,156,369	\$18,726	\$892,771	\$125,756	\$-	\$148,985	\$4,366,364
2021.1.1	\$-	\$1,002,271	\$2,167,463	\$20,437	\$1,023,017	\$121,665	\$-	\$143,717	\$4,478,570
Depreciation	-	56,795	83,350	1,140	109,655	3,151	-	8,513	262,604
Disposals	-	(3,950)	(35,583)	(2,678)	(131,410)	(2,025)	-	(3,993)	(179,639)
Disposal of subsidiary	-	(30,031)	(46,273)	(1,612)	(660)	-	-	(1,824)	(80,400)
Transfers	-	-	-	188	-	-	-	(41)	147
Exchange effect	-	(3,771)	(4,013)	(219)	(7,632)	-	-	(140)	(15,775)
2021.9.30	\$-	\$1,021,314	\$2,164,944	\$17,256	\$992,970	\$122,791	\$-	\$146,232	\$4,465,507
Impairment:									
2022.1.1	\$215,335	\$322	\$987	\$-	\$27,680	\$-	\$-	\$268	\$244,592
Impairment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(29,250)	-	-	-	(29,250)
Exchange effect	-	-	-	-	1,570	-	-	-	1,570
2022.9.30	\$215,335	\$322	\$987	\$-	\$-	\$-	\$-	\$268	\$216,912
2021.1.1	\$215,335	\$322	\$987	\$-	\$28,480	\$-	\$-	\$268	\$245,392
Impairment	-	-	-	-	-	-	-	-	-
Impact from change in exchange rate	-	-	-	-	(630)	-	-	-	(630)
2021.9.30	\$215,335	\$322	\$987	\$-	\$27,850	\$-	\$-	\$268	\$244,762
Net carrying amount as of:									
2022.9.30	\$5,158,607	\$929,672	\$783,701	\$8,085	\$2,183,546	\$36,227	\$1,824,520	\$82,123	\$11,006,481
2021.12.31	\$5,206,603	\$987,694	\$765,635	\$6,487	\$1,403,944	\$23,098	\$1,409,416	\$46,140	\$9,849,017
2021.9.30	\$4,801,087	\$991,010	\$760,771	\$6,388	\$1,364,294	\$20,477	\$1,383,388	\$45,021	\$9,372,436

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.

## 10. Investment property

	Land	Buildings	Total
Cost:			
2022.1.1	\$2,757,845	\$1,142,561	\$3,900,406
Addition - From acquisitions	2,091,608	1,978	2,093,586
Disposals	-	(2,050)	(2,050)
Transferred from property, plant and equipment	69,101	12,285	81,386
2022.9.30	\$4,918,554	\$1,154,774	\$6,073,328
2021.1.1	\$3,327,949	\$1,746,060	\$5,074,009
Addition - From acquisitions	3,210	1,100	4,310
Disposals	(107)	(138)	(245)
2021.9.30	\$3,331,052	\$1,747,022	\$5,078,074
Depreciation:			
2022.1.1	\$-	\$515,119	\$515,119
Depreciation	-	29,270	29,270
Disposals	-	(1,739)	(1,739)
2022.9.30	\$-	\$542,650	\$542,650

	Land	Buildings	Total
2021.1.1	\$-	\$1,084,684	\$1,084,684
Depreciation	-	27,695	27,695
Disposals	-	(245)	(245)
2021.9.30	<u>\$-</u>	<u>\$1,112,134</u>	<u>\$1,112,134</u>
Impairment:			
2022.1.1	\$-	\$12,954	\$12,954
Impairment	-	14,560	14,560
Transfers	-	-	-
2022.9.30	<u>\$-</u>	<u>\$27,514</u>	<u>\$27,514</u>
2021.1.1	\$-	\$12,954	\$12,954
Impairment	-	-	-
Transfers	-	-	-
2021.9.30	<u>\$-</u>	<u>\$12,954</u>	<u>\$12,954</u>
Net carrying amount as of:			
2022.9.30	<u>\$4,918,554</u>	<u>\$584,610</u>	<u>\$5,503,164</u>
2021.12.31	<u>\$2,757,845</u>	<u>\$614,488</u>	<u>\$3,372,333</u>
2021.9.30	<u>\$3,331,052</u>	<u>\$621,934</u>	<u>\$3,952,986</u>

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Rental income from investment property	\$34,852	\$37,237	\$107,802	\$103,411
Less: Direct operating expense generated from rental income of investment property	<u>(12,422)</u>	<u>(15,744)</u>	<u>(48,362)</u>	<u>(45,545)</u>
Total	<u>\$22,430</u>	<u>\$21,493</u>	<u>\$59,440</u>	<u>\$57,866</u>

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

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. As of September 30, 2022, December 31, 2021 and September 30, 2021, the fair value of investment properties was NT\$11,727,146 thousand, NT\$9,633,716 thousand, and NT\$11,602,266 thousand, respectively. The fair value NT\$62,684 thousand, NT\$62,684 thousand and NT\$60,592 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\$11,644,462 thousand, NT\$9,571,032 thousand and NT\$11,541,674 thousand has not been evaluated by independent external appraisal experts. The determination of their fair value is based on market evidence, using the land development analysis method and considering the announced current value after the increase.

The relevant security procedures have been fully implemented.

## 11. Intangible assets

	Concession	Computer software	Total
Cost:			
2022.1.1	\$4,293,683	\$53,133	\$4,346,816
Addition - Acquired separately	-	2,788	2,788
Disposals	-	(175)	(175)
Transfers	-	1,211	1,211
Impact from change in exchange rate	-	29	29
2022.9.30	<u>\$4,293,683</u>	<u>\$56,986</u>	<u>\$4,350,669</u>
2021.1.1	<u>\$4,278,344</u>	<u>\$45,656</u>	<u>\$4,324,000</u>
Addition - Acquired separately	15,339	3,092	18,431
Transfers	-	543	543
Exchange effect	-	(16)	(16)
2021.9.30	<u>\$4,293,683</u>	<u>\$49,275</u>	<u>\$4,342,958</u>
Amortization:			
2022.1.1	\$521,257	\$38,538	\$559,795
Amortization	77,132	5,832	82,964
Disposals	-	(83)	(83)
Exchange effect	-	29	29
2022.9.30	<u>\$598,389</u>	<u>\$44,316</u>	<u>\$642,705</u>
2021.1.1	<u>\$418,603</u>	<u>\$30,293</u>	<u>\$448,896</u>
Amortization	76,943	6,315	83,258
Exchange effect	-	(16)	(16)
2021.9.30	<u>\$495,546</u>	<u>\$36,592</u>	<u>\$532,138</u>
Net carrying amount as of:			
2022.9.30	<u>\$3,695,293</u>	<u>\$12,670</u>	<u>\$3,707,964</u>
2021.12.31	<u>\$3,772,426</u>	<u>\$14,595</u>	<u>\$3,787,021</u>
2021.9.30	<u>\$3,798,137</u>	<u>\$12,683</u>	<u>\$3,810,820</u>

Recognized as amortized amount of intangible assets are as follows.

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Operating costs	<u>\$25,979</u>	<u>\$26,056</u>	<u>\$78,013</u>	<u>\$78,018</u>
Operating expenses	<u>\$1,452</u>	<u>\$1,628</u>	<u>\$4,951</u>	<u>\$5,240</u>

## 12. Short-term loans

	2022.9.30	2021.12.31	2021.9.30
Unsecured bank loans	\$1,337,000	\$550,000	\$450,000
Secured bank loans	2,235,000	350,000	800,000
Total	<u>\$3,572,000</u>	<u>\$900,000</u>	<u>\$1,250,000</u>
Range of interest rate			
Unsecured bank loans	1.12~1.56%	0.73~0.79%	0.74~0.8%
Secured bank loans	1.15~1.51%	0.73~0.75%	0.73~0.8%

As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group's quota of unused borrowing (including short-term and long-term borrowing) is approximately NT\$10,428,000 thousand, NT\$11,443,431 thousand and NT\$10,593,431 thousand, respectively.

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

## 13. Short-term notes payable

	2022.9.30	2021.12.31	2021.9.30
Guaranteed by financial institutions	\$-	\$-	\$355,000
Less: Unamortized discount	-	-	(28)
Net amount	<u>\$-</u>	<u>\$-</u>	<u>\$354,972</u>
Range of interest rate	-	-	0.32%~0.50%

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

## 14. Long-term loans

The details of the long-term borrowings on September 30, 2022, December 31, 2021 and September 30, 2021 are as follows:

Lenders	2022.9.30	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,724,000	The principal is repaid every half a year starting October 11, 2022. Installments are made between October 11, 2022 and April 11, 2032, covering NT\$49,000 thousand of the principal in each payment. The last payment will be made on October 11, 2032 to pay off the principal and interest.
Shanghai Bank	19,000	Effective January 28, 2021, June 4, 2021, and June 15, 2021 (date of borrowing). The grace period is one year. Principal is repaid in 8 quarter-yearly payments starting the 13th months; the interest is paid every month.

Lenders	2022.9.30	Maturity date and terms of repayment
Bank of Taiwan	700,000	Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$35 million each, 5th to 8th payments will be NT\$70 million each and 9th to 10th payments will be NT\$140 million each; interest paid every month.
KGI Bank	220,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term.
<u>Unsecured long-term loan</u>		
KGI Bank	280,000	Revolving use within the credit period and the repayment will be due in a lump-sum payment on the expiration of the term.
Bank of East Asia (Note 2)	210,000	Effective on August 18, 2019 (the first drawdown date), the first installment shall be made after the first 12 months, and every six months thereafter. The principal shall be repaid in five equal installments of 20% of the principal.
Total	<u>3,153,000</u>	
Less: Organization cost	<u>(4,050)</u>	
	3,148,950	
Current portion	<u>(297,750)</u>	
Non-current portion	<u>\$2,851,200</u>	
Range of interest rate	<u>1.42%~1.984%</u>	

Creditors	2021.12.31	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,724,000	Effective October 11, 2018. Since the first use date, principal is repaid in 29 half-yearly payments; interest paid every quarter. Supplemental contract signed on July 14, 2020, the payment terms: Did not need to pay the principal from October 11, 2020 to April 11, 2022, payment will be NT\$49,000 thousand from October 11, 2022 to April 11, 2032. The last payment will pay off the principal and interest on October 11, 2032.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.



Creditors	2021.12.31	Maturity date and terms of repayment
<u>Unsecured long-term loan</u>		
Shanghai Bank	30,000	Effective January 28, 2021, June 4, 2021, and June 15, 2021 (date of borrowing). The grace period is one year. Principal is repaid in 8 quarter-yearly payments starting the 13th months; the interest is paid every month.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of East Asia (Note 2)	350,000	Effective August 18, 2021 (the first drawdown). Principal payable semi-annually after 12 months. A total of 5 installments of which were amortized at an average of 20% of the principal.
Total	3,504,000	
Less: Organization cost	(4,354)	
	3,499,646	
Current portion	(526,625)	
Non-current portion	\$2,973,021	
Range of interest rate	1.061%~1.4%	

Creditors	2021.9.30	Maturity date and terms of repayment
<u>Secured long-term loan</u>		
Syndicated loans from Bank of Taiwan Cooperative (Note 1)	\$1,724,000	Effective October 11, 2018. Since the first use date, principal is repaid in 29 half-yearly payments; interest paid every quarter. Supplemental contract signed on July 14, 2020, the payment terms: Did not need to pay the principal from October 11, 2020 to April 11, 2022, payment will be NT\$49,000 thousand from October 11, 2022 to April 11, 2032. The last payment will pay off the principal and interest on October 11, 2032.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.

Unsecured long-term loan

Shanghai Bank	30,000	Effective January 28, 2021, June 4, 2021, and June 15, 2021 (date of borrowing). The grace period is one year. Principal is repaid in 8 quarter-yearly payments starting the 13th months; the interest is paid every month.
Bank of Taiwan	300,000	Effective December 25, 2018. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of Taiwan	400,000	Effective December 25, 2019. Principal is repaid in 10 half-yearly payments, the 1st to 4th payments will be NT\$25 million, 5th to 8th payments will be NT\$50 million and 9th to 10th payments will be NT\$100 million; interest paid every month.
Bank of East Asia	350,000	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.
Total	<u>3,504,000</u>	
Less: Organization cost	<u>(4,455)</u>	
	3,499,545	
Current portion	<u>(270,250)</u>	
Non-current portion	<u>\$3,229,295</u>	
Interest rates	<u>1.059%~1.589%</u>	

Note1: The Subsidiary, Taipei Port Terminal Company Limited, borrowed syndicated loans from 7 banks, which is led by Bank of Taiwan Cooperative. The total credit line of the 20-year loan was NT\$2.7 billion and the loan agreement was signed in October 2011. Land use rights and part of property, plant and equipment acquired under the contract, Bulk & General Cargo Terminal No.2 of Taipei Port building and operating, were pledged as collateral for secured loans. When the Company become operation officially after completing the construction of the terminal, the Company need to observe two financial limited terms in the next fiscal year a) Ratio of Liability to Equity shall not exceed 200%; b) Interest Coverage Ratio may not be less than 2. Taipei Port Terminal Company Limited completed the construction of the dock in December 2018 and it is now fully operational. If the financial limited term was breached, the Company need to improve the financial structure in 2021 under the Cooperative Credit Contract signed on July 14, 2020. If not, the Company should pay to bank the compensation fee which 0.05% of the outstanding principal balance to the bank since January 1, 2021.

As of December 31, 2021, Taipei Port Terminal Company Limited did not breach the covenants above.

## Note 2: Compliance with loan covenants

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

The above financial ratios are checked every six months. As of June 30, 2022, the Company did not breach any such covenants above.

The Group's unused long-term lines of credits amount was contained by short-term lines of credits amount as of September 30, 2022, December 31, 2021 and 2020, respectively. Please refer to Note 6(12).

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

### 15. Long-term notes payable

	2022.9.30	2021.12.31	2021.9.30
Long-term notes payable	\$528,500	\$1,800,000	\$1,700,000
Less: Unamortised discount	(538)	(3,140)	(2,349)
Total	\$527,962	\$1,796,860	\$1,697,651
Interest rates	1.208%	0.358%~0.498%	0.25%~0.30%

The long-term notes and bills payable are a commercial promissory note signed on April 10, 2020 with the Bank of O-bank for a three-year period during March 22, 2021 to March 21, 2024, which will be repaid at the expiration of the contract. The amounts of unused financing facilities were NT\$2,700,000 thousand.

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

### 16. Pension benefits

#### Defined contribution plan

For the periods from July 1 to September 30, 2022 and 2021, the expenses recognized for the defined-contribution plan were NT\$4,331 thousand and NT\$4,123 thousand, respectively. For the periods from January 1 to September 30, 2022 and 2021, the expenses recognized for the defined-contribution plan were NT\$12,762 thousand and NT\$12,028 thousand, respectively.

## Defined benefits plan

For the periods from July 1 to September 30, 2022 and 2021, the expenses recognized for the defined-benefit plan were NT\$3,977 thousand and NT\$3,824 thousand, respectively. For the periods from January 1 to September 30, 2022 and 2021, the expenses recognized for the defined-benefit plan were NT\$12,035 thousand and NT\$11,424 thousand, respectively.

## 17. Provisions

	Maintenance warranties	Decommissioning, restoration and rehabilitation	Total
2022.1.1	\$4,596	\$6,901	\$11,497
Arising during the period - Other	-	-	-
Unused provision reversed	-	-	-
2022.9.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2022.9.30	\$-	\$-	\$-
Non-current --2022.9.30	4,596	6,901	11,497
2022.9.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2021.12.31	\$-	\$-	\$-
Non-current --2021.12.31	4,596	6,901	11,497
2021.12.31	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>
Current -- 2021.9.30	\$-	\$-	\$-
Non-current --2021.9.30	4,596	6,901	11,497
2021.9.30	<u>\$4,596</u>	<u>\$6,901</u>	<u>\$11,497</u>

## 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.

## 18. Equity

### (1) Common Stock

	2022.9.30	2021.12.31	2021.9.30
Authorized shares (thousand shares)	2,000,000	2,000,000	2,000,000
Authorized capital	<u>\$20,000,000</u>	<u>\$20,000,000</u>	<u>\$20,000,000</u>
Issued shares (thousand shares)	1,180,000	1,180,000	1,180,000
Issued capital	<u>\$11,800,000</u>	<u>\$11,800,000</u>	<u>\$11,800,000</u>

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

(2) Capital surplus

	2022.9.30	2021.12.31	2021.9.30
Additional paid-in capital	\$551,242	\$551,242	\$551,242
Treasury share transactions	318,665	313,056	313,056
Changes in ownership interests in subsidiaries	187,289	187,289	187,289
Share-based payments	103,200	103,200	103,200
Donated surplus	13,836	13,539	13,542
Difference between actual acquisition price and carrying value of equity	259	-	-
Others	15,261	15,261	15,261
Total	<u>\$1,189,752</u>	<u>\$1,183,587</u>	<u>\$1,183,590</u>

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.

(3) Treasury stock

As of September 30, 2022, December 31, 2021 and September 30, 2021, 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.

(4) Profit distribution and dividend policies

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

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

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

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

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

The FSC on March 31, 2022 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance: On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

As of January 1, 2022, and 2021, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand. The Company did not reverse special reserve to retained earnings for the periods from January 1 to September 30, 2022 and 2021 as a result of the use, disposal of or reclassification of related assets. As of September 30, 2022 and 2021, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$1,874,430 thousand.

Details of the 2021 and 2020 earnings distribution and dividends per share as approved and resolved by the Board of Directors' meeting and shareholders' meeting on May 31, 2022 and July 5, 2021, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2021	2020	2021	2020
Legal reserve	\$282,904	\$238,477	\$-	\$-
Cash dividends	2,124,000	1,770,000	1.80	1.50

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

## (5) Non-controlling interests

	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Beginning balance	\$1,115,589	\$1,131,047
Profit attributable to non-controlling interests	80,798	62,826
Shares acquired from the newly established subsidiary	-	9,000
Donated surplus	658	371
Difference between actual acquisition price and carrying value of equity in subsidiaries	(259)	(18,218)
Acquisition of cash divided in a subsidiary	(88,792)	(91,527)
Ending balance	<u>\$1,107,994</u>	<u>\$1,093,499</u>

## 19. Operating revenue

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Revenue from contracts with customers				
Sale of goods revenue	\$5,133,775	\$5,102,823	\$14,927,182	\$15,358,581
Other operating revenue (Note)	199,271	136,574	474,160	392,689
Subtotal	<u>5,333,046</u>	<u>5,239,397</u>	<u>15,401,342</u>	<u>15,751,270</u>
Lease revenue	<u>69,486</u>	<u>37,237</u>	<u>107,802</u>	<u>103,411</u>
Total	<u>\$5,402,532</u>	<u>\$5,276,634</u>	<u>\$15,509,144</u>	<u>\$15,854,681</u>

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

Analysis of revenue from contracts with customers is as follows:

## (1) Disaggregation of revenue

July 1 to September 30, 2022

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

July 1 to September 30, 2021

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$3,883,882	\$952,984	\$265,957	\$5,102,823
Other income	4,804	-	131,770	136,574
	<u>\$3,888,686</u>	<u>\$952,984</u>	<u>\$397,727</u>	<u>\$5,239,397</u>

Timing of revenue  
recognition:

At a point in  
time

	<u>\$3,888,686</u>	<u>\$952,984</u>	<u>\$397,727</u>	<u>\$5,239,397</u>
--	--------------------	------------------	------------------	--------------------

January 1 to September 30, 2022

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

Timing of revenue  
recognition:

At a point in  
time

	<u>\$12,412,160</u>	<u>\$1,648,613</u>	<u>\$1,340,569</u>	<u>\$15,401,342</u>
--	---------------------	--------------------	--------------------	---------------------

January 1 to September 30, 2021

	Taiwan Segment	Pre-mixed Concrete Segment in Mainland China	Other segments	Total
Sale of goods	\$11,527,487	\$3,012,258	\$818,836	\$15,358,581
Other income	144,607	-	248,082	392,689
	<u>\$11,672,094</u>	<u>\$3,012,258</u>	<u>\$1,066,918</u>	<u>15,751,270</u>

Timing of revenue  
recognition:

At a point in  
time

	<u>\$11,672,094</u>	<u>\$3,012,258</u>	<u>\$1,066,918</u>	<u>15,751,270</u>
--	---------------------	--------------------	--------------------	-------------------



(2) Contract assets and contract liabilities

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

	2022.9.30	2021.12.31	2021.9.30
Contract liabilities (Advance receipts)	<u>\$20,929</u>	<u>\$20,608</u>	<u>\$19,415</u>

20. Expected credit losses

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Operating expenses - Expected loss (gain) on credit impairment				
Notes receivable	\$14	\$(15)	\$-	\$(475)
Accounts receivable	(5,353)	9,621	25,312	19,782
Long-term receivable	7,136	(4,728)	3,641	(1,818)
Total	<u>\$1,797</u>	<u>\$4,878</u>	<u>\$28,953</u>	<u>\$17,489</u>

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 September 30, 2022, December 31, 2021 and September 30, 2021 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 September 30, 2022, December 31, 2021 and September 30, 2021 is as follows:

- (1) 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:

2022.9.30

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

Group 2:

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

Group 3: The total carrying amount of overdue receivables is NT\$288,772 thousand, its loss allowance amounting to NT\$69,418 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

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

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$221,326	\$206,623	\$369,934	\$664,043	\$52,114	\$1,514,040
Loss ratio	-%	-%	-%~1%	1%~2%	1%~3%	
Lifetime expected credit losses	-	1,432	2,288	6,751	1,439	11,910
Subtotal	\$221,326	\$205,191	\$367,646	\$657,292	\$50,675	\$1,502,130

2021.12.31

Group 1: The total carrying amount of notes receivable is NT\$1,658,103 thousand, its loss allowance amounting to NT\$892 thousand which is measured at expected credit loss ratio of 0~7%.

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

Group 3: The total carrying amount of overdue receivables is NT\$290,678 thousand, its loss allowance amounting to NT\$95,928 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 20%~100%.

Group 4: Construction 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	\$681,788	\$335,456	\$637,213	\$526,706	\$64,148	\$2,245,311
Loss ratio	-%	-%	1%	1%	3%	
Lifetime expected credit losses	-	2,128	3,644	6,928	1,925	14,625
Subtotal	\$681,788	\$333,328	\$633,569	\$519,778	\$62,223	\$2,230,686

2021.9.30

Group 1: The total carrying amount of notes receivable is NT\$1,453,417 thousand, its loss allowance amounting to NT\$798 thousand which is measured at expected credit loss ratio of 0~15%.

	Ageing of transaction date					Total
	Not yet due	90-180 days	181-365 days	1 -2 years	>=2 years	
Gross carrying amount	\$3,863,813	\$705,597	\$235,814	\$152,330	\$180,616	\$5,138,170
Loss ratio	-%	-%~5%	1%~5%	2%~30%	3%~45%	
Lifetime expected credit losses	1,489	37,826	8,502	24,156	15,032	87,005
Subtotal	\$3,862,324	\$667,771	\$227,312	\$128,174	\$165,584	\$5,051,165

Group 3: The total carrying amount of overdue receivables is NT\$245,757 thousand, its loss allowance amounting to NT\$88,671 thousand. Due to the customer with higher credit risk, the loss allowance is measured at expected credit loss ratio of 15%~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	\$537,577	\$360,135	\$548,062	\$360,319	\$46,211	\$1,852,304
Loss ratio	-%	-%~5%	1%~5%	2%~30%	3%~45%	
Lifetime expected credit losses	-	2,216	5,656	5,695	2,444	16,011
Subtotal	\$537,577	\$357,919	\$542,406	\$354,624	\$43,767	\$1,836,293

- (2) The movement in the loss allowance of Accounts receivable, accounts receivable and long-term receivable during the periods from January 1 to September 30, 2022 and 2021 is as follows:

	Notes receivable	Accounts receivable	Long-term receivable
2022.1.1	\$892	\$87,077	\$110,553
Addition/(reversal) for the current period	-	25,312	3,641
Write off	-	-	(32,866)
2022.9.30	\$892	\$112,389	\$81,328
2021.1.1	\$1,273	\$67,223	\$110,126
Addition/(reversal) for the current period	(475)	19,782	(1,818)
Write off	-	-	(3,626)
2021.9.30	\$798	\$87,005	\$104,682

## 21. Leases

- (1) 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

	2022.9.30	2021.12.31	2021.9.30
Land	\$585,170	\$634,664	\$655,552
Buildings	33,721	44,839	48,474
Transportation equipment	5,429	1,684	2,505
Total	\$624,320	\$681,187	\$706,531

During the period from January 1 to September 30, 2022 and 2021, the Group's additions to right-of-use assets amounting to NT\$334,086 thousand and NT\$1,834 thousand, respectively.

- (b) Lease liabilities

	2022.9.30	2021.12.31	2021.9.30
Lease liabilities	\$560,217	\$639,698	\$662,696
Current	46,898	41,950	92,533
Non-current	513,319	597,748	570,163

During the periods from January 1 to September 30, 2022 and 2021, please refer to Note 6 (23) (4) finance costs for Interest on lease liabilities; please refer to Note 12 (5) liquidity risk management for maturity analysis of lease liabilities as of September 30, 2022, December 31, 2021 and September 30, 2021.

#### B. Amount recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets	2022.7.1~	2021.7.1~	2022.1.1~	2021.1.1~
	2022.9.30	2021.9.30	2022.9.30	2021.9.30
Land	\$21,555	\$21,056	\$66,162	\$63,573
Buildings	3,846	3,636	11,117	10,907
Transportation equipment	503	616	1,396	1,839
<b>Total</b>	<b>\$25,904</b>	<b>\$25,308</b>	<b>\$78,675</b>	<b>\$76,319</b>

#### C. Income and costs relating to leasing activities

	2022.7.1~	2021.7.1~	2022.1.1~	2021.1.1~
	2022.9.30	2021.9.30	2022.9.30	2021.9.30
The expenses relating to short-term leases	\$1,318	\$1,269	\$3,961	\$3,780
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	54	50	161	144

#### D. Cash outflows related to leasing activities

During the periods from January 1 to September 30, 2022 and 2021, the Group's total cash outflows for leases amounting to NT\$109,896 thousand and NT\$84,211 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.

(2) Group as a lessor

Please refer to Note 6(10) for details on the Group's owned investment properties. Leases of owned investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Lease income for operating leases				
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	<u>\$34,852</u>	<u>\$37,237</u>	<u>\$107,802</u>	<u>\$103,411</u>

Please refer to Note 6 (10) 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 September 30, 2022, December 31, 2021 and September 30, 2021 are as follows:

	2022.9.30	2021.12.31	2021.9.30
Not later than one year	\$46,481	\$181,452	\$125,975
Later than one year but not later than two years	34,365	167,672	83,544
Later than two years but not later than three years	25,002	86,922	72,516
Later than three years but not later than four years	24,364	69,428	64,552
Later than four years but not later than five years	4,664	64,122	63,008
More than five years	9,239	289,277	307,093
Total	<u>\$144,115</u>	<u>\$858,873</u>	<u>\$716,688</u>

22. Summary schedule of employee benefits, depreciation and amortization expenses by function:

Type \ Function	2022.7.1~2022.9.30			2021.7.1~2021.9.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Payroll expenses	\$234,881	\$122,269	\$357,150	\$220,145	\$102,423	\$322,568
Labor and health insurance fees	11,302	6,189	17,491	10,898	6,515	17,413
Pension costs	5,435	2,873	8,308	5,186	2,761	7,947
Other employee benefit expenses	4,035	2,139	6,174	3,995	2,814	6,809
Depreciation expense	122,684	11,323	134,007	108,240	9,865	118,105
Amortization	25,979	1,452	27,431	26,056	1,628	27,684

Function Type	2022.1.1~2022.9.30			2021.1.1~2021.9.30		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenditure						
Payroll expenses	\$754,520	\$391,796	\$1,146,316	\$646,414	\$314,950	\$961,364
Labor and health insurance fees	33,733	24,199	57,932	31,906	23,910	55,816
Pension costs	16,336	8,461	24,797	15,222	8,230	23,452
Other employee benefit expenses	12,444	4,028	16,472	12,296	9,309	21,605
Depreciation expense	352,577	33,431	386,008	336,030	30,588	366,618
Amortization expense	78,013	4,951	82,964	78,018	5,240	83,258

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

The Company's remuneration for employees and directors is estimated at 3% according to the profitability status during the periods from January 1 to September 30, 2022 and 2021. From July 1 to September 30, 2022, the amounts of remuneration to employees and directors recognized were NT\$23,926 thousand. From January 1 to September 30, 2022, the amounts of remuneration to employees and directors recognized were NT\$129,852 thousand. From July 1 to September 30, 2021, the amounts of remuneration to employees and directors recognized were NT\$29,988 thousand. From January 1 to September 30, 2021, the amounts of remuneration to employees and directors recognized were NT\$80,806 thousand. The amounts were all accounted for under salary expenses.

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

## 23. Non-operating income and expenses

### (1) Interest income

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Cash in the bank	\$2,018	\$7,594	\$7,920	\$21,126
Short-term notes	-	-	-	236
Other	34	252	71	325
Total	<u>\$2,052</u>	<u>\$7,846</u>	<u>\$7,991</u>	<u>\$21,687</u>

### (2) Others

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Rental income	\$1,398	\$147	\$4,194	\$441
Dividend income	32,263	99,938	75,238	101,538
Other income - Others	2,015	24,764	34,243	54,338
Total	<u>\$35,676</u>	<u>\$124,849</u>	<u>\$113,675</u>	<u>\$156,317</u>

### (3) Other gains and losses

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Gain (loss) on disposal of property, plant and equipment	\$690	\$27,749	\$59,374	\$27,040
Loss on disposal of investment property	-	11	261	179,438
Gain on disposal of non-current assets held for sale	-	-	1,743,181	-
Losses on real estate investment impairments	(5,460)	-	(14,560)	-
Net gain (loss) on foreign currency exchange	(7,790)	706	(16,457)	14,212
Gain loss on lease modification	310	-	1,885	231
Other gains and (losses) -- Others	(5,651)	(8,744)	(25,385)	(20,003)
Total	<u>\$(17,901)</u>	<u>\$19,722</u>	<u>\$1,748,299</u>	<u>\$200,918</u>

### (4) Finance costs

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Interest on borrowings from bank	\$(23,941)	\$(15,648)	\$(53,242)	\$(47,302)
Interest on notes payable	(2,494)	(3,514)	(2,494)	(9,712)
Interest on lease liabilities	(1,680)	(2,143)	(5,398)	(6,034)
Imputed interest from deposits	(33)	(56)	(103)	(167)
Total	<u>\$(28,148)</u>	<u>\$(21,361)</u>	<u>\$(61,237)</u>	<u>\$(63,215)</u>



## 24. Components of other comprehensive income

### Components of other comprehensive income July 1 to September 30, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$(60,275)	\$-	\$(60,275)	\$-	\$(60,275)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	165,356	-	165,356	-	165,356
Total	<u>\$105,081</u>	<u>\$-</u>	<u>\$105,081</u>	<u>\$-</u>	<u>\$105,081</u>

### Components of other comprehensive income July 1 to September 30, 2021:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$(2,223)	\$-	\$(2,223)	\$-	\$(2,223)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	(10,037)	-	(10,037)	-	(10,037)
Total	<u>\$(12,260)</u>	<u>\$-</u>	<u>\$(12,260)</u>	<u>\$-</u>	<u>\$(12,260)</u>

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

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$(225,985)	\$-	\$(225,985)	\$-	\$(225,985)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	353,516	-	353,516	-	353,516
Total	<u>\$127,531</u>	<u>\$-</u>	<u>\$127,531</u>	<u>\$-</u>	<u>\$127,531</u>

## Components of other comprehensive income January 1 to September 30, 2021:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income	Income tax relating to components of other comprehensive income	Amount after tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gains on fair value through other comprehensive income equity instrument investment	\$217,212	\$-	\$217,212	\$-	\$217,212
To be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on the translation of foreign operations	(118,787)	-	(118,787)	-	(118,787)
Total	<u>\$98,425</u>	<u>\$-</u>	<u>\$98,425</u>	<u>\$-</u>	<u>\$98,425</u>

## 25. Income taxes

Components of income tax expenses (benefits) for the periods from January 1 to September 30, 2022 and 2021:

### Income tax expense (income) recognized in profit or loss

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Current income tax expense (income):				
Current income tax charge	\$176,851	\$200,045	\$670,680	\$555,073
Adjustments in respect of current income tax of prior periods	-	-	(1,390)	(15,137)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	976	941	3,099	(1,750)
Deferred income tax assets write-off	12,536	(156)	-	1,399
Tax expense (income) recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	-	-	(4,100)	-
Income tax (expense) benefit	<u>\$190,363</u>	<u>\$200,830</u>	<u>\$668,289</u>	<u>\$539,585</u>

### The assessment of income tax returns

As of September 30, 2022, the assessment of the income tax returns of the Group and its subsidiaries is as follows:

	<u>The assessment of income tax returns</u>
The Company	Assessed and approved up to 2020 (2019 has not been assessed)

The assessment of income tax returns

Kuoyung Construction & Engineering Co., Ltd.	Assessed and approved up to 2020
Rei Shin Construction Co., Ltd.	Assessed and approved up to 2020
Wellpool Co., Ltd.	Assessed and approved up to 2020
Cape Goldsun Corporation	Assessed and approved up to 2020
Goldsun Nihon Cement Co., Ltd.	Assessed and approved up to 2020
Taipei Port Terminal Company Limited	Assessed and approved up to 2019
Huaya Development Co., Ltd.	Assessed and approved up to 2020
Goyu Building Materials Co., Ltd.	Assessed and approved up to 2020
Gimpo Marine Co., Ltd.	Assessed and approved up to 2020
Lake Vernicia Development Company	Assessed and approved up to 2020
Reixin Asset Management Inc.	Assessed and approved up to 2020

26. 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.

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
(1) Basic earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	\$670,007	\$762,068	\$3,456,451	\$2,062,165
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884	1,176,884	1,176,884
Basic earnings per share (NT\$)	\$0.57	\$0.65	\$2.94	\$1.75

(2) Diluted earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousands)	<u>\$670,007</u>	<u>\$762,068</u>	<u>\$3,456,451</u>	<u>\$2,062,165</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	1,176,884	1,176,884	1,176,884	1,176,884
Effect of dilution:				
Employee bonus - Stock (in thousands)	<u>5,699</u>	<u>3,298</u>	<u>5,410</u>	<u>3,590</u>
Weighted average number of ordinary shares outstanding after dilution (in thousands)	<u>1,182,583</u>	<u>1,180,182</u>	<u>1,182,294</u>	<u>1,180,474</u>
Diluted earnings per share (NT\$)	<u>\$0.57</u>	<u>\$0.65</u>	<u>\$2.92</u>	<u>\$1.75</u>

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.

## 27. Changes in ownership interests in subsidiaries

### (1) New shares issued by subsidiary's capital increase not subscribed in proportion to the shareholding

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

	2022.1.1~ 2022.9.30
Capital increase cash obtained by the Group	<u>\$-</u>
Decrease in non-controlling interests	<u>259</u>
Differences in capital reserves recognized in equity	<u>\$259</u>

In 2021, the Company acquired 5% of the voting shares of Goyu Building Materials Co., Ltd., A cash consideration of NT\$20,000 thousand was paid to the non-controlling interest shareholders. Therefore, the difference between the actual acquisition and the book value, amounting to NT\$1,782 thousand recognized as a decrease in unappropriated earnings, and decrease NT\$18,218 thousand in non-controlling interests.

(2) Disposal of subsidiary

The Board of Directors of the Company resolved on May 4, 2021 to dispose of 100% equity of Kunshan Goldsun Concrete Co., Ltd., that owns the 100% shareholding of Goldsun International Development Corp. (Goldsun Inc., Cayman). Goldsun Inc., Cayman signed an equity transfer agreement with the buyer on May 21, 2021. The Group has completed the equity transfer on May 31, 2021 and has lost control. The payment for equity transfer had been paid on August 12, 2021.

A. Consideration of disposal: NT\$ 331,473 thousand (net of costs and expenses that may be incurred in equity transactions)

B. Analysis of assets and liabilities of subsidiary as of the date losing control

The carrying amount of assets and liabilities of Kunshan Goldsun Concrete Co., Ltd. on May 31, 2021 is detailed as follows:

	Carrying amount
Cash and cash equivalents	\$11,672
Accounts receivable, net	90,128
Inventories	2,613
Property, plant and equipment	47,602
Right-of-use assets	6,558
Other payables	(17)
Tax liability	(6,709)
Total net assets	<u>\$151,847</u>
C. Gain on disposal of subsidiary	
Collect consideration	\$331,473
Reduce: Net disposal assets	(151,847)
Reduce: Exchange differences on translation of foreign	(5,071)
Gain on disposal of associate	<u>\$174,555</u>

28. 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	2022.9.30	2021.12.31	2021.9.30
Wellpool Co., Ltd. and its subsidiary	Taiwan	49%	49%	49%

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

		<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Accumulated balances of material non-controlling interest:				
Wellpool Co., Ltd. and its subsidiary		\$525,848	\$534,644	\$514,236
Profit/(loss) allocated to material non-controlling interest:				
	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Wellpool Co., Ltd. and its subsidiary	\$23,494	\$18,949	\$70,863	\$62,010

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:

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Operating revenue	\$265,716	\$217,096	\$793,939	\$659,730
Net income this period from continuing operations	47,657	38,439	143,744	125,787
Total comprehensive income for the year	47,657	38,439	143,744	125,787

##### Summarized information of financial position:

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Current assets	\$550,033	\$552,808	\$485,756
Non-current assets	682,202	691,579	696,617
Current liabilities	154,618	148,878	125,692
Non-current liabilities	10,938	10,987	13,557

##### Summarized cash flow information:

	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Operating activities	\$212,623	\$109,918
Investing activities	(21,702)	(2,793)
Financing activities	(162,524)	(143,510)
Net increase in cash and cash equivalents	28,397	(36,385)

## VII. Related-Party Transactions

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

Name and nature of relationship of the related parties

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

Significant transactions with the related parties

1. Revenue - Other revenue

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Other related party	\$56,212	\$26,307	\$171,726	\$129,910
Group with significant influence over the Group	-	1,819	-	3,954
Associate	-	-	13	6
Total	<u>\$56,212</u>	<u>\$28,126</u>	<u>\$171,739</u>	<u>\$133,870</u>

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

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

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Group with significant influence over the Group	\$113,993	\$176,354	\$369,941	\$503,163
Other related party				
Full Max Corporation Limited	345,416	-	831,123	-
Other	2,677	13,845	11,557	167,927
Total	<u>\$462,086</u>	<u>\$190,199</u>	<u>\$1,212,621</u>	<u>\$671,090</u>

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

3. Notes receivable - Related parties

	2022.9.30	2021.12.31	2021.9.30
Group with significant influence over the Group	<u>\$75</u>	<u>\$-</u>	<u>\$1,481</u>

4. Accounts receivable - Related parties

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Group with significant influence over the Group	\$2,644	\$629	\$1,770
Other related party	4,998	26,892	5,511
Total	<u>\$7,642</u>	<u>\$27,521</u>	<u>\$7,281</u>

5. Accounts payable - Related parties

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Group with significant influence over the Group	\$40,162	\$125,985	\$55,417
Other related party	2,983	9,124	908
Total	<u>\$43,145</u>	<u>\$135,109</u>	<u>\$56,325</u>

6. Other receivables - Related parties

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Group with significant influence over the Group	\$22,668	\$22,202	\$14,752
Associate	6	697	3
Total	<u>\$22,674</u>	<u>\$22,899</u>	<u>\$14,755</u>

7. Other payables - Related parties

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Group with significant influence over the Group	\$10,821	\$15,958	\$11,550
Other related party	-	217	177
Total	<u>\$10,821</u>	<u>\$16,175</u>	<u>\$11,727</u>

8. Lease - Related parties

(1) Rental income and deposits received:

A. Lease revenue

	<u>2022.7.1~ 2022.9.30</u>	<u>2021.7.1~ 2021.9.30</u>	<u>2022.1.1~ 2022.9.30</u>	<u>2021.1.1~ 2021.9.30</u>
Group with significant influence over the Group	<u>\$2,983</u>	<u>\$2,257</u>	<u>\$8,950</u>	<u>\$7,856</u>

B. Guarantee deposit received

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Group with significant influence over the Group	<u>\$733</u>	<u>\$733</u>	<u>\$733</u>



(2) Lease expense

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Group with significant influence over the Group	\$1,243	\$1,063	\$3,715	\$3,174

(3) Interest expense

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Group with significant influence over the Group	\$-	\$2	\$-	\$2

9. The Group has purchased equipment from a group with significant influence over the Group amounted to NT\$13,153 thousand and NT\$6,729 thousand for the periods from January 1 to September 30, 2022 and 2021, respectively.

10. From January 1, 2019 to December 31, 2023, the Group leased the land at No. 167, Section 2, Yucheng Section, Nangang District, Taipei City from its subsidiary, Rei Shin Construction Co., Ltd. Due to the early termination of the contract on August 31, 2022, the net disposal of right-of-use assets decreased by NT\$45,844 thousand, the total lease liabilities decreased by NT\$46,014 thousand, and the disposal benefit was NT\$170 thousand.

11. Key management personnel compensation

	2022.7.1~ 2022.9.30	2021.7.1~ 2021.9.30	2022.1.1~ 2022.9.30	2021.1.1~ 2021.9.30
Short-term employee benefits	\$34,420	\$21,828	\$64,674	\$63,693
Employment retirement benefits	40	94	185	255
Total	\$34,460	\$21,922	\$64,859	\$63,948

## VIII. Pledged Assets

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

Item	Book value			Secured liabilities
	2022.9.30	2021.12.31	2021.9.30	
Inventory - Land of construction	\$210,367	\$210,368	\$210,367	Bank borrowings
Financial assets at fair value through other comprehensive income - Current	415,740	590,400	627,300	Bank loan, C/P
Financial assets at fair value through other comprehensive income - Non-current	486,182	505,816	481,750	Bank loan, C/P
Securities (Note)	1,002,000	919,500	906,000	Bank loan, C/P
Financial assets at amortized cost - Current	63,675	71,838	68,163	Restricted account, Loan guarantee
Financial assets measured at amortized cost - Non-current	73,422	22,707	22,478	Performance guarantee
Investment property	2,106,052	2,210,938	2,204,516	Bank loan, C/P

Item	Book value			Secured liabilities
	2022.9.30	2021.12.31	2021.9.30	
Property, plant and equipment - Land and building	3,904,908	4,505,425	4,608,691	Bank loan, C/P
Property, plant and equipment - Machinery and equipment	45,860	46,949	47,312	Bank borrowings
Intangible assets - Concession	2,909,549	2,969,775	2,989,851	Bank borrowings
Refundable deposit	20,000	20,000	20,000	Performance guarantee
Total	<u>\$11,237,755</u>	<u>\$12,073,716</u>	<u>\$12,186,428</u>	

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

#### IX. Material contingent liabilities and unrecognized contractual commitments

Promissory notes issued by the Group to secure bank loans and construction performance amounted to NT\$5,051,495 thousand as of September 30, 2022.

#### X Losses Due to Major Disasters

None.

#### XI. Major Subsequent Issues

None.

#### XII. Other

##### 1. Types of financial instrument

	2022.9.30	2021.12.31	2021.9.30
<u>Financial assets</u>			
Financial assets at fair value through profit or loss:			
Measured at fair value through other comprehensive income	2,055,309	2,196,845	2,200,652
Financial assets measured at amortized cost			
Cash and equivalent cash (excluding cash on hand)	2,027,151	2,512,470	2,358,423
Financial assets measured at amortized cost	267,467	185,870	161,141
Notes receivable	1,299,182	1,657,211	1,452,619
Accounts receivable (including related parties)	5,327,177	5,442,745	5,051,165
Other receivables (including related parties)	104,111	82,446	510,232
Long-term receivable	1,721,484	2,425,436	1,993,379
Refundable deposit	42,407	38,192	39,464
Total	<u>\$12,844,288</u>	<u>\$14,541,215</u>	<u>\$13,767,075</u>

## Financial liabilities

Financial liabilities at amortized cost:

Short-term debts	\$3,572,000	\$900,000	\$1,250,000
Short-term notes and bills payable	-	-	354,972
Notes payable (including related parties)	573,890	1,182,997	845,333
Accounts payable (including related parties)	1,801,587	2,516,658	2,064,120
Other payables (including related parties)	1,156,098	1,180,184	1,055,748
Lease liabilities	560,217	639,698	662,696
Long-term loan (including due in one year)	3,148,950	3,499,646	3,499,545
Long-term notes payable	527,962	1,796,860	1,697,651
Guarantee deposit received	43,914	55,613	53,946
Total	<u>\$11,384,618</u>	<u>\$11,771,656</u>	<u>\$11,484,011</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 RMB. The information of the sensitivity analyses as follows:

When NTD strengthens/weakens against USD by 10%, the profit for the periods from January 1 to September 30, 2022 and 2021 is decreased/increased by NT\$31,661 thousand and NT\$462 thousand, respectively.

When NTD strengthens/weakens against RMB by 10%, the profit for the periods from January 1 to September 30, 2022 and 2021 is decreased/increased by NT\$404 thousand and NT\$1,774 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\$6,611 thousand and NT\$1,701 thousand for the periods from January 1 to September 30, 2022 and 2021, 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 September 30, 2022 and 2021, 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\$147,138 thousand and NT\$167,056 thousand on the equity attributable to the Group, respectively.

Please refer to Note 12.8 for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

#### 4. Credit risk management

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

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

As of September 30, 2022, December 31 and September 30, 2021, amounts of receivables from top ten customers represent 25%, 24% and 26% of the accounts receivables of the Group. The credit concentration risk of the accounts receivables is insignificant.

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

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

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

## 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
2022.9.30					
Borrowings	\$3,931,094	\$1,117,536	\$703,712	\$1,221,245	\$6,973,587
Notes payable	573,890	-	-	-	573,890
Accounts payable	1,801,587	-	-	-	1,801,587
Other accounts payable	1,156,098	-	-	-	1,156,098
Lease liabilities (Note)	51,020	143,202	113,389	\$256,728	564,339
Long-term notes payable	-	528,500	-	-	528,500
	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2021.12.31					
Borrowings	\$1,472,827	\$1,563,684	\$229,312	\$1,328,821	\$4,594,644
Notes payable	1,182,997	-	-	-	1,182,997
Accounts payable	2,516,658	-	-	-	2,516,658
Other accounts payable	1,180,184	-	-	-	1,180,184
Lease liabilities (Note)	47,364	189,205	152,035	256,508	645,112
Long-term notes payable	-	1,800,000	-	-	1,800,000
	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
2021.9.30					
Borrowings	\$1,646,949	\$1,655,974	\$439,751	\$1,381,242	\$5,123,916
Short-term notes payable	355,000	-	-	-	355,000
Notes payable	845,333	-	-	-	845,333
Accounts payable	2,064,120	-	-	-	2,064,120
Other accounts payable	1,055,748	-	-	-	1,055,748
Lease liabilities (Note)	101,706	185,231	140,589	248,476	676,002
Long-term notes payable	-	1,700,000	-	-	1,700,000

Note: 1. Includes cash flows from lease contracts for short-term leases and low-value underlying assets.

2. Information about the maturities of lease liabilities is provided in the table below:

	Maturities					Total
	Less than 1 year	2 to 5 years	6 to 10 years	11 to 15 years	> 15 years	
2022.9.30	\$51,020	\$256,591	\$125,071	\$20,956	\$110,701	\$564,339
2021.12.31	\$47,364	\$341,240	\$121,492	\$20,725	\$114,291	\$645,112
2021.9.30	\$101,706	\$325,820	\$112,459	\$20,656	\$115,361	\$676,002

## 6. Reconciliation for liabilities arising from financing activities

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

	Short-term loans	Long-term loan (including due in one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Total liabilities arising from financing activities
2022.01.01	\$900,000	\$3,499,646	\$639,698	\$55,613	\$1,796,860	\$6,891,817
Cash flow	2,672,000	(351,000)	(105,774)	(11,699)	(1,268,898)	934,629
Non-cash change	-	304	26,293	-	-	26,597
2022.9.30	\$3,572,000	\$3,148,950	\$560,217	\$43,914	\$527,962	\$7,853,043

Information of reconciliation of liabilities for the period from January 1 to September 30, 2021:

	Short-term loans	Short-term notes and bills payable	Long-term loan (including due in one year)	Lease liabilities	Guarantee deposit received	Long-term notes payable	Total liabilities arising from financing activities
2021.01.01	\$1,300,000	\$-	\$4,219,241	\$738,618	\$54,361	\$1,748,296	\$8,060,516
Cash flow	(50,000)	354,972	(720,000)	(80,287)	(415)	(50,645)	(546,375)
Non-cash change	-	-	304	4,365	-	-	4,669
2021.9.30	\$1,250,000	\$354,972	\$3,499,545	\$662,696	\$53,946	\$1,697,651	\$7,518,810

## 7. Fair values of financial instruments

(1) The methods and assumptions applied in determining the fair value of financial instruments

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

A. The carrying amount of cash and cash equivalents, trade receivables, trade payable and other current liabilities approximate their fair value due to their short maturities.

B. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and beneficiary certificates etc.) at the reporting date.

- C. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public Group and private Group equity securities) are estimated using the market approach or the income approach. The market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities). The income method assesses the recoverable amount based on the present value of the financial assets that are expected to be received from cash dividends or disposals at the market.
- 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).

(2) 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.

(3) 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

(1) Fair value measurement hierarchy

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



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

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.

(2) Fair value measurement hierarchy of the Group's assets and liabilities

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

September 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,471,377	\$-	\$583,932	\$2,055,309

As of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$1,672,747	\$-	\$524,098	\$2,196,845

September 30, 2021:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	1,670,564	-	530,088	2,200,652

Transfers between Level 1 and Level 2 during the period

During the periods from January 1 to September 30, 2022 and 2021, the Company's assets and liabilities at recurring fair value do not have transfers between Level 1 and Level 2 of the fair value hierarchy.

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

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

	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2022.1.1	\$524,099
Acquisition	5,000
Disposals	(8,643)
Total gains recognized for the period:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	63,476
2022.9.30	<u>\$583,932</u>
	Assets
	Financial assets at fair value through other comprehensive income
	Stock
2021.1.1	\$542,717
Disposals	(12,5400)
Total gains recognized for the period:	
Amount recognized in OCI (present in Unrealized gains or losses on measured at fair value through other comprehensive income equity instrument investment)	(89)
2021.9.30	<u>\$530,088</u>

## Information on significant unobservable inputs to valuation

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

September 30, 2022:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	6.94	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,388 thousand.
Stock	Income approach	Discount rate	1~16.65	The higher the discount rate, the lower the fair value of the stocks	10% increase (decrease) in the discount rate would result in increase (decrease) in the Group's equity by NT\$2,412 thousand.
Stock	Asset approach	Discount for lack of marketability	-%	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\$50,715 thousand.

As of December 31, 2021:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	7.37	The higher the earnings, the higher the fair value of the stocks	10% increase (decrease) in the earnings would result in increase (decrease) in the Group's equity by NT\$1,474 thousand.
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\$2,379 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\$48,471 thousand.

September 30, 2021:

	Valuation techniques	Significant unobservable input	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stock	Market approach	Earnings per share	8.46	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\$1,692 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\$2,320 thousand.
Stock	Asset approach	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's equity by NT\$48,807 thousand.

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

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

- (3) Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

September 30, 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 6.10)	\$-	\$-	\$11,727,146	\$11,727,146

As of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6.10)	\$-	\$-	\$9,633,716	\$9,633,716

September 30, 2021:

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6.10)	\$-	\$-	\$11,602,266	\$11,602,266

#### 9. Significant assets and liabilities denominated in foreign currencies

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

	(In Thousands of New Taiwan Dollars)		
	2022.9.30		
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$9,972	31.75	\$316,611
RMB	903	4.47	4,036
Non-monetary items:			
CNY	190,349	4.47	850,860
	2021.12.31		
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$757	27.68	\$20,954
RMB	42,029	4.34	182,406
Non-monetary items:			
CNY	187,726	4.34	814,731
	2021.9.30		
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$166	27.85	\$4,623
RMB	4,155	4.31	17,736
Non-monetary items:			
RMB	178,723	4.31	770,296

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

The Group's entities' functional currency is various, and hence is not able to disclose the information of exchange gains and losses of monetary financial assets and liabilities by each significant assets and liabilities denominated in foreign currencies. For the periods from July 1 to September 30, 2022 and 2021, the net foreign exchange gain (loss) were NT\$(7,790) thousand and NT\$706 thousand, respectively. For the periods from January 1 to September 30, 2022 and 2021, the net foreign exchange gain (loss) were NT\$(16,457) thousand and NT\$14,212 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.

### XIII. Additional Disclosures

#### 1. Significant transactions information:

- (1) Financing provided to other: Please refer to Attachment 1.
- (2) Endorsement/Guarantee provided to others: Please refer to Attachment 2.
- (3) Securities held: Please refer to Attachment 3.
- (4) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million and 20% of the capital stock: None.
- (5) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock: Attachment 4.
- (6) Disposal of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock: Attachment 5.
- (7) Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million and 20% of the capital stock: Attachment 6.
- (8) Receivables from related parties with amounts exceeding the lower of NT\$100 million and 20% of capital stock: Attachment 7.
- (9) Financial instruments and derivative transactions: None.
- (10) Significant intercompany transactions between consolidated entities: Please refer to Attachment 8.

## 2. Information on investees:

If the firm directly or indirectly exercises significant influence or control over, or has a joint venture interest in, an investee company that is not in China, it shall disclose information on the investee company, showing the name, location, principal business activities, original investment amount, shareholding at the end of the period, profit or loss for the period, recognized investment gain or loss: Please refer to Attachment 9.

## 3. Information on investments in China:

- (1) Names, main businesses and products, total amount of paid-in capital, method of investment, accumulated outflow of investment from Taiwan, percentage of ownership, investment income recognized, carrying amount, accumulated inward remittance of earnings, and upper limit on investment of investees in China: Please refer to Attachment 10.
- (2) 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.

## 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 11.

## XIV. Segments information

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

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

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

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

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

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

July 1 to September 30, 2022

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

July 1 to September 30, 2021

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$3,917,451	\$952,984	\$4,870,435	\$406,199	\$-	\$5,276,634
Inter-segment	28,319	-	28,319	315,862	(344,181)	-
Total revenue	<u>\$3,945,770</u>	<u>\$952,984</u>	<u>\$4,898,754</u>	<u>\$722,061</u>	<u>\$(344,181)</u>	<u>\$5,276,634</u>
Segment profit	<u>\$941,001</u>	<u>\$37,303</u>	<u>\$978,304</u>	<u>\$168,680</u>	<u>\$(166,052)</u>	<u>\$980,932</u>

January 1 to September 30, 2022

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

January 1 to September 30, 2022

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Other (Note1)	Adjustment and elimination (Note2)	Consolidated
Revenue						
External customer	\$11,646,597	\$3,012,258	\$14,658,855	\$1,195,826	\$-	\$15,854,681
Inter-segment	82,581	-	82,581	886,191	(968,772)	-
Total revenue	<u>\$11,729,178</u>	<u>\$3,012,258</u>	<u>\$14,741,436</u>	<u>\$2,082,017</u>	<u>\$(968,772)</u>	<u>\$15,854,681</u>
Segment profit	<u>\$2,533,519</u>	<u>\$245,729</u>	<u>\$2,779,248</u>	<u>\$500,814</u>	<u>\$(615,486)</u>	<u>\$2,664,576</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.

## 2. Information on assets and liabilities of the reportable segment:

The following table presents segment assets and liabilities of the Group’s operating segments as of September 30, 2022, December 31, 2021 and September 30, 2021:

2022.9.30

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

2021.12.31

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$24,027	\$814,731	\$838,758	\$-	\$-	\$838,758
Segment assets	<u>\$30,612,203</u>	<u>\$4,876,091</u>	<u>\$35,488,294</u>	<u>\$13,074,661</u>	<u>\$(12,802,472)</u>	<u>\$35,760,483</u>
Segment liabilities	<u>\$9,221,945</u>	<u>\$1,638,959</u>	<u>\$10,860,904</u>	<u>\$3,170,322</u>	<u>\$(776,590)</u>	<u>\$13,254,636</u>

2021.9.30

	Taiwan Segment	Pre-mixed concrete Segment in Mainland China	Subtotal	Others	Adjustment and elimination	Consolidated
Investments accounted for using equity method	\$26,464	\$770,296	\$796,760	\$-	\$-	\$796,760
Segment assets	<u>\$29,333,304</u>	<u>\$7,650,191</u>	<u>\$36,983,495</u>	<u>\$14,113,165</u>	<u>\$(16,622,204)</u>	<u>\$34,474,456</u>
Segment liabilities	<u>\$13,376,335</u>	<u>\$2,118,110</u>	<u>\$15,494,445</u>	<u>\$3,132,827</u>	<u>\$(5,839,488)</u>	<u>\$12,787,784</u>

Attachment 1 : Financing provided to others for the nine-month period ended September 30, 2022

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

No. (Note 1)	Name of financing provider	Name of counter party	Current 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	NTS 550,000	NTS 550,000	NTS550,000	0.8%-1.25%	2	-	Operating	-	-	-	NTS 770,922	NTS 770,922
2	Kuoyung Construction & Engineering Co., Ltd.	Gimpo Marine Co., Ltd.	Other receivables	NTS 110,000	NTS 110,000	NTS 91,000	1.45%	2	-	Operating	-	-	-	NTS 167,726	NTS 167,726
3	Yuan Shun Maritime Ltd.	Hui Shun Maritime Limited	Other receivables	US\$ 4,500 (NTS 142,875)	US\$ 4,500 (NTS 142,875)	US\$3,700 (NTS 117,475)	1%-2%	2	-	Operating	-	-	-	US\$ 27,030 (NTS 858,212)	US\$ 27,030 (NTS 858,212)
		Feng Shun Maritime Limited	Other receivables	US\$ 1,000 (NTS 31,750)	US\$ 1,000 (NTS 31,750)	US\$1,000 (NTS31,750)	2.00%	2	-	Operating	-	-	-	US\$ 27,030 (NTS 858,212)	US\$ 27,030 (NTS 858,212)
4	Jin Shun Maritime Ltd.	Hui Shun Maritime Limited	Other receivables	US\$ 1,500 (NTS 44,910)	-	-	-	2	-	Operating	-	-	-	US\$ 6,881 (NTS 218,464)	US\$6,881 (NTS 218,464)
		Goldsun Building Materials Co., Ltd.	Other receivables	US\$ 1,000 (NTS 29,940)	-	-	-	2	-	Operating	-	-	-	US\$ 6,881 (NTS 218,464)	US\$ 6,881 (NTS 218,464)
5	Jing Shun Maritime Ltd.	Goldsun Building Materials Co., Ltd.	Other receivables	US\$ 600 (NTS 18,264)	-	-	-	2	-	Operating	-	-	-	US\$ 17,799 (NTD 565,106)	US\$ 17,799 (NTD 565,106)
6	Goldsun (Suzhou) Concrete Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NTS 451,000)	RMB 100,000 (NTS 447,000)	RMB 45,000 (NTS201,150)	2.01%~2.02%	2	-	Operating	-	-	-	RMB190,537 (NTS 851,702)	RMB190,537 (NTS 851,702)
		Goldsun (Wujiang) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	RMB 4,500 (NTS 20,115)	2.01%	2	-	Operating	-	-	-	RMB190,537 (NTS 851,702)	RMB190,537 (NTS 851,702)
		Goldsun (Changshu) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB190,537 (NTS 851,702)	RMB190,537 (NTS 851,702)
7	Goldsun (Changshu) Concrete Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NTS 451,000)	RMB 100,000 (NTS 447,000)	RMB 42,000 (NTS 187,740)	2.01%~2.02%	2	-	Operating	-	-	-	RMB260,975 (NTS 1,166,558)	RMB260,975 (NTS 1,166,558)
		Goldsun (Wujiang) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	RMB 10,000 (NTS 44,700)	2.02%	2	-	Operating	-	-	-	RMB260,975 (NTS 1,166,558)	RMB260,975 (NTS 1,166,558)
		Goldsun (Suzhou) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB260,975 (NTS 1,166,558)	RMB260,975 (NTS 1,166,558)
8	Goldsun (Wujiang) Concrete Co., Ltd.	Goldsun (Suzhou) Building Materials Co., Ltd.	Other receivables	RMB 100,000 (NTS 451,000)	RMB 100,000 (NTS 447,000)	-	-	2	-	Operating	-	-	-	RMB306,897 (NTS 1,371,828)	RMB306,897 (NTS 1,371,828)
		Goldsun (Suzhou) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB306,897 (NTS 1,371,828)	RMB306,897 (NTS 1,371,828)
		Goldsun (Changshu) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB306,897 (NTS 1,371,828)	RMB306,897 (NTS 1,371,828)
9	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB315,600 (NTS 1,410,732)	RMB315,600 (NTS 1,410,732)
		Goldsun (Wujiang) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB315,600 (NTS 1,410,732)	RMB315,600 (NTS 1,410,732)
		Goldsun (Changshu) Concrete Co., Ltd.	Other receivables	RMB 80,000 (NTS 360,800)	RMB 80,000 (NTS 357,600)	-	-	2	-	Operating	-	-	-	RMB315,600 (NTS 1,410,732)	RMB315,600 (NTS 1,410,732)

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

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

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

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

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

Note 4: Yuan Shun Maritime Ltd., Jin Shun Maritime Ltd., Jing Shun Maritime Ltd., Goldsun (Wujiang) Concrete Co., Ltd., Goldsun (Suzhou) Building Materials Co., Ltd., Goldsun (Changshu) Concrete Co., Ltd., Goldsun (Suzhou) Concrete Co., Ltd. are limited to two times the net worth of the latest financial report audited and certified by the CPAs. Rei Shin Construction Co., Ltd. and Kuoyung Construction & Engineering Co., Ltd. are limited to 40% of the net worth in the latest financial report.

Note 5: The closing balances of Goldsun (Wujiang) Concrete Co., Ltd., Goldsun (Suzhou) Building Materials Co., Ltd., Goldsun (Changshu) Concrete Co., Ltd., Goldsun (Suzhou) Concrete Co., Ltd. are due to that the shared quota resulting in double calculation of the closing balance. The actual closing balance of Goldsun (Suzhou) Building Materials Co., Ltd. is RMB100,000 thousand, and the rest is RMB80,000 thousand, which do not exceed the quota.

## Attachment 2 : Endorsement/Guarantee provided to others for the nine-month period ended September 30, 2022

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

Number (Note 1)	Name of subsidiaries	Endorsee		Endorsement limit for a single entity (Note 3)	Maximum balance for the period (Note 4)	Outstanding endorsement/ guarantee balance (Note 5)	Actual amount provided (Note 6)	Amount of collateral guarantee/ endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/ endorsement amount (Note 3)	Guarantee provided by Parent Company (Note 7)	Guarantee provided by a Subsidiary (Note 7)	Guarantee provided to Subsidiaries in China (Note 7)
		Name of endorsees	Relationshi p with the Company (Note 2)										
1	Rei Shin Construction Co., Ltd.	Goldsun Building Materials Co., Ltd.	3	\$3,854,611	\$2,700,000	\$2,700,000	\$500,000	-	140.09%	\$3,854,611		Y	
2	Reixin Asset Management Inc.	Goldsun Building Materials Co., Ltd.	3	2,258,884	884,000	884,000	252,000	-	78.27%	2,258,884		Y	
3	Goldsun (Changshu) Concrete Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	2,916,395	1,804,000	1,788,000	218,829	-	306.54%	2,916,395			Y
4	Goldsun (Suzhou) Building Materials Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	3,526,830	1,804,000	1,788,000	137,676	-	253.49%	3,526,830			Y
5	Goldsun (Wujiang) Concrete Co., Ltd.	Goldsun (Suzhou) Concrete Co., Ltd. and other two companies	4	3,429,570	1,804,000	1,788,000	190,444	-	260.67%	3,429,570			Y

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

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

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

1. Having a business relationship.
2. The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
3. The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
4. The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.
6. Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
5. Mutual guarantee of the trade as required by the construction contract.
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 shall not exceed double of the net asset value from the latest financial statement, while that of the other subsidiaries do not exceed five times the net value of their financial statements audited and certified by CPAs.

Note 4: The maximum endorsements/guarantees amount current year.

Note 5: The company assumes the responsibility for the endorsement or guarantee for which the amount of the endorsement/ guarantee contract or notes have been approved by the bank. Other relevant endorsement and guarantees should be included in the ending balance.

Note 6: Please fill in the actual amount provided by the endorsers.

Note 7: Parent company endorsed/guaranteed for the subsidiaries, subsidiaries endorsed/guaranteed for the parent company, or endorsement/guarantee for entities in China shall fill in "Y".

Attachment 3: Securities held as of September 30, 2022 (excluding the controlled part of subsidiaries, affiliates and joint ventures)

Unit: In Thousands of New Taiwan Dollars

Names of companies held	Type and name of securities	Relationship with issuer of securities Relationship with the Company	Financial statement account	End of year				Remark
				Number of shares / Units	Carrying amount	Ownership (%)	Fair value/Net assets value	
Goldsun Building Materials Co., Ltd.	Stock	Investor under the equity method						
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income - Current	18,478,794	\$624,583	-	\$624,583	12,300 thousand shares provide for loan guarantee
	Kinpo Electronics, Inc.		Financial assets at fair value through other comprehensive income - Current	1,000,000	13,350	-	13,350	
	Taiwan Secom Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	5,935,000	599,435	1%	599,435	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	780	-	780	
	Taiwan Airport Service Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	7,405,200	61,981	17%	61,981	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	13,880	2%	13,880	
	Anfeng Spring Enterprise Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	150,000	2,498	5%	2,498	
	Chinese Products Promotion Centre		Financial assets at fair value through other comprehensive income - Non-current	1,334	-	-	-	
	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	300,000	3,000	9%	3,000			
Everterminal Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	714,826	11,287	1%	11,287			
Kuoyung Construction & Engineering Co., Ltd.	Stock	Parent Company						
	Goldsun Building Materials Co., Ltd.		Financial assets at fair value through other comprehensive income - Non-current	238,323	5,720	-	5,720	Included in treasury shares
	Taiwan Cement Corporation		Financial assets at fair value through other comprehensive income - Current	923,939	31,229	-	31,229	
Taiwan Secom Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	2,000,000	202,000	-	202,000			
Reixin Asset Management Inc.	Stock	Parent Company	Financial assets at fair value through other comprehensive income - Non-current	2,877,785	69,067	-	69,067	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	-	463,519		463,519		
	Fujian Hengzhong Sand Stone Co., Ltd.	Financial assets at fair value through other comprehensive income - Non-current	-	25,767		25,767		

Attachment 4 : Acquisition of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock for the nine-month period ended September 30, 2022

Unit: In Thousands of New Taiwan Dollars

Company name	Name of property	Transaction date (Note 1)	Transaction amount	Status of payment	Related party	Relationship with the Company	If the counter-party is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Other terms
							Owner	Relationship with the Company	Transfer date	Amount			
Goldsun Building Materials Co., Ltd.	Parcel number 91-11, 91-12, 91-13, 91-14, 91-15 and 91-16 for the 6 plots of land on the Jiuzong Section of Neihu District in Taipei City	2022.05.06	\$2,076,100	Based on contract terms	(Note 2)	Unrelated party	Not applicable	Not applicable	Not applicable	Not applicable	In response to the Company's long-term development and planning	Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions	None

Note 1: The date of occurrence is the date of board resolution.

Note 2: The transaction counterparty is a natural person and is not a related person of the Company, so the name may be exempt from being disclosed.

Attachment 5: Disposal of individual real estate with amount exceeding the lower of NT\$300 million and 20% of the capital stock for the nine-month period ended September 30, 2022

Unit: In Thousands of New Taiwan Dollars

Real estate disposed by	Name of property	Transaction date (Note 4)	Acquisition date	Carrying amount	Transaction amount (Note 5)	Status of collection of proceeds	Gain (loss) on disposal	Related party	Relationship with the Company	Reason for disposal	Price reference	Other terms
Goldsun Building Materials Co., Ltd.	#763 land plot in the Wan-Nei Section of Sanmin District, Kaohsiung City	2021.11.15	1993.03.15	\$573,315	\$2,316,496	Based on contract terms	\$1,743,181	Bijiang Enterprises Co., Ltd	Unrelated party	Optimize assets and Enrich the working capital of the Company	Determined at prices agreed on by both parties upon negotiation or through price comparison with reference to appraisal reports issued by professional appraisal institutions.	None
	The land ownership: 1/2 No. 427, Minzu 1st Rd., Sanmin Dist., Kaohsiung City		2001.07.01	-								
	The building ownership :1/2											

Note 1: The disposal of assets shall be appraised, the appraisal results need to be noted in the "Price reference" column.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Transaction date or date of the event, refers to the date of signing the transaction, the date of payment, the date of entrustment transaction, the date of transfer, the date of resolution of the board of directors or the date on which the transaction object and transaction amount are fully funded.

Note 4: The transaction date is the signing date of the sales contract. The Company has completed the registration of the land ownership transfer and derecognized it from the account on January 3, 2022.

Note 5: The amount is total amount of the contract deduct lease receivables, business tax and related necessary expenses.

Attachment 6: Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million and 20% of capital stock for the nine-month period ended September 30, 2022

Unit: In Thousands of New Taiwan Dollars

Purchaser/seller	Related party	Relationship with the Company	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Remark
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Term	Unit Price	Term	Balance	Percentage of total receivables (payable)	
Goldsun Building Materials Co., Ltd.	Goldsun Express & Logistics Co., Ltd.	Associate Company	(Note)	\$369,941	(Note)	Net 30 days	\$-	-	\$(38,959)	(1.64) %	
Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	Subsidiary	Operating costs	698,708	6%	Net 30 days	-	-	(190,417)	(8.02)%	
Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	Subsidiary	Operating costs	326,758	3%	Net 30 days	-	-	(80,829)	(3.40)%	
Goldsun Nihon Cement Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(698,708)	87%	Net 30 days	-	-	(190,417)	(23.82)%	
Taipei Port Terminal Company Limited	Goldsun Building Materials Co., Ltd.	Parent Company	Operating revenue	(326,758)	145%	Net 30 days	-	-	80,829	94.52%	

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

Attachment 7: Receivables from related parties with amounts exceeding the lower of NT\$100 million and 20% of capital stock for the nine-month period ended September 30, 2022

Unit: In Thousands of New Taiwan Dollars

Company in accounts receivable	Related party	Relationship with the Company	Balance of account receivable from related parties	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Actions Taken		
Goldsun Nihon Cement Co., Ltd.	Goldsun Building Materials Co., Ltd.	Parent Company	\$(190,417)	-	\$-	-	\$(190,417)	\$-



## Attachment 8: Significant intercompany transactions between consolidated entities

Unit: In Thousands of New Taiwan Dollars

No.	Company	Counter-party	Relationship	Account	Amount	Term	As a percentage of total assets or revenues
	<u>January 1 to September 30, 2022</u>						
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Sales revenue	\$53,568	Note 4	0.35%
0	Goldsun Building Materials Co., Ltd.	Wellpool Co., Ltd.	1	Accounts receivables	26,075	Note 4	0.17%
0	Goldsun Building Materials Co., Ltd.	Kuoyung Construction & Engineering Co., Ltd.	1	Lease liabilities	6,244	By contract	0.04%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Cost of goods sold	698,708	Note 4	4.50%
0	Goldsun Building Materials Co., Ltd.	Goldsun Nihon Cement Co., Ltd.	1	Accounts payable	190,417	Note 4	1.23%
0	Goldsun Building Materials Co., Ltd.	Rei Shin Construction Co., Ltd.	1	Sales revenue	20,200	Note 4	0.13%
0	Goldsun Building Materials Co., Ltd.	Reixin Asset Management Inc.	1	Lease liabilities	15,416	By contract	0.10%
0	Goldsun Building Materials Co., Ltd.	Gimpo Marine Co., Ltd.	1	Cost of goods sold	43,328	Note 4	0.28%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Cost of goods sold	326,758	Note 4	2.11%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Accounts payable	80,829	Note 4	0.52%
0	Goldsun Building Materials Co., Ltd.	Taipei Port Terminal Company Limited	1	Lease liabilities	59,998	By contract	0.39%
0	Goldsun Building Materials Co., Ltd.	Yuan Shun Maritime Ltd.	1	Cost of goods sold	24,760	Note 4	0.16%
0	Goldsun Building Materials Co., Ltd.	Jing Shun Maritime Ltd.	1	Cost of goods sold	22,709	Note 4	0.15%
1	Rei Shin Construction Co., Ltd.	Goldsun Building Materials Co., Ltd.	2	Other operating income	23,198	Note 4	0.15%

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

1. 0 is for the parent company.
2. 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.

## Attachment 9: Names, locations and related information of invested companies as of September 30, 2022 (Not including investment in China)

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

Name of the investors	Investees name	Location	Main business and products	Original / investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remark
				Ending balance of the period	Ending balance of last year	Number of shares / Units	Percentage of ownership (%)	Carrying amount			
Goldsun Building Materials Co., Ltd.	Kuoyung Construction & Engineering Co., Ltd.	Taipei, TW	Construction of civil and architectural construction projects	\$835,000	\$835,000	30,000,000	100%	\$398,051	\$12,433	\$11,992	
	Rei Shin Construction Co., Ltd.	Taipei, TW	Real estate rental	-	-	80,000,000	100%	1,573,160	(5,326)	(5,168)	
	Wellpool Co., Ltd.	Taipei, TW	Sales of calcium silicate board and other boards	303,653	303,653	18,280,389	51%	540,831	143,745	72,882	15,000 thousand shares provide for loan guarantee
	Goldsun Nihon Cement Co., Ltd.	Kaohsiung, TW	Cement import and sale	119,121	119,121	11,460,000	59%	153,923	20,377	11,976	
	Taipei Port Terminal Company Limited	Taipei, TW	International trade, warehousing and tally packaging	2,477,200	2,477,200	250,000,000	100%	2,471,741	(10,631)	(10,435)	
	Huaya Development Co., Ltd.	Taipei, TW	Hotel management and sales of cement and asbestos wave board products	284,928	196,928	24,514,108	41%	244,774	(5,161)	(1,934)	
	Goyu Building Materials Co., Ltd.	Chiayi, TW	Manufacturing and sales of building materials	280,000	280,000	28,000,000	70%	255,463	9,371	6,871	
	Gimpo Marine Co., Ltd.	New Taipei City, TW	Purchase and sales of ships, and engage in sea transport business Related business	100,000	100,000	10,000,000	100%	96,576	7,270	7,270	
	Reixin Asset Management Inc.	Taipei, TW	Real estate rental	(note)	(note)	100,000,000	100%	1,046,826	1,217	(3,909)	
	Lake Vernicia Development Company	Taipei, TW	Growing of crops, special crops and edible fungi	1,000	1,000	100,000	100%	427	(184)	(184)	
	GALC INC.	Taipei, TW	Construction of civil and architectural construction projects	21,000	21,000	2,100,000	70%	25,657	6,492	4,545	

## Attachment 9: Names, locations and related information of invested companies as of September 30, 2022 (Not including investment in China)

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

Name of the investors	Investees	Location	Main business and products	Original / investment amount		Shares held as of the end of period			Net profit (loss) of the affiliated company for the current period	Investment income (loss) recognized	Remark
				Ending balance of the period	Ending balance of last year	Number of shares / Units	Percentage of ownership (%)	Carrying amount			
Goldsun Building Materials Co., Ltd.	Jin Shun Maritime Ltd.	Hong Kong	Purchase and sales of ships, and engage in sea transport business	\$583,591 (USD 19,000)	\$314,216 (USD 10,000)	148,200,000	100%	\$472,285	\$56,419	\$56,419	
	Yuan Shun Maritime Ltd.	Hong Kong	Purchase and sales of ships, and engage in sea transport business	466,588 (USD 15,150)	466,588 (USD 15,150)	118,170,000	100%	482,521	1,390	1,390	
	Jing Shun Maritime Ltd.	Hong Kong	Purchase and sales of ships, and engage in sea transport business	307,970 (USD 10,000)	307,970 (USD 10,000)	10,000,001	100%	316,790	(654)	(654)	
	Feng Shun Maritime Ltd.	Hong Kong	Purchase and sales of ships, and engage in sea transport business	192,481 (USD 6,250)	192,481 (USD 6,250)	6,250,001	100%	179,961	(17,021)	(17,021)	
	Hui Shun Maritime Limited	Hong Kong	Purchase and sales of ships, and engage in sea transport business	253,931 (USD 9,000)	- -	9,000,001	100%	264,783	(19,316)	(19,316)	
		Samoa	Ease Great Investments Ltd.	2,334,183 (USD 59,640)	2,334,183 (USD 59,640)	59,640,000	100%	3,373,455	40,779	40,779	
		Hong Kong	Investment	480,289 (USD 15,436)	480,289 (USD 15,436)	116,686,664	100%	490,168	(176)	(176)	
	Raixin Quality Products Ltd.	Taipei, TW	Upholstery and sales of furniture	66,386	66,386	5,421,023	39%	17,676	(16,287)	(6,352)	Associates
Wellpool Co., Ltd.	Cape Goldsun Corporation	Taipei, TW	Sales of calcium silicate board and other boards	1,283	1,283	100,000	100%	1,489	9	-	
EASE GREAT INVESTMENTS LTD. (Samoa)	Great Smart Ltd.	British Cayman Islands	Ease Great Investments Ltd.	629,364 (USD 19,390)	629,364 (USD 19,390)	19,390,000	100%	865,770 (USD 27,268)	8,328	-	
	GOLDSUN INTERNATIONAL DEVELOPMENT CORP.	British Cayman Islands	Ease Great Investments Ltd.	1,316,300 (USD 40,100)	1,316,300 (USD 40,100)	40,100,000	100%	2,505,210 (USD 78,904)	32,512	-	

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

## Attachment 10: Investment in Mainland China as of September 30, 2022

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

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows		Accumulated outflow of investment from Taiwan as of September 30,2022	Net profit (loss) of the investee for the current period	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized	Carrying Amount as of September 30,2022	Accumulated Repatriation of investment income as of September 30,2022
					Outflow	Inflow						
Goldsun (Suzhou) Concrete Co., Ltd.	Production and sales of ready-mixed concrete and cement products	\$402,217 (USD 11,882)	(Note 1)	\$402,217 (USD 11,882)	\$-	\$-	\$402,217 (USD 11,882)	\$1,029	100%	\$1,029	\$439,284	\$33,567
Goldsun (Changshu) Concrete Co., Ltd.	Production and sales of ready-mixed concrete and cement products	459,388 (USD 14,200)	(Note 1)	459,388 (USD 14,200)	-	-	459,388 (USD 14,200)	7,042	100%	7,042	607,370	242,608
Goldsun (Wujiang) Concrete 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)	5,435 (Note 4)	100%	5,435 (Note 4)	711,369 (Note 4)	-
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)	19,279 (Note 4)	100%	19,279 (Note 4)	745,377 (Note 4)	-
Lianyuan Conch Cement Company Limited	Cement production and distribution	2,383,120 (USD 74,800)	(Note 2)	376,549 (USD 10,800)	-	-	376,549 (USD 10,800)	67,740	20%	13,548	850,858	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%	-	463,519 (Note 5)	-
Fujian Hengzhong Sand Stone Co., Ltd.	Sandstone processing	134,790 (RMB 30,000)	(Note 3)	24,777 (USD 810)	-	-	24,777 (USD 810)	-	19%	-	25,767 (Note 5)	-

Accumulated investment in Mainland China at end of year	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment
\$3,138,413 (USD 95,580)	\$1,457,136 (USD 52,642)	\$14,378,639 (Note 6)

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

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

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

Note 4: Amount was recognized based on the audited financial statements.

Note 5: Company recognized the investment as “ Financial assets at fair value through other comprehensive income, non-current”.

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

Attachment 11: Information of Major Shareholder as of September 30, 2022

Shares/Name	Number of shares		Percentage of ownership (%)
	Ordinary Stock	Preferred stock	
Shin Lan Enterprise Inc.	80,995,341	-	6.86%
Taiwan Secom Co., Ltd.	77,705,747	-	6.58%

Unit: share

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

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

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

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

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

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