Lucky Cement Co. and Subsidiaries

Consolidated Financial Statements for the Nine Months Ended September 30, 2022 and 2021 and Independent Auditors' Review Report

Deloitte.

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders
Lucky Cement Co.

Introduction

We have reviewed the accompanying consolidated balance sheets of Lucky Cement Co. and its subsidiaries (collectively referred to as the "Group") as of September 30, 2022 and 2021, the related consolidated statements of comprehensive income for the three months ended September 30, 2022 and 2021 and for the nine months ended September 30, 2022 and 2021, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2022 and 2021, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might by identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of September 30, 2022 and 2021, the combined total assets of these non-significant subsidiaries were NT$43,625 thousand and NT$59,891 thousand, respectively, representing 0% and 1%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT$3,420 thousand and NT$4,541 thousand, respectively, both representing 0% of the consolidated total liabilities; for the three months and the nine months ended September 30, 2022 and 2021, the amounts of combined comprehensive loss of these subsidiaries were NT$787 thousand, NT$2,300 thousand, NT$3,600 thousand and NT$2,024 thousand, respectively, representing (1%), (10%), (2%) and (1%), respectively.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of September 30, 2022 and 2021, its consolidated financial performance for the three months ended September 30, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chao-Mei Chen and Chiang-Hsun Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 10, 2022

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance 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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	September 30, 2022 (Reviewed)		December 31, 2021 (Audited)		September 30, 2021 (Reviewed)	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 448,781	5	$ 220,238	3	$ 320,942	4
Financial assets at fair value through profit or loss - current (Note 7)	58,190	1	44,932	1	25,577	-
Financial assets at fair value through other comprehensive income - current (Note 8)	114,428	1	73,319	1	77,281	1
Financial assets at amortized cost - current (Notes 9 and 32)	86,032	1	111,953	1	126,499	2
Notes receivable (Notes 10, 24 and 32)	395,600	4	297,280	4	322,235	4
Notes receivable from related parties (Notes 24 and 31)	127	-	6,571	-	-	-
Accounts receivable (Notes 10 and 24)	488,056	5	418,395	5	316,013	4
Accounts receivable from related parties (Notes 24 and 31)	7,583	-	3,250	-	506	-
Other receivables (Note 10)	2,205	-	2,613	-	1,027	-
Other receivables from related parties (Note 31)	235	-	247	-	199	-
Current tax assets	185	-	-	-	59	-
Inventories (Notes 11 and 32)	3,802,313	41	3,676,472	46	3,519,220	45
Prepayments (Note 13)	247,286	3	233,445	3	201,540	3
Other current assets (Note 14)	24,874	-	29,292	-	26,241	-
Total current assets	5,675,895	61	5,118,007	64	4,937,339	63
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	-	-	-	-	8,538	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	9,316	-	11,038	-	10,797	-
Financial assets at amortized cost - non-current (Notes 9 and 32)	179,145	2	202,326	2	202,326	3
Property, plant and equipment (Notes 15 and 32)	2,351,497	25	2,302,034	29	2,295,487	29
Right-of-use assets (Note 16)	140,441	2	155,588	2	169,347	2
Deferred tax assets (Note 4)	69,286	1	75,217	1	91,694	1
Refundable deposits	21,041	-	18,427	-	17,892	-
Other non-current assets (Note 17)	786,226	9	159,073	2	130,225	2
Total non-current assets	3,556,952	39	2,923,703	36	2,926,306	37
TOTAL	$ 9,232,847	100	$ 8,041,710	100	$ 7,863,645	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 32)	$ 1,533,800	17	$ 928,359	12	$ 874,973	11
Short-term bills payable (Notes 18 and 32)	379,566	4	404,424	5	259,704	3
Contract liabilities (Note 24)	552,639	6	190,789	2	246,258	3
Notes payable (Note 19)	222,675	2	214,743	3	169,874	2
Notes payable to related parties (Notes 19 and 31)	32,741	-	43,148	1	16,965	-
Accounts payable (Note 19)	164,580	2	123,370	1	154,671	2
Accounts payable to related parties (Notes 19 and 31)	14,325	-	2,046	-	4,315	-
Other payables (Note 20)	158,253	2	138,507	2	153,012	2
Other payables to related parties (Note 31)	94,365	1	2,511	-	1,169	-
Current tax liabilities	70,142	1	17,477	-	24,471	-
Lease liabilities - current (Note 16)	50,862	1	51,476	1	54,578	1
Current portion of long-term borrowings (Notes 18 and 32)	600,000	6	914,000	11	588,000	8
Other current liabilities	1,809	-	1,537	-	1,903	-
Total current liabilities	3,875,757	42	3,032,387	38	2,549,893	32
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 18 and 32)	514,000	6	120,000	2	518,000	7
Deferred tax liabilities (Note 4)	22,722	-	23,818	-	17,863	-
Lease liabilities - non-current (Note 16)	90,759	1	105,376	1	115,797	2
Other payables to related parties (Note 31)	40,000	-	45,800	1	45,800	1
Net defined benefit liabilities (Note 4)	34,170	-	34,745	-	36,236	-
Guarantee deposits received	46,273	1	34,010	-	32,853	-
Total non-current liabilities	747,924	8	363,749	4	766,549	10
Total liabilities	4,623,681	50	3,396,136	42	3,316,442	42
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Share capital						
Ordinary shares	4,047,380	44	4,047,380	50	4,047,380	52
Capital surplus	18	-	18	-	18	-
Retained earnings						
Legal reserve	238,244	3	210,524	3	210,524	3
Special reserve	14,908	-	14,135	-	14,135	-
Unappropriated earnings	410,139	4	374,225	5	280,536	3
Total retained earnings	663,291	7	598,884	8	505,195	6
Other equity	(101,588)	(1)	(773)	-	(5,455)	-
Total equity attributable to owners of the Company	4,609,101	50	4,645,509	58	4,547,138	58
NON-CONTROLLING INTERESTS	65	-	65	-	65	-
Total equity	4,609,166	50	4,645,574	58	4,547,203	58
TOTAL	$ 9,232,847	100	$ 8,041,710	100	$ 7,863,645	100

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

(With Deloitte & Touche auditors' review report dated November 10, 2022)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)								
Sales	$ 1,063,907	100	$ 831,343	100	$ 2,948,475	100	$ 2,907,684	100
Less: Discounts and allowances	(619)	-	(542)	-	(2,296)	-	(2,668)	-
Total operating revenue	1,063,288	100	830,801	100	2,946,179	100	2,905,016	100
OPERATING COSTS (Notes 11, 25 and 31)	843,289	79	730,015	88	2,361,456	80	2,518,972	87
GROSS PROFIT	219,999	21	100,786	12	584,723	20	386,044	13
OPERATING EXPENSES (Notes 10, 25 and 31)								
Selling and marketing expenses	27,563	3	26,963	3	79,307	2	84,875	3
General and administrative expenses	48,237	4	25,783	3	111,119	4	87,175	3
Expected credit gain	(2,228)	-	(735)	-	(362)	-	(1,353)	-
Total operating expenses	73,572	7	52,011	6	190,064	6	170,697	6
OTHER OPERATING INCOME AND EXPENSES (Note 25)	600	-	-	-	453	-	12,077	1
PROFIT FROM OPERATIONS	147,027	14	48,775	6	395,112	14	227,424	8
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)								
Interest income	508	-	447	-	1,328	-	1,520	-
Rental income	2,159	-	2,281	-	6,476	-	6,833	-
Other income	28,469	3	4,701	-	33,673	1	13,714	1
Foreign exchange gain (loss)	675	-	369	-	(3,197)	-	1,062	-
Fair value changes of financial assets	(3,810)	(1)	(740)	-	(20,419)	(1)	(922)	-
Other losses	(1,793)	-	(1,662)	-	(4,450)	-	(5,856)	-
Interest expense	(12,608)	(1)	(8,105)	(1)	(31,050)	(1)	(23,443)	(1)
Total non-operating income and expenses	13,600	1	(2,709)	(1)	(17,639)	(1)	(7,092)	-
PROFIT BEFORE INCOME TAX	160,627	15	46,066	5	377,473	13	220,332	8
INCOME TAX EXPENSE (Notes 4 and 26)	(27,654)	(2)	(11,040)	(1)	(72,753)	(3)	(51,324)	(2)
NET PROFIT FOR THE PERIOD	132,973	13	35,026	4	304,720	10	169,008	6

(Continued)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	$ (29,929)	(3)	$ (12,168)	(1)	$ (96,655)	(3)	$ 7,018	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation to the presentation currency	136	-	(234)	-	(1,630)	-	(2,402)	-
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	-	-	(29)	-	-	-	(23)	-
Other comprehensive income (loss), net of income tax	(29,793)	(3)	(12,431)	(1)	(98,285)	(3)	4,593	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 103,180	10	$ 22,595	3	$ 206,435	7	$ 173,601	6
NET PROFIT ATTRIBUTABLE TO:								
Shareholders of Company	$ 132,973	13	$ 35,026	4	$ 304,720	10	$ 169,008	6
Non-controlling interests	-	-	-	-	-	-	-	-
	$ 132,973	13	$ 35,026	4	$ 304,720	10	$ 169,008	6
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Shareholders of Company	$ 103,180	10	$ 22,595	3	$ 206,435	7	$ 173,601	6
Non-controlling interests	-	-	-	-	-	-	-	-
	$ 103,180	10	$ 22,595	3	$ 206,435	7	$ 173,601	6
EARNINGS PER SHARE (Note 27)								
Basic	$ 0.33		$ 0.09		$ 0.75		$ 0.42	
Diluted	$ 0.33		$ 0.09		$ 0.75		$ 0.42	

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

(With Deloitte & Touche auditors' review report dated November 10, 2022) (Concluded)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars, Except Cash Dividend Per Share)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company									
			Retained Earnings			Other Equity				
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2021	$ 4,047,380	$ 9	$ 170,899	$ 14,135	$ 419,967	$ 7,475	$ (3,020)	$ 4,656,845	$ 74	$ 4,656,919
Appropriation of 2020 earnings										
Legal reserve	-	-	39,625	-	(39,625)	-	-	-	-	-
Cash dividend to shareholders - NT$0.70 per share	-	-	-	-	(283,317)	-	-	(283,317)	-	(283,317)
Net profit for the nine months ended September 30, 2021	-	-	-	-	169,008	-	-	169,008	-	169,008
Other comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	-	(2,402)	6,995	4,593	-	4,593
Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	169,008	(2,402)	6,995	173,601	-	173,601
Acquisitions of subsidiaries (Note 12)	-	9	-	-	-	-	-	9	(9)	-
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Note 23)	-	-	-	-	14,503	-	(14,503)	-	-	-
BALANCE AT SEPTEMBER 30, 2021	$ 4,047,380	$ 18	$ 210,524	$ 14,135	$ 280,536	$ 5,073	$ (10,528)	$ 4,547,138	$ 65	$ 4,547,203
BALANCE AT JANUARY 1, 2022	$ 4,047,380	$ 18	$ 210,524	$ 14,135	$ 374,225	$ 4,368	$ (5,141)	$ 4,645,509	$ 65	$ 4,645,574
Appropriation of 2021 earnings										
Legal reserve	-	-	27,720	-	(27,720)	-	-	-	-	-
Cash dividend to shareholders - NT$0.60 per share	-	-	-	-	(242,843)	-	-	(242,843)	-	(242,843)
Special reserve	-	-	-	773	(773)	-	-	-	-	-
Net profit for the nine months ended September 30, 2022	-	-	-	-	304,720	-	-	304,720	-	304,720
Other comprehensive loss for the nine months ended September 30, 2022	-	-	-	-	-	(1,630)	(96,655)	(98,285)	-	(98,285)
Total comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	304,720	(1,630)	(96,655)	206,435	-	206,435
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Note 23)	-	-	-	-	2,530	-	(2,530)	-	-	-
BALANCE AT SEPTEMBER 30, 2022	$ 4,047,380	$ 18	$ 238,244	$ 14,908	$ 410,139	$ 2,738	$ (104,326)	$ 4,609,101	$ 65	$ 4,609,166

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

(With Deloitte & Touche auditors' review report dated November 10, 2022)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2022	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 377,473	$ 220,332
Adjustments for:		
Depreciation expense	113,433	115,192
Amortization and depletion expense	12,309	12,251
Expected credit loss (reversed) on trade receivables	(362)	(1,353)
Net loss on fair value changes of financial assets at fair value through profit or loss	20,419	922
Interest expense	31,050	23,443
Interest income	(1,328)	(1,520)
Dividend income	(26,911)	(2,145)
Gain on disposal of property, plant and equipment	(453)	(12,077)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(33,677)	(15,007)
Notes receivable	(98,320)	251,723
Notes receivable from related parties	6,444	235
Accounts receivable	(69,299)	178,336
Accounts receivable from related parties	(4,333)	5,258
Other receivables	(21)	(255)
Other receivables from related parties	12	114
Inventories	(125,841)	26,366
Prepayments	(13,841)	(40,882)
Other current assets	4,418	(3,507)
Other non-current assets	(1)	(8)
Contract liabilities	361,850	(86,837)
Notes payable	7,932	(175,453)
Notes payable to related parties	(10,407)	(14,631)
Accounts payable	41,210	(87,249)
Accounts payable to related parties	12,279	(15,691)
Other payables	26,417	(43,073)
Other payables to related parties	(1,537)	(7,120)
Other current liabilities	272	395
Net defined benefit liabilities	(575)	(562)
Cash generated from operations	628,612	327,197
Interest received	1,133	1,545
Interest paid	(30,025)	(23,280)
Income tax paid	(15,438)	(47,713)
Net cash generated from operating activities	584,282	257,749

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LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	$ (165,636)	$ (260,941)
Proceeds from sale of financial assets at fair value through other comprehensive income (Note 28)	24,518	236,480
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	5,700	5,202
Increase in financial assets at amortized cost	-	(63,428)
Decrease in financial assets at amortized cost	49,102	-
Acquisition of property, plant and equipment (Note 28)	(756,641)	(206,810)
Proceeds from disposal of property, plant and equipment (Note 28)	3,100	40,323
Increase in refundable deposits	(2,614)	-
Decrease in refundable deposits	-	2,688
Increase in other non-current assets	(14,938)	(10,390)
Other dividends received (Note 28)	26,911	2,766
Net cash used in investing activities	(830,498)	(254,110)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	605,441	554,973
Increase in short-term bills payable	-	70,000
Decrease in short-term bills payable	(25,000)	-
Proceeds from long-term borrowings	494,000	220,000
Repayments of long-term borrowings	(414,000)	(444,000)
Increase in guarantee deposits received	12,263	149
Decrease in notes payable to related parties	-	(8,000)
Increase in other payables to related parties	87,500	-
Decrease in other payables to related parties	-	(70,000)
Repayment of the principal portion of lease liabilities	(41,360)	(41,214)
Cash dividends paid	(242,843)	(283,317)
Net cash generated from (used in) financing activities	476,001	(1,409)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(1,242)	(1,823)
NET INCREASE IN CASH AND CASH EQUIVALENTS	228,543	407
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	220,238	320,535
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 448,781	$ 320,942

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

(With Deloitte & Touche auditors' review report dated November 10, 2022) (Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Lucky Cement Co. (the "Company") was established in 1974; its main business is production and sale of Portland cement. The Company listed its shares on the Taiwan Stock Exchange in June 1990.

The consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on November 10, 2022.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Group's accounting policies.

b. The IFRSs endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 1)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 2)
Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities (assets) which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within twelve months after the reporting period; and

3) Cash unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

The Group is also engaged in construction and development of properties; its operating cycle is longer than 1 year. Its assets and liabilities related to the construction business are not classified as current or non-current under normal operating cycle but presented according to the order of their perceived liquidity to non-liquidity.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amount of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Refer Note 12 and Note 36, Table 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Other significant accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2021.

1) Retirement benefits

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 for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period’s pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

The Group did not have critical accounting judgments and key sources of estimation uncertainty that need to be reported.

6. CASH AND CASH EQUIVALENTS

	September 30, 2022	December 31, 2021	September 30, 2021
Cash on hand and revolving funds	$ 1,320	$ 1,334	$ 1,338
Checking accounts and demand deposits	272,066	205,848	313,188
Foreign currency demand deposits	770	13,056	6,416
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	174,625	-	-
	$ 448,781	$ 220,238	$ 320,942

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Financial assets mandatorily classified as at FVTPL - mutual funds	$ 58,190	$ 44,932	$ 25,577
Non-current			
Financial assets mandatorily classified as at FVTPL - mutual funds	$ -	$ -	$ 8,538

In May 2021, the Group purchased fund beneficiary certificates which were classified as non-current financial assets at fair value through profit or loss. The Group decided to settle and distribute its real estate to investors. Because the transfer of ownership of real estate allocated to the Group in the amount of $18,874 thousand has not been completed, it was recorded as other non-current assets - prepayments for investment property.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Investments in equity instruments	$ 114,428	$ 73,319	$ 71,502
Investments in debt instruments	-	-	5,779
	$ 114,428	$ 73,319	$ 77,281
Non-current			
Investments in equity instruments	$ 9,316	$ 11,038	$ 10,797

a. Investments in equity instruments at FVTOCI

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Domestic investments - ordinary shares	$ 114,428	$ 73,319	$ 71,502
Non-current			
Domestic investments - ordinary shares	$ 9,316	$ 11,038	$ 10,797

The aforementioned information for investments, please refer to Note 36, Table 3 "Marketable Securities Held".

For other relevant information on financial assets measured at FVTOCI, please refer to Note 23 (e) and Note 30.

These investments in equity instruments are held for strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

For the nine months ended September 30, 2022 and 2021, the Group disposed of partial common stock at fair value of $23,894 thousand and $223,664 thousand, respectively, and related other equity - unrealized valuation gains on financial assets at fair value through other comprehensive income of $2,530 thousand and $14,503 thousand were transferred to retained earnings, respectively.

For the nine months ended September 30, 2022, the Group recognized a capital reduction refunded of investee of $5,700 thousand and dividend income of $26,911 thousand at fair value through other comprehensive income, respectively.

For the nine months ended September 30, 2021, the Group recognized a capital reduction refunded of investee of $5,202 thousand and dividend income of $2,145 thousand at fair value through other comprehensive income, respectively.

b. Investments in debt instruments at FVTOCI

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Bond investments	$ -	$ -	$ 5,779

On September 30, 2021, the bonds held by the Group have a coupon rate of 3.375%.

The bond issuer implemented an early repurchase of bonds in October 2021.

For credit risk management of investment in debt instruments, the Group invests only in debt instruments with low credit risk after impairment assessments. The Group's current credit risk grading mechanism is as follows:

Category	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12-month ECLs
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECLs - not credit impaired
In default	There is evidence indicating the asset is credit impaired	Lifetime ECLs - credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The Group assesses that the debtor's credit risk is low and that it has sufficient ability to pay off the contractual cash flows. As of September 30, 2021, there was no expected credit loss for investment in debt instruments.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Time deposits with original maturities of more than 3 months (a)	$ 17,467	$ 7,273	$ 7,139
Restricted assets (b)	68,565	104,680	119,360
	$ 86,032	$ 111,953	$ 126,499
Non-current			
Restricted assets (c)	$ 179,145	$ 202,326	$ 202,326

a. The interest rates of time deposits with original maturities of more than 3 months were approximately 0.96%-2.32%, 2.30% and 2.15% per annum as of September 30, 2022, December 31, 2021 and September 30, 2021, respectively.

b. The restricted assets - current are savings deposits and certificate of time deposits that are provided as guarantees for bank loan; market interest rate were approximately 0.15%-1.191%, 0.01%-0.56% and 0.02%-0.56% per annum as of September 30, 2022, December 31, 2021 and September 30, 2021, respectively.

c. The restricted assets - non-current are certificate of time deposits in the bank that is pledged as the security of mining right, which has market interest rates of approximately 0.10%-1.16%, 0.10%-0.82% and 0.10%-0.94% per annum as of September 30, 2022, December 31, 2021 and September 30, 2021, respectively.

d. Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, TRADE RECEIVABLES, OTHER RECEIVABLES AND OVERDUE RECEIVABLES

	September 30, 2022	December 31, 2021	September 30, 2021
Notes receivable			
At amortized cost			
Gross carrying amount	$ 395,600	$ 297,280	$ 322,235
Trade receivables			
At amortized cost			
Gross carrying amount	$ 506,637	$ 437,338	$ 329,863
Less: Allowance for impairment loss	(18,581)	(18,943)	(13,850)
	$ 488,056	$ 418,395	$ 316,013
Other receivables			
Sale of securities (Note 28)	$ -	$ 624	$ -
Others	2,205	1,989	1,226
	$ 2,205	$ 2,613	$ 1,226
Overdue receivables			
Overdue	$ 28,743	$ 28,743	$ 28,743
Less: Allowance for impairment loss	(28,743)	(28,743)	(28,743)
	$ -	$ -	$ -

a. Notes receivable

The average credit period of sales of goods was 60-150 days. No interest is charged on notes receivable. In order to minimize credit risk, the management of the Group has delegated a team for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group recognizes 100% allowance for impairment loss if notes receivable become overdue.

Notes receivable of the Group are not overdue as of the balance sheet date.

Please refer to Note 32 for information relating to notes receivable pledged as security.

b. Trade receivables

The average credit period of sales of goods is 60-150 days. No interest is charged on trade receivables. In order to minimize credit risk, the management of the Group has delegated a team for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

The Group measure the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, as well as the GDP forecasts and industry outlook. The Group's provision matrixes are prepared by reference to if the customer were in severe financial difficulty. The Group recorded a 100% of loss allowance when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; If the customer were not in severe financial difficulty, as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables and overdue receivables based on the Group's provision matrix.

September 30, 2022

	Not Past Due	Past Due within 30 Days	Past Due 31 to 60 Days	Past Due 61 to 180 Days	Past Due Over 181 Days	Assessed Individually	Total
Expected credit loss rate	0%-0.69%	8.90%	15.60%	22.03%-71.86%	100%	100%	
Gross carrying amount	$ 454,754	$ 14,626	$ 13,690	$ 14,056	$ 2,557	$ 35,697	$ 535,380
Loss allowance (Lifetime ECLs)	(2,478)	(1,302)	(2,134)	(3,156)	(2,557)	(35,697)	(47,324)
Amortized cost	$ 452,276	$ 13,324	$ 11,556	$ 10,900	$ -	$ -	$ 488,056

December 31, 2021

	Not Past Due	Past Due within 30 Days	Past Due 31 to 60 Days	Past Due 61 to 180 Days	Past Due Over 181 Days	Assessed Individually	Total
Expected credit loss rate	0%-0.69%	8.90%	15.60%	22.03%-71.86%	100%	100%	
Gross carrying amount	$ 406,784	$ 6,172	$ 7,909	$ 2,896	$ 6,621	$ 35,699	$ 466,081
Loss allowance (Lifetime ECLs)	(2,009)	(548)	(1,234)	(1,575)	(6,621)	(35,699)	(47,686)
Amortized cost	$ 404,775	$ 5,624	$ 6,675	$ 1,321	$ -	$ -	$ 418,395

September 30, 2021

	Not Past Due	Past Due within 30 Days	Past Due 31 to 60 Days	Past Due 61 to 180 Days	Past Due Over 181 Days	Assessed Individually	Total
Expected credit loss rate	0%-0.19%	4.90%	7.85%	14.32%-58.86%	100%	100%	
Gross carrying amount	$ 299,780	$ 7,397	$ 4,181	$ 9,236	$ 2,315	$ 6,954	$ 329,863
Loss allowance (Lifetime ECLs)	(435)	(363)	(329)	(3,454)	(2,315)	(6,954)	(13,850)
Amortized cost	$ 299,345	$ 7,034	$ 3,852	$ 5,782	$ -	$ -	$ 316,013

The movements of the loss allowance of trade receivables and overdue receivables were as follows:

	For the Nine Months Ended September 30	
	2022	2021
Balance at January 1	$ 47,686	$ 43,946
Less: Net remeasurement of loss allowance	(362)	(1,353)
Balance at September 30	$ 47,324	$ 42,593

c. Other receivables

Other receivables mainly include proceeds from sales of securities and guarantee deposits. The Group adopted a policy of only dealing with high credit rating entities and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from its own historical trading records to rate its customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The Group considers the current financial condition of debtors to determine the expected credit losses for debt instrument investments. As September 30, 2022, December 31, 2021, and September 30, 2021, the expected credit loss rate of other receivables was 0% consistently.

11. INVENTORIES

	September 30, 2022	December 31, 2021	September 30, 2021
Real estate under development and real estate to be developed	$ 3,215,665	$ 3,184,345	$ 3,156,564
Raw materials	199,512	271,725	164,740
Finished goods	187,723	98,289	98,482
Work in progress	78,720	44,096	54,921
Supplies and spare parts	113,502	71,399	37,433
Merchandise	7,191	6,618	7,080
	$ 3,802,313	$ 3,676,472	$ 3,519,220

The nature of the cost of goods sold is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Cost of inventories sold	$ 843,289	$ 730,015	$ 2,361,456	$ 2,518,972

The inventories pledged as collateral for bank borrowings are set out in Note 32.

12. SUBSIDIARIES

The main entities included in the preparation of the consolidated financial statements are as follows:

Investor Company Name	Subsidiary Name	Nature of Business	Percentage of Equity Held (%) September 30, 2022	December 31, 2021	September 30, 2021	Explanation
Lucky Cement Co.	Dasheng Enterprise Co., Ltd. (Dasheng Enterprise)	Sale and lease of national residences, commercial buildings, parking lots and industrial areas.	99.99	99.99	99.99	a.
	Luckicon Ready-mixed Concrete Factory Co., Ltd. (Luckicon Ready-Mixed Co.)	Production and sale of concrete.	100.00	100.00	100.00	
	Lucky Cement Corp., Japan (Lucky Cement Japan,)	Buy and sell of cement.	100.00	100.00	100.00	
	Luckyship Marine Co., Ltd (Luckyship Co.)	Shipping agent.	100.00	100.00	99.99	b.
Luckicon Ready-Mixed Co.	Fuyu Development Co., Ltd.	Earth and stone.	100.00	100.00	100.00	

Notes:

a. Dasheng Enterprise implemented a capital reduction to cover losses of $200,000 thousand on August 19, 2021 and increased its capital by $200,000 thousand on August 20, 2021. After the capital increase, the Company’s shareholding in Dasheng Enterprise increased. Dasheng Enterprise recognized the difference between the consideration and the adjusted carrying amount of non-controlling interests of $9 thousand under capital surplus.

b. Luckyship Co. implemented a capital reduction to cover losses of $65,000 thousand on November 30, 2021. Due to the surrender of shares by non-controlling interests, the Company’s shareholding in Luckyship Co. increased from 99.99% to 100%.

As of September 30, 2022 and 2021, except for the Dasheng Enterprise, Luckicon Ready-Mixed Co. and Fuyu Development Co., Ltd., the financial statements of the rest of the non-significant subsidiaries which had been included in the consolidated financial statements were not reviewed. As of September 30, 2022 and 2021, the combined total assets of these non-significant subsidiaries were $43,625 thousand and $59,891 thousand, respectively, representing 0% and 1%, respectively, of the consolidated total assets; and combined total liabilities of these subsidiaries were $3,420 thousand and $4,541 thousand, respectively, both representing 0% of the consolidated total liabilities. For the three months and the nine months ended September 30, 2022 and 2021, the amounts of combined comprehensive loss of these subsidiaries were $787 thousand, $2,300 thousand, $3,600 thousand and $2,024 thousand, respectively, representing (1%), (10%), (2%) and (1%), respectively, of the consolidated total comprehensive income.

13. PREPAYMENTS

	September 30, 2022	December 31, 2021	September 30, 2021
Prepaid land	$ 119,595	$ 69,350	$ -
Prepaid expenses	71,446	89,857	69,654
Office supplies	48,319	72,853	120,960
Prepaid purchase materials	6,828	1,032	10,129
Others	1,098	353	797
	$ 247,286	$ 233,445	$ 201,540

On November 29, 2021, Dasheng Enterprise acquired land from the unrelated party for the total contract price of $128,092 thousand. As of September 30, 2022, the Company paid $119,595 thousand, which had been recognized in prepayment for the land.

14. OTHER CURRENT ASSETS

	September 30, 2022	December 31, 2021	September 30, 2021
Offset against business tax payable	$ 24,869	$ 29,291	$ 26,239
Others	5	1	2
	$ 24,874	$ 29,292	$ 26,241

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Electrical Equipment	Transportation Equipment	Other Equipment	Total
Cost							
Balance at January 1, 2022	$ 1,652,873	$ 2,211,887	$ 5,591,122	$ 1,106,961	$ 862,793	$ 362,750	$ 11,788,386
Additions	-	-	15,822	-	103,671	5,162	124,655
Disposals	-	-	(193)	-	(48,060)	-	(48,253)
Net exchange difference	-	(6,428)	(840)	-	(22)	(32)	(7,322)
Balance at September 30, 2022	1,652,873	2,205,459	5,605,911	1,106,961	918,382	367,880	11,857,466
Accumulated depreciation and impairment							
Balance at January 1, 2022	-	1,929,507	5,498,399	1,098,091	617,946	342,409	9,486,352
Depreciation expenses	-	30,749	13,239	2,537	18,633	6,999	72,157
Disposals	-	-	(193)	-	(45,413)	-	(45,606)
Net exchange difference	-	(6,178)	(702)	-	(22)	(32)	(6,934)
Balance at September 30, 2022	-	1,954,078	5,510,743	1,100,628	591,144	349,376	9,505,969
Carrying amounts at September 30, 2022	$ 1,652,873	$ 251,381	$ 95,168	$ 6,333	$ 327,238	$ 18,504	$ 2,351,497
Carrying amounts at December 31, 2021 and January 1, 2022	$ 1,652,873	$ 282,380	$ 92,723	$ 8,870	$ 244,847	$ 20,341	$ 2,302,034
Cost							
Balance at January 1, 2021	$ 1,650,349	$ 2,290,846	$ 6,097,312	$ 1,196,322	$ 877,182	$ 517,173	$ 12,629,184
Additions	2,524	-	14,021	178	154,590	1,444	172,757
Disposals	-	-	-	-	(150,951)	-	(150,951)
Net exchange difference	-	(8,602)	(1,111)	-	(31)	(43)	(9,787)
Balance at September 30, 2021	1,652,873	2,282,244	6,110,222	1,196,500	880,790	518,574	12,641,203
Accumulated depreciation and impairment							
Balance at January 1, 2021	-	1,965,873	6,004,617	1,183,518	756,261	495,028	10,405,297
Depreciation expenses	-	31,801	11,661	3,080	20,720	6,370	73,632
Disposals	-	-	-	-	(124,005)	-	(124,005)
Net exchange difference	-	(8,204)	(932)	-	(30)	(42)	(9,208)
Balance at September 30, 2021	-	1,989,470	6,015,346	1,186,598	652,946	501,356	10,345,716
Carrying amounts at September 30, 2021	$ 1,652,873	$ 292,774	$ 94,876	$ 9,902	$ 227,844	$ 17,218	$ 2,295,487

a. A part of the Group’s land use rights reserved for use by the aborigines and for agriculture is temporarily registered in the name of a third person. The trustee had issued an affidavit and mortgaged the land to the Group.

b. The Group’s property, plant and equipment are depreciated on a straight-line method over their estimated useful lives as follows:

Buildings	
Main building of plant	35-55 years
Electrical power equipment	10-15 years
Engineering system	3-5 years
Machinery and equipment	2-10 years
Electrical equipment	5-15 years
Transportation equipment	3-15 years
Other equipment	3-10 years

c. There were no impairment losses of assets for the nine months ended September 30, 2022 and 2021 since the Group did not perform an impairment test.

d. Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 32.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2022	December 31, 2021	September 30, 2021
Carrying amount			
Land	$ 30,320	$ 12,480	$ 15,244
Buildings	109,931	142,491	153,344
Transportation equipment	190	617	759
	$ 140,441	$ 155,588	$ 169,347

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Addition to right-of-use assets			$ 26,129	$ 131,347
Depreciation charge for right-of-use assets				
Land	$ 2,756	$ 2,765	$ 8,289	$ 8,297
Buildings	10,854	10,855	32,560	32,726
Transportation equipment	142	141	427	537
	$ 13,752	$ 13,761	$ 41,276	$ 41,560

Except for the aforementioned recognized addition and depreciation, the Group did not have any significant subleases or impairment of right-of-use assets during the nine months ended September 30, 2022 and 2021.

b. Lease liabilities

	September 30, 2022	December 31, 2021	September 30, 2021
Carrying amount			
Current	$ 50,862	$ 51,476	$ 54,578
Non-current	$ 90,759	$ 105,376	$ 115,797

Range of discount rate for lease liabilities was as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Land	1.50%-1.68%	1.50%-1.68%	1.55%-1.68%
Buildings	1.50%-1.60%	1.50%-1.60%	1.55%-1.60%
Transportation equipment	1.60%	1.60%	1.60%

c. Material lease-in activities and terms

The Group leases land and buildings for the use of offices and operation with lease terms of 3 to 6 years.

The Group leases transportation equipment for the use of operation with lease terms of 2 years.

The Group does not have bargain purchase options to acquire the above lease subjects at the end of the lease terms.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Expenses relating to short-term leases	$ 1,029	$ 859	$ 2,704	$ 2,644
Expenses relating to low-value asset leases	93	153	279	510
Interest on lease liabilities	463	686	1,547	1,612
Principal portion of lease liabilities	13,737	13,446	41,360	41,214
Total cash outflow for leases	$ 15,322	$ 15,144	$ 45,890	$ 45,980

The Group's leases of certain buildings qualify as short-term leases and leases of certain equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. OTHER NON-CURRENT ASSETS

	September 30, 2022	December 31, 2021	September 30, 2021
Prepayments for real estate (Note 7)	$ 561,653	$ 18,874	$ -
Prepayments for equipment	155,776	74,032	56,168
Long-term prepaid expenses	49,583	46,953	54,867
Net limestone mining rights	18,767	18,768	18,770
Net defined benefit assets (Note 4)	447	446	420
	$ 786,226	$ 159,073	$ 130,225

On April 14, 2022, the board of directors of Luckicon Ready-mixed Co. resolved to acquire land from the unrelated party to construct the factory for a total contract price of $678,328 thousand. As of September 30, 2022, the Company paid $542,662 thousand, which had been recognized in prepayment for the property.

18. BORROWINGS

a. Short-term borrowings

	September 30, 2022	December 31, 2021	September 30, 2021
Secured borrowings (Note 32)			
Bank loans	$ 1,148,800	$ 583,100	$ 500,000
Unsecured borrowings			
Line of credit borrowings	385,000	345,259	374,973
	$ 1,533,800	$ 928,359	$ 874,973

The interest rates of the bank loans were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Secured borrowings	1.50%-1.97%	1.20%-1.59%	1.20%-1.69%
Unsecured borrowings	1.55%-1.68%	0.69%-1.35%	0.69%-1.30%

b. Short-term bills payable

	September 30, 2022	December 31, 2021	September 30, 2021
Commercial paper (Note 32)	$ 380,000	$ 405,000	$ 260,000
Less: Unamortized discounts on bills payable	(434)	(576)	(296)
	$ 379,566	$ 404,424	$ 259,704

Outstanding short-term bills payable were as follows:

September 30, 2022

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 130,000	$ 152	$ 129,848	1.48%
China Bills Finance Corporation	100,000	63	99,937	1.39%-1.68%
Dah Chung Bills Finance Corporation	100,000	142	99,858	1.40%-1.47%
Grand Bills Finance Corporation	50,000	77	49,923	1.51%
	$ 380,000	$ 434	$ 379,566	

December 31, 2021

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 95,000	$ 170	$ 94,830	1.05%-1.65%
Grand Bills Finance Corporation	160,000	74	159,926	1.04%-1.65%
Dah Chung Bills Finance Corporation	50,000	126	49,874	1.04%
China Bills Finance Corporation	100,000	206	99,794	1.08%-1.13%
	$ 405,000	$ 576	$ 404,424	

September 30, 2021

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 50,000	$ 19	$ 49,981	1.08%
Dah Chung Bills Finance Corporation	50,000	6	49,994	1.07%
Grand Bills Finance Corporation	160,000	271	159,729	1.08%-1.65%
	$ 260,000	$ 296	$ 259,704	

The above refer to commercial promissory notes guaranteed by banks, and the term of each note does not exceed 180 days.

c. Long-term borrowings

	September 30, 2022	December 31, 2021	September 30, 2021
Secured borrowings (Note 32)			
Bank loans	$ 1,014,000	$ 734,000	$ 806,000
Unsecured borrowings			
Loans from bank	100,000	300,000	300,000
Less: Current portion	(600,000)	(914,000)	(588,000)
Long-term borrowings	$ 514,000	$ 120,000	$ 518,000

	Method of Repayment	September 30, 2022	December 31, 2021	September 30, 2021
Secured borrowings				
Taiwan Cooperative Bank	The loan period is from April 12, 2018 to April 12, 2023, with grace period of 2 years. The loan principal is payable over 11 quarters (ending January, April, July, October) with $40 million each quarter. In addition, the Group borrowed another $12 million in October 2021 to repay the old contract, and borrowed an additional $300 million and $94 million in the second quarter and third quarter of 2022 for the period until January 12, 2027, with the quarterly repayment amount of the loan principal from January 2024.	$ 514,000	$ 120,000	$ 160,000
Bank of Taiwan	The loan period is from November 12, 2019 to November 12, 2022. Repayment schedule for the principal is $40 million in February 2021 and the balance payable in 7 quarters (ending February, May, August, November) with $32 million each quarter. In addition, $25 million was repaid early in June 2022 and the remaining $25 million was repaid in August 2022.	-	114,000	146,000
O-Bank	The loan period is from November 21, 2017 to November 21, 2022; the principal will be repaid one time on maturity date.	250,000	250,000	250,000
O-Bank	The loan period is from December 28, 2017 to December 28, 2022; the principal will be repaid one time on maturity date.	250,000	250,000	250,000
Unsecured borrowings				
The Export-Import Bank of the Republic of China	Revolving loan; period is from August 5, 2022 to September 5, 2023.	100,000	-	-
The Export-Import Bank of the Republic of China	The loan period is from December 7, 2020 to January 7, 2022; the principal will be repaid one time on maturity date.	-	50,000	50,000

(Continued)

	Method of Repayment	September 30, 2022	December 31, 2021	September 30, 2021
The Export-Import Bank of the Republic of China	The loan period is from December 14, 2020 to January 7, 2022; the principal will be repaid one time on maturity date.	$ -	$ 50,000	$ 50,000
O-Bank	The loan period is from March 23, 2020 to March 23, 2022; the principal will be repaid one time on maturity date.	-	80,000	80,000
O-Bank	The loan period is from March 23, 2020 to March 23, 2022; the principal will be repaid one time on maturity date.	-	20,000	20,000
KGI Bank	Revolving loan; credit period is from September 7, 2020 to September 7, 2022.	-	100,000	100,000
		1,114,000	1,034,000	1,106,000
Less: Current portion		(600,000)	(914,000)	(588,000)
Long-term borrowings		$ 514,000	$ 120,000	$ 518,000

(Concluded)

The annual interest rate of long-term borrowings were 1.88%-2.14%, 1.24%-1.72% and 1.24%-1.72% as of September 30, 2022, December 31, 2021 and September 30, 2021.

19. NOTES PAYABLE AND TRADE PAYABLES

	September 30, 2022	December 31, 2021	September 30, 2021
Notes payable			
From operating activities			
Non-related parties	$ 222,675	$ 214,743	$ 169,874
Related parties	$ 32,741	$ 43,148	$ 16,965
Trade payables			
From operating activities			
Non-related parties	$ 164,580	$ 123,370	$ 154,671
Related parties	$ 14,325	$ 2,046	$ 4,315

The Group's notes payable and trade payables (including related parties) arise from operating activities. The average credit period for purchases is 3 months. The Group's financial risk management policies ensure that all payables are repaid within the pre-agreed credit period.

20. OTHER PAYABLES

	September 30, 2022	December 31, 2021	September 30, 2021
Payables for salaries and bonuses	$ 80,744	75,008	$ 66,208
Payables for utilities expense	22,248	19,120	17,718
Payables for taxes	14,708	12,695	21,900
Payables for purchases of equipment	7,463	-	18,527
Others	33,090	31,684	28,659
	$ 158,253	$ 138,507	$ 153,012

21. RETIREMENT BENEFIT PLANS

The pension expenses of defined benefit plan were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2021 and 2020. An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plan is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Operating costs	$ 121	$ 250	$ 371	$ 739
Selling and marketing expenses	26	49	79	114
General and administrative expenses	47	75	150	153
	$ 194	$ 374	$ 600	$ 1,006

22. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The current/non-current classification of the Group's assets and liabilities relating to the construction and development business was based on its operating cycle. The amounts expected to be recovered or settled within 1 year after the reporting period and more than 1 year after the reporting period for related assets and liabilities were as follows:

September 30, 2022

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,215,665	3,215,665
Prepayment for land purchases	-	119,595	119,595
	$ 31,820	$ 3,335,260	$ 3,367,080

December 31, 2021

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 25,680	$ -	$ 25,680
Inventories	-	3,184,345	3,184,345
Prepayment for land purchases	-	69,350	69,350
	$ 25,680	$ 3,253,695	$ 3,279,375

September 30, 2021

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 25,680	$ 25,680	$ 51,360
Inventories	-	3,156,564	3,156,564
	$ 25,680	$ 3,182,244	$ 3,207,924

23. EQUITY

a. Share capital

Ordinary shares

	September 30, 2022	December 31, 2021	September 30, 2021
Number of shares authorized (in thousands)	498,646	498,646	498,646
Shares authorized	$ 4,986,460	$ 4,986,460	$ 4,986,460
Number of shares issued and fully paid (in thousands)	404,738	404,738	404,738
Shares issued	$ 4,047,380	$ 4,047,380	$ 4,047,380

A holder of issued ordinary share with a par value of $10 is entitled to exercise shareholders' voting rights and to receive distributed dividends.

b. Capital surplus

	September 30, 2022	December 31, 2021	September 30, 2021
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition (Note 12)	$ 10	$ 10	$ 10
May be used only to offset a deficit			
Changes in percentage of ownership interests in subsidiaries	8	8	8
	$ 18	$ 18	$ 18

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividends policy

After the Company amended its articles of incorporation ("Articles"), which stipulates that the Company shall consider distribution of earnings or appropriation of earnings to a reserve at the end of the first half of the fiscal year or at the end of the fiscal year. The business report and financial statements should be submitted to the audit committee for review, and to the board of directors for resolution.

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. However, these stipulations shall not apply when the legal reserve amount has reached the authorized capital. The Company should also follow Article 240 of the Company Act in the case of distribution of earnings in the form of shares; in the case of distribution of earnings in cash, the board of directors is authorized to resolve the distribution of cash dividends; the resolution should be adopted by a majority vote in the meeting of the board of directors attended by two-thirds of all the directors, and then reported to the shareholders' meeting.

According to the Articles, the Company should distribute earnings or appropriate earnings to a reserve based on the financial statements audited or reviewed by an independent accountant.

The Articles stipulate that in the allocation of annual earnings, the Group shall first appropriate 10% of earnings to legal reserve and then appropriate to special reserve amount to cover deduction items in the equity, payment of business tax and to make up for past annual loss. From the remaining amount after the above allocation plus 40%-80% of unappropriated earnings in the previous year, no distribution will be made if the amount is less than NT$0.1 per share but will be retained in the unappropriated earnings. The board of directors shall propose distribution of dividends and the shareholders in their meeting shall approve the proposal. Refer to Note 25 (h), employee benefits, for the revised policy on the compensation of employees and remuneration of directors.

The appropriation and distribution of earnings and capital surplus as cash dividend or share dividend shall be subject to the real profit and fund situation in the current year, with consideration of fund for investment and possible dilution of earnings per share. The allocation for share dividend shall be limited to 20% of the issued shares. In case there is deduction item in equity, the deduction item shall be first offset with earnings or capital surplus before making the appropriation and allocation. When equity deduction item is reversed, the reversed amount shall be allocated to capital surplus. The allocation of capital surplus shall be accounted in the current year and passed in the general meeting of shareholders in the next year.

The Company shall appropriate to or reverse from special reserve pursuant to the provisions set forth in the Letter No. Jin-Kuang-Fa-Tzi No. 1090150022 and “Following the adoption of International Financial Reporting Standards, questions and answers on special reserve”. When a deduction item in equity is reversed, the reversed amount may be allocated to capital surplus.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company’s paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company’s paid-in capital, the excess may be transferred to capital or distributed in cash.

On November 10, 2022, and November 12, 2021, the Company’s board of directors adopted the results of operations for the first half of 2022 and 2021, respectively, decided not to distribute dividends.

The appropriations of earnings for 2021 and 2020 were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2021	**2020**
Legal reserve	$ 27,720	$ 39,625
Special reserve	$ 773	$ -
Cash dividends	$ 242,843	$ 283,317
Cash dividends per share (NT$)	$ 0.60	$ 0.70

The above appropriations of cash dividends had been resolved by the Company’s board of directors on March 30, 2022 and March 26, 2021, respectively; the other proposed appropriations had been resolved by the shareholders in their meetings on June 30, 2022 and August 4, 2021, respectively.

d. Special reserve

	For the Nine Months Ended September 30	
	2022	**2021**
Balance at January 1	$ 14,135	$ 14,135
Reversals:		
Reversal of the debits to other equity items	773	-
Balance at September 30	$ 14,908	$ 14,135

Upon initial application of IFRSs, the conversion adjustments of NT$14,135 thousand were transferred to retained earnings, and the same amount was appropriated to special reserve.

e. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Nine Months Ended September 30	
	2022	**2021**
Balance at January 1	$ 4,368	$ 7,475
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	(1,630)	(2,402)
Balance at September 30	$ 2,738	$ 5,073

2) Unrealized valuation loss on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2022	**2021**
Balance at January 1	$ (5,141)	$ (3,020)
Recognized for the period		
Unrealized loss - debt instruments	-	(23)
Unrealized (loss) gain - equity instruments	(96,655)	7,018
Other comprehensive (loss) income recognized for the period	(96,655)	6,995
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(2,530)	(14,503)
Balance at September 30	$ (104,326)	$ (10,528)

24. REVENUE

a. Segmentation of customer's contract revenue

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Cement	$ 452,711	$ 449,935	$ 1,322,621	$ 1,425,831
Cement products	368,640	249,091	964,413	970,928
Stone materials	126,718	54,505	348,512	239,595
Others	115,219	77,270	310,633	268,662
	$ 1,063,288	$ 830,801	$ 2,946,179	$ 2,905,016

b. Balance of assets and liabilities related to the sales contracts

	September 30, 2022	December 31, 2021	September 30, 2021	January 1, 2021
Notes receivable (Note 10)	$ 395,600	$ 297,280	$ 322,235	$ 573,958
Notes receivable from related parties	$ 127	$ 6,571	$ -	$ 235
Trade receivables (Note 10)	$ 488,056	$ 418,395	$ 316,013	$ 492,996
Trade receivables from related parties	$ 7,583	$ 3,250	$ 506	$ 5,764
Contract liabilities				
Cement sales	$ 289,101	$ 189,789	$ 240,534	$ 331,854
Real estate sales	262,042	-	-	-
Others	1,496	1,000	5,724	1,241
	$ 552,639	$ 190,789	$ 246,258	$ 333,095

The changes in contract liabilities primarily resulted from the timing difference between the satisfaction of performance obligation and the customer's payment.

The amount of contract liability at the beginning of the period with performance obligation satisfied and revenue recognized in the current year was as follows:

	For the Nine Months Ended September 30	
	2022	2021
Contract liabilities at the beginning of the period		
Cement sales	$ 189,789	$ 331,854
Others	1,000	1,241
	$ 190,789	$ 333,095

25. NET PROFIT

a. Other operating income and expenses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Gain on disposal of property, plant and equipment	$ 600	$ -	$ 453	$ 12,077

b. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Bank deposits	$ 508	$ 372	$ 1,328	$ 1,295
Investments in debt instruments at FVTOCI	-	75	-	225
	$ 508	$ 447	$ 1,328	$ 1,520

c. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Dividends	$ 26,911	$ 2,145	$ 26,911	$ 2,145
Others	1,558	2,556	6,762	11,569
	$ 28,469	$ 4,701	$ 33,673	$ 13,714

d. Other expenses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Depreciation of leased assets	$ 512	$ 757	$ 1,537	$ 2,709
Others	1,281	905	2,913	3,147
	$ 1,793	$ 1,662	$ 4,450	$ 5,856

e. Interest expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Interest on bank loan	$ 11,898	$ 7,313	$ 29,256	$ 21,461
Interest on loans from related parties	247	106	247	370
Interest on lease liabilities	463	686	1,547	1,612
	$ 12,608	$ 8,105	$ 31,050	$ 23,443

f. Depreciation, amortization and depletion

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Property, plant and equipment	$ 24,547	$ 22,808	$ 72,157	$ 73,632
Right-of-use assets	13,752	13,761	41,276	41,560
Long-term prepaid expenses	4,915	4,787	12,308	12,247
Limestone mining rights	-	-	1	4
	$ 43,214	$ 41,356	$ 125,742	$ 127,443
An analysis of depreciation by function				
Operating costs	$ 26,971	$ 25,017	$ 79,668	$ 79,745
Operating expenses	10,816	10,795	32,228	32,738
Non-operating expenses	512	757	1,537	2,709
	$ 38,299	$ 36,569	$ 113,433	$ 115,192
An analysis of amortization by function				
Operating costs	$ 4,462	$ 3,469	$ 10,413	$ 8,292
Operating expenses	453	1,318	1,895	3,955
	$ 4,915	$ 4,787	$ 12,308	$ 12,247
An analysis of depletion by function				
Operating costs	$ -	$ -	$ 1	$ 4

g. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Post-employment benefits				
Defined contribution plan	$ 3,260	$ 3,109	$ 9,529	$ 9,632
Defined benefit plans (Note 21)	194	374	600	1,006
	3,454	3,483	10,129	10,638
Other employee benefits	108,853	80,921	288,310	273,492
Total employee benefits expense	$ 112,307	$ 84,404	$ 298,439	$ 284,130
An analysis of employee benefits expense by function				
Operating costs	$ 64,191	$ 56,796	$ 185,293	$ 190,906
Operating expenses	48,116	27,608	113,146	93,224
	$ 112,307	$ 84,404	$ 298,439	$ 284,130

h. Compensation of employees and remuneration of directors

The Company shall appropriate 3% and not less than 5% of the profit before tax and before deduction of compensation of employees and remuneration of directors in the current year. The compensation of employees and the remuneration of directors for the three months and the nine months ended September 30, 2022 and 2021 are as follows:

Accrual rate

	For the Nine Months Ended September 30	
	2022	2021
Compensation of employees	3%	3%
Remuneration of directors	5%	5%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Compensation of employees	$ 4,939	$ 1,380	$ 11,617	$ 6,457
Remuneration of directors	8,230	2,300	19,361	10,762

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of compensation of employees and remuneration of directors for 2021 and 2020 that were resolved by the board of directors on March 30, 2022 and March 26, 2021, respectively, are as shown below:

Amount

	For the Year Ended December 31	
	2021	2020
	Cash	Cash
Compensation of employees	$ 9,972	$ 13,583
Remuneration of directors	16,620	22,638

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Gains or losses on foreign currency exchange

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Foreign exchange gains	$ 1,807	$ 374	$ 2,660	$ 1,454
Foreign exchange losses	(1,132)	(5)	(5,857)	(392)
	$ 675	$ 369	$ (3,197)	$ 1,062

26. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Current tax				
In respect of the current year	$ 29,613	$ (18,525)	$ 70,281	$ 20,403
Income tax on unappropriated earnings	-	-	-	4,681
Adjustments for prior year	-	(7)	(2,363)	578
	29,613	(18,532)	67,918	25,662
Deferred tax				
In respect of the current year	(1,959)	29,572	4,835	25,662
Income tax expense recognized in profit or loss	$ 27,654	$ 11,040	$ 72,753	$ 51,324

b. Income tax assessments

The income tax returns through 2020 of the Company, Luckicon Ready-Mixed Co., Dasheng Enterprise Co., Fuyu Development Co. and Luckyship Marine Co. have been assessed by the tax authorities and there is no significant difference between the reported amounts and the assessed amounts.

27. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Profit for the period attributable to owners of the Company	$ 132,973	$ 35,026	$ 304,720	$ 169,008
Earnings used in the computation of earnings per share	$ 132,973	$ 35,026	$ 304,720	$ 169,008

Earnings Per Share

(In Thousands of Shares)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Weighted average number of ordinary shares used in the computation of basic earnings per share	404,738	404,738	404,738	404,738
Effect of potentially dilutive ordinary shares				
Compensation of employees	1,128	540	1,406	868
Weighted average number of ordinary shares used in the computation of diluted earnings per share	405,866	405,278	406,144	405,606

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. CASH FLOW INFORMATION

a. Partial cash transactions

The followings are the Group's non-cash investing activities which were not reflected in the consolidated statements of cash flows for the nine months ended September 30, 2022 and 2021:

	For the Nine Months Ended September 30	
	2022	2021
Partial cash generated from disposal of financial assets at FVTOCI		
Proceeds from sale of financial assets at fair value through other comprehensive income	$ 23,894	$ 223,664
Changes in receivables from sale of securities (reported as other receivables)	624	12,816
Cash received	$ 24,518	$ 236,480
Partial cash payments for purchase of PP&E		
Acquisition of property, plant and equipment	$ 124,655	$ 172,757
Net changes in prepayments for equipment	81,744	21,702
Net changes in prepayments for premises	542,779	-
Net changes in payables for purchase of equipment	7,463	12,351
Cash paid	$ 756,641	$ 206,810
Partial cash generated from disposal of PP&E		
Proceeds from disposal of property, plant and equipment	$ 3,100	$ 39,023
Net changes in receivables from sale of property, plant and equipment (reported as other receivables)	-	1,300
Cash received	$ 3,100	$ 40,323
Partial cash generated from dividends income		
Dividend income	$ 26,911	$ 2,145
Net changes in dividends receivable (reported as other receivables)	-	621
Cash received	$ 26,911	$ 2,766

b. Changes in liabilities arising from financing activities

For the nine months ended September 30, 2022

	Balance at January 1, 2022	Cash Flows	Non-cash Changes		Others	Balance at September 30, 2022
			Lease Increase	Discount Amortization		
Short-term borrowings	$ 928,359	$ 605,441	$ -	$ -	$ -	$ 1,533,800
Short-term bills payable	404,424	(25,000)	-	142	-	379,566
Long-term borrowings	1,034,000	80,000	-	-	-	1,114,000
Notes payable to related parties	43,148	-	-	-	(10,407)	32,741
Other payables to related parties	48,311	87,500	-	-	(1,446)	134,365
Guarantee deposits received	34,010	12,263	-	-	-	46,273
Lease liabilities	156,852	(41,360)	26,129	-	-	141,621
	$ 2,649,104	$ 718,844	$ 26,129	$ 142	$ (11,853)	$ 3,382,366

For the nine months ended September 30, 2021

	Balance at January 1, 2022	Cash Flows	Non-cash Changes: Lease Increase	Non-cash Changes: Discount Amortization	Others	Balance at September 30, 2022
Short-term borrowings	$ 320,000	$ 554,973	$ -	$ -	$ -	$ 874,973
Short-term bills payable	189,588	70,000	-	116	-	259,704
Long-term borrowings	1,330,000	(224,000)	-	-	-	1,106,000
Notes payable to related parties	39,596	(8,000)	-	-	(14,631)	16,965
Other payables to related parties	124,138	(70,000)	-	-	(7,169)	46,969
Guarantee deposits received	32,704	149	-	-	-	32,853
Lease liabilities	80,242	(41,214)	131,347	-	-	170,375
	$ 2,116,268	$ 281,908	$ 131,347	$ 116	$ (21,800)	$ 2,507,839

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

There is no significant difference between the carrying amounts and fair values of the financial assets and financial liabilities which are not measured at fair value.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 58,190	$ -	$ -	$ 58,190
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	$ 114,428	$ -	$ -	$ 114,428
Unlisted shares	-	-	9,316	9,316
	$ 114,428	$ -	$ 9,316	$ 123,744

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 44,932	$ -	$ -	$ 44,932
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	$ 73,319	$ -	$ -	$ 73,319
Unlisted shares	-	-	11,038	11,038
	$ 73,319	$ -	$ 11,038	$ 84,357

September 30, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 25,577	$ -	$ 8,538	$ 34,115
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	$ 71,502	$ -	$ -	$ 71,502
Unlisted shares	-	-	10,797	10,797
Investments in debt instruments				
Corporate bonds	5,779	-	-	5,779
	$ 77,281	$ -	$ 10,797	$ 88,078

There were no transfers between Levels 1 and 2 in the current and prior period.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2022

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
	Mutual Funds	Equity Instruments	
Balance at January 1, 2022	$ -	$ 11,038	$ 11,038
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	(1,722)	(1,722)
Balance at September 30, 2022	$ -	$ 9,316	$ 9,316

For the nine months ended September 30, 2021

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
	Mutual Funds	Equity Instruments	
Balance at January 1, 2021	$ 8,734	$ 14,994	$ 23,728
Return of shares after capital reduction	-	(5,202)	(5,202)
Recognized in profit or loss (included in loss on financial assets at FVTPL)	(196)	-	(196)
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	1,005	1,005
Balance at September 30, 2021	$ 8,538	$ 10,797	$ 19,335

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of privately offered fund is based on the net asset value provided by the fund company.

The asset approach and comparable listed companies approach were used to calculate the fair values of investments in domestic unlisted equity instruments.

The comparable listed companies approach takes into account the transaction prices of shares of listed companies in an active market, the value multiplier implicit in the price, and the liquidity discount when evaluating the fair value of the target company.

The asset approach assesses the total market value of individual assets and individual liabilities of the valuation target and considers the reduction of non-controlling interests and a reduction in liquidity to reflect the overall value of the entity or business.

c. Categories of financial instruments

	September 30, 2022	December 31, 2021	September 30, 2021
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 58,190	$ 44,932	$ 34,115
Financial assets at amortized cost (1)	1,628,805	1,281,300	1,307,639
Financial assets at FVTOCI			
Equity instruments	123,744	84,357	82,299
Debt instruments	-	-	5,779
Financial liabilities			
Amortized cost (2)	3,705,126	2,883,215	2,731,228

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, trade receivables, other receivables and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable, other payables (excluding salaries, bonuses and taxes), long-term borrowings and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

The exposure to market risk of the financial instruments of the Group and the management and measurement of the exposure have not changed.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities (including those eliminated on consolidation) at the end of the period are set out in Note 35.

Sensitivity analysis

The Group is mainly exposed to the USD and RMB.

The following table shows the sensitivity analysis of the Group when the exchange rate of the New Taiwan dollar to the relevant foreign currency increases and decreases by 5%. The 5% sensitivity rate is used for reporting currency risk to key management personnel of the Group; the management believes it is the reasonably acceptable range of fluctuation of foreign currency rate. The positive (negative) amounts on the table below indicate an increase (decrease) in pre-tax income and equity amount when the New Taiwan dollar weakens (strengthens) by 5% relative to the relevant currency.

	USD Impact		**RMB Impact**	
	For the Nine Months Ended September 30		**For the Nine Months Ended September 30**	
	2022	**2021**	**2022**	**2021**
Profit or loss	$ (8,774)	$ 8,116	$ (378)	$ (361)

The above analysis included cash in banks and financial assets at amortized cost denominated in USD and RMB which are outstanding at the end of the reporting period.

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Cash flow interest rate risk			
Financial assets	$ 670,922	$ 479,040	$ 585,452
Financial liabilities	3,120,666	2,366,783	2,240,677

Sensitivity analysis

The following sensitivity analysis shows the effect of a 25 basis points change in interest rates of non-derivative instruments at the balance sheet date. The 25 basis points sensitivity is used in internal reports to key management personnel; it represents the reasonably possible change in interest rates acceptable to the management.

Had interest rates increased/decreased by 25 basis points, the profit before tax for the nine months ended September 30, 2022 and 2021 would have decreased/increased by $4,593 thousand and $3,104 thousand, respectively, with all other variables held constant; the non-derivative instruments include floating rate loan, demand deposit and restricted asset.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the year, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation could be equal to the total assets shown on the balance sheets.

The policy of the Group is to only trade with counterparties with high reputation, and to require sufficient guarantee to reduce the financial loss from default. The Group transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized short-term bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk table

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group is required to pay.

September 30, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 217,319	$ 263,795	$ 43,125	$ 4,821	$ 55,400
Lease liabilities	8,525	4,590	39,389	92,735	-
Variable interest rate liabilities	499,866	1,259,700	847,100	514,000	-
	$ 725,710	$1,528,085	$ 929,614	$ 611,556	$ 55,400

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 185,218	$ 197,908	$ 67,468	$ 3,638	$ 62,200
Lease liabilities	9,758	5,393	40,179	104,718	6,059
Variable interest rate liabilities	440,885	529,259	1,276,639	120,000	-
	$ 635,861	$ 732,560	$1,384,286	$ 228,356	$ 68,259

September 30, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 239,689	$ 164,510	$ 19,380	$ 4,572	$ 62,400
Lease liabilities	8,799	5,139	42,892	110,141	9,088
Variable interest rate liabilities	449,796	381,908	890,973	518,000	-
	$ 698,284	$ 551,557	$ 953,245	$ 632,713	$ 71,488

b) Financing facilities

	September 30, 2022	December 31, 2021	September 30, 2021
Unsecured facilities			
Amount used	$ 865,000	$ 864,213	$ 824,973
Amount unused	106,255	463,812	68,502
	$ 971,255	$ 1,328,025	$ 893,475
Secured facilities			
Amount used	$ 2,162,800	$ 1,522,100	$ 1,420,456
Amount unused	928,675	878,796	1,719,314
	$ 3,091,475	$ 2,400,896	$ 3,139,770

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows:

a. Related parties

Related Party Name	Related Party Category
Other related party	
Yung-Sheng Development Enterprise Co., Ltd. (“Yung-Sheng Development”)	The chairman is also the chairman of the Company
Liang-Chuan Cultural and Educational Foundation (“Liang-Chuan Foundation”)	The chairman is also the chairman of the Company
Lucky East Transportation Co., Ltd. (“Lucky East Transportation”)	The chairman is first-degree relative of the chairman of the Company
East Life Biotech Co., Ltd. (“East Life Biotech”)	The chairman is also the chairman of the Company
Jia Fu Entertainment Co., Ltd. (“Jia Fu Entertainment”)	The chairman is first-degree relative of the chairman of the Company
Wantong Property Insurance Brokers Co., Ltd. (“Wantong Property Insurance”)	The chairman is first-degree relative of the chairman of the Company
Lucky Construction Co., Ltd. (“Lucky Construction”)	The chairman is first-degree relative of the chairman of the Company
Kuochuan Development Co., Ltd. (“Kuochuan Development”)	The chairman is first-degree relative of the chairman of the Company
Changheng Investment Co. (“Changheng Investment”)	The company is major shareholder of the Company
Jinli Investment Co., Ltd. (“Jinli Investment”)	The company is major shareholder of the Company
Cheng Haibin	The person is third-degree relative of the chairman of the Company
Fuan Mining Co., Ltd. (“Fuan Mining”)	A manager in the company is spouse of a first-degree relative of the chairman of the Company

b. Business transactions

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2022	2021	2022	2021
Sales	Other related parties	$ 22,513	$ 3,937	$ 60,182	$ 38,012
Purchases of goods	Fuan Mining	$ 36,322	$ 12,539	$ 97,656	$ 135,340
	Other related parties	8,489	11,734	24,315	29,109
		$ 44,811	$ 24,273	$ 121,971	$ 164,449
Operating costs - transportation expenses	Other related parties	$ 2,602	$ 2,916	$ 7,210	$ 14,606
Operating costs - manufacturing expenses	Other related parties	$ -	$ -	$ 99	$ 190
Operating expense	Other related parties	$ 369	$ 107	$ 1,387	$ 2,035
Other income	Other related parties	$ -	$ -	$ -	$ 24

The prices of purchases and sales between the Group and related parties are negotiated separately, and the period of receipt and payment is comparable to that of non-related parties.

c. Receivables from related parties

Line Items	Related Party Category	September 30, 2022	December 31, 2021	September 30, 2021
Notes receivable	Lucky East Transportation	$ -	$ 6,571	$ -
	Yung-Sheng Development	127	-	-
		$ 127	$ 6,571	$ -
Trade receivables	Fuan Mining	$ 7,489	$ 3,246	$ -
	Other related parties	94	4	506
		$ 7,583	$ 3,250	$ 506
Other receivables	Other related parties	$ 235	$ 247	$ 199

The outstanding trade receivables from related parties are unsecured. As of September 30, 2022, December 31, 2021 and September 30, 2021, no impairment losses were recognized for trade receivables from related parties.

d. Payables to related parties

Line Items	Related Party Category/Name	September 30, 2022	December 31, 2021	September 30, 2021
Notes payable	Fuan Mining	$ 25,942	$ 39,683	$ 13,166
	Lucky East Transportation	6,503	3,465	3,799
	Other related parties	296	-	-
		$ 32,741	$ 43,148	$ 16,965
Trade payables	Fuan Mining	$ 12,196	$ -	$ -
	Lucky East Transportation	2,129	2,046	4,315
		$ 14,325	$ 2,046	$ 4,315
Other payables - current (excluding loan from related parties)	Lucky East Transportation	$ 967	$ 1,353	$ 988
	Other related parties	7	1,158	181
		$ 974	$ 2,511	$ 1,169

The outstanding trade payables to related parties are unsecured.

e. Contract liability from related parties

Line Items	Related Party Category/Name	September 30, 2022	December 31, 2021	September 30, 2021
Contract liability	Fuan Mining	$ -	$ -	$ 4,286

f. Loan from related parties

Line Items	Related Party Name	September 30, 2022	December 31, 2021	September 30, 2021
Other payables (current)	Fuan Mining	$ 93,391	$ -	$ -
Other payables (non-current)	Cheng Haibin	$ 40,000	$ 45,800	$ 45,800

Interest expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	2021	2022	2021
Other related parties	$ 247	$ 106	$ 247	$ 370

The interest rate of other payables - current has no difference to the market interest rate. The other payables to related parties - non-current are interest-free loans from shareholders. The loans from the related parties are unsecured.

g. Lease arrangements

Lease arrangements - the Group is lessor under operating leases

Future lease payment receivables are as follows:

Related Party Category/Name	September 30, 2022	December 31, 2021	September 30, 2021
Lucky East Transportation	$ 3,320	$ 3,788	$ 3,708
Other related parties	180	288	324
	$ 3,500	$ 4,076	$ 4,032

Lease income was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Related Party Category/Name	**2022**	**2021**	**2022**	**2021**
Lucky East Transportation	$ 336	$ 492	$ 1,008	$ 1,476
Other related parties	36	36	108	108
	$ 372	$ 528	$ 1,116	$ 1,584

The rental amounts and collection methods are negotiated.

h. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2022	**2021**	**2022**	**2021**
Short-term employee benefits	$ 13,279	$ 7,153	$ 37,292	$ 28,163
Post-employment benefits	126	150	376	414
	$ 13,405	$ 7,303	$ 37,668	$ 28,577

The remuneration of directors and key executives, as determined by the remuneration committee, was based on the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets of the Group are pledged as collateral for long-term and short-term bank loans, short-term bills payable, mining claim and construction contract:

	September 30, 2022	December 31, 2021	September 30, 2021
Property under development (reported as inventories)	$ 3,155,763	$ 3,124,443	$ 3,096,663
Property, plant and equipment	895,476	899,667	901,063
Restricted assets (reported as financial assets at amortized cost)	247,710	307,006	321,686
Notes receivable	21,355	-	-
	$ 4,320,304	$ 4,331,116	$ 4,319,412

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

a. As of September 30, 2022, the Group signed a contract for purchase of property, plant and equipment; the unpaid amount is $251,725 thousand.

b. As of September 30, 2022, December 31, 2021 and September 30, 2021, unused letters of credit for purchases of raw materials amounted to approximately $0 thousand, $18,954 thousand and $4,456 thousand, respectively.

34. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

None.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than the functional currency of the entities in Group and the related exchange rates between foreign currencies and functional currency were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

September 30, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 5,527	31.75 (USD:NTD)	$ 175,481
RMB	1,692	4.473 (RMB NTD)	7,566

December 31, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 313	27.68 (USD:NTD)	$ 8,678
RMB	1,674	4.328 (RMB NTD)	7,273
Financial liability			
Monetary items			
USD	6,469	27.68 (USD:NTD)	179,057

September 30, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 454	27.85 (USD:NTD)	$ 12,652
RMB	1,658	4.350 (RMB NTD)	7,213
Non-monetary items			
USD	307	27.85 (USD:NTD)	8,538
Financial liability			
Monetary items			
USD	6,283	27.85 (USD:NTD)	174,973

Foreign exchange gains or losses (realized or unrealized) of the Group for the three months and the nine months ended September 30, 2022 and 2021 are respectively gains of $675 thousand, gains of $369 thousand, losses of $3,197 thousand and gains of $1,062 thousand. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions.

36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (Table 4)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

9) Trading in derivative instruments: None

10) Intercompany relationships and significant intercompany transactions (Table 8)

b. Information on investees (Table 7)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: None

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None

c) The amount of property transactions and the amount of the resultant gains or losses: None

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds: None

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 9)

37. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The reportable segments are as follows:

Cement segment: Producing and selling business for products related to cement.

Other segments: Other operations of non-cement business.

a. Segment revenue and operating results

The Group's revenue and operating results analyzed by the operating segments were as follows:

	Segment Revenue		**Segment Profit/Loss**	
	For the Nine Months Ended September 30		**For the Nine Months Ended September 30**	
	2022	**2021**	**2022**	**2021**
Cement segment	$ 2,946,093	$ 2,878,883	$ 392,068	$ 237,915
Other segments	86	26,133	3,044	(10,491)
Total from operations	$ 2,946,179	$ 2,905,016	395,112	227,424
Interest income			1,328	1,520
Rental income			6,476	6,833
Other income			33,673	13,714
Foreign exchange (losses) gains			(3,197)	1,062
Fair value changes of financial assets			(20,419)	(922)
Other losses			(4,450)	(5,856)
Interest expense			(31,050)	(23,443)
Profit before income tax			$ 377,473	$ 220,332

The segment revenue reported above was all generated from transactions with external customers.

The revenue of segments means the profits earned by each segment, excluding interest income which shall be apportioned, rent income, other income, foreign exchange (losses) gains, fair value changes of financial assets, other losses and interest expense.

b. Total assets and liabilities of segments

	September 30, 2022	December 31, 2021	September 30, 2021
Segment assets			
Operating segment			
Cement segment	$ 5,809,776	$ 4,707,090	$ 4,588,342
Other segments	3,423,071	3,334,620	3,275,303
Total assets	$ 9,232,847	$ 8,041,710	$ 7,863,645
Segment liabilities			
Operating segment			
Cement segment	$ 3,721,238	$ 2,738,059	$ 2,706,255
Other segments	902,443	658,077	610,187
Total liabilities	$ 4,623,681	$ 3,396,136	$ 3,316,442

TABLE 1

LUCKY CEMENT CO. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Maximum Balance in Current Period	Related Party	Ending Balance (Note 4)	Actual Amount Borrowed (Note 5)	Interest Rate (%)	Nature of Financing (Note 1)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limit for Each Borrower (Note 2)	Aggregate Financing Limit (Note 3)
													Item	Value		
0	Lucky Cement Co.	Dasheng Enterprise	Other receivables from related parties	$ 200,000	Yes	$ 200,000	$ 21,700	1.6963	b.	$ -	Operating turnover	$ -	-	-	$ 460,910	$ 1,843,640
		Luckyship Co.	Other receivables from related parties	20,000	Yes	-	-	1.6963	b.	-	Operating turnover	-	-	-	460,910	1,843,640
		Luckicon Ready-mixed Co.	Other receivables from related parties	300,000	Yes	300,000	178,000	1.6963	b.	-	Operating turnover	-	-	-	460,910	1,843,640
						$ 500,000										

Note 1: The nature of financing is as follows:

a. Party with business.
b. Party with short-term financing need.

Note 2: Financing of Lucky Cement Co. to a more than 50% owned subsidiary should not be more than 10% of the net value of Lucky Cement Co. at end of year; For a subsidiary that is 20% to 50% owned, loan should not be more than 5% of the net value of Lucky Cement Co. at end of year; for less than 20% owned subsidiary, loan should not be more than 2% of the net value of Lucky Cement Co. at end of year.

Note 3: The limit is 40% of net value of the financing company at end of the year.

Note 4: The amount is approved by the board of directors.

Note 5: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

LUCKY CEMENT CO. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship											
0	Lucky Cement Co.	Dasheng Enterprise	Subsidiary	$ 1,843,640	$ 620,000	$ 620,000	$ 500,000	$ -	13.45	$ 2,304,551	Y	-	-	
		Luckicon Ready-Mixed Co	Subsidiary	1,843,640	1,020,000	1,020,000	312,000	-	22.13	2,304,551	Y	-	-	
		Lucky Cement Japan	Subsidiary	1,843,640	12,035	10,910	-	-	0.24	2,304,551	Y	-	-	
						$ 1,650,910								

Note 1: The upper limit that Lucky Cement Co. endorses for single company shall not exceed 10% of the net value of Lucky Cement Co. and shall not exceed 40% of the net value of subsidiary.

Note 2: The endorsement approved in the meeting of shareholders shall not exceed 50% of the net value of Lucky Cement Co.

LUCKY CEMENT CO. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2022				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value (Notes 1 and 2)	
Lucky Cement Co.	Mutual fund							
	O-Bank No. 1 Real Estate Investment Trust	-	Financial assets at FVTPL - current	500,000	$ 4,355	-	$ 4,355	
	FSITC Global Video Gaming & eSports Fund	-	Financial assets at FVTPL - current	100,000	870	-	870	
	Cathay Global Autonomous and Electric Vehicles ETF	-	Financial assets at FVTPL - current	4,500,000	52,965	-	52,965	
	Non-listed ordinary shares							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,283,068	9,020	10.58	9,020	
	Listed ordinary shares							
	Yang Ming Marine Transport Corp.	-	Financial assets at FVTOCI - current	400,000	24,600	0.01	24,600	
	Evergreen Marine Corp. (Taiwan) Ltd.	-	Financial assets at FVTOCI - current	380,000	55,480	0.02	55,480	
	Asia Cement Corporation	-	Financial assets at FVTOCI - current	165,000	6,501	-	6,501	
	Far Eastern New Century Corporation	-	Financial assets at FVTOCI - current	200,000	6,470	-	6,470	
	Taiwan Cement Corp	-	Financial assets at FVTOCI - current	335,640	11,345	-	11,345	
	U-Ming Marine Transport Corporation	-	Financial assets at FVTOCI - current	78,000	2,847	0.01	2,847	
	United Microelectronics Corporation	-	Financial assets at FVTOCI - current	72,351	2,587	-	2,587	
	Winbond Electronics Corp.	-	Financial assets at FVTOCI - current	130,181	2,571	-	2,571	
	Medigen Biotechnology Corporation	-	Financial assets at FVTOCI - current	28,628	965	0.02	965	
	Sanitar Co., Ltd.	-	Financial assets at FVTOCI - current	24,000	857	0.03	857	
	China Development Financial	-	Financial assets at FVTOCI - current	13,496	162	-	162	
	First Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	944	24	-	24	
	Capital Securities Corp.	-	Financial assets at FVTOCI - current	875	9	-	9	
	Hua Nan Financial Holdings Co., Ltd.	-	Financial assets at FVTOCI - current	472	10	-	10	
Luckyship Co.	Non-listed ordinary shares							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	42,068	296	0.35	296	

Note 1: Financial assets at FVTPL: Fair value is based on the net asset value of funds on September 30, 2022.

Note 2: Financial assets at FVTOCI: Fair value of listed shares is based on their closing price on September 30, 2022. Fair value of non-listed shares is estimated by the fair value method.

Note 3: Please refer to Table 7 for information regarding subsidiaries.

TABLE 4

LUCKY CEMENT CO. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Luckicon Ready-mixed Co.	4 lots of land with land serial No. 222, etc. located in Fuhai Lujhu District of Taoyuan City	April 14, 2022 (Note 1)	$ 678,328 (Note 2)	As of September 30, 2022, the Company has paid $542,662 thousand in installments according to the contract.	Natural person who is not a related party of the Group	N/A	-	-	-	$ -	Negotiated based on the appraisal report and later resolved in the board of directors' meeting.	Factory use	N/A

Note 1: It was the resolution date of the board of directors of Luckicon Ready-mixed Co.

Note 2: Please refer to Note 17 for details.

LUCKY CEMENT CO. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total (Note 1)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total (Note 1)	
Lucky Cement Co.	Luckicon Ready-Mixed Co.	Subsidiary	Sale	$ (315,251)	(14.19)	About 90 days	Similar to general transactions	Similar to general transactions	Accounts receivable $ 44,633 Notes receivable 145,266	7.10 23.09	Note 2

Note 1: The rate is calculated in accordance with individual financial statements of each company.

Note 2: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

LUCKY CEMENT CO. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note 2)		Turnover Rate (Note 1)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Lucky Cement Co.	Luckicon Ready-mixed Co.	Subsidiary	Notes and accounts receivable	$ 189,899	3.10	$ -	-	$ 80,887	$ -
			Other receivables - financing	178,000	-	-	-	-	-

Note 1: The rate is calculated in accordance with individual financial statements of each company.

Note 2: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

LUCKY CEMENT CO. AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Address	Main Businesses and Products	Original Investment Amount (Note 3)		As of September 30, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2022	December 31, 2021	Number of Shares	Percentage of Ownership (%)	Carrying Value			
Lucky Cement Co.	Dasheng Enterprise	14F., No. 237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Sale and lease of real estate	$ 2,367,473	$ 2,367,473	157,295,883	99.99	$ 2,470,990	$ (11,552)	$ (11,552)	Note 1
	Luckicon Ready-Mixed Co.	No. 191, Sec. 1, Meishi Rd., Yangmei Dist., Taoyuan City 326, Taiwan (R.O.C.)	Manufacturing and trading of ready-mixed concrete	350,000	350,000	47,000,000	100.00	719,919	84,670	84,731 (Note 4)	Note 1
	Lucky Cement Japan,	Aichi, Japan hekinan Yu Jin-Pu-cho 12 gu	Cement trading	82,300	82,300	6,800	100.00	16,931	(1,244)	(1,244)	Note 2
	Luckyship Co.	13F., No. 237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Shipping agent	88,615	88,615	2,000,000	100.00	23,267	(2,302)	(2,301) (Note 5)	Note 2
Luckicon Ready-Mixed Co.	Fuyu Development	13F., No. 237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	On land clay and stone quarrying	12,571	12,571	1,000,000	100.00	8,789	1,036	1,036	Note 1

Note 1: The amounts were calculated based on the reviewed financial statements.

Note 2: The amounts were calculated based on the financial statements that were not reviewed.

Note 3: The original investment amount shown is the amount prior to capital reduction to make up for the losses.

Note 4: The difference is transactions realized gain of $61 thousand.

Note 5: The difference is transactions realized gain of $1 thousand.

Note 6: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

LUCKY CEMENT CO. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No	Company Name	Counterparty	Nature of Relationship (Note)	Intercompany Transactions			
				Financial Statement Item	Amount	Terms	% of Consolidated Net Revenue or Total Assets
0	Lucky Cement Co.	Luckicon Ready-Mixed Co.	a.	Accounts receivable	$ 44,633	About 90 days	0.48
		Luckicon Ready-Mixed Co.	a.	Notes receivable	145,266	About 90 days	1.57
		Luckicon Ready-Mixed Co.	a.	Other receivables	200	About 90 days	-
		Luckicon Ready-Mixed Co.	a.	Other receivables - financing	178,000	Financing, the repayment period is one year	1.93
		Luckicon Ready-Mixed Co.	a.	Notes payable	2,047	About 90 days	0.02
		Luckicon Ready-Mixed Co.	a.	Contract liabilities	11,428	About 90 days	0.12
		Luckicon Ready-Mixed Co.	a.	Sales revenue	315,251	About 90 days	10.70
		Luckicon Ready-Mixed Co.	a.	Operating cost	21	About 90 days	-
		Luckicon Ready-Mixed Co.	a.	Rental income	1,143	30 days	0.04
		Luckicon Ready-Mixed Co.	a.	Interest income	1,242	30 days	0.04
		Fuyu Development Co., Ltd.	a.	Other receivables	5	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Notes receivable	1,057	About 90 days	0.01
		Fuyu Development Co., Ltd.	a.	Other payable	52	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Operating cost	997	About 90 days	0.03
		Fuyu Development Co., Ltd.	a.	Other income	900	About 30 days	0.03
		Fuyu Development Co., Ltd.	a.	Rental income	6,048	30 days	0.21
		Luckyship Co.	a.	Other receivables	7	About 90 days	-
		Luckyship Co.	a.	Rental income	207	30 days	0.01
		Dasheng Enterprise	a.	Other receivables - financing	21,700	Financing, the repayment period is one year	0.24
		Dasheng Enterprise	a.	Other receivables	30	About 90 days	-
		Dasheng Enterprise	a.	Rental income	68	30 days	-
		Dasheng Enterprise	a.	Interest income	176	30 days	0.01
		Dasheng Enterprise	c.	Notes receivable	647	About 90 days	0.01
		Dasheng Enterprise	c.	Accounts receivable	3,921	About 90 days	0.04
		Dasheng Enterprise	c.	Sales revenue	8,268	About 90 days	0.28

Note 1: The flow of transactions is as follows:

a. From the parent to the subsidiary.
b. From the subsidiary to the parent.
c. From the subsidiary to the subsidiary.

Note 2: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

TABLE 9

LUCKY CEMENT CO.

INFORMATION OF MAJOR SHAREHOLDERS
SEPTEMBER 30, 2022

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Changheng Investment Co.	52,631,034	13.00
East Life Biotech Co.	30,378,008	7.50
Jinli Investment Co.	25,230,451	6.23
RI KON Construction Co.	22,658,066	5.59
Yung-Sheng Development Enterprise Co.	22,514,509	5.56
Lucky Construction Co.	22,091,152	5.45

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 held by shareholders with ownership of 5% or greater, that have been issued without physical registration 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 truster who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.