Lucky Cement Co. and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2024 and 2023 and Independent Auditors' Review Report

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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, the "Group") as of June 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2024 and 2023, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements") 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 Standards on Review Engagements of the Republic of China 2410 "Review of Interim 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 be 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 June 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT$23,288 thousand and NT$41,718 thousand, respectively, both representing 0% of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT$3,409 thousand and NT$7,111 thousand, respectively, both representing 0% of the consolidated total liabilities; for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the amounts of combined comprehensive loss of these subsidiaries were NT$1,050 thousand, NT$960 thousand, NT$13,008 thousand and NT$4,467 thousand, respectively, representing (1%), (1%), (5%) and (2%), respectively.

Qualified Conclusion

Based on our reviews, except for 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 present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2024 and 2023, its consolidated financial performance for the three months ended June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2024 and 2023 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

August 12, 2024

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)

	June 30, 2024		December 31, 2023		June 30, 2023	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash (Note 6)	$ 398,268	4	$ 283,737	3	$ 238,566	3
Financial assets at fair value through profit or loss - current (Note 7)	11,599	-	10,922	-	11,378	-
Financial assets at fair value through other comprehensive income - current (Note 8)	77,080	1	83,279	1	135,888	1
Financial assets at amortized cost - current (Notes 9 and 32)	71,497	1	64,727	1	83,984	1
Notes receivable (Notes 10, 24 and 32)	352,607	3	493,136	5	519,466	5
Accounts receivable (Notes 10 and 24)	673,612	7	686,567	7	607,648	6
Accounts receivable from related parties (Notes 24 and 31)	6,301	-	12,234	-	9,054	-
Other receivables (Note 10)	336	-	354	-	514	-
Other receivables from related parties (Note 31)	597	-	311	-	191	-
Current tax assets	-	-	-	-	185	-
Inventories (Notes 11 and 32)	4,118,624	41	4,195,260	42	4,064,932	42
Prepayments (Note 13)	116,954	1	94,961	1	241,610	3
Other current assets (Note 14)	26,782	-	30,342	-	25,809	-
Total current assets	5,854,257	58	5,955,830	60	5,939,225	61
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	11,408	-	10,590	-	11,902	-
Financial assets at amortized cost - non-current (Notes 9 and 32)	179,761	2	179,196	2	179,195	2
Property, plant and equipment (Notes 15 and 32)	3,537,330	35	3,415,001	34	3,139,767	32
Right-of-use assets (Note 16)	150,910	2	154,227	1	106,129	1
Deferred tax assets (Note 4)	71,812	1	68,160	1	63,671	1
Refundable deposits	21,396	-	24,046	-	26,786	-
Other non-current assets (Note 17)	208,390	2	162,823	2	259,080	3
Total non-current assets	4,181,007	42	4,014,043	40	3,786,530	39
TOTAL	$ 10,035,264	100	$ 9,969,873	100	$ 9,725,755	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 32)	$ 995,000	10	$ 979,500	10	$ 1,017,855	10
Short-term bills payable (Note 18)	449,558	5	359,277	4	149,649	2
Contract liabilities (Note 24)	738,002	7	520,859	5	558,766	6
Notes payable (Note 19)	333,121	3	390,153	4	298,363	3
Notes payable to related parties (Notes 19 and 31)	35,379	-	66,780	1	62,531	1
Accounts payable (Note 19)	113,980	1	189,227	2	173,031	2
Accounts payable to related parties (Notes 19 and 31)	26,669	-	42,300	-	34,251	-
Other payables (Note 20)	582,681	6	215,106	2	584,326	6
Other payables to related parties (Note 31)	140,256	1	132,920	1	95,064	1
Current tax liabilities	63,688	1	137,356	1	71,772	1
Lease liabilities - current (Notes 16 and 31)	51,916	1	49,722	1	40,999	-
Current portion of long-term borrowings (Notes 18 and 32)	425,000	4	212,500	2	50,000	1
Other current liabilities	2,951	-	2,028	-	1,569	-
Total current liabilities	3,958,201	39	3,297,728	33	3,138,176	33
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 18 and 32)	895,000	9	1,357,500	14	1,576,000	16
Deferred tax liabilities (Note 4)	28,177	-	24,672	-	22,725	-
Lease liabilities - non-current (Notes 16 and 31)	100,701	1	105,834	1	66,223	1
Other payables to related parties (Note 31)	40,000	1	40,000	-	40,000	-
Net defined benefit liabilities (Note 4)	21,115	-	24,634	-	24,162	-
Guarantee deposits received	65,630	1	48,680	1	45,834	1
Total non-current liabilities	1,150,623	12	1,601,320	16	1,774,944	18
Total liabilities	5,108,824	51	4,899,048	49	4,913,120	51
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Share capital						
Ordinary shares	4,047,380	40	4,047,380	40	4,047,380	42
Capital surplus	18	-	18	-	18	-
Retained earnings						
Legal reserve	341,022	4	297,577	3	297,577	3
Special reserve	36,673	-	91,055	1	91,055	1
Unappropriated earnings	508,696	5	671,401	7	515,808	5
Total retained earnings	886,391	9	1,060,033	11	904,440	9
Other equity	(7,416)	-	(36,673)	-	(139,273)	(2)
Total equity attributable to owners of the Company	4,926,373	49	5,070,758	51	4,812,565	49
NON-CONTROLLING INTERESTS	67	-	67	-	70	-
Total equity	4,926,440	49	5,070,825	51	4,812,635	49
TOTAL	$ 10,035,264	100	$ 9,969,873	100	$ 9,725,755	100

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

(With Deloitte & Touche review report dated August 12, 2024)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)								
Sales	$ 1,218,127	100	$ 1,324,622	100	$ 2,411,917	100	$ 2,418,286	100
Less: Discounts and allowances	(1,014)	-	(2,514)	-	(1,836)	-	(3,513)	-
Total operating revenue	1,217,113	100	1,322,108	100	2,410,081	100	2,414,773	100
OPERATING COSTS (Notes 11, 25 and 31)	964,757	79	1,049,256	79	1,932,515	80	1,940,590	80
GROSS PROFIT	252,356	21	272,852	21	477,566	20	474,183	20
OPERATING EXPENSES (Notes 10, 25 and 31)								
Selling and marketing expenses	30,134	3	28,916	2	59,299	2	55,504	3
General and administrative expenses	36,740	3	39,620	3	74,309	3	75,207	3
Expected credit loss	13,470	1	10,877	1	11,109	1	6,585	-
Total operating expenses	80,344	7	79,413	6	144,717	6	137,296	6
OTHER OPERATING INCOME AND EXPENSES (Note 25)	289	-	-	-	1,000	-	1,900	-
PROFIT FROM OPERATIONS	172,301	14	193,439	15	333,849	14	338,787	14
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)								
Interest income	1,209	-	1,177	-	1,953	-	1,823	-
Other income	5,133	1	4,810	-	10,504	-	15,079	1
Other gains and losses	(1,972)	-	6,448	1	(3,679)	-	21,532	1
Finance costs	(11,171)	(1)	(13,937)	(1)	(23,853)	(1)	(29,088)	(1)
Total non-operating income and expenses	(6,801)	-	(1,502)	-	(15,075)	(1)	9,346	1
PROFIT BEFORE INCOME TAX	165,500	14	191,937	15	318,774	13	348,133	15
INCOME TAX EXPENSE (Notes 4 and 26)	(32,876)	(3)	(40,297)	(3)	(64,038)	(2)	(69,279)	(3)
NET PROFIT FOR THE PERIOD	132,624	11	151,640	12	254,736	11	278,854	12

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LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	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	$ 12,983	1	$ (48,220)	(4)	$ 5,875	-	$ (46,952)	(2)
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation to the presentation currency	(90)	-	(996)	-	(258)	-	(1,266)	-
Other comprehensive income (loss), net of income tax	12,893	1	(49,216)	(4)	5,617	-	(48,218)	(2)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 145,517	12	$ 102,424	8	$ 260,353	11	$ 230,636	10
NET PROFIT ATTRIBUTABLE TO:								
Shareholders of the Company	$ 132,624	11	$ 151,640	11	$ 254,736	11	$ 278,854	12
Non-controlling interests	-	-	-	-	-	-	-	-
	$ 132,624	11	$ 151,640	11	$ 254,736	11	$ 278,854	12
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Shareholders of the Company	$ 145,517	12	$ 102,424	8	$ 260,353	11	$ 230,636	10
Non-controlling interests	-	-	-	-	-	-	-	-
	$ 145,517	12	$ 102,424	8	$ 260,353	11	$ 230,636	10
EARNINGS PER SHARE (Note 27)								
Basic	$ 0.33		$ 0.37		$ 0.63		$ 0.69	
Diluted	$ 0.33		$ 0.37		$ 0.63		$ 0.69	

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

(With Deloitte & Touche review report dated August 12, 2024) (Concluded)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars, Except Cash Dividend Per Share)

	Equity Attributable to Owners of the Company									
			Retained Earnings			Other Equity				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	$ 4,047,380	$ 18	$ 238,244	$ 14,908	$ 696,224	$ 3,668	$ (94,723)	$ 4,905,719	$ 70	$ 4,905,789
Appropriation of 2022 earnings										
Legal reserve	-	-	59,333	-	(59,333)	-	-	-	-	-
Special reserve	-	-	-	76,147	(76,147)	-	-	-	-	-
Cash dividend to shareholders	-	-	-	-	(323,790)	-	-	(323,790)	-	(323,790)
Net profit for the six months ended June 30, 2023	-	-	-	-	278,854	-	-	278,854	-	278,854
Other comprehensive loss for the six months ended June 30, 2023	-	-	-	-	-	(1,266)	(46,952)	(48,218)	-	(48,218)
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	278,854	(1,266)	(46,952)	230,636	-	230,636
BALANCE AT JUNE 30, 2023	$ 4,047,380	$ 18	$ 297,577	$ 91,055	$ 515,808	$ 2,402	$ (141,675)	$ 4,812,565	$ 70	$ 4,812,635
BALANCE AT JANUARY 1, 2024	$ 4,047,380	$ 18	$ 297,577	$ 91,055	$ 671,401	$ 2,721	$ (39,394)	$ 5,070,758	$ 67	$ 5,070,825
Appropriation of 2023 earnings										
Legal reserve	-	-	43,445	-	(43,445)	-	-	-	-	-
Reverse special reserve	-	-	-	(54,382)	54,382	-	-	-	-	-
Cash dividend to shareholders	-	-	-	-	(404,738)	-	-	(404,738)	-	(404,738)
Net profit for the six months ended June 30, 2024	-	-	-	-	254,736	-	-	254,736	-	254,736
Other comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	(258)	5,875	5,617	-	5,617
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	254,736	(258)	5,875	260,353	-	260,353
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Notes 8 and 23)	-	-	-	-	(23,640)	-	23,640	-	-	-
BALANCE AT JUNE 30, 2024	$ 4,047,380	$ 18	$ 341,022	$ 36,673	$ 508,696	$ 2,463	$ (9,879)	$ 4,926,373	$ 67	$ 4,926,440

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

(With Deloitte & Touche review report dated August 12, 2024)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 318,774	$ 348,133
Adjustments for:		
Depreciation expense	85,734	77,865
Amortization and depletion expense	3,290	8,989
Expected credit loss recognized on trade receivables	11,109	6,585
Net gain on fair value changes of financial assets at fair value through profit or loss	(817)	(24,558)
Finance costs	23,853	29,088
Interest income	(1,953)	(1,823)
Gain on disposal of property, plant and equipment	(1,000)	(1,900)
Write-downs of inventories	2,884	-
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	140	66,802
Notes receivable	140,529	(86,541)
Accounts receivable	1,846	(52,395)
Accounts receivable from related parties	5,933	2,670
Other receivables	48	980
Other receivables from related parties	(286)	60
Inventories	73,752	109
Prepayments	(21,993)	11,766
Other current assets	3,560	405
Other non-current assets	-	446
Contract liabilities	217,143	9,577
Notes payable	(7,947)	58,648
Notes payable to related parties	(31,401)	35,703
Accounts payable	(75,247)	(48,112)
Accounts payable to related parties	(15,631)	9,234
Other payables	(38,048)	44,466
Other payables to related parties	(383)	(725)
Other current liabilities	923	(783)
Net defined benefit liabilities	(3,519)	(259)
Cash generated from operations	691,293	494,430
Interest received	1,923	1,783
Interest paid	(32,944)	(34,642)
Income tax paid	(137,853)	(95,950)
Net cash generated from operating activities	522,419	365,621

(Continued)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2024	**2023**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income (Note 28)	$ (48,217)	$ (25,769)
Proceeds from sale of financial assets at fair value through other comprehensive income	66,283	-
(Increase) decrease in financial assets at amortized cost	(7,335)	35,220
Acquisition of property, plant and equipment (Note 28)	(277,781)	(122,442)
Proceeds from disposal of property, plant and equipment	4,382	1,900
Decrease (increase) in refundable deposits	2,650	(8,965)
Increase in other non-current assets	-	(127)
Net cash used in investing activities	(260,018)	(120,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	15,500	-
Decrease in short-term borrowings	-	(460,345)
Increase in short-term bills payable	90,000	-
Decrease in short-term bills payable	-	(260,000)
Proceeds from long-term borrowings	280,000	576,000
Repayments of long-term borrowings	(530,000)	(110,000)
Increase in guarantee deposits received	16,950	6,794
Increase in other payables to related parties	7,700	-
Repayment of the principal portion of lease liabilities	(27,889)	(28,339)
Net cash used in financing activities	(147,739)	(275,890)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(131)	(956)
NET INCREASE (DECREASE) IN CASH	114,531	(31,408)
CASH AT THE BEGINNING OF THE PERIOD	283,737	269,974
CASH AT THE END OF THE PERIOD	$ 398,268	$ 238,566

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

(With Deloitte & Touche review report dated August 12, 2024) (Concluded)

LUCKY CEMENT CO. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(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 August 12, 2024.

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 "IFRS Accounting Standards") endorsed and issued into effect by the FSC

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
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
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IFRS Accounting Standards 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 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 assets which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which 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 an 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 12 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 the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

The Group is engaged in the construction business, which has an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group’s construction-related assets and liabilities.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company.

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 dates of acquisitions up to the effective dates of disposals, 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 amounts 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.

See Note 12, Note 37 and Table 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Other material accounting policies

Except for the following, for the summary of other material accounting policies, refer to the consolidated financial statements for the year ended December 31, 2023.

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) Income tax expense

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. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the statements of material accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2023.

6. CASH

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand and revolving funds	$ 1,784	$ 1,524	$ 1,337
Checking accounts and demand deposits	395,099	277,415	236,450
Foreign currency demand deposits	1,385	4,798	779
	$ 398,268	$ 283,737	$ 238,566

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2024	December 31, 2023	June 30, 2023
Current			
Financial assets mandatorily classified as at FVTPL - mutual funds	$ 11,599	$ 10,922	$ 11,378

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	June 30, 2024	December 31, 2023	June 30, 2023
Current			
Domestic investments - listed shares	$ 77,080	$ 83,279	$ 135,888
Non-current			
Domestic investments - unlisted shares	$ 11,408	$ 10,590	$ 11,902

The aforementioned information for investments, please refer to Note 37, 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 six months ended June 30, 2024, the Group disposed of partial common stock at fair value of $66,283 thousand, and related other equity - unrealized valuation losses on financial assets at fair value through other comprehensive income of $23,640 thousand were transferred to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2024	December 31, 2023	June 30, 2023
Current			
Time deposits with original maturities of more than 3 months (a)	$ 26,677	$ 26,407	$ 26,274
Restricted assets (b)	44,820	38,320	57,710
	$ 71,497	$ 64,727	$ 83,984
Non-current			
Restricted assets (c)	$ 179,761	$ 179,196	$ 179,195

a. The interest rates of time deposits with original maturities of more than 3 months were approximately 1.69%-1.82%, 1.57%-1.89% and 1.57%-1.64% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

b. The restricted assets - current are savings deposits and certificate of deposit that are provided as guarantees for bank loan and construction contract; market interest rate ranges were approximately 0.40%-1.69%, 0.55%-1.57% and 0.45%-1.57% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

c. The restricted assets - non-current are certificate of deposit in the bank that is pledged as the security of mining right, which has market interest rate range of approximately 0.50%-1.70%, 0.50%-1.58% and 0.50%-1.58% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

d. Please 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

	June 30, 2024	December 31, 2023	June 30, 2023
Notes receivable			
At amortized cost			
Gross carrying amount	$ 352,607	$ 493,136	$ 519,466
Trade receivables			
At amortized cost			
Gross carrying amount	$ 701,838	$ 704,445	$ 634,806
Less: Allowance for impairment loss	(28,226)	(17,878)	(27,158)
	$ 673,612	$ 686,567	$ 607,648

(Continued)

	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables			
Others	$ 336	$ 354	$ 514
Overdue receivables			
Overdue	$ 31,826	$ 31,065	$ 31,065
Less: Allowance for impairment loss	(31,826)	(31,065)	(31,065)
	$ -	$ -	$ -

(Concluded)

a. Notes receivable

The average credit period of sales of products is 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. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts.

Notes receivable of the Group are not overdue as of the balance sheet date, the Group assesses that no allowance for loss on notes receivable is required as of June 30, 2024, December 31, 2023 and June 30, 2023.

Please refer to Note 32 for information relating to trade receivables pledged as security.

b. Trade receivables

The average credit period of sales of products 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 measures 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.

June 30, 2024

	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%-0.46%	7.10%	12.42%	19.40%-69.41%	100%	100%	
Gross carrying amount	$ 583,829	$ 29,981	$ 42,212	$ 36,135	$ 2,727	$ 38,780	$ 733,664
Loss allowance (Lifetime ECLs)	(2,239)	(2,129)	(5,241)	(8,936)	(2,727)	(38,780)	(60,052)
Amortized cost	$ 581,590	$ 27,852	$ 36,971	$ 27,199	$ -	$ -	$ 673,612

December 31, 2023

	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%-0.46%	7.10%	12.42%	19.40%-69.41%	100%	100%	
Gross carrying amount	$ 645,410	$ 39,946	$ 5,776	$ 2,101	$ 4,258	$ 38,019	$ 735,510
Loss allowance (Lifetime ECLs)	(2,555)	(2,836)	(717)	(558)	(4,258)	(38,019)	(48,943)
Amortized cost	$ 642,855	$ 37,110	$ 5,059	$ 1,543	$ -	$ -	$ 686,567

June 30, 2023

	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%-0.29%	6.75%	12.18%	22.81%-88.62%	100%	100%	
Gross carrying amount	$ 572,598	$ 12,663	$ 3,595	$ 36,684	$ 2,313	$ 38,018	$ 665,871
Loss allowance (Lifetime ECLs)	(1,313)	(855)	(438)	(15,286)	(2,313)	(38,018)	(58,223)
Amortized cost	$ 571,285	$ 11,808	$ 3,157	$ 21,398	$ -	$ -	$ 607,648

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

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	$ 48,943	$ 51,638
Add: Net remeasurement of loss allowance	11,109	6,585
Balance at June 30	$ 60,052	$ 58,223

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 June 30, 2024, December 31, 2023 and June 30, 2023, the expected credit loss rate of other receivables were 0% consistently.

11. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Real estate under development and real estate to be developed	$ 3,479,557	$ 3,477,710	$ 3,442,636
Raw materials	317,175	375,868	262,506
Supplies and spare parts	179,094	171,621	155,094
Finished goods	86,388	124,079	157,277
Work in progress	56,410	45,982	40,831
Merchandise	-	-	6,588
	$ 4,118,624	$ 4,195,260	$ 4,064,932

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

	For the Three Months Ended June 30		For the six Months Ended June 30	
	2024	2023	2024	2023
Cost of inventories sold	$ 964,757	$ 1,049,256	$ 1,929,631	$ 1,940,590
Write-down of inventories	-	-	2,884	-
	$ 964,757	$ 1,049,256	$ 1,932,515	$ 1,940,590

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:

			Percentage of Equity Held (%)		
Investor Company Name	Subsidiary Name	Nature of Business	June 30, 2024	December 31, 2023	June 30, 2023
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
	Luckicon Ready-mixed Concrete Factory Co., Ltd. (“Luckicon Ready-mixed Co.”)	Production and sales 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	100.00
Luckicon Ready-mixed Co.	Fuyu Development Co., Ltd.	Earth and stone.	100.00	100.00	100.00

For the six months ended June 30, 2024 and 2023, except for Luckicon Ready-mixed Co., Dasheng Enterprise 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 June 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were $23,288 thousand and $41,718 thousand, respectively, both representing 0%, of the consolidated total assets, and the combined total liabilities of these subsidiaries were $3,409 thousand and $7,111 thousand, respectively, both representing 0% of the consolidated total liabilities; for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the amounts of combined comprehensive loss of these subsidiaries were $1,050 thousand, $960 thousand, $13,008 thousand and $4,467 thousand, respectively, representing (1%), (1%), (5%) and (2%), respectively.

13. PREPAYMENTS

	June 30, 2024	December 31, 2023	June 30, 2023
Prepaid expenses	$ 92,079	$ 80,345	$ 98,959
Prepaid purchase materials	22,090	12,989	20,510
Prepaid land payment	-	-	119,595
Other	2,785	1,627	2,546
	$ 116,954	$ 94,961	$ 241,610

Dasheng Enterprise acquired land from the unrelated party for the total contract price of $128,092 thousand. On August 30, 2023, the transfers to inventory - real estate under development and real estate to be developed was completed.

14. OTHER CURRENT ASSETS

	June 30, 2024	December 31, 2023	June 30, 2023
Offset against business tax payable	$ 26,782	$ 30,339	$ 25,800
Others	-	3	9
	$ 26,782	$ 30,342	$ 25,809

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Electrical Equipment	Transportation Equipment	Other Equipment	Property under Construction	Total
Cost								
Balance at January 1, 2024	$ 2,348,174	$ 2,216,893	$ 5,669,632	$ 1,118,698	$ 1,062,093	$ 358,271	$ 192,529	$ 12,966,290
Additions	-	-	28,875	52,080	4,280	4,161	93,909	183,305
Disposals	-	(66,106)	(24,264)	(3,218)	(7,522)	(449)	-	(101,559)
Net exchange difference	-	(2,332)	(231)	-	-	(8)	-	(2,571)
Balance at June 30, 2024	2,348,174	2,148,455	5,674,012	1,167,560	1,058,851	361,975	286,438	13,045,465
Accumulated depreciation and impairment								
Balance at January 1, 2024	-	2,003,255	5,501,087	1,103,096	612,870	330,981	-	9,551,289
Depreciation expenses	-	18,910	11,026	4,172	19,201	4,158	-	57,467
Disposals	-	(64,069)	(22,919)	(3,218)	(7,522)	(449)	-	(98,177)
Net exchange difference	-	(2,254)	(182)	-	-	(8)	-	(2,444)
Balance at June 30, 2024	-	1,955,842	5,489,012	1,104,050	624,549	334,682	-	9,508,135
Carrying amounts at June 30, 2024	$ 2,348,174	$ 192,613	$ 185,000	$ 63,510	$ 434,302	$ 27,293	$ 286,438	$ 3,537,330
Carrying amount at December 31, 2023 and January 1, 2024	$ 2,348,174	$ 213,638	$ 168,545	$ 15,602	$ 449,223	$ 27,290	$ 192,529	$ 3,415,001
Cost								
Balance at January 1, 2023	$ 2,334,454	$ 2,209,767	$ 5,598,597	$ 1,106,961	$ 935,086	$ 362,106	$ -	$ 12,546,971
Additions	13,720	-	131,670	-	15,255	5,777	-	166,422
Disposals	-	-	-	-	(5,703)	-	-	(5,703)
Net exchange difference	-	(5,483)	(720)	-	(19)	(28)	-	(6,250)
Balance at June 30, 2023	2,348,174	2,204,284	5,729,547	1,106,961	944,619	367,855	-	12,701,440
Accumulated depreciation and impairment								
Balance at January 1, 2023	-	1,967,948	5,515,364	1,101,436	593,707	345,001	-	9,523,456
Depreciation expenses	-	20,050	7,924	1,616	15,115	5,155	-	49,860
Disposals	-	-	-	-	(5,703)	-	-	(5,703)
Net exchange difference	-	(5,291)	(603)	-	(19)	(27)	-	(5,940)
Balance at June 30, 2023	-	1,982,707	5,522,685	1,103,052	603,100	350,129	-	9,561,673
Carrying amounts at June 30, 2023	$ 2,348,174	$ 221,577	$ 206,862	$ 3,909	$ 341,519	$ 17,726	$ -	$ 3,139,767

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	35-53 years
Electrical power equipment	10-15 years
Engineering system	2-5 years
Machinery and equipment	2-22 years
Electrical equipment	2-18 years
Transportation equipment	2-17 years
Office equipment	2-19 years

c. There were no impairment losses of assets for the six months ended June 30, 2024 and 2023 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

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount			
Land	$ 29,033	$ 35,075	$ 24,578
Buildings	121,694	118,811	81,053
Transportation equipment	183	341	498
	$ 150,910	$ 154,227	$ 106,129

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Additions to right-of-use assets			$ 24,950	$ 3,105
Depreciation charge for right-of-use assets				
Land	$ 3,065	$ 2,966	$ 6,130	$ 5,797
Buildings	10,989	11,015	21,979	22,030
Transportation equipment	80	78	158	178
	$ 14,134	$ 14,059	$ 28,267	$ 28,005

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 six months ended June 30, 2024 and 2023.

b. Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount			
Current	$ 51,916	$ 49,722	$ 40,999
Non-current	$ 100,701	$ 105,834	$ 66,223

Range of discount rates for lease liabilities was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Land	1.55%-2.22%	1.55%-2.22%	1.50%-2.03%
Buildings	1.55%-2.36%	1.55%-2.36%	1.50%-1.76%
Transportation equipment	2.03%	2.03%	2.03%

c. Material leasing activities and terms

The Group leases lands and buildings for the use of offices and operations with lease terms of 1 to 20 years.

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

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

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	$ 4,381	$ 816	$ 6,210	$ 1,882
Expenses relating to low-value asset leases	173	160	339	311
Interest on lease liabilities	729	443	1,520	931
Principal portion of lease liabilities	13,993	14,444	27,889	28,339
Total cash outflow for leases	$ 19,276	$ 15,863	$ 35,958	$ 31,463

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

	June 30, 2024	December 31, 2023	June 30, 2023
Prepayments for investment property	$ 105,074	$ 18,874	$ 18,874
Prepayments for the equipment	83,524	120,867	185,610
Net limestone mining rights	18,764	18,764	18,765
Long-term prepayment expenses	1,028	4,318	35,831
	$ 208,390	$ 162,823	$ 259,080

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 procedures of the real estate allocated by the Group have not been completed, it was recorded in other non-current assets - prepayments for investment property.

In May 2021, the Group bought the land from the non-related parties for the purpose of building a factory, and the contract price was $168,500 thousand until June 30, 2024. The amount of $84,200 thousand was paid and reported as an advance payment for the property.

18. BORROWINGS

a. Short-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
Secured borrowings (Note 32)			
Bank loans	$ 330,000	$ 444,500	$ 576,000
Unsecured borrowings			
Line of credit borrowings	665,000	535,000	441,855
	$ 995,000	$ 979,500	$ 1,017,855

The interest rates of the bank loans were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Secured borrowings	1.96%-2.51%	1.90%-2.38%	1.90%-2.88%
Unsecured borrowings	1.89%-2.36%	1.89%-2.22%	1.60%-2.18%

b. Short-term bills payable

	June 30, 2024	December 31, 2023	June 30, 2023
Commercial paper	$ 450,000	$ 360,000	$ 150,000
Less: Unamortized discounts on bills payable	(442)	(723)	(351)
	$ 449,558	$ 359,277	$ 149,649

Unmatured short-term bill payable are as follows:

June 30, 2024

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 50,000	$ 53	$ 49,947	2.17%
Grand Bills Finance Corporation	100,000	166	99,834	1.97%-2.08%
Dah Chung Bills Finance Corporation	100,000	49	99,951	1.99%-2.03%
China Bills Finance Corporation	150,000	101	149,899	1.99%-2.09%
Mega Bills Finance Corporation	50,000	73	49,927	2.12%
	$ 450,000	$ 442	$ 449,558	

December 31, 2023

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 50,000	$ 147	$ 49,853	2.11%
Mega Bills Finance Corporation	130,000	132	129,868	1.90%-1.99%
Dah Chung Bills Finance Corporation	50,000	83	49,917	2.02%
China Bills Finance Corporation	80,000	213	79,787	1.89%-2.02%
Grand Bills Finance Corporation	50,000	148	49,852	1.90%
	$ 360,000	$ 723	$ 359,277	

June 30, 2023

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
Commercial paper				
Ta Ching Bills Finance Corporation	$ 50,000	$ 139	$ 49,861	2.11%
Dah Chung Bills Finance Corporation	50,000	106	49,894	2.04%
China Bills Finance Corporation	50,000	106	49,894	2.04%
	$ 150,000	$ 351	$ 149,649	

Short-term bills payable are commercial promissory notes guaranteed by bank, there are no collateral of them, and the duration of each note does not exceed 180 days.

c. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
Secured borrowings (Note 32)			
Bank loans	$ 1,220,000	$ 1,570,000	$ 1,626,000
Unsecured borrowings			
Loans from bank	100,000	-	-
Less: Current portions	(425,000)	(212,500)	(50,000)
Long-term borrowings	$ 895,000	$ 1,357,500	$ 1,576,000

	Method of Repayment	June 30, 2024	December 31, 2023	June 30, 2023
Secured borrowings				
Taiwan Cooperative Bank	The period is from October 5, 2022 to January 12, 2027, with principal to be repaid in quarterly installments beginning in January 2024.	$ 500,000	$ 600,000	$ 600,000
Bank of Taiwan	The period is from April 17, 2023 to April 17, 2026 and the principal is repayable in quarterly installments beginning in July 2024.	250,000	250,000	250,000
O-Bank	The period is from December 28, 2022 to December 28, 2027, with principal will be repaid one time on the maturity date and partial early repayment of principal in November 2023 and March 2024, respectively.	250,000	430,000	460,000
Sunny Bank	The period is from March 30, 2023 to March 30, 2026. The principal will be repaid one time on the maturity date.	220,000	290,000	316,000

(Continued)

	Method of Repayment	June 30, 2024	December 31, 2023	June 30, 2023
Unsecured borrowings				
The Export-Import Bank of the Republic of China	The period is from May 20, 2024 to June 20, 2025. The principal will be repaid one time on the maturity date.	$ 100,000	$ -	$ -
		1,320,000	1,570,000	1,626,000
Less: Current portion		(425,000)	(212,500)	(50,000)
Long-term borrowings		$ 895,000	$ 1,357,500	$ 1,576,000

(Concluded)

The annual interest rate of long-term borrowings were 2.19%-2.94%, 2.21%-3.06% and 2.21%-3.06% as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

Dasheng Enterprise signed a medium-term loan commitment with O-Bank to guarantee that the agreement fulfillment tracking items are as follows:

1) The following financial ratios shall be maintained in the Group's annual consolidated financial statements, which shall be reviewed annually during the term of the credit facility

   a) Current ratio (current assets/current liabilities): Should be at least 100% (inclusive);

   b) Debt ratio [(total liabilities/(net worth - intangible assets)]: Not higher than 120%;

   c) Net tangible value (net worth - intangible assets): Should be maintained at least NT$4 billion (inclusive).

2) Collateral must be revalued once a year by an external appraiser approved by O-Bank. LTV Ratio (Loan-to-value ratio) must be no more than 50%. If it is higher than 50%, Dasheng Enterprise is required to provide the pledged deposit to O-Bank for the difference within 10 business days from the appraisal report date or settle the credit balance in advance. If it is less than 50%, the deposit slip can be canceled for the original.

19. NOTES PAYABLE AND TRADE PAYABLES

a. Notes payable

The Group issues notes payable for domestic payments and equipments.

b. Trade payables

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

	June 30, 2024	December 31, 2023	June 30, 2023
Payables for dividends (Note 23)	$ 404,738	$ -	$ 323,790
Payables for salaries and bonuses	90,379	120,426	127,639
Payables for taxes	21,638	25,690	28,354
Payables for utilities expense	25,096	22,223	24,266
Payables transportation fee	13,565	14,516	14,143
Payables for acquisition of securities	6,810	-	35,626
Payables for purchases of equipment	2,163	7,765	4,165
Others	18,292	24,486	40,486
	$ 582,681	$ 215,106	$ 584,326

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, 2023 and 2022, respectively. 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 June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Operating costs	$ 98	$ 125	$ 195	$ 251
Selling and marketing expenses	22	29	45	56
General and administrative expenses	42	53	83	107
	$ 162	$ 207	$ 323	$ 414

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:

June 30, 2024

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,479,557	3,479,557
	$ 31,820	$ 3,479,557	$ 3,511,377
Liabilities			
Contract liabilities	$ -	$ 524,085	$ 524,085

December 31, 2023

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,477,710	3,477,710
	$ 31,820	$ 3,477,710	$ 3,509,530
Liabilities			
Contract liabilities	$ -	$ 262,042	$ 262,042

June 30, 2023

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,442,635	3,442,635
Prepayment for land purchases	-	119,595	119,595
	$ 31,820	$ 3,562,230	$ 3,594,050
Liabilities			
Contract liabilities	$ -	$ 262,042	$ 262,042

23. EQUITY

a. Share capital

Ordinary shares

	June 30, 2024	December 31, 2023	June 30, 2023
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

	June 30, 2024	December 31, 2023	June 30, 2023
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	$ 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

The Company's 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 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.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

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, 2023 and November 10, 2022 the Company's board of directors adopted the results of operations for the first half of 2023 and 2022, respectively, decided not to distribute dividends.

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2023	**2022**
Legal reserve	$ 43,445	$ 59,333
Special reserve	$ (54,382)	$ 76,147
Cash dividends	$ 404,738	$ 323,790
Cash dividends per share (NT$)	$ 1.00	$ 0.80

The above appropriations of cash dividends had been resolved by the Company's board of directors on March 15, 2024 and March 16, 2023, respectively. The appropriations of earnings had been resolved by the shareholders in their meeting on June 18, 2024 and June 30, 2023.

d. Special reserve

	For the Six Months Ended June 30	
	2024	**2023**
Balance at January 1	$ 91,055	$ 14,908
Appropriations in respect of		
Debits to other equity items	(54,382)	76,147
Balance at June 30	$ 36,673	$ 91,055

Upon initial application of the IFRS Accounting Standards, the conversion adjustments of $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 Six Months Ended June 30	
	2024	2023
Balance at January 1	$ 2,721	$ 3,668
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	(258)	(1,266)
Balance at June 30	$ 2,463	$ 2,402

2) Unrealized valuation (loss) gain on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	$ (39,394)	$ (94,723)
Recognized for the period		
Unrealized gain (loss) - equity instruments	5,875	(46,952)
Other comprehensive income (loss) recognized for the period	5,875	(46,952)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	23,640	-
Balance at June 30	$ (9,879)	$ (141,675)

24. REVENUE

a. Segmentation of customer's contract revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Cement	$ 534,708	$ 580,428	$ 1,042,414	$ 1,065,456
Cement products	441,156	450,433	848,698	824,384
Stone materials	96,507	143,899	246,191	263,604
Others	144,742	147,348	272,778	261,329
	$ 1,217,113	$ 1,322,108	$ 2,410,081	$ 2,414,773

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

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Notes receivable (Note 10)	$ 352,607	$ 493,136	$ 519,466	$ 432,925
Trade receivables (Note 10)	$ 673,612	$ 686,567	$ 607,648	$ 561,838
Trade receivables from related parties	$ 6,301	$ 12,234	$ 9,054	$ 11,724
Contract liabilities				
Cement sales	$ 208,750	$ 248,478	$ 291,078	$ 283,936
Real estate sales	524,085	262,042	262,042	262,042
Others	5,167	10,339	5,646	3,211
	$ 738,002	$ 520,859	$ 558,766	$ 549,189

25. NET PROFIT

a. Other operating income and expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Gain-on disposal of property, plant and equipment	$ 289	$ -	$ 1,000	$ 1,900

b. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Bank deposits	$ 1,209	$ 1,177	$ 1,953	$ 1,823

c. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Rental income	$ 2,503	$ 2,158	$ 4,727	$ 4,317
Others	2,630	2,652	5,777	10,762
	$ 5,133	$ 4,810	$ 10,504	$ 15,079

d. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Net (loss) gain on foreign currency exchange	$ (50)	$ (297)	$ 90	$ (362)
Net gain (loss) on fair value changes of financial assets at fair value through profit or loss	(145)	7,913	817	24,558
Depreciation of leased assets	(573)	(572)	(1,146)	(1,145)
Others	(1,204)	(596)	(3,440)	(1,519)
	$ (1,972)	$ 6,448	$ (3,679)	$ 21,532

e. Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Bank loan	$ 9,867	$ 13,118	$ 21,240	$ 27,451
Interest on lease liabilities	729	443	1,520	931
Interest on loans from related parties	575	363	1,093	693
Others	-	13	-	13
	$ 11,171	$ 13,937	$ 23,853	$ 29,088

Information about interest capitalization is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Amount of interest capitalized	$ 4,545	$ 3,048	$ 9,068	$ 5,709
Interest capitalized rate	2.12%-2.51%	2.15%-2.88%	2.09%-2.51%	1.99%-2.88%

f. Depreciation, amortization and depletion

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Property, plant and equipment	$ 28,417	$ 24,950	$ 57,467	$ 49,860
Right-of-use assets	14,134	14,059	28,267	28,005
Long-term prepaid expenses	1,320	4,335	3,290	8,988
Limestone mining rights	-	1	-	1
	$ 43,871	$ 43,345	$ 89,024	$ 86,854

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
An analysis of depreciation by function				
Operating costs	$ 31,260	$ 27,616	$ 62,969	$ 55,010
Operating expenses	10,718	10,821	21,619	21,710
Non-operating expenses	573	572	1,146	1,145
	$ 42,551	$ 39,009	$ 85,734	$ 77,865
An analysis of amortization by function				
Operating costs	$ 954	$ 3,969	$ 2,558	$ 8,256
Operating expenses	366	366	732	732
	$ 1,320	$ 4,335	$ 3,290	$ 8,988
An analysis of depletion by function				
Operating costs	$ -	$ 1	$ -	$ 1

(Concluded)

g. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Post-employment benefits				
Defined contribution plan	$ 3,452	$ 3,429	$ 7,005	$ 6,826
Defined benefit plans (Note 21)	162	207	323	414
	3,614	3,636	7,328	7,240
Other employee benefits	101,051	105,087	203,101	205,181
Total employee benefits expense	$ 104,665	$ 108,723	$ 210,429	$ 212,421
An analysis of employee benefits expense by function				
Operating costs	$ 65,660	$ 69,063	$ 133,756	$ 134,902
Operating expenses	39,005	39,660	76,673	77,519
	$ 104,665	$ 108,723	$ 210,429	$ 212,421

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.

Accrual rate

	For the Six Months Ended June 30	
	2024	2023
Compensation of employees	3%	3%
Remuneration of directors	5%	5%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Compensation of employees	$ 5,154	$ 5,932	$ 9,828	$ 10,731
Remuneration of directors	8,590	9,886	16,379	17,884

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 2023 and 2022 that were resolved by the board of directors on March 15, 2024 and March 16, 2023, respectively, are as shown below:

Amount

	For the Year Ended December 31	
	2023	2022
	Cash	Cash
Compensation of employees	$ 20,060	$ 21,524
Remuneration of directors	33,433	35,874

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, 2023 and 2022.

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 June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Foreign exchange gains	$ 105	$ (50)	$ 245	$ 15
Foreign exchange losses	(155)	(247)	(155)	(377)
	$ (50)	$ (297)	$ 90	$ (362)

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 June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current tax				
In respect of the current year	$ 31,709	$ 40,985	$ 63,890	$ 69,578
Income tax on unappropriated earnings	-	2,534	-	2,534
Adjustments for prior year	11	(108)	295	(108)
	31,720	43,411	64,185	72,004
Deferred tax				
In respect of the current year	1,156	(3,114)	(147)	(2,725)
Income tax expense recognized in profit or loss	$ 32,876	$ 40,297	$ 64,038	$ 69,279

b. Income tax assessments

The income tax returns through 2022 of the Company Dasheng Enterprise, Luckicon Ready-mixed Co., Dasheng Enterprise Co., Fuyu Development Co. and Luckyship 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 June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Earnings used in the computation of earnings per share	$ 132,624	$ 151,640	$ 254,736	$ 278,854

Earnings Per Share

(In Thousands of Shares)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	**2023**	**2024**	**2023**
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	587	631	1,097	1,289
Weighted average number of ordinary shares used in the computation of diluted earnings per share	405,325	405,369	405,835	406,027

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 following are the Group’s non-cash investing activities which were not reflected in the consolidated statements of cash flows for the six months ended June 30, 2024 and 2023:

	For the Six Months Ended June 30	
	2024	**2023**
Partial cash payments for acquisition of financial assets at FVTOCI		
Acquisition of financial assets at fair value through other comprehensive income	$ 55,027	$ 61,395
Net changes in payables for acquisition of securities	(6,810)	(35,626)
Cash paid	$ 48,217	$ 25,769
Partial cash payments for purchase of PP&E		
Acquisition of property, plant and equipment	$ 183,305	$ 166,422
Amount of interest capitalized	(9,068)	(5,709)
Net changes in prepayments for business facilities	48,857	(52,125)
Net changes in payable for purchase of equipment (reported as notes payable and other payables (related parties included))	54,687	13,854
Cash paid	$ 277,781	$ 122,442

b. Changes in liabilities arising from financing activities

For the six months ended June 30, 2024

	Balance at January 1, 2024	Cash Flows	Non-cash Changes New Lease	Non-cash Changes Discount Amortization	Others	Balance at June 30, 2024
Short-term borrowings	$ 979,500	$ 15,500	$ -	$ -	$ -	$ 995,000
Short-term bills payable	359,277	90,000	-	281	-	449,558
Long-term borrowings	1,570,000	(250,000)	-	-	-	1,320,000
Guarantee deposits received	48,680	16,950	-	-	-	65,630
Other payables to related parties	172,920	7,700	-	-	(364)	180,256
Lease liabilities	155,556	(27,889)	24,949	-	-	152,616
	$ 3,285,933	$ (147,739)	$ 24,949	$ 281	$ (364)	$ 3,163,060

For the six months ended June 30, 2023

	Balance at January 1, 2023	Cash Flows	Non-cash Changes New Lease	Non-cash Changes Discount Amortization	Others	Balance at June 30, 2023
Short-term borrowings	$ 1,478,200	$ (460,345)	$ -	$ -	$ -	$ 1,017,855
Short-term bills payable	409,296	(260,000)	-	353	-	149,649
Long-term borrowings	1,160,000	466,000	-	-	-	1,626,000
Guarantee deposits received	39,040	6,794	-	-	-	45,834
Lease liabilities	132,456	(28,339)	3,105	-	-	107,222
	$ 3,218,992	$ (275,890)	$ 3,105	$ 353	$ -	$ 2,946,560

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. The overall strategy of the Group remains consistent.

The capital structure of the Group consists of net debt (borrowings offset by cash) and equity of the Group (comprising issued capital, reserves, retained earnings, other equity).

In addition to the commitment to maintain the contractual terms of the long-term loans signed between the subsidiary Dasheng Enterprise and the bank. The Group is not yet subject to other external capital requirements.

Key management personnel of the Group review the capital structure on regular basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of public finance-debt or existing debt redeemed.

30. FINANCIAL INSTRUMENTS

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

There is no significant difference between the carrying amount 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

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 11,599	$ -	$ -	$ 11,599
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 77,080	$ -	$ -	$ 77,080
Domestic unlisted shares		-	11,408	11,408
	$ 77,080	$ -	$ 11,408	$ 88,488

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 10,922	$ -	$ -	$ 10,922
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 83,279	$ -	$ -	$ 83,279
Domestic unlisted shares	-	-	10,590	10,590
	$ 83,279	$ -	$ 10,590	$ 93,869

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 11,378	$ -	$ -	$ 11,378
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 135,888	$ -	$ -	$ 135,888
Domestic unlisted shares	-	-	11,902	11,902
	$ 135,888	$ -	$ 11,902	$ 147,790

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

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

For the six months ended June 30, 2024

	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2024	$ 10,590
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	818
Balance at June 30, 2024	$ 11,408

For the six months ended June 30, 2023

	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2023	$ 9,395
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	321
Additions	2,186
Balance at June 30, 2023	$ 11,902

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

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.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 11,599	$ 10,922	$ 11,378
Financial assets at amortized cost (1)	1,704,375	1,744,308	1,665,404
Financial assets at FVTOCI			
Equity instruments	88,488	93,869	147,790
Financial liabilities			
Amortized cost (2)	3,585,519	3,887,827	3,647,121

1) The balances include financial assets at amortized cost, which comprise cash, 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 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 (including those eliminated on consolidation) at the end of the period are set out in Note 36.

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 amount when the New Taiwan dollar weakens (strengthens) by 5% relative to the relevant currency.

	USD Impact		**RMB Impact**	
	For the Six Months Ended June 30		**For the Six Months Ended June 30**	
	2024	**2023**	**2024**	**2023**
Profit or loss	$ (73)	$ (42)	$ (389)	$ (369)

The above analysis included cash in banks, financial assets at amortized cost and bank borrowings 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:

	June 30, 2024	**December 31, 2023**	**June 30, 2023**
Cash flow interest rate risk			
Financial assets	$ 580,527	$ 492,306	$ 478,097
Financial liabilities	2,903,558	3,040,077	2,886,804

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 point 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 six months ended June 30, 2024 and 2023 would have decreased by $2,904 thousand and $3,011 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.

June 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 264,295	$ 704,784	$ 55,153	$ 8,167	$ 54,300
Lease liabilities	9,203	5,312	39,749	96,112	8,909
Variable interest rate liabilities	680,998	569,810	757,750	895,000	-
	$ 954,496	$ 1,279,906	$ 852,652	$ 999,279	$ 63,209

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 402,876	$ 329,004	$ 57,821	$ 3,649	$ 54,400
Lease liabilities	8,776	4,538	38,749	101,157	9,216
Variable interest rate liabilities	259,845	784,432	638,300	1,357,500	-
	$ 671,497	$ 1,117,974	$ 734,870	$ 1,462,306	$ 63,616

June 30, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 251,407	$ 405,775	$ 41,138	$ 7,396	$ 54,600
Lease liabilities	9,066	5,292	27,944	67,338	-
Variable interest rate liabilities	73,200	816,650	420,955	1,576,000	-
	$ 333,673	$ 1,227,717	$ 490,037	$ 1,650,734	$ 54,600

b) Financing facilities

	June 30, 2024	December 31, 2023	June 30, 2023
Unsecured facilities			
Amount used	$ 1,215,000	$ 895,000	$ 622,024
Amount unused	782,141	1,448,631	990,566
	$ 1,997,141	$ 2,343,631	$ 1,612,590
Secured facilities			
Amount used	$ 1,550,000	$ 2,014,500	$ 2,202,000
Amount unused	1,904,665	1,149,749	1,317,338
	$ 3,454,665	$ 3,164,249	$ 3,519,338

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
Fudong Freight Co., Ltd. (“Fudong Freight”)	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
Ri Kon Construction Co., Ltd. (Ri Kon Construction)	The chairman is first-degree relative of the chairman of the Company
Shi Yi Cement Corporation (Shi Yi Cement)	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

(Continued)

Related Party Name	Related Party Category
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

(Concluded)

b. Business transactions

Line Item	Related Party Category/Name	For the Three Months Ended June 30 2024	For the Three Months Ended June 30 2023	For the Six Months Ended June 30 2024	For the Six Months Ended June 30 2023
Sales	Other related parties	$ 14,369	$ 23,640	$ 40,672	$ 44,931
Purchases of goods	Fuan Mining	$ 44,513	$ 83,975	$ 124,326	$ 156,584
	Other related parties	16,445	10,288	26,142	19,621
		$ 60,958	$ 94,263	$ 150,468	$ 176,205
Operating costs - transportation expenses	Other related parties	$ 2,755	$ 3,325	$ 5,140	$ 6,344
Operating costs - manufacturing expenses	Other related parties	$ -	$ -	$ 166	$ 3
Operating expense	Other related parties	$ 268	$ 113	$ 2,260	$ 652

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 Item	Related Party Category	June 30, 2024	December 31, 2023	June 30, 2023
Trade receivables	Fuan Mining	$ 6,301	$ 11,644	$ 8,277
	Yung-Sheng Development	-	590	777
		$ 6,301	$ 12,234	$ 9,054
Other receivables	Shi Yi Cement	$ 362	$ -	$ -
	Jia Fu Entertainment	231	305	184
	Other related parties	4	6	7
		$ 597	$ 311	$ 191

The outstanding trade receivables from related parties are unsecured. As of June 30, 2024, December 31, 2023 and June 30, 2023, no impairment losses were recognized for trade receivables from related parties.

d. Payables to related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Notes payable (excluding loan from related parties)	Fuan Mining	$ 27,222	$ 61,225	$ 58,140
	Fudong Freight	5,613	5,555	4,355
	Shi Yi Cement	2,436	-	-
	Other related parties	108	-	36
		$ 35,379	$ 66,780	$ 62,531
Trade payables	Fuan Mining	$ 19,517	$ 36,067	$ 30,034
	Shi Yi Cement	4,559	-	-
	Fudong Freight	2,593	6,233	4,217
		$ 26,669	$ 42,300	$ 34,251
Other payables - current (excluding loan from related parties)	Fudong Freight	$ 913	$ 940	$ 1,644
	Other related parties	152	508	-
		$ 1,065	$ 1,448	$ 1,644

The outstanding trade payables to related parties are unsecured.

e. Loan from related parties

Line Item	Related Party Name	June 30, 2024	December 31, 2023	June 30, 2023
Other payables - current	Fuan Mining	$ 139,191	$ 131,472	$ 93,420
Other payables - non-current	Cheng Haibin	$ 40,000	$ 40,000	$ 40,000

Financial cost

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Other related parties	$ 575	$ 363	$ 1,093	$ 693

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.

f. Lease arrangements - the Group is lessee

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Lease liabilities - current	Jia Fu Entertainment	$ 404	$ 399	$ -
Lease liabilities - non-current	Jia Fu Entertainment	$ 9,332	$ 9,535	$ -

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Financial cost				
Jia Fu Entertainment	$ 54	$ -	$ 109	$ -

The Group leased right-of-use of land from its related party in June 2023, the lease term of the contract was 20 years, the rental is based on agreement and fixed lease payments are paid monthly.

g. Lease arrangements

Lease arrangements - the Group is lessor under operating leases

Future lease payment receivables are as follows:

Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Fudong Freight	$ 2,228	$ 2,540	$ 3,008
Other related parties	360	432	72
	$ 2,588	$ 2,972	$ 3,080

Lease income was as follows:

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Fudong Freight	$ 336	$ 336	$ 672	$ 672
Other related parties	36	36	72	72
	$ 372	$ 372	$ 744	$ 744

The rental amounts and collection methods are negotiated.

h. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Short-term employee benefits	$ 13,808	$ 14,529	$ 30,024	$ 31,028
Post-employment benefits	135	106	267	233
	$ 13,943	$ 14,635	$ 30,291	$ 31,261

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, and other credit accommodation:

	June 30, 2024	December 31, 2023	June 30, 2023
Property under development (reported as inventories)	$ 3,385,343	$ 3,383,496	$ 3,382,734
Property, plant and equipment	1,945,705	1,948,500	1,951,295
Restricted assets (reported as financial assets at amortized cost)	224,581	217,516	236,905
Notes receivable	16,000	11,900	10,911
	$ 5,571,629	$ 5,561,412	$ 5,581,845

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

a. As of June 30, 2024, the Group signed a contract for purchase of property, plant and equipment; the unpaid amount is $336,925 thousand.

b. As of June 30, 2024, December 31, 2023 and June 30, 2023, unused letters of credit for purchases of raw materials amounted to approximately $0 thousand, $0 thousand and $30,169 thousand, respectively.

34. OTHER MATTER

On February 15, 2023, the president promulgated amendments to the Climate Change Adaptation Act, which included provisions for levying carbon fees. Subsequently, on April 29, 2024, the Ministry of Environment announced draft regulations for “Carbon Fee Charging Methods,” “Voluntary Emission Reduction Plan Management Methods,” and “Greenhouse Gas Reduction Target Designation for Carbon Fee Collection.” According to the draft regulations for carbon fee charging methods, starting in 2024, electricity and large-scale manufacturing industries that meet the Ministry of Environment’s criteria for inspection, registration and inspection of emissions sources, and whose combined annual emissions of greenhouse gases from direct emissions at the plant (site) and indirect emissions from electricity usage reach 25 thousand tons of carbon dioxide equivalent, are required to pay carbon fees.

Based on the emissions for fiscal year 2023, it is anticipated that the Company will meet the aforementioned threshold and be required to pay carbon fees for fiscal year 2024. However, the above-mentioned regulations are still in the announcement stage, and the carbon fee rates have not been announced. Therefore, the Company is unable to reasonably estimate the impact of carbon fees at this time.

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD: NONE

36. 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)

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 45	32.45 (USD:NTD)	$ 1,460
RMB	1,750	4.4450 (RMB:NTD)	7,777

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 47	30.705 (USD:NTD)	$ 1,435
RMB	1,735	4.3270 (RMB:NTD)	7,507

June 30, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 27	31.14 (USD:NTD)	$ 844
RMB	1,722	4.2820 (RMB:NTD)	7,374

Foreign exchange losses (realized or unrealized) of the Group for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 are respectively loss of $50 thousand, loss of $297 thousand, gain of $90 thousand and loss of $362 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.

37. 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: None

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 4)

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

9) Trading in derivative instruments: None

10) Intercompany relationships and significant intercompany transactions (Table 7)

b. Information on investees (Table 6)

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 8)

38. 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:

	Income of Segments For the Six Months Ended June 30		Profit/Loss of Segments For the Six Months Ended June 30	
	2024	2023	2024	2023
Cement segment	$ 2,410,024	$ 2,414,716	$ 337,068	$ 343,952
Other segments	57	57	(3,219)	(5,165)
Total from operations	$ 2,410,081	$ 2,414,773	333,849	338,787
Interest income			1,953	1,823
Other income			10,504	15,079
Other gains and losses			(3,679)	21,532
Financial cost			(23,853)	(29,088)
Profit before income tax			$ 318,774	$ 348,133

The segment revenue reported above is all generated from transactions with external customers. There was no cross selling between segments for the six months ended June 30, 2024 and 2023.

The revenue of segments means the profits earned by each segment, excluding interest income which shall be apportioned, other income, other interests and losses and financial cost.

b. Total assets and liabilities of segments

	June 30, 2024	December 31, 2023	June 30, 2023
Segment assets			
Operating segment			
Cement segment	$ 6,471,446	$ 6,406,760	$ 6,076,779
Other segments	3,563,818	3,563,113	3,648,976
Total assets	$ 10,035,264	$ 9,969,873	$ 9,725,755
Segment liabilities			
Operating segment			
Cement segment	$ 4,147,442	$ 4,028,281	$ 4,047,762
Other segments	961,382	870,767	865,358
Total liabilities	$ 5,108,824	$ 4,899,048	$ 4,913,120

LUCKY CEMENT CO. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

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	$ 40,000	2.2029	(2)	$ -	Operating turnover	$ -	-	-	$ 492,637	$ 1,970,549
		Luckicon Ready-mixed Co.	Other receivables from related parties	100,000	Yes	100,000	50,000	2.2029	(2)	-	Operating turnover	-	-	-	492,637	1,970,549
		Lucky Cement Japan	Other receivables from related parties	10,000	Yes	10,000	7,406	2.2029	(2)	-	Operating turnover	-	-	-	492,637	1,970,549
						$ 310,000										

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 period; 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 period; for less than 20% owned subsidiary, loan should not be more than 2% of the net value of Lucky Cement Co. at end of period.

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

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.

TABLE 2

LUCKY CEMENT CO. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

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	$ 1,970,549	$ 580,000	$ 550,000	$ 250,000	$ -	11.16	$ 2,463,187	Y	-	-	
		Luckicon Ready-mixed Co.	Subsidiary	1,970,549	1,400,000	1,400,000	735,000	-	28.42	2,463,187	Y	-	-	
		Lucky Cement Japan	Subsidiary	1,970,549	6,360	6,051	-	-	0.12	2,463,187	Y	-	-	
						$ 1,956,051								

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
JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value (Notes 1 and 2)	
Lucky Cement Co.	Mutual fund							
	Yuanta Japan Leaders Equity Fund	-	Financial assets at FVTPL - current	511,248	$ 5,818	-	$ 5,818	
	O-Bank No.1 Real Estate Investment Trust	-	Financial assets at FVTPL - current	100,000	784	-	784	
	SinoPac Innovative Healthcare Multi Asset Fund-Accumulation	-	Financial assets at FVTPL - current	500,000	4,997	-	4,997	
	Non-listed common stock							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,494,708	11,046	10.58	11,046	
	Listed common stock							
	Formosa Plastics Corporation	-	Financial assets at FVTOCI - current	400,000	23,000	0.01	23,000	
	Yang Ming Marine Transport Corp.	-	Financial assets at FVTOCI - current	5,000	373	-	373	
	Taiwan Cement Corporation	-	Financial assets at FVTOCI - current	735,640	25,159	0.01	25,159	
	Far Eastern New Century Corporation	-	Financial assets at FVTOCI - current	200,000	7,050	-	7,050	
	Asia Cement Corporation	-	Financial assets at FVTOCI - current	165,000	7,235	-	7,235	
	Winbond Electronics Corporation	-	Financial assets at FVTOCI - current	130,181	3,346	-	3,346	
	U-Ming Marine Transport Corporation	-	Financial assets at FVTOCI - current	78,000	4,352	0.01	4,352	
	United Microelectronics Corporation	-	Financial assets at FVTOCI - current	72,351	4,030	-	4,030	
	Medigen Biotechnology Corp.	-	Financial assets at FVTOCI - current	28,628	1,307	0.02	1,307	
	Sanitar Co., Ltd.	-	Financial assets at FVTOCI - current	24,000	962	0.03	962	
	China Development Financial Holding Corporation	-	Financial assets at FVTOCI - current	13,496	204	-	204	
	First Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	972	28	-	28	
	Capital Securities Corp.	-	Financial assets at FVTOCI - current	875	22	-	22	
	Hua Nan Financial Holdings Co., Ltd.	-	Financial assets at FVTOCI - current	472	12	-	12	
Luckyship Co.	Non-listed common stock							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	49,006	362	0.35	362	

Note 1: Financial assets at FVTPL: Fair value is based on the net asset value of funds at end of June 2024.

Note 2: Financial assets at FVTOCI: Fair value of listed shares is based on their closing price at end of June 2024. Fair value of non-listed shares is estimated by the fair value method.

Note 3: Please refer to Table 6 for information regarding subsidiaries.

LUCKY CEMENT CO. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)			Note
			Purchase/ Sale	Amount	% of Total (Note 1)	Payment Terms	Unit Price	Payment Terms	Ending Balance		% of Total (Note 1)	
Lucky Cement Co.	Luckicon Ready-mixed Co.	Subsidiary	Sale	$ (237,302)	(13.49)	About 90 days	Quote	Quote	Accounts receivable	$ 42,127	7.96	Note 2
									Notes receivable	90,960	17.19	Note 2
	Fuan Mining	Other related parties	Purchase	124,326	19.98	About 90 days	Bargain	Quote	Accounts payable	(19,516)	(7.15)	
									Notes payable	(27,222)	(9.97)	

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.

TABLE 5

LUCKY CEMENT CO. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

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	$ 133,087	4.03	$ -	-	$ 48,036	$ -
			Other receivable	265	-	-	-	265	-

Note 1: Calculated based on each company's financial information.

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 SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Address	Main Businesses and Products	Original Investment Amount (Note 3)		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2024	December 31, 2023	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	171,452,511	99.99	$ 2,545,073	$ (8,845)	$ (8,845)	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	74,542,000	100.00	992,485	68,792	68,813 (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	(4,937)	(12,097)	(12,097)	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	17,218	(940)	(937) (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	9,203	1,161	1,161	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 $21 thousand.

Note 5: The difference is transactions unrealized gain of $3 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 SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

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.	Notes receivable	$ 90,960	About 90 days	0.91
		〃	a.	Accounts receivable	42,127	About 90 days	0.42
		〃	a.	Other receivables	265	About 90 days	-
		〃	a.	Other receivables - financing	50,000	Financing, the repayment period is one year	0.50
		〃	a.	Contract liabilities	20,270	About 90 days	0.20
		〃	a.	Sales revenue	237,302	About 90 days	9.85
		〃	a.	Rental income	762	30 days	0.03
		〃	a.	Interest income	106	30 days	-
		Fuyu Development Co., Ltd.	a.	Other receivable	4	About 90 days	-
		〃	a.	Other payables	615	About 90 days	0.01
		〃	a.	Operating cost	1,239	About 90 days	0.05
		〃	a.	Rental income	4,875	30 days	0.20
		〃	a.	Other income	600	30 days	0.02
		Lucky Cement Japan	a.	Other receivables - financing	7,406	Financing, the repayment period is one year	0.07
		Luckyship Co.	a.	Other receivables	2	About 90 days	-
		〃	a.	Rental income	138	30 days	0.01
		Dasheng Enterprise	a.	Other receivables - financing	40,000	Financing, the repayment period is one year	0.40
		〃	a.	Other receivables	76	About 90 days	-
		〃	a.	Rental income	45	30 days	-
		〃	a.	Interest income	763	30 days	0.03

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 8

LUCKY CEMENT CO.

INFORMATION OF MAJOR SHAREHOLDERS
JUNE 30, 2024

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