

Lucky Cement Co. and Subsidiaries

**Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
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, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and the related notes to the consolidated financial statements, including material accounting policy information. 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 enforced 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

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 Auditors 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 had not been reviewed. As of June 30, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT\$18,760 thousand and NT\$23,288 thousand, respectively, both representing 0% of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$3,387 thousand and NT\$3,409 thousand, respectively, both representing 0% of the consolidated total liabilities; for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the combined comprehensive losses of these subsidiaries were NT\$445 thousand, NT\$1,050 thousand, NT\$925 thousand and NT\$13,008 thousand, respectively, representing 0%, (1%), 0% and (5%), respectively, of the consolidated total comprehensive income.

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, 2025 and 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and enforced 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-Shiun Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 11, 2025

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)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash (Note 6)	\$ 384,194	4	\$ 493,514	5	\$ 398,268	4
Financial assets at fair value through profit or loss - current (Note 7)	10,706	-	10,944	-	11,599	-
Financial assets at fair value through other comprehensive income - current (Note 8)	92,885	1	98,511	1	77,080	1
Financial assets at amortized cost - current (Notes 9 and 33)	51,320	1	62,720	1	71,497	1
Notes receivable (Notes 10, 25 and 33)	451,832	4	502,191	5	352,607	3
Accounts receivable (Notes 10 and 25)	431,870	4	590,243	6	673,612	7
Accounts receivable from related parties (Notes 25 and 32)	7,483	-	10,374	-	6,301	-
Other receivables (Note 10)	1,269	-	1,202	-	336	-
Other receivables from related parties (Note 32)	166,670	2	825	-	597	-
Inventories (Notes 11 and 33)	4,147,233	40	4,091,550	39	4,118,624	41
Prepayments (Notes 13 and 32)	131,699	1	108,937	1	116,954	1
Other current assets (Note 14)	26,099	-	27,783	-	26,782	-
Total current assets	5,903,260	57	5,998,794	58	5,854,257	58
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	12,426	-	10,372	-	11,408	-
Financial assets at amortized cost - non-current (Notes 9 and 33)	184,841	2	179,761	2	179,761	2
Property, plant and equipment (Notes 15 and 33)	3,843,546	37	3,810,755	36	3,537,330	35
Right-of-use assets (Note 16)	106,353	1	129,785	1	150,910	2
Deferred tax assets (Note 4)	73,618	1	70,326	1	71,812	1
Refundable deposits	20,197	-	21,371	-	21,396	-
Net defined benefit assets (Note 4)	11,109	-	10,209	-	-	-
Other non-current assets (Note 17)	228,754	2	199,894	2	208,390	2
Total non-current assets	4,480,844	43	4,432,473	42	4,181,007	42
TOTAL	\$ 10,384,104	100	\$ 10,431,267	100	\$ 10,035,264	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 33)	\$ 1,236,900	12	\$ 1,534,000	15	\$ 995,000	10
Short-term bills payable (Note 18)	439,560	4	459,451	4	449,558	5
Contract liabilities (Note 25)	779,043	8	794,062	8	738,002	7
Notes payable (Note 19)	246,771	2	275,789	3	333,121	3
Notes payable to related parties (Notes 19 and 32)	26,420	-	24,531	-	35,379	-
Accounts payable (Note 19)	140,813	1	187,719	2	113,980	1
Accounts payable to related parties (Notes 19 and 32)	46,450	1	42,459	-	26,669	-
Other payables (Note 20)	537,983	5	240,923	2	582,681	6
Other payables to related parties (Note 32)	1,158	-	82,196	1	140,256	1
Current tax liabilities	181,122	2	38,476	-	63,688	1
Provisions (Note 21)	6,087	-	-	-	-	-
Lease liabilities - current (Notes 16 and 32)	41,534	-	52,734	1	51,916	1
Current portion of long-term borrowings (Notes 18 and 33)	531,600	5	428,000	4	425,000	4
Other current liabilities	1,674	-	3,215	-	2,951	-
Total current liabilities	4,217,115	40	4,163,555	40	3,958,201	39
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 18 and 33)	403,400	4	872,500	8	895,000	9
Deferred tax liabilities (Note 4)	34,511	-	31,162	-	28,177	-
Lease liabilities - non-current (Notes 16 and 32)	66,513	1	79,071	1	100,701	1
Other payables to related parties (Note 32)	40,000	-	40,000	-	40,000	1
Net defined benefit liabilities (Note 4)	-	-	1,162	-	21,115	-
Guarantee deposits received	53,556	1	58,073	1	65,630	1
Total non-current liabilities	597,980	6	1,081,968	10	1,150,623	12
Total liabilities	4,815,095	46	5,245,523	50	5,108,824	51
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Share capital						
Ordinary shares	4,047,380	39	4,047,380	39	4,047,380	40
Capital surplus	18	-	18	-	18	-
Retained earnings						
Legal reserve	391,927	4	341,022	3	341,022	4
Special reserve	26,056	-	36,673	-	36,673	-
Unappropriated earnings	1,137,621	11	786,641	8	508,696	5
Total retained earnings	1,555,604	15	1,164,336	11	886,391	9
Other equity	(34,059)	-	(26,056)	-	(7,416)	-
Total equity attributable to owners of the Company	5,568,943	54	5,185,678	50	4,926,373	49
NON-CONTROLLING INTERESTS	66	-	66	-	67	-
Total equity	5,569,009	54	5,185,744	50	4,926,440	49
TOTAL	\$ 10,384,104	100	\$ 10,431,267	100	\$ 10,035,264	100

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

(With Deloitte & Touche review report dated August 11, 2025)

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			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 25 and 32)								
Sales	\$ 1,161,448	100	\$ 1,218,127	100	\$ 2,374,741	100	\$ 2,411,917	100
Less: Discounts and allowances	(862)	-	(1,014)	-	(1,445)	-	(1,836)	-
Total operating revenue	1,160,586	100	1,217,113	100	2,373,296	100	2,410,081	100
OPERATING COSTS (Notes 11, 26 and 32)	901,775	78	964,757	79	1,877,462	79	1,932,515	80
GROSS PROFIT	258,811	22	252,356	21	495,834	21	477,566	20
OPERATING EXPENSES (Notes 10, 26 and 32)								
Selling and marketing expenses	35,635	3	30,134	3	66,752	3	59,299	2
General and administrative expenses	69,761	6	36,740	3	105,621	4	74,309	3
Expected credit (gain) loss	(451)	-	13,470	1	(1,866)	-	11,109	1
Total operating expenses	104,945	9	80,344	7	170,507	7	144,717	6
OTHER OPERATING INCOME AND EXPENSES (Notes 26 and 32)	562,656	49	289	-	562,656	23	1,000	-
PROFIT FROM OPERATIONS	716,522	62	172,301	14	887,983	37	333,849	14
NON-OPERATING INCOME AND EXPENSES (Notes 26 and 32)								
Interest income	1,320	-	1,209	-	2,041	-	1,953	-
Other income	6,850	1	5,133	1	14,257	1	10,504	-
Other losses	(1,897)	-	(1,972)	-	(4,272)	-	(3,679)	-
Financial costs	(11,375)	(1)	(11,171)	(1)	(24,286)	(1)	(23,853)	(1)
Total non-operating expenses	(5,102)	-	(6,801)	-	(12,260)	-	(15,075)	(1)
PROFIT BEFORE INCOME TAX	711,420	62	165,500	14	875,723	37	318,774	13
INCOME TAX EXPENSE (Notes 4 and 27)	(147,948)	(13)	(32,876)	(3)	(180,901)	(8)	(64,038)	(2)
NET PROFIT FOR THE PERIOD	563,472	49	132,624	11	694,822	29	254,736	11

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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			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	\$ (10,900)	(1)	\$ 12,983	1	\$ (8,003)	-	\$ 5,875	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	-	-	(90)	-	-	-	(258)	-
Other comprehensive (loss) income, net of income tax	(10,900)	(1)	12,893	1	(8,003)	-	5,617	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 552,572</u>	<u>48</u>	<u>\$ 145,517</u>	<u>12</u>	<u>\$ 686,819</u>	<u>29</u>	<u>\$ 260,353</u>	<u>11</u>
NET PROFIT								
ATTRIBUTABLE TO:								
Shareholders of the Company	\$ 563,472	49	\$ 132,624	11	\$ 694,822	29	\$ 254,736	11
Non-controlling interests	-	-	-	-	-	-	-	-
	<u>\$ 563,472</u>	<u>49</u>	<u>\$ 132,624</u>	<u>11</u>	<u>\$ 694,822</u>	<u>29</u>	<u>\$ 254,736</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Shareholders of the Company	\$ 552,572	48	\$ 145,517	12	\$ 686,819	29	\$ 260,353	11
Non-controlling interests	-	-	-	-	-	-	-	-
	<u>\$ 552,572</u>	<u>48</u>	<u>\$ 145,517</u>	<u>12</u>	<u>\$ 686,819</u>	<u>29</u>	<u>\$ 260,353</u>	<u>11</u>
EARNINGS PER SHARE (NT\$; Note 28)								
Basic	<u>\$ 1.39</u>		<u>\$ 0.33</u>		<u>\$ 1.72</u>		<u>\$ 0.63</u>	
Diluted	<u>\$ 1.39</u>		<u>\$ 0.33</u>		<u>\$ 1.71</u>		<u>\$ 0.63</u>	

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

(With Deloitte & Touche review report dated August 11, 2025)

(Concluded)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity		Non-controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Retained 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		
			Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE ON 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)	-	-	-	-	-
Special reserve	-	-	-	(54,382)	54,382	-	-	-	-	-
Cash dividend	-	-	-	-	(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 24)	-	-	-	-	(23,640)	-	23,640	-	-	-
BALANCE ON JUNE 30, 2024	\$ 4,047,380	\$ 18	\$ 341,022	\$ 36,673	\$ 508,696	\$ 2,463	\$ (9,879)	\$ 4,926,373	\$ 67	\$ 4,926,440
BALANCE ON JANUARY 1, 2025	\$ 4,047,380	\$ 18	\$ 341,022	\$ 36,673	\$ 786,641	\$ -	\$ (26,056)	\$ 5,185,678	\$ 66	\$ 5,185,744
Appropriation of 2024 earnings										
Legal reserve	-	-	50,905	-	(50,905)	-	-	-	-	-
Special reserve	-	-	-	(10,617)	10,617	-	-	-	-	-
Cash dividend	-	-	-	-	(303,554)	-	-	(303,554)	-	(303,554)
Net profit for the six months ended June 30, 2025	-	-	-	-	694,822	-	-	694,822	-	694,822
Other comprehensive loss for the six months ended June 30, 2025	-	-	-	-	-	-	(8,003)	(8,003)	-	(8,003)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	694,822	-	(8,003)	686,819	-	686,819
BALANCE ON JUNE 30, 2025	\$ 4,047,380	\$ 18	\$ 391,927	\$ 26,056	\$ 1,137,621	\$ -	\$ (34,059)	\$ 5,568,943	\$ 66	\$ 5,569,009

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

(With Deloitte & Touche review report dated August 11, 2025)

LUCKY CEMENT CO. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 875,723	\$ 318,774
Adjustments for:		
Depreciation expense	84,341	85,734
Amortization and depletion expense	399	3,290
Expected credit loss (reversed)/recognized on trade receivables	(1,866)	11,109
Net gain on fair value changes of financial assets at fair value through profit or loss	(135)	(817)
Financial costs	24,286	23,853
Interest income	(2,041)	(1,953)
Gain on disposal of property, plant and equipment	(8,193)	(1,000)
Write-down of inventories	196	2,884
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	373	140
Notes receivable	50,359	140,529
Accounts receivable	160,239	1,846
Accounts receivable from related parties	2,891	5,933
Other receivables	(107)	48
Other receivables from related parties	(165,845)	(286)
Inventories	(55,879)	73,752
Prepayments	(22,762)	(21,993)
Other current assets	1,684	3,560
Contract liabilities	(15,019)	217,143
Notes payable	4,783	(7,947)
Notes payable to related parties	1,889	(31,401)
Accounts payable	(46,906)	(75,247)
Accounts payable to related parties	3,991	(15,631)
Other payables	(6,064)	(38,048)
Other payables to related parties	(1,992)	(383)
Provisions	6,087	-
Other current liabilities	(1,541)	923
Net defined benefit assets and liabilities	(2,062)	(3,519)
Cash generated from operations	886,829	691,293
Interest received	2,081	1,923
Interest paid	(35,036)	(32,944)
Income tax paid	(38,198)	(137,853)
Net cash generated from operating activities	815,676	522,419

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LUCKY CEMENT CO. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (4,431)	\$ (48,217)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	66,283
Decrease/(increase) in financial assets at amortized cost	6,320	(7,335)
Payments for property, plant and equipment (Note 29)	(141,331)	(277,781)
Proceeds from disposal of property, plant and equipment	8,193	4,382
Decrease in refundable deposits	<u>1,174</u>	<u>2,650</u>
Net cash used in investing activities	<u>(130,075)</u>	<u>(260,018)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	15,500
Decrease in short-term borrowings	(297,100)	-
Increase in short-term bills payable	-	90,000
Decrease in short-term bills payable	(20,000)	-
Proceeds from long-term borrowings	355,000	280,000
Repayments of long-term borrowings	(720,500)	(530,000)
Increase in guarantee deposits received	-	16,950
Decrease in guarantee deposits received	(4,517)	-
Increase in other payables to related parties	-	7,700
Decrease in other payables to related parties	(79,000)	-
Repayment of the principal portion of lease liabilities	<u>(28,804)</u>	<u>(27,889)</u>
Net cash used in financing activities	<u>(794,921)</u>	<u>(147,739)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>-</u>	<u>(131)</u>
NET (DECREASE)/INCREASE IN CASH	(109,320)	114,531
CASH AT THE BEGINNING OF THE PERIOD	<u>493,514</u>	<u>283,737</u>
CASH AT THE END OF THE PERIOD	<u>\$ 384,194</u>	<u>\$ 398,268</u>

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

(With Deloitte & Touche review report dated August 11, 2025)

(Concluded)

LUCKY CEMENT CO. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (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 the 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 THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on August 11, 2025.

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 Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” 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 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
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 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 the other impacts of the above amended standards and 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 and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

The fair value measurements, 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, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

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

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) 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.

3) 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

The estimates and underlying assumptions are reviewed on an ongoing basis. Except for the following, 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, 2024.

Key Sources of Estimation Uncertainty

Carbon fees

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the management recognizes the carbon fee provision based on the estimate of the chargeable emissions, the preferential rate and the emission adjustment coefficient. The estimate may vary as a result of the change in the estimated possibility in the approval for the self-determined reduction plan or for the recognition as belonging to the industry with high carbon leakage risk from the competent authority. Therefore, the estimated amount of provision is subject to a higher degree of estimation uncertainties. The carrying amount of the carbon fee provision as of June 30, 2025 is disclosed in Note 21.

6. CASH

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	\$ 1,562	\$ 1,547	\$ 1,784
Checking accounts and demand deposits	378,852	488,280	395,099
Foreign currency demand deposits	<u>3,780</u>	<u>3,687</u>	<u>1,385</u>
	<u>\$ 384,194</u>	<u>\$ 493,514</u>	<u>\$ 398,268</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Financial assets mandatorily classified as at FVTPL - mutual funds	<u>\$ 10,706</u>	<u>\$ 10,944</u>	<u>\$ 11,599</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Domestic investments - listed shares	\$ <u>92,885</u>	\$ <u>98,511</u>	\$ <u>77,080</u>
<u>Non-current</u>			
Domestic investments - unlisted shares	\$ <u>12,426</u>	\$ <u>10,372</u>	\$ <u>11,408</u>

The aforementioned information for investments, please refer to Note 38, Table 3 “Significant Marketable Securities Held”.

For other relevant information on financial assets measured at FVTOCI, please refer to Note 24 (e) and Note 31.

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, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months (a)	\$ 14,400	\$ 14,400	\$ 26,677
Restricted assets (b)	<u>36,920</u>	<u>48,320</u>	<u>44,820</u>
	\$ <u>51,320</u>	\$ <u>62,720</u>	\$ <u>71,497</u>
<u>Non-current</u>			
Restricted assets (c)	\$ <u>184,841</u>	\$ <u>179,761</u>	\$ <u>179,761</u>

- a. The interest rates of time deposits with original maturities of more than 3 months were approximately 1.69%, 1.69% and 1.69%-1.82% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, 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 0.8%-1.69%, 0.40%-1.69% and 0.40%-1.69% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.
- c. The restricted assets - non-current are certificate of deposit in the bank that is pledged as the security of mining right, which both has market interest rate range of approximately 0.50%-1.70% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.
- d. Please refer to Note 33 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, 2025	December 31, 2024	June 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 451,832	\$ 502,191	\$ 352,607
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 447,490	\$ 607,729	\$ 701,838
Less: Allowance for impairment loss	(15,620)	(17,486)	(28,226)
	\$ 431,870	\$ 590,243	\$ 673,612
<u>Other receivables</u>			
Others	\$ 1,269	\$ 1,202	\$ 336
<u>Overdue receivables</u>			
Overdue receivables	\$ 31,065	\$ 31,065	\$ 31,826
Less: Allowance for impairment loss	(31,065)	(31,065)	(31,826)
	\$ -	\$ -	\$ -

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 is 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, 2025, December 31, 2024 and June 30, 2024.

Please refer to Note 33 for information relating to notes receivable 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, 2025

	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%-0.49%	7.50%	13.47%	21.69%-77.54%	100%	100%	
Gross carrying amount	\$ 423,683	\$ 4,019	\$ 3,904	\$ 4,945	\$ 3,985	\$ 38,019	\$ 478,555
Loss allowance (Lifetime ECLs)	<u>(1,703)</u>	<u>(301)</u>	<u>(526)</u>	<u>(2,151)</u>	<u>(3,985)</u>	<u>(38,019)</u>	<u>(46,685)</u>
Amortized cost	<u>\$ 421,980</u>	<u>\$ 3,718</u>	<u>\$ 3,378</u>	<u>\$ 2,794</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 431,870</u>

December 31, 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%-0.49%	7.50%	13.47%	21.69%-77.54%	100%	100%	
Gross carrying amount	\$ 572,898	\$ 13,660	\$ 4,430	\$ 5,182	\$ 4,605	\$ 38,019	\$ 638,794
Loss allowance (Lifetime ECLs)	<u>(2,283)</u>	<u>(1,025)</u>	<u>(597)</u>	<u>(2,022)</u>	<u>(4,605)</u>	<u>(38,019)</u>	<u>(48,551)</u>
Amortized cost	<u>\$ 570,615</u>	<u>\$ 12,635</u>	<u>\$ 3,833</u>	<u>\$ 3,160</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 590,243</u>

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)	<u>(2,239)</u>	<u>(2,129)</u>	<u>(5,241)</u>	<u>(8,936)</u>	<u>(2,727)</u>	<u>(38,780)</u>	<u>(60,052)</u>
Amortized cost	<u>\$ 581,590</u>	<u>\$ 27,852</u>	<u>\$ 36,971</u>	<u>\$ 27,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,612</u>

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

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ 48,551	\$ 48,943
(Less) add: Net remeasurement of loss allowance	<u>(1,866)</u>	<u>11,109</u>
Balance on June 30	<u>\$ 46,685</u>	<u>\$ 60,052</u>

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, 2025, December 31, 2024 and June 30, 2024, the expected credit loss rate of other receivables was both 0% consistently.

11. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Real estate under development and real estate to be developed	\$ 3,459,856	\$ 3,458,574	\$ 3,479,557
Raw materials	315,837	307,066	317,175
Supplies and spare parts	177,504	175,690	179,094
Finished goods	154,906	92,229	86,388
Work in progress	<u>39,130</u>	<u>57,991</u>	<u>56,410</u>
	<u>\$ 4,147,233</u>	<u>\$ 4,091,550</u>	<u>\$ 4,118,624</u>

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	
	2025	2024	2025	2024
Cost of inventories sold	\$ 901,464	\$ 964,757	\$ 1,877,266	\$ 1,929,631
Inventory write-downs	<u>311</u>	<u>-</u>	<u>196</u>	<u>2,884</u>
	<u>\$ 901,775</u>	<u>\$ 964,757</u>	<u>\$ 1,877,462</u>	<u>\$ 1,932,515</u>

The inventories pledged as collateral for bank borrowings are set out in Note 33.

12. SUBSIDIARIES

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

Investor Company Name	Subsidiary Name	Nature of Business	Percentage of Equity Held (%)		
			June 30, 2025	December 31, 2024	June 30, 2024
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
	Luckyship Marine Co., Ltd ("Luckyship Co.")	Shipping agent.	100.00	100.00	100.00
	Luckicon Ready-mixed Co.	Fuyu Development Co., Ltd.	100.00	100.00	100.00

For the six months ended June 30, 2025 and 2024, 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, 2025 and 2024, the combined total assets of these non-significant subsidiaries were \$18,760 thousand and \$23,288 thousand, respectively, both representing 0%, of the consolidated total assets, and the combined total liabilities of these subsidiaries were \$3,387 thousand and \$3,409 thousand, respectively, both representing 0% of the consolidated total liabilities; for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the amounts of combined comprehensive loss of these subsidiaries were \$445 thousand, \$1,050 thousand, \$925 thousand and \$13,008 thousand, respectively, representing 0%, (1%), 0% and (5%), respectively, of the consolidated total comprehensive income.

On March 15, 2024, the Company's board of directors resolved that Lucky Cement Japan would discontinue operations and would be liquidated and dissolved. In June 2024, Lucky Cement Japan had a cash capital increase of \$7,406 thousand in June 2024, subscribed for by the Company in full, and the payment for the capital increase was offset by the loans to Lucky Cement Japan. The liquidation and dissolution process were completed in October 2024.

See Note 38 and Table 6 for the information on the investees' places of incorporation and principal places of business.

13. PREPAYMENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Prepaid expenses	\$ 117,133	\$ 95,589	\$ 92,079
Prepayments for purchases of materials	12,245	10,726	22,090
Other	<u>2,321</u>	<u>2,622</u>	<u>2,785</u>
	<u>\$ 131,699</u>	<u>\$ 108,937</u>	<u>\$ 116,954</u>

14. OTHER CURRENT ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Offset against business tax payable	\$ 26,078	\$ 27,783	\$ 26,782
Others	<u>21</u>	<u>-</u>	<u>-</u>
	<u>\$ 26,099</u>	<u>\$ 27,783</u>	<u>\$ 26,782</u>

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Electrical Equipment	Transportation Equipment	Other Equipment	Property under Construction	Total
Cost								
Balance on January 1, 2025	\$ 2,518,770	\$ 2,149,206	\$ 5,684,176	\$ 1,170,701	\$ 1,121,645	\$ 362,218	\$ 349,009	\$ 13,355,725
Additions	-	4,630	37,409	2,225	3,450	-	40,940	88,654
Disposals	-	(9,913)	(25,927)	-	(51,556)	(5,190)	-	(92,586)
Balance on June 30, 2025	<u>2,518,770</u>	<u>2,143,923</u>	<u>5,695,658</u>	<u>1,172,926</u>	<u>1,073,539</u>	<u>357,028</u>	<u>389,949</u>	<u>13,351,793</u>
Accumulated depreciation and impairment								
Balance on January 1, 2025	-	1,969,308	5,491,588	1,107,284	639,197	337,593	-	9,544,970
Depreciation expenses	-	10,980	13,079	3,313	24,589	3,902	-	55,863
Disposals	-	(9,913)	(25,927)	-	(51,556)	(5,190)	-	(92,586)
Balance on June 30, 2025	-	<u>1,970,375</u>	<u>5,478,740</u>	<u>1,110,597</u>	<u>612,230</u>	<u>336,305</u>	-	<u>9,508,247</u>
Carrying amount on June 30, 2025	<u>\$ 2,518,770</u>	<u>\$ 173,548</u>	<u>\$ 216,918</u>	<u>\$ 62,329</u>	<u>\$ 461,309</u>	<u>\$ 20,723</u>	<u>\$ 389,949</u>	<u>\$ 3,843,546</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ 2,518,770</u>	<u>\$ 179,898</u>	<u>\$ 192,588</u>	<u>\$ 63,417</u>	<u>\$ 482,448</u>	<u>\$ 24,625</u>	<u>\$ 349,009</u>	<u>\$ 3,810,755</u>
Cost								
Balance on 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 on June 30, 2024	<u>2,348,174</u>	<u>2,148,455</u>	<u>5,674,012</u>	<u>1,167,560</u>	<u>1,058,851</u>	<u>361,975</u>	<u>286,438</u>	<u>13,045,465</u>
Accumulated depreciation and impairment								
Balance on 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 on June 30, 2024	-	<u>1,955,842</u>	<u>5,489,012</u>	<u>1,104,050</u>	<u>624,549</u>	<u>334,682</u>	-	<u>9,508,135</u>
Carrying amount on June 30, 2024	<u>\$ 2,348,174</u>	<u>\$ 192,613</u>	<u>\$ 185,000</u>	<u>\$ 63,510</u>	<u>\$ 434,302</u>	<u>\$ 27,293</u>	<u>\$ 286,438</u>	<u>\$ 3,537,330</u>

- 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.
- 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
Other equipment	2-19 years

- c. No impairment assessment was performed for the six months ended June 30, 2025 and 2024 as there was no indication of impairment.
- d. Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 33.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Land	\$ 19,109	\$ 22,902	\$ 29,033
Buildings	84,841	106,856	121,694
Transportation equipment	<u>2,403</u>	<u>27</u>	<u>183</u>
	<u>\$ 106,353</u>	<u>\$ 129,785</u>	<u>\$ 150,910</u>
	For the Three Months Ended June 30		For the Six Months Ended June 30
	2025	2024	2025 2024
Additions to right-of-use assets			<u>\$ 5,046</u> <u>\$ 24,949</u>
Depreciation charge for right-of-use assets			
Land	\$ 3,072	\$ 3,065	\$ 6,136 \$ 6,130
Buildings	11,007	10,989	22,015 21,979
Transportation equipment	<u>225</u>	<u>80</u>	<u>327</u> <u>158</u>
	<u>\$ 14,304</u>	<u>\$ 14,134</u>	<u>\$ 28,478</u> <u>\$ 28,267</u>

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, 2025 and 2024.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Current	\$ 41,534	\$ 52,734	\$ 51,916
Non-current	<u>\$ 66,513</u>	<u>\$ 79,071</u>	<u>\$ 100,701</u>

Range of discount rates for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	1.60%-2.22%	1.55%-2.22%	1.55%-2.22%
Buildings	1.55%-2.28%	1.55%-2.28%	1.55%-2.36%
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 3 years.

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

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 957	\$ 4,381	\$ 1,929	\$ 6,210
Expenses relating to low-value asset leases	155	173	323	339
Interest on lease liabilities	541	729	1,134	1,520
Principal portion of lease liabilities	<u>14,510</u>	<u>13,993</u>	<u>28,804</u>	<u>27,889</u>
Total cash outflow for leases	<u>\$ 16,163</u>	<u>\$ 19,276</u>	<u>\$ 32,190</u>	<u>\$ 35,958</u>

The Group's leases of certain buildings qualify as short-term leases and leases of certain other 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, 2025	December 31, 2024	June 30, 2024
Prepayments for business facilities	\$ 190,367	\$ 161,108	\$ 83,524
Prepayments for investment property	18,874	18,874	105,074
Net limestone mining rights	18,762	18,763	18,764
Long-term prepaid expenses	<u>751</u>	<u>1,149</u>	<u>1,028</u>
	<u>\$ 228,754</u>	<u>\$ 199,894</u>	<u>\$ 208,390</u>

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.

18. BORROWINGS

a. Short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Secured borrowings (Note 33)</u>			
Bank loans	\$ 667,900	\$ 945,000	\$ 330,000
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>569,000</u>	<u>589,000</u>	<u>665,000</u>
	<u>\$ 1,236,900</u>	<u>\$ 1,534,000</u>	<u>\$ 995,000</u>

The interest rates of the bank loans were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Secured borrowings	1.94%-2.44%	1.90%-2.40%	1.96%-2.51%
Unsecured borrowings	1.94%-2.43%	2.09%-2.48%	1.89%-2.36%

b. Short-term bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial paper	\$ 440,000	\$ 460,000	\$ 450,000
Less: Unamortized discounts on bills payable	<u>(440)</u>	<u>(549)</u>	<u>(442)</u>
	<u>\$ 439,560</u>	<u>\$ 459,451</u>	<u>\$ 449,558</u>

Outstanding short-term bills payable were as follows:

June 30, 2025

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
<u>Commercial paper</u>				
Ta Ching Bills Finance Corporation	\$ 190,000	\$ 175	\$ 189,825	2.04%-2.94%
Grand Bills Finance Corporation	100,000	118	99,882	2.04%-2.08%
Dah Chung Bills Finance Corporation	50,000	3	49,997	2.08%
China Bills Finance Corporation	<u>100,000</u>	<u>144</u>	<u>99,856</u>	2.10%
	<u>\$ 440,000</u>	<u>\$ 440</u>	<u>\$ 439,560</u>	

December 31, 2024

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
<u>Commercial paper</u>				
Ta Ching Bills Finance Corporation	\$ 160,000	\$ 68	\$ 159,932	2.06%-2.21%
Dah Chung Bills Finance Corporation	50,000	6	49,994	2.08%
China Bills Finance Corporation	150,000	325	149,675	2.06%-2.12%
Grand Bills Finance Corporation	<u>100,000</u>	<u>150</u>	<u>99,850</u>	2.06%-2.08%
	<u>\$ 460,000</u>	<u>\$ 549</u>	<u>\$ 459,451</u>	

June 30, 2024

Guarantee/Promissory Institution	Par Value	Discounted Amount	Carrying Amount	Interest Rate
<u>Commercial paper</u>				
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	<u>50,000</u>	<u>73</u>	<u>49,927</u>	2.12%
	<u>\$ 450,000</u>	<u>\$ 442</u>	<u>\$ 449,558</u>	

The above refer to commercial promissory notes guaranteed by bank, there are no collateral of them, and the of each note does not exceed 180 days.

c. Long-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Secured borrowings (Note 33)</u>			
Bank loans	\$ 846,000	\$ 1,200,500	\$ 1,220,000
<u>Unsecured borrowings</u>			
Loans from bank	89,000	100,000	100,000
Less: Current portion	<u>(531,600)</u>	<u>(428,000)</u>	<u>(425,000)</u>
Long-term borrowings	<u>\$ 403,400</u>	<u>\$ 872,500</u>	<u>\$ 895,000</u>

Method of Repayment		June 30, 2025	December 31, 2024	June 30, 2024
<u>Secured borrowings</u>				
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.	\$ 300,000	\$ 400,000	\$ 500,000
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.	122,000	186,000	250,000
O-Bank	The period is from December 28, 2022 to December 28, 2027, with a lump sum principal repayment due and partial early repayment of principal in November 2023 and March 2024, respectively.	250,000	250,000	250,000
Sunny Bank	Revolving loan; the period is from March 30, 2023 to March 30, 2026.	174,000	364,500	220,000
<u>Unsecured borrowings</u>				
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	100,000
Bank SinoPac	The period is from January 21, 2025 to January 21, 2028, with principal to be repaid in quarterly installments beginning in July 2025.	<u>89,000</u>	<u>-</u>	<u>-</u>
Less: Current portion		935,000 <u>(531,600)</u>	1,300,500 <u>(428,000)</u>	1,320,000 <u>(425,000)</u>
Long-term borrowings		<u>\$ 403,400</u>	<u>\$ 872,500</u>	<u>\$ 895,000</u>

The annual interest rate ranges of long-term borrowings were 2.23%-2.99%, 2.23%-2.99% and 2.19%-2.94% as of June 30, 2025, December 31, 2024 and June 30, 2024, 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 equipment.

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, 2025	December 31, 2024	June 30, 2024
Payables for dividends (Note 24)	\$ 303,554	\$ -	\$ 404,738
Payables for salaries and bonuses	135,140	128,717	90,379
Payables for utilities expense	33,015	31,520	25,096
Payables for taxes	31,680	22,739	21,638
Payables transportation fee	8,527	19,302	13,565
Payables for equipment	3,753	3,392	2,163
Others	<u>22,314</u>	<u>35,253</u>	<u>25,102</u>
	<u>\$ 537,983</u>	<u>\$ 240,923</u>	<u>\$ 582,681</u>

21. PROVISIONS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Carbon fees	<u>\$ 6,087</u>	<u>\$ -</u>	<u>\$ -</u>

Starting from 2025, the Group recognizes the carbon fee provision in accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC. The Group assessed that it was probable to obtain the approval for the self-determined reduction plan and for the recognition as belonging to the industry with high carbon leakage risk from the competent authority and assessed that it was probable to meet the designated target of the current year. The Group expects to submit the implementation progress report of the self-determined reduction plan for the current year before April 30, 2026; therefore, the carbon fee provision was calculated based on the preferential rate and the emission adjustment coefficient applicable to the industry with high carbon leakage risk.

22. 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, 2024 and 2023, 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	
	2025	2024	2025	2024
Operating costs	\$ 29	\$ 98	\$ 60	\$ 195
Selling and marketing expenses	10	22	19	45
General and administrative expenses	<u>6</u>	<u>42</u>	<u>13</u>	<u>83</u>
	<u>\$ 45</u>	<u>\$ 162</u>	<u>\$ 92</u>	<u>\$ 323</u>

23. 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, 2025

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	\$ 31,820	\$ -	\$ 31,820
Inventories	<u>-</u>	<u>3,459,856</u>	<u>3,459,856</u>
	<u>\$ 31,820</u>	<u>\$ 3,459,856</u>	<u>\$ 3,491,676</u>
Liabilities			
Contract liabilities	<u>\$ -</u>	<u>\$ 524,085</u>	<u>\$ 524,085</u>

December 31, 2024

	Within 1 Year	More Than 1 Year	Total
Assets			
Financial assets at amortized cost	\$ 31,820	\$ -	\$ 31,820
Inventories	<u>-</u>	<u>3,458,574</u>	<u>3,458,574</u>
	<u>\$ 31,820</u>	<u>\$ 3,458,574</u>	<u>\$ 3,490,394</u>
Liabilities			
Contract liabilities	<u>\$ -</u>	<u>\$ 524,085</u>	<u>\$ 524,085</u>

June 30, 2024

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

24. EQUITY

a. Share capital

Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands)	<u>498,646</u>	<u>498,646</u>	<u>498,646</u>
Shares authorized	<u>\$ 4,986,460</u>	<u>\$ 4,986,460</u>	<u>\$ 4,986,460</u>
Number of shares issued and fully paid (in thousands)	<u>404,738</u>	<u>404,738</u>	<u>404,738</u>
Shares issued	<u>\$ 4,047,380</u>	<u>\$ 4,047,380</u>	<u>\$ 4,047,380</u>

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, 2025	December 31, 2024	June 30, 2024
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
<u>May be used only to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries	<u>8</u>	<u>8</u>	<u>8</u>
	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ 18</u>

- * 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 26 (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 12, 2024 and November 10, 2023, the Company's board of directors adopted the results of operations for the first half of 2024 and 2023, respectively, decided not to distribute dividends.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2024	2023
Legal reserve	\$ <u>50,905</u>	\$ <u>43,445</u>
Special reserve	\$ <u>(10,617)</u>	\$ <u>(54,382)</u>
Cash dividends	\$ <u>303,554</u>	\$ <u>404,738</u>
Cash dividends per share (NT\$)	\$ <u>0.75</u>	\$ <u>1.00</u>

The above appropriations of cash dividends had been resolved by the Company's board of directors on May 9, 2025 and March 15, 2024, respectively. The appropriations of earnings had been resolved by the shareholders in their meeting on June 27, 2025 and June 18, 2024.

d. Special reserve

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ 36,673	\$ 91,055
Reversal of special reserve		
Reversal of the debits to other equity items	<u>(10,617)</u>	<u>(54,382)</u>
Balance on June 30	\$ <u>26,056</u>	\$ <u>36,673</u>

Upon initial application of IFRS Accounting Standards, the conversion adjustments of \$14,135 thousand were transferred to retained earnings, and the same amount was appropriated to special reserve. Lucky Cement Japan was liquidated and dissolved in 2024; the parent company reversed the entire amount of the previously appropriated 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	
	2025	2024
Balance on January 1	\$ -	\$ 2,721
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	<u>-</u>	<u>(258)</u>
Balance on June 30	\$ <u>-</u>	\$ <u>2,463</u>

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

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ (26,056)	\$ (39,394)
Recognized for the period		
Unrealized (loss)/gain - equity instruments	<u>(8,003)</u>	<u>5,875</u>
Other comprehensive (loss)/income recognized for the period	<u>(8,003)</u>	<u>5,875</u>
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>23,640</u>
Balance on June 30	\$ <u>(34,059)</u>	\$ <u>(9,879)</u>

25. REVENUE

a. Segmentation of customer's contract revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Cement	\$ 590,954	\$ 534,708	\$ 1,196,968	\$ 1,042,414
Cement products	334,141	441,156	703,667	848,698
Stone materials	86,804	96,507	190,761	246,191
Others	<u>148,687</u>	<u>144,742</u>	<u>281,900</u>	<u>272,778</u>
	<u>\$ 1,160,586</u>	<u>\$ 1,217,113</u>	<u>\$ 2,373,296</u>	<u>\$ 2,410,081</u>

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

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Notes receivable (Note 10)	<u>\$ 451,832</u>	<u>\$ 502,191</u>	<u>\$ 352,607</u>	<u>\$ 493,136</u>
Trade receivables (Note 10)	<u>\$ 431,870</u>	<u>\$ 590,243</u>	<u>\$ 673,612</u>	<u>\$ 686,567</u>
Trade receivables from related parties	<u>\$ 7,483</u>	<u>\$ 10,374</u>	<u>\$ 6,301</u>	<u>\$ 12,234</u>
Contract liabilities				
Cement sales	\$ 250,820	\$ 263,457	\$ 208,750	\$ 248,478
Property sales	524,085	524,085	524,085	262,042
Others	<u>4,138</u>	<u>6,520</u>	<u>5,167</u>	<u>10,339</u>
	<u>\$ 779,043</u>	<u>\$ 794,062</u>	<u>\$ 738,002</u>	<u>\$ 520,859</u>

26. NET PROFIT

a. Other operating income and expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Gain on disposal of property, plant and equipment	\$ 8,193	\$ 289	\$ 8,193	\$ 1,000
Others (Note 32)	<u>554,463</u>	<u>-</u>	<u>554,463</u>	<u>-</u>
	<u>\$ 562,656</u>	<u>\$ 289</u>	<u>\$ 562,656</u>	<u>\$ 1,000</u>

b. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Bank deposits	<u>\$ 1,320</u>	<u>\$ 1,209</u>	<u>\$ 2,041</u>	<u>\$ 1,953</u>

c. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Rental income	\$ 2,350	\$ 2,503	\$ 4,579	\$ 4,727
Others	<u>4,500</u>	<u>2,630</u>	<u>9,678</u>	<u>5,777</u>
	<u>\$ 6,850</u>	<u>\$ 5,133</u>	<u>\$ 14,257</u>	<u>\$ 10,504</u>

d. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net (loss) gain on foreign currency exchange	\$ (51)	\$ (50)	\$ (29)	\$ 90
Net gain (loss) on fair value changes of financial assets at fair value through profit or loss	331	(145)	135	817
Depreciation of leased assets	(573)	(573)	(1,146)	(1,146)
Others	<u>(1,604)</u>	<u>(1,204)</u>	<u>(3,232)</u>	<u>(3,440)</u>
	<u>\$ (1,897)</u>	<u>\$ (1,972)</u>	<u>\$ (4,272)</u>	<u>\$ (3,679)</u>

e. Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Bank loan	\$ 10,280	\$ 9,867	\$ 22,133	\$ 21,240
Interest on lease liabilities	541	729	1,134	1,520
Related parties loans	<u>554</u>	<u>575</u>	<u>1,019</u>	<u>1,093</u>
	<u>\$ 11,375</u>	<u>\$ 11,171</u>	<u>\$ 24,286</u>	<u>\$ 23,853</u>

Information about interest capitalization is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Amount of interest capitalized	<u>\$ 4,928</u>	<u>\$ 4,545</u>	<u>\$ 10,022</u>	<u>\$ 9,068</u>
Interest capitalized rate	2.19%-2.40%	2.12%-2.51%	2.06%-2.40%	2.09%-2.51%

f. Depreciation, amortization and depletion

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 27,447	\$ 28,417	\$ 55,863	\$ 57,467
Right-of-use assets	14,304	14,134	28,478	28,267
Long-term prepaid expenses	204	1,320	398	3,290
Limestone mining rights	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
	<u>\$ 41,956</u>	<u>\$ 43,871</u>	<u>\$ 84,740</u>	<u>\$ 89,024</u>
An analysis of depreciation by function				
Operating costs	\$ 30,306	\$ 31,260	\$ 61,553	\$ 62,969
Operating expenses	10,872	10,718	21,642	21,619
Non-operating expenses	<u>573</u>	<u>573</u>	<u>1,146</u>	<u>1,146</u>
	<u>\$ 41,751</u>	<u>\$ 42,551</u>	<u>\$ 84,341</u>	<u>\$ 85,734</u>
An analysis of amortization by function				
Operating costs	\$ 104	\$ 954	\$ 220	\$ 2,558
Operating expenses	<u>100</u>	<u>366</u>	<u>178</u>	<u>732</u>
	<u>\$ 204</u>	<u>\$ 1,320</u>	<u>\$ 398</u>	<u>\$ 3,290</u>
An analysis of depletion by function				
Operating costs	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>

g. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plan	\$ 3,215	\$ 3,452	\$ 6,437	\$ 7,005
Defined benefit plan (Note 22)	45	162	92	323
	3,260	3,614	6,529	7,328
Other employee benefits	146,774	101,051	246,545	203,101
Total employee benefits expense	<u>\$ 150,034</u>	<u>\$ 104,665</u>	<u>\$ 253,074</u>	<u>\$ 210,429</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 73,985	\$ 65,660	\$ 139,141	\$ 133,756
Operating expenses	76,049	39,005	113,933	76,673
	<u>\$ 150,034</u>	<u>\$ 104,665</u>	<u>\$ 253,074</u>	<u>\$ 210,429</u>

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. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of not less than 33% of the compensation of employees as compensation distributions for non-executive employees.

The compensation of employees (include non-executive employees) and the remuneration of directors for the three months ended March 31, 2025 and 2024 are estimated as follows:

Accrual rate

	For the Six Months Ended June 30	
	2025	2024
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	
	2025	2024	2025	2024
Compensation of employees	\$ 22,864	\$ 5,154	\$ 27,905	\$ 9,828
Remuneration of directors	38,107	8,590	46,508	16,379

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 2024 and 2023 that were resolved by the board of directors on March 17, 2025 and March 15, 2024, respectively, are as shown below:

Amount

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	\$ 18,570	\$ 20,060
Remuneration of directors	30,949	33,433

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, 2024 and 2023.

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		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Foreign exchange gains	\$ -	\$ 105	\$ 22	\$ 245
Foreign exchange losses	<u>(51)</u>	<u>(155)</u>	<u>(51)</u>	<u>(155)</u>
	<u>\$ (51)</u>	<u>\$ (50)</u>	<u>\$ (29)</u>	<u>\$ 90</u>

27. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	\$ 144,301	\$ 31,709	\$ 175,339	\$ 63,890
Income tax on unappropriated earnings	5,985	-	5,985	-
Adjustments for prior year	<u>(480)</u>	<u>11</u>	<u>(480)</u>	<u>295</u>
	149,806	31,720	180,844	64,185
Deferred tax				
In respect of the current year	<u>(1,858)</u>	<u>1,156</u>	<u>57</u>	<u>(147)</u>
Income tax expense recognized in profit or loss	<u>\$ 147,948</u>	<u>\$ 32,876</u>	<u>\$ 180,901</u>	<u>\$ 64,038</u>

b. Income tax assessments

The income tax returns through 2023 of the Company Dasheng Enterprise, Luckicon Ready-mixed Co., Luckyship Marine Co. and Fuyu Development Co., have been assessed by the tax authorities and there is no significant difference between the reported amounts and the assessed amounts.

28. 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	
	2025	2024	2025	2024
Earnings used in the computation of earnings per share	<u>\$ 563,472</u>	<u>\$ 132,624</u>	<u>\$ 694,822</u>	<u>\$ 254,736</u>

Earnings Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
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	<u>1,885</u>	<u>587</u>	<u>2,383</u>	<u>1,097</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>406,623</u>	<u>405,325</u>	<u>407,121</u>	<u>405,835</u>

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.

29. CASH FLOW INFORMATION

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, 2025 and 2024:

	For the Six Months Ended June 30	
	2025	2024
Partial cash payments for purchase of PP&E		
Acquisition of property, plant and equipment	\$ 88,654	\$ 183,305
Capitalized interest amount	(10,022)	(9,068)
Net changes in prepayments for business facilities	29,259	48,857
Net changes in payable for purchase of equipment (reported as notes payable and other payables)	<u>33,440</u>	<u>54,687</u>
Cash paid	<u>\$ 141,331</u>	<u>\$ 277,781</u>

Changes in Liabilities Arising from Financing Activities

For the six months ended June 30, 2025

	Balance on January 1, 2025	Cash Flows	Non-cash Changes			Balance on June 30, 2025
			New Lease	Discount Amortization	Others	
Short-term borrowings	\$ 1,534,000	\$ (297,100)	\$ -	\$ -	\$ -	\$ 1,236,900
Short-term bills payable	459,451	(20,000)	-	109	-	439,560
Long-term borrowings	1,300,500	(365,500)	-	-	-	935,000
Guarantee deposits received	58,073	(4,517)	-	-	-	53,556
Other payables to related parties	122,196	(79,000)	-	-	(2,038)	41,158
Lease liabilities	<u>131,805</u>	<u>(28,804)</u>	<u>5,046</u>	<u>-</u>	<u>-</u>	<u>108,047</u>
	<u>\$ 3,606,025</u>	<u>\$ (794,921)</u>	<u>\$ 5,046</u>	<u>\$ 109</u>	<u>\$ (2,038)</u>	<u>\$ 2,814,221</u>

For the six months ended June 30, 2024

	Balance on January 1, 2024	Cash Flows	Non-cash Changes			Balance on June 30, 2024
			New Lease	Discount Amortization	Others	
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	<u>155,556</u>	<u>(27,889)</u>	<u>24,949</u>	<u>-</u>	<u>-</u>	<u>152,616</u>
	<u>\$ 3,285,933</u>	<u>\$ (147,739)</u>	<u>\$ 24,949</u>	<u>\$ 281</u>	<u>\$ (364)</u>	<u>\$ 3,163,060</u>

30. 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.

31. FINANCIAL INSTRUMENTS

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

There is no significant difference between the carrying amount and fair value 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, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 10,706	\$ -	\$ -	\$ 10,706
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	\$ 92,885	\$ -	\$ -	\$ 92,885
Unlisted shares	-	-	12,426	12,426
	\$ 92,885	\$ -	\$ 12,426	\$ 105,311

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 10,944	\$ -	\$ -	\$ 10,944
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	\$ 98,511	\$ -	\$ -	\$ 98,511
Unlisted shares	-	-	10,372	10,372
	\$ 98,511	\$ -	\$ 10,372	\$ 108,883

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	<u>\$ 11,599</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,599</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares and emerging market shares	<u>\$ 77,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,080</u>
Unlisted shares	<u> </u>	<u> </u>	<u>11,408</u>	<u>11,408</u>
	<u>\$ 77,080</u>	<u>\$ -</u>	<u>\$ 11,408</u>	<u>\$ 88,488</u>

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

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

For the six months ended June 30, 2025

	Financial Assets at FVTOCI Equity Instruments
Balance on January 1, 2025	\$ 10,372
Recognized in other comprehensive income (included in unrealized valuation loss on financial assets at FVTOCI)	(2,377)
Additions	<u>4,431</u>
Balance on June 30, 2025	<u>\$ 12,426</u>

For the six months ended June 30, 2024

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

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, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 10,706	\$ 10,944	\$ 11,599
Financial assets at amortized cost (1)	1,699,676	1,862,201	1,704,375
Financial assets at FVTOCI			
Equity instruments	105,311	108,883	88,488
<u>Financial liabilities</u>			
Amortized cost (2)	3,234,237	4,094,185	3,585,519

- 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 37.

Sensitivity analysis

The Group is mainly exposed to the USD, JPY 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.

	Impact on Profit or Loss	
	For the Six Months Ended	
	June 30	
	2025	2024
USD	\$ (75)	\$ (73)
JPY	(104)	-
RMB	-	(389)

The above analysis included cash in banks and financial assets at amortized cost denominated in USD, JPY 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, 2025	December 31, 2024	June 30, 2024
Cash flow interest rate risk			
Financial assets	\$ 528,233	\$ 538,185	\$ 580,527
Financial liabilities	2,611,460	3,372,951	2,903,558

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, 2025 and 2024 would have decreased by \$2,604 thousand and \$2,904 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 tables for non-derivative financial liabilities

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, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 259,063	\$ 249,357	\$ 53,004	\$ 47,053	\$ 14,300
Lease liabilities	9,125	5,510	28,532	61,122	8,294
Variable interest rate liabilities	<u>811,486</u>	<u>539,874</u>	<u>856,700</u>	<u>403,400</u>	<u>-</u>
	<u>\$ 1,079,674</u>	<u>\$ 749,741</u>	<u>\$ 938,236</u>	<u>\$ 511,575</u>	<u>\$ 22,594</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 296,180	\$ 289,114	\$ 79,934	\$ 42,006	\$ 14,000
Lease liabilities	8,997	5,355	40,330	73,986	8,602
Variable interest rate liabilities	<u>541,863</u>	<u>873,588</u>	<u>1,085,000</u>	<u>872,500</u>	<u>-</u>
	<u>\$ 847,040</u>	<u>\$ 1,168,057</u>	<u>\$ 1,205,264</u>	<u>\$ 988,492</u>	<u>\$ 22,602</u>

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	\$ 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	<u>680,998</u>	<u>569,810</u>	<u>757,750</u>	<u>895,000</u>	<u>-</u>
	<u>\$ 954,496</u>	<u>\$ 1,279,906</u>	<u>\$ 852,652</u>	<u>\$ 999,279</u>	<u>\$ 63,209</u>

b) Financing facilities

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured facilities			
Amount used	\$ 1,098,000	\$ 1,149,000	\$ 1,215,000
Amount unused	<u>1,126,986</u>	<u>575,997</u>	<u>782,141</u>
	<u>\$ 2,224,986</u>	<u>\$ 1,724,997</u>	<u>\$ 1,997,141</u>
Secured facilities			
Amount used	\$ 1,513,900	\$ 2,165,678	\$ 1,550,000
Amount unused	<u>1,473,810</u>	<u>441,235</u>	<u>1,904,665</u>
	<u>\$ 2,987,710</u>	<u>\$ 2,606,913</u>	<u>\$ 3,454,665</u>

32. 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 first-degree relative of the chairman of the Company
Fudong Freight Co., Ltd. (“Fudong Freight”)	The chairman is also 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 also the chairman of the Company
Wantong Property Insurance Brokers Co., Ltd. (“Wantong Property Insurance”)	The chairman is also the chairman of the Company
Lucky Construction Co., Ltd. (“Lucky Construction”)	The chairman is also the chairman of the Company
Kuochuan Development Co., Ltd. (“Kuochuan Development”)	The chairman is also the chairman of the Company
Ri Kon Construction Co., Ltd. (“Ri Kon Construction”)	The chairman is also the chairman of the Company
Shi Yi Cement Corporation (“Shi Yi Cement”)	The chairman is also the chairman of the Company
Changheng Investment Co. (“Changheng Investment”)	The company is major shareholder of the Company
Jinli Investment Co., Ltd. (“Jinli Investment”)	The company is major shareholder of the Company
Cheng Haibin	The company is major shareholder of the Company

(Continued)

Related Party Name	Related Party Category
Fuan Mining Co., Ltd. (“Fuan Mining”)	A manager in the company is spouse of the chairman of the Company
Chang-Run Water Resources Biotechnology.	The director in the company is spouse of the chairman of the Company
Takming University of Science and Technology	The chairman is also the chairman of the Company

(Concluded)

b. Business transactions

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Sales	Other related parties	<u>\$ 18,269</u>	<u>\$ 14,369</u>	<u>\$ 43,397</u>	<u>\$ 40,672</u>
Purchases of goods	Fuan Mining	<u>\$ 56,591</u>	<u>\$ 44,513</u>	<u>\$ 134,426</u>	<u>\$ 124,326</u>
	Other related parties	<u>20,013</u>	<u>16,445</u>	<u>44,072</u>	<u>26,142</u>
		<u>\$ 76,604</u>	<u>\$ 60,958</u>	<u>\$ 178,498</u>	<u>\$ 150,468</u>
Operating costs - transportation expenses	Other related parties	<u>\$ 2,716</u>	<u>\$ 2,755</u>	<u>\$ 4,237</u>	<u>\$ 5,140</u>
Operating costs - manufacturing expenses	Other related parties	<u>\$ 1,020</u>	<u>\$ -</u>	<u>\$ 1,020</u>	<u>\$ 166</u>
Operating expense	Other related parties	<u>\$ 1,357</u>	<u>\$ 268</u>	<u>\$ 1,488</u>	<u>\$ 2,260</u>

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, 2025	December 31, 2024	June 30, 2024
Trade receivables	Fuan Mining	<u>\$ 7,483</u>	<u>\$ 10,374</u>	<u>\$ 6,301</u>
Other receivables	Fuan Mining	<u>\$ 166,000</u>	<u>\$ -</u>	<u>\$ -</u>
	Shi Yi Cement	<u>459</u>	<u>657</u>	<u>362</u>
	Jia Fu Entertainment	<u>207</u>	<u>162</u>	<u>231</u>
	Other related parties	<u>4</u>	<u>6</u>	<u>4</u>
		<u>\$ 166,670</u>	<u>\$ 825</u>	<u>\$ 597</u>

The outstanding trade receivables from related parties are unsecured. As of June 30, 2025, December 31, 2024, and June 30, 2024, no impairment losses were recognized for trade receivables from related parties.

d. Payables to related parties

Line Item	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Notes payable (excluding loan from related parties)	Fuan Mining	\$ 19,714	\$ 19,763	\$ 27,222
	Fudong Freight	3,983	4,687	5,613
	Shi Yi Cement	2,669	-	2,436
	Other related parties	<u>54</u>	<u>81</u>	<u>108</u>
		<u>\$ 26,420</u>	<u>\$ 24,531</u>	<u>\$ 35,379</u>
Trade payables	Fuan Mining	\$ 39,707	\$ 32,133	\$ 19,517
	Fudong Freight	2,840	6,576	2,593
	Shi Yi Cement	<u>3,903</u>	<u>3,750</u>	<u>4,559</u>
		<u>\$ 46,450</u>	<u>\$ 42,459</u>	<u>\$ 26,669</u>
Other payables (excluding loan from related parties)	Fudong Freight	\$ 1,092	\$ 1,480	\$ 913
	East Life Biotech	-	1,595	-
	Other related parties	<u>-</u>	<u>9</u>	<u>152</u>
		<u>\$ 1,092</u>	<u>\$ 3,084</u>	<u>\$ 1,065</u>

The outstanding trade payables to related parties are unsecured.

e. Loan from related parties

Line Item	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Other payables - current	Fuan Mining	<u>\$ 66</u>	<u>\$ 79,112</u>	<u>\$ 139,191</u>
Other payables - non-current	Cheng Haibin	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>

Financial cost

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Other related parties	<u>\$ 554</u>	<u>\$ 575</u>	<u>\$ 1,019</u>	<u>\$ 1,093</u>

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, 2025	December 31, 2024	June 30, 2024
Lease liabilities - current	Jia Fu Entertainment	<u>\$ 413</u>	<u>\$ 408</u>	<u>\$ 404</u>
Lease liabilities - non-current	Jia Fu Entertainment	<u>\$ 8,919</u>	<u>\$ 9,127</u>	<u>\$ 9,332</u>

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Financial costs				
Jia Fu Entertainment	\$ <u>52</u>	\$ <u>54</u>	\$ <u>104</u>	\$ <u>109</u>

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, 2025	December 31, 2024	June 30, 2024
Fudong Freight	\$ 1,604	\$ 1,916	\$ 2,228
Other related parties	<u>243</u>	<u>288</u>	<u>360</u>
	\$ <u>1,847</u>	\$ <u>2,204</u>	\$ <u>2,588</u>

Lease income was as follows:

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Fudong Freight	\$ 336	\$ 336	\$ 672	\$ 672
Other related parties	<u>40</u>	<u>36</u>	<u>81</u>	<u>72</u>
	\$ <u>376</u>	\$ <u>372</u>	\$ <u>753</u>	\$ <u>744</u>

The rental amounts and collection methods are negotiated.

h. Other transactions with related parties

Fuan Mining received a refund of overpaid taxes at the end of April 2025. In accordance with the agreement between the parent company and the supplier, Fuan Mining is required to return \$554,463 thousand to the Company. The refundable amount has been recognized under other operating income and expenses. As of June 30, 2025, \$166,000 thousand had not yet been recovered and was recorded as other receivables - related parties.

i. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 43,532	\$ 13,808	\$ 61,335	\$ 30,024
Post-employment benefits	<u>170</u>	<u>135</u>	<u>331</u>	<u>267</u>
	<u>\$ 43,702</u>	<u>\$ 13,943</u>	<u>\$ 61,666</u>	<u>\$ 30,291</u>

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

33. 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, 2025	December 31, 2024	June 30, 2024
Property under development (reported as inventories)	\$ 3,365,852	\$ 3,364,570	\$ 3,385,343
Property, plant and equipment	1,940,116	1,942,910	1,945,705
Restricted assets (reported as financial assets at amortized cost)	221,761	228,081	224,581
Notes receivable	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>
	<u>\$ 5,543,729</u>	<u>\$ 5,551,561</u>	<u>\$ 5,571,629</u>

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to those disclosed in other notes, significant commitments and unrecognized commitments of the Company as of balance sheet dates were as follows:

- As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group has signed a contract for purchase of property, plant and equipment; the unpaid amount is \$146,711 thousand, \$208,374 thousand and \$336,925 thousand, respectively.
- As of June 30, 2025, December 31, 2024 and June 30, 2024, unused letters of credit for purchases of raw materials amounted to approximately \$0 thousand, \$20,178 thousand and \$0 thousand, respectively.

35. OTHER MATTER: NONE.

36. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD:

On July 24, 2025, Dasheng Enterprise reduced its capital by \$168,000 thousand to offset a deficit. Subsequently, on July 25, 2025, Dasheng issued ordinary shares for cash totaling \$300,000 thousand, which were fully subscribed by the Parent Company.

37. 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, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 51	29.30 (USD:NTD)	\$ 1,507
JPY	10,213	0.2034 (JPY:NTD)	2,077

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 48	32.785 (USD:NTD)	\$ 1,586
JPY	10,212	0.2099 (JPY:NTD)	2,144

June 30, 2024

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

Foreign exchange losses (realized or unrealized) of the Group in the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 are respectively loss of \$51 thousand, loss of \$50 thousand, loss of \$29 thousand and gain of \$90 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.

38. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and investees:
 - 1) Financing provided to others (Table 1)
 - 2) Endorsements/guarantees provided (Table 2)
 - 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
 - 6) 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

39. SEGMENT INFORMATION

The Group defined its 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		Profit/Loss of Segments	
	For the Six Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Cement segment	\$ 2,373,277	\$ 2,410,024	\$ 890,991	\$ 337,068
Other segment	<u>19</u>	<u>57</u>	<u>(3,008)</u>	<u>(3,219)</u>
Total amount of business unit	<u>\$ 2,373,296</u>	<u>\$ 2,410,081</u>	887,983	333,849
Interest income			2,041	1,953
Other income			14,257	10,504
Other gains and losses			(4,272)	(3,679)
Financial costs			<u>(24,286)</u>	<u>(23,853)</u>
Profit before income tax			<u>\$ 875,723</u>	<u>\$ 318,774</u>

The segment revenue reported above was all generated from transactions with external customers. There were no inter-segment sells for the six months ended June 30, 2025 and 2024.

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

b. Total assets and liabilities of segments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Segment assets</u>			
Operating segment			
Cement segment	\$ 6,840,641	\$ 6,888,774	\$ 6,471,446
Other segment	<u>3,543,463</u>	<u>3,542,493</u>	<u>3,563,818</u>
Total assets	<u>\$ 10,384,104</u>	<u>\$ 10,431,267</u>	<u>\$ 10,035,264</u>
<u>Segment liabilities</u>			
Operating segment			
Cement segment	\$ 3,962,231	\$ 4,335,010	\$ 4,147,442
Other segment	<u>852,864</u>	<u>910,513</u>	<u>961,382</u>
Total liabilities	<u>\$ 4,815,095</u>	<u>\$ 5,245,523</u>	<u>\$ 5,108,824</u>

TABLE 1

LUCKY CEMENT CO. AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)**

No.	Lender	Borrower	Financial Statement Account	Highest Balance for the 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 Impairment Loss	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	\$ 178,000	2.2482	b.	\$ -	Operating turnover	\$ -	-	-	\$ 556,894	\$ 2,227,577
		Luckicon Ready-mixed Co.	Other receivables from related parties	100,000	Yes	-	-	-	b.	-	Operating turnover	-	-	-	556,894	2,227,577
						<u>\$ 200,000</u>										

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 intercompany 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, 2025
(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 Luckicon Ready-mixed Co.	Subsidiary Subsidiary	\$ 2,227,577 2,227,577	\$ 490,000 1,480,000	\$ 490,000 <u>1,480,000</u> <u>\$ 1,970,000</u>	\$ 280,000 889,000	\$ - -	8.80 26.58	\$ 2,784,472 2,784,472	Y Y	- -	- -	

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.

TABLE 3

LUCKY CEMENT CO. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2025
(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, 2025				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value (Notes 1 and 2)	
Lucky Cement Co.	<u>Mutual fund</u>							
	Yuanta Japan Leaders Equity Fund	-	Financial assets at FVTPL - current	511,248	\$ 5,598	-	\$ 5,598	
	O-Bank No.1 Real Estate Investment Trust	-	Financial assets at FVTPL - current	100,000	720	-	720	
	CTBC US Focused Growth Fund	-	Financial assets at FVTPL - current	450,000	4,388	-	4,388	
	<u>Non-listed ordinary shares</u>							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,501,318	12,145	10.72	12,145	
	<u>Listed ordinary shares</u>							
	Formosa Plastics Corporation	-	Financial assets at FVTOCI - current	400,000	13,940	0.01	13,940	
	Yang Ming Marine Transport Corp.	-	Financial assets at FVTOCI - current	5,000	356	-	356	
	Taiwan Cement Corporation	-	Financial assets at FVTOCI - current	1,035,640	26,408	0.01	26,408	
	Far Eastern New Century Corporation	-	Financial assets at FVTOCI - current	200,000	6,580	-	6,580	
	Asia Cement Corporation	-	Financial assets at FVTOCI - current	375,000	15,994	0.01	15,994	
	Winbond Electronics Corporation	-	Financial assets at FVTOCI - current	130,181	2,623	-	2,623	
	U-Ming Marine Transport Corporation	-	Financial assets at FVTOCI - current	78,000	3,775	0.01	3,775	
	United Microelectronics Corporation	-	Financial assets at FVTOCI - current	72,351	3,198	-	3,198	
	Medigen Biotechnology Corporation	-	Financial assets at FVTOCI - current	28,628	865	0.02	865	
	Sanitar Co., Ltd.	-	Financial assets at FVTOCI - current	24,000	960	0.03	960	
	KGI Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	13,496	202	-	202	
	First Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	1,001	29	-	29	
	Capital Securities Corp.	-	Financial assets at FVTOCI - current	875	17	-	17	
	Hua Nan Financial Holdings Co., Ltd.	-	Financial assets at FVTOCI - current	476	13	-	13	
	<u>Convertible preference shares of listed companies</u>							
	O-Bank Co., Ltd.	-	Financial assets at FVTOCI - current	1,500,000	17,925	0.60	17,925	
Luckyship Co.	<u>Non-listed ordinary shares</u>							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	34,694	281	0.25	281	

Note 1: Financial assets at FVTPL: Fair value is based on the net asset value of funds at end of June 2025.

Note 2: Financial assets at FVTOCI: Fair value of listed shares is based on their closing price at the end of June 2025. Fair value of non-listed shares is estimated by the fair value method.

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

TABLE 4

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, 2025
(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	\$ (219,375)	(11.89)	About 90 days	Quote	Quote	Accounts receivable	\$ 33,941	6.03	Note 2 Note 2
									Notes receivable	69,238	12.29	
	Fuan Mining	Other related parties	Purchase	134,426	17.50	About 90 days	Bargain	Quote	Accounts payable	(39,707)	(12.08)	
									Notes payable	(19,714)	(6.00)	

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

Note 2: All intercompany 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, 2025
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance (Note 3)	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	\$ 103,179	3.94	\$ -	-	\$ 35,350	\$ -
			Other receivable	196	-	-	-	196	-
	Dasheng Enterprise	Subsidiary	Other receivable	178,252	-	-	-	252	-
				(Note 2)					
	Fuan Mining	Substantial related party	Other receivable	166,000	-	-	-	-	-

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

Note 2: Of this amount, \$178,000 thousand is the financing of its funds and \$252 thousand is the interest receivable and the receivable payment.

Note 3: All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

TABLE 6

LUCKY CEMENT CO. AND SUBSIDIARIES

**INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note 3)		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	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	\$ 2,496,908	\$ (8,476)	\$ (8,476)	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	1,157,440	79,424	79,472 (Note 4)	Note 1
	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	15,371	(877)	(876) (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	13,886	5,038	5,038	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 includes capital reduction for covering accumulated deficits of prior years.
- Note 4: The difference is transactions realized gain of \$48 thousand.
- Note 5: The difference is transactions unrealized gain of \$1 thousand.
- Note 6: All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

TABLE 7

LUCKY CEMENT CO. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)**

No	Company	Counterparty	Relationship (Note 1)	Intercompany Transactions			
				Financial Statement Accounts	Amount	Terms	%of Consolidated Net Revenue or Total Assets
0	Lucky Cement Co.	Luckicon Ready-mixed Co.	a.	Notes receivable	\$ 69,238	About 90 days	0.67
		Luckicon Ready-mixed Co.	a.	Accounts receivable	33,941	About 90 days	0.33
		Luckicon Ready-mixed Co.	a.	Other receivables	196	About 90 days	-
		Luckicon Ready-mixed Co.	a.	Notes payable	3,314	About 90 days	0.03
		Luckicon Ready-mixed Co.	a.	Contract liabilities	9,912	About 90 days	0.10
		Luckicon Ready-mixed Co.	a.	Sales revenue	219,375	About 90 days	9.24
		Luckicon Ready-mixed Co.	a.	Rental income	762	30 days	0.03
		Fuyu Development Co., Ltd.	a.	Other receivables	3	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Notes receivable	448	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Accounts receivable	226	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Other payables	308	About 90 days	-
		Fuyu Development Co., Ltd.	a.	Cost of sales	1,792	About 90 days	0.08
		Fuyu Development Co., Ltd.	a.	Rental income	4,875	30 days	0.21
		Fuyu Development Co., Ltd.	a.	Other income	600	30 days	0.03
		Luckyship Co.	a.	Other receivables	2	About 90 days	-
		Luckyship Co.	a.	Rental income	138	30 days	0.01
		Dasheng Enterprise	a.	Other receivables - financing	178,000	Financing, the repayment period is one year	1.71
		Dasheng Enterprise	a.	Other receivables	252	About 90 days	-
		Dasheng Enterprise	a.	Rental income	45	30 days	-
		Dasheng Enterprise	a.	Interest income	783	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. Between subsidiaries.

Note 2: All intercompany transactions, balances, income and expenses are eliminated upon consolidation.