Lucky Cement Co. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as of and for the year ended December 31, 2024 as provided in International Financial Reporting Standard No. 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies as of and for the year ended December 31, 2024. Hence, we did not prepare a separate set of consolidated financial statements of affiliates for the year ended December 31, 2024.

Very truly yours,

LUCKY CEMENT CO.

By

CHEN,YUN-JU
Chairman

March 27, 2025

Deloitte.

勤業眾信

勤業眾信聯合會計師事務所
110421 台北市信義區松仁路 100 號 20 樓

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 110421, Taiwan

Tel : + 886 (2) 2725 - 9988
Fax: + 886 (2) 4051 - 6888
www.deloitte.com.tw

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Lucky Cement Co.

Opinion

We have audited the accompanying consolidated financial statements of Lucky Cement Co. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter - Reference to the Audits of Other Auditors), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and enforced by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the report of the other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified during our audit of the consolidated financial statements for the year ended December 31, 2024 is as follows:

Occurrence of Sales Revenue from Key Customers

The Group's sales revenue mainly comes from sales of cement, stone materials, and other cement products. The net sales revenue of the Group in 2024 was lower than in 2023. However, the net sales revenue from key customers had increased compared with that of the previous year, which amounted to NT$1,026,960 thousand, or 21% of the total sales revenue in 2024. Therefore, we deemed this sales revenue a key audit matter.

Refer to Note 4(j) to the consolidated financial statements for accounting policies on revenue recognition and Note 24(a) for the disclosures related to operating revenue.

The key audit matter procedures we performed were as follows:

1. We obtained an understanding of the internal control procedures over the sales revenue and assessed the design and effectiveness of the implementation of internal controls.

2. We obtained the summary of sales to the key customers for the year, tested the completeness of the summary, selected samples from the summary, examined supporting documents, confirm the collection of payment and verified the occurrence of sales.

Other Matter

We have also audited the parent company only financial statements of Lucky Cement Co. as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and enforced by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 27, 2025

<u>Notice to Readers</u>

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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash (Notes 4 and 6)	$ 493,514	5	$ 283,737	3
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	10,944	-	10,922	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	98,511	1	83,279	1
Financial assets at amortized cost - current (Notes 4, 9 and 32)	62,720	1	64,727	1
Notes receivable (Notes 4, 10, 24 and 32)	502,191	5	493,136	5
Accounts receivable (Notes 4, 10 and 24)	590,243	6	686,567	7
Accounts receivable from related parties (Notes 4, 24 and 31)	10,374	-	12,234	-
Other receivables (Notes 4 and 10)	1,202	-	354	-
Other receivables from related parties (Notes 4 and 31)	825	-	311	-
Inventories (Notes 4, 5, 11 and 32)	4,091,550	39	4,195,260	42
Prepayments (Note 13)	108,937	1	94,961	1
Other current assets (Note 14)	27,783	-	30,342	-
Total current assets	5,998,794	58	5,955,830	60
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	10,372	-	10,590	-
Financial assets at amortized cost - non-current (Notes 4, 9 and 32)	179,761	2	179,196	2
Property, plant and equipment (Notes 4, 15 and 32)	3,810,755	36	3,415,001	34
Right-of-use assets (Notes 4, 16 and 31)	129,785	1	154,227	1
Deferred tax assets (Notes 4 and 26)	70,326	1	68,160	1
Refundable deposits	21,371	-	24,046	-
Net defined benefit assets (Notes 4 and 21)	10,209	-	-	-
Other non-current assets (Notes 4 and 17)	199,894	2	162,823	2
Total non-current assets	4,432,473	42	4,014,043	40
TOTAL	$ 10,431,267	100	$ 9,969,873	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 32)	$ 1,534,000	15	$ 979,500	10
Short-term bills payable (Notes 18 and 32)	459,451	4	359,277	4
Contract liabilities (Note 24)	794,062	8	520,859	5
Notes payable (Note 19)	275,789	3	390,153	4
Notes payable to related parties (Notes 19 and 31)	24,531	-	66,780	1
Accounts payable (Note 19)	187,719	2	189,227	2
Accounts payable to related parties (Notes 19 and 31)	42,459	-	42,300	-
Other payables (Note 20)	240,923	2	215,106	2
Other payables to related parties (Note 31)	82,196	1	132,920	1
Current tax liabilities (Note 26)	38,476	-	137,356	1
Lease liabilities - current (Notes 4, 16 and 31)	52,734	1	49,722	1
Current portion of long-term borrowings (Notes 18 and 32)	428,000	4	212,500	2
Other current liabilities	3,215	-	2,028	-
Total current liabilities	4,163,555	40	3,297,728	33
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 18 and 32)	872,500	8	1,357,500	14
Deferred tax liabilities (Notes 4 and 26)	31,162	-	24,672	-
Lease liabilities - non-current (Notes 4, 16 and 31)	79,071	1	105,834	1
Other payables to related parties (Note 31)	40,000	-	40,000	-
Net defined benefit liabilities (Notes 4 and 21)	1,162	-	24,634	-
Guarantee deposits received	58,073	1	48,680	1
Total non-current liabilities	1,081,968	10	1,601,320	16
Total liabilities	5,245,523	50	4,899,048	49
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)				
Share capital				
Ordinary shares	4,047,380	39	4,047,380	40
Capital surplus	18	-	18	-
Retained earnings				
Legal reserve	341,022	3	297,577	3
Special reserve	36,673	-	91,055	1
Unappropriated earnings	786,641	8	671,401	7
Total retained earnings	1,164,336	11	1,060,033	11
Other equity	(26,056)	-	(36,673)	-
Total equity attributable to owners of the Company	5,185,678	50	5,070,758	51
NON-CONTROLLING INTERESTS (Note 23)	66	-	67	-
Total equity	5,185,744	50	5,070,825	51
TOTAL	$ 10,431,267	100	$ 9,969,873	100

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

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 24 and 31)				
Sales	$ 4,874,002	100	$ 5,100,194	100
Less: Sales returns and allowances	(6,908)	-	(5,451)	-
Total operating revenue	4,867,094	100	5,094,743	100
OPERATING COSTS (Notes 11, 25 and 31)	3,939,390	81	4,211,831	83
GROSS PROFIT	927,704	19	882,912	17
OPERATING EXPENSES (Notes 10, 25 and 31)				
Selling and marketing expenses	121,624	3	114,730	2
General and administrative expenses	167,605	3	160,844	3
Expected credit gain	(392)	-	(2,695)	-
Total operating expenses	288,837	6	272,879	5
OTHER OPERATING INCOME (Note 25)	403	-	2,328	-
PROFIT FROM OPERATIONS	639,270	13	612,361	12
NON-OPERATING INCOME AND EXPENSES (Notes 15, 25 and 31)				
Interest income	4,122	-	3,800	-
Other income	29,853	-	85,315	2
Other (losses) gains	(16,920)	-	15,313	-
Finance costs	(49,802)	(1)	(57,039)	(1)
Total non-operating income and expenses	(32,747)	(1)	47,389	1
PROFIT BEFORE INCOME TAX	606,523	12	659,750	13
INCOME TAX EXPENSE (Notes 4 and 26)	(112,586)	(2)	(132,614)	(2)
NET PROFIT FOR THE YEAR	493,937	10	527,136	11

(Continued)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	$ 29,883	1	$ (709)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(1,442)	-	(36,654)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(2,721)	-	(947)	-
Other comprehensive income (loss), net of income tax	25,720	1	(38,310)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 519,657	11	$ 488,826	10
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Company	$ 493,938	10	$ 527,139	11
Non-controlling interests	(1)	-	(3)	-
	$ 493,937	10	$ 527,136	11
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Company	$ 519,658	11	$ 488,829	10
Non-controlling interests	(1)	-	(3)	-
	$ 519,657	11	$ 488,826	10
EARNINGS PER SHARE (NT$; Note 27)				
Basic	$ 1.22		$ 1.30	
Diluted	$ 1.22		$ 1.30	

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

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company									
			Retained Earnings			Other Equity				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE, JANUARY 1, 2023	$ 4,047,380	$ 18	$ 238,244	$ 14,908	$ 696,224	$ 3,668	$ (94,723)	$ 4,905,719	$ 70	$ 4,905,789
Appropriation of 2022 earnings										
Legal reserve	-	-	59,333	-	(59,333)	-	-	-	-	-
Special reserve	-	-	-	76,147	(76,147)	-	-	-	-	-
Cash dividend to shareholders	-	-	-	-	(323,790)	-	-	(323,790)	-	(323,790)
Net profit (loss) for the year ended December 31, 2023	-	-	-	-	527,139	-	-	527,139	(3)	527,136
Other comprehensive loss for the year ended December 31, 2023	-	-	-	-	(709)	(947)	(36,654)	(38,310)	-	(38,310)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	526,430	(947)	(36,654)	488,829	(3)	488,826
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Note 23)	-	-	-	-	(91,983)	-	91,983	-	-	-
BALANCE AT DECEMBER 31, 2023	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 to shareholders	-	-	-	-	(404,738)	-	-	(404,738)	-	(404,738)
Net profit for the year ended December 31, 2024	-	-	-	-	493,938	-	-	493,938	(1)	493,937
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	29,883	(2,721)	(1,442)	25,720	-	25,720
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	523,821	(2,721)	(1,442)	519,658	(1)	519,657
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (Note 23)	-	-	-	-	(14,780)	-	14,780	-	-	-
BALANCE AT DECEMBER 31, 2024	$ 4,047,380	$ 18	$ 341,022	$ 36,673	$ 786,641	$ -	$ (26,056)	$ 5,185,678	$ 66	$ 5,185,744

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

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 606,523	$ 659,750
Adjustments for:		
Depreciation expense	167,365	158,125
Amortization and depletion expense	4,035	16,535
Expected credit gain recognized on trade receivables	(392)	(2,695)
Net gain on fair value changes of financial assets at fair value through profit or loss	(163)	(24,825)
Finance costs	49,802	57,039
Interest income	(4,122)	(3,800)
Dividend income	(2,219)	(62,698)
Gain on disposal of property, plant and equipment	(403)	(2,328)
Gain on disposal of subsidiaries	(2,887)	-
Loss on impairment of financial assets	-	527
Inventory (including real estate under development) write-down loss	25,169	103,572
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	141	67,525
Notes receivable	(9,055)	(60,211)
Accounts receivable	96,716	(122,034)
Accounts receivable from related parties	1,860	(510)
Other receivables	(874)	1,155
Other receivables from related parties	(514)	(60)
Inventories	78,541	(233,791)
Prepayments	(13,976)	158,415
Other current assets	2,559	(4,128)
Contract liabilities	273,203	(28,330)
Notes payable	(80,567)	76,413
Notes payable to related parties	(42,249)	39,952
Accounts payable	(1,508)	(31,916)
Accounts payable to related parties	159	17,283
Other payables	29,967	30,870
Other payables to related parties	1,636	(1,025)
Other current liabilities	1,187	(324)
Net defined benefit assets and liabilities	(3,798)	(50)
Cash generated from operations	1,176,136	808,436
Interest received	4,148	3,745
Interest paid	(68,091)	(70,897)
Income tax paid	(207,142)	(96,058)
Net cash generated from operating activities	905,051	645,226

(Continued)

LUCKY CEMENT CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (134,310)	$ (85,349)
Proceeds from sale of financial assets at fair value through other comprehensive income	117,854	88,173
Decrease in financial assets at amortized cost	1,442	54,476
Payments for property, plant and equipment (Note 28)	(570,866)	(275,100)
Proceeds from disposal of property, plant and equipment	4,836	2,328
Decrease (increase) in refundable deposits	2,675	(6,752)
Increase in other non-current assets	(865)	-
Other dividends received	2,219	62,698
Net cash used in investing activities	(577,015)	(159,526)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	554,500	-
Repayments of short-term borrowings	-	(498,700)
Increase in short-term bills payable	100,000	-
Repayments of short-term bills payable	-	(50,000)
Proceeds from long-term borrowings	498,000	616,000
Repayments of long-term borrowings	(767,500)	(206,000)
Increase in guarantee deposits received	9,393	9,640
Increase in other payable to related parties	-	38,000
Decrease in other payable to related parties	(52,300)	-
Repayment of the principal portion of lease liabilities	(55,865)	(56,410)
Cash dividends paid	(404,738)	(323,790)
Net cash used in financing activities	(118,510)	(471,260)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	251	(677)
NET INCREASE IN CASH	209,777	13,763
CASH AT THE BEGINNING OF YEAR	283,737	269,974
CASH AT THE END OF YEAR	$ 493,514	$ 283,737

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

(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

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

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

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 17, 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 ENFORCED by the Financial Supervisory Commission (FSC)

   The initial application of the amendments to the IFRS Accounting Standards endorsed and enforced by the FSC did not have material impact on the Group's accounting policies.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group had assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

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

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

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

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing 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

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

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 unadjusted quoted prices in active markets for identical assets or liabilities;

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

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

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

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

3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period

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

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of 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, Note 37 and Table 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

Transactions in currencies other than the entity’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the year in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company’s foreign operations that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

f. Inventories

Inventories consist of raw materials, supplies and spare parts, finished goods, work-in-process, merchandise and real estate under development and real estate to be developed and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date. The construction cost of property inventories is calculated according to the proportion of an area to the total area of a building floor; the principle is to match construction cost with property sales revenue; operating costs are recognized at the end of the reporting period.

Land for development is classified as real estate to be developed while being prepared for construction, and classified as real estate under development when it is actively being developed and has obtained a construction permit.

g. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Impairment of property, plant and equipment and right-of-use asset

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use asset to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

i. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial asset at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 30 Instruments.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash, financial assets at amortized cost, Notes receivable, trade receivables and other receivables, etc. are measured at amortized cost, which equals to gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for:

i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. Financial asset is more than 181 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The Group recognizes impairment loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

j. Revenue recognition

The Group identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Revenue from sale of products

Revenue from sale of products comes from sales of cement, stone materials and other cement products. Sales of cement, stone materials and other cement products are recognized as revenue when the products are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the products, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

k. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

l. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

m. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and past service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur or when the plan amendment or curtailment occurs. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

n. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current tax and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

<u>Write-down of inventories (including real estate under development)</u>

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH

	December 31	
	2024	2023
Cash on hand and revolving funds	$ 1,547	$ 1,524
Checking accounts and demand deposits	488,280	277,415
Foreign currency demand deposits	3,687	4,798
	$ 493,514	$ 283,737

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2024	2023
Current		
Financial assets mandatorily classified as at FVTPL - mutual funds	$ 10,944	$ 10,922

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2024	2023
Current		
Domestic investments - ordinary shares	$ 98,511	$ 83,279
Non-current		
Domestic investments - ordinary shares	$ 10,372	$ 10,590

The aforementioned information for investments, please refer to Note 37 and Table 3 “Marketable Securities Held”.

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

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

For the years ended December 31, 2024 and 2023, the Group disposed of partial common stock at fair value of $117,854 thousand and $88,173 thousand, and related other equity - unrealized valuation gain or loss on financial assets at fair value through other comprehensive loss of $14,780 thousand and gain of $91,983 thousand were transferred to retained earnings, respectively.

For the years ended December 31, 2024 and 2023, the Group the dividend income of $2,219 thousand and $62,698 thousand.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2024	2023
Current		
Time deposits with original maturities of more than 3 months (a)	$ 14,400	$ 26,407
Restricted assets (b)	48,320	38,320
	$ 62,720	$ 64,727
Non-current		
Restricted assets (c)	$ 179,761	$ 179,196

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

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

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

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

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

	December 31	
	2024	2023
Notes receivable		
At amortized cost		
Gross carrying amount	$ 502,191	$ 493,136
Trade receivables		
At amortized cost		
Gross carrying amount	$ 607,729	$ 704,445
Less: Allowance for impairment loss	(17,486)	(17,878)
	$ 590,243	$ 686,567

(Continued)

	December 31	
	2024	2023
Other receivables		
Other	$ 1,202	$ 354
Overdue receivables		
Overdue receivables	$ 31,065	$ 31,065
Less: Allowance for impairment loss	(31,065)	(31,065)
	$ -	$ -

(Concluded)

a. Notes receivable

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

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

Please refer to Note 32 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 measure the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer’s current financial position, as well as the GDP forecasts and industry outlook. The Group’s provision matrixes are prepared by reference to if the customer were in severe financial difficulty. The Group recorded a 100% of loss allowance when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; If the customer were not in severe financial difficulty, as the Group’s historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group’s different customer base.

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

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

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)	(2,283)	(1,025)	(597)	(2,022)	(4,605)	(38,019)	(48,551)
Amortized cost	$ 570,615	$ 12,635	$ 3,833	$ 3,160	$ -	$ -	$ 590,243

December 31, 2023

	Not Past Due	Past Due within 30 Days	Past Due 31 to 60 Days	Past Due 61 to 180 Days	Past Due Over 181 Days	Assessed Individually	Total
Expected credit loss rate	0%-0.46%	7.10%	12.42%	19.40%-69.41%	100%	100%	
Gross carrying amount	$ 645,410	$ 39,946	$ 5,776	$ 2,101	$ 4,258	$ 38,019	$ 735,510
Loss allowance (Lifetime ECLs)	(2,555)	(2,836)	(717)	(558)	(4,258)	(38,019)	(48,943)
Amortized cost	$ 642,855	$ 37,110	$ 5,059	$ 1,543	$ -	$ -	$ 686,567

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 48,943	$ 51,638
Less: Net remeasurement of loss allowance	(392)	(2,695)
Balance at December 31	$ 48,551	$ 48,943

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 December 31, 2024 and 2023, the expected credit loss rate of other receivables was both 0% consistently.

11. INVENTORIES

	December 31	
	2024	2023
Real estate under development and real estate to be developed	$ 3,458,574	$ 3,477,710
Raw materials	307,066	375,868
Finished goods	92,229	124,079
Work in progress	57,991	45,982
Supplies and spare parts	175,690	171,621
	$ 4,091,550	$ 4,195,260

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

	For the Year Ended December 31	
	2024	2023
Cost of inventories sold	$ 3,914,221	$ 4,108,259
Inventory (including real estate under development) write-downs loss	25,169	103,572
	$ 3,939,390	$ 4,211,831

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

12. SUBSIDIARIES

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

			Percentage of Equity Held	
			December 31	
Investor Company	Subsidiary	Nature of Business	2024	2023
Lucky Cement Co.	Dasheng Enterprise Co., Ltd. ("Dasheng Enterprise")	Sale and lease of national residences, commercial buildings, parking lots and industrial areas	99.99	99.99
	Luckicon Ready-mixed Concrete Factory Co., Ltd. ("Luckicon Ready-mixed Co.")	Production and sales of concrete	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
Luckicon Ready-mixed Co.	Fuyu Development Co., Ltd.	Earth and stone	100.00	100.00

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 NT$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 was completed in October 2024.

See Note 37 and Table 6 for the information on the investees' places of incorporation and principal places of business.

13. PREPAYMENTS

	December 31	
	2024	2023
Prepaid expenses	$ 95,589	$ 80,345
Prepayments for purchases of materials	10,726	12,989
Other	2,622	1,627
	$ 108,937	$ 94,961

14. OTHER CURRENT ASSETS

	December 31 2024	December 31 2023
Offset against business tax payable	$ 27,783	$ 30,339
Other	-	3
	$ 27,783	$ 30,342

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Electrical Equipment	Transportation Equipment	Other Equipment	Sales of Real Estate under Development	Total
Cost								
Balance at January 1, 2024	$ 2,348,174	$ 2,216,893	$ 5,669,632	$ 1,118,698	$ 1,062,093	$ 358,271	$ 192,529	$ 12,966,290
Additions	170,596	750	48,437	55,222	73,785	5,811	156,480	511,081
Disposals	-	(66,830)	(33,734)	(3,219)	(14,233)	(1,858)	-	(119,874)
Net exchange difference	-	(1,607)	(159)	-	-	(6)	-	(1,772)
Balance at December 31, 2024	$ 2,518,770	$ 2,149,206	$ 5,684,176	$ 1,170,701	$ 1,121,645	$ 362,218	$ 349,009	$ 13,355,725
Accumulated depreciation and impairment								
Balance at January 1, 2024	$ -	$ 2,003,255	$ 5,501,087	$ 1,103,096	$ 612,870	$ 330,981	$ -	$ 9,551,289
Depreciation expense	-	32,379	23,000	7,407	39,547	8,476	-	110,809
Disposals	-	(64,771)	(32,373)	(3,219)	(13,220)	(1,858)	-	(115,441)
Net exchange difference	-	(1,555)	(126)	-	-	(6)	-	(1,687)
Balance at December 31, 2024	$ -	$ 1,969,308	$ 5,491,588	$ 1,107,284	$ 639,197	$ 337,593	$ -	$ 9,544,970
Carrying amount at December 31, 2024	$ 2,518,770	$ 179,898	$ 192,588	$ 63,417	$ 482,448	$ 24,625	$ 349,009	$ 3,810,755
Cost								
Balance at January 1, 2023	$ 2,334,454	$ 2,209,767	$ 5,598,597	$ 1,106,961	$ 935,086	$ 362,106	$ -	$ 12,546,971
Additions	13,720	11,915	102,756	14,115	138,829	19,705	192,529	493,569
Disposals	-	-	(31,141)	(2,378)	(11,811)	(23,518)	-	(68,848)
Net exchange difference	-	(4,789)	(580)	-	(11)	(22)	-	(5,402)
Balance at December 31, 2023	$ 2,348,174	$ 2,216,893	$ 5,669,632	$ 1,118,698	$ 1,062,093	$ 358,271	$ 192,529	$ 12,966,290
Accumulated depreciation and impairment								
Balance at January 1, 2023	$ -	$ 1,967,948	$ 5,515,364	$ 1,101,436	$ 593,707	$ 345,001	$ -	$ 9,523,456
Depreciation expense	-	39,928	17,342	4,038	30,985	9,520	-	101,813
Disposals	-	-	(31,141)	(2,378)	(11,811)	(23,518)	-	(68,848)
Net exchange difference	-	(4,621)	(478)	-	(11)	(22)	-	(5,132)
Balance at December 31, 2023	$ -	$ 2,003,255	$ 5,501,087	$ 1,103,096	$ 612,870	$ 330,981	$ -	$ 9,551,289
Carrying amount at December 31, 2023	$ 2,348,174	$ 213,638	$ 168,545	$ 15,602	$ 449,223	$ 27,290	$ 192,529	$ 3,415,001

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

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

Buildings	
Main building of plant	35-53 years
Electrical power equipment	10-15 years
Engineering system	2-5 years
Machinery and equipment	2-22 years
Electrical equipment	2-18 years
Transportation equipment	2-17 years
Other equipment	2-19 years

c. There were no impairment losses of assets for the years ended December 31, 2024 and 2023 since the Group did not perform an impairment test.

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

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	**2023**
Carrying amount		
Land	$ 22,902	$ 35,075
Buildings	106,856	118,811
Transportation equipment	27	341
	$ 129,785	$ 154,227

	For the Year Ended December 31	
	2024	**2023**
Additions to right-of-use assets	$ 32,114	$ 79,510
Depreciation charge for right-of-use assets		
Land	$ 12,260	$ 11,927
Buildings	43,982	44,050
Transportation equipment	314	335
	$ 56,556	$ 56,312

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 years ended December 31, 2024 and 2023.

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 52,734	$ 49,722
Non-current	$ 79,071	$ 105,834

Range of discount rate for lease liabilities was as follows:

	December 31	
	2024	2023
Land	1.55%-2.22%	1.55%-2.22%
Buildings	1.55%-2.28%	1.55%-2.36%
Transportation equipment	2.03%	2.03%

c. Material lease-in activities and terms

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

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

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

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 8,282	$ 4,700
Expenses relating to low-value asset leases	687	631
Interest on lease liabilities	2,833	2,117
Principal of lease liabilities	55,865	56,410
Total cash outflow for leases	$ 67,667	$ 63,858

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

	December 31	
	2024	**2023**
Prepayments for business facilities	$ 161,108	$ 120,867
Long-term prepaid expenses	1,149	4,318
Prepayments for investment property	18,874	18,874
Net limestone mining rights	18,763	18,764
	$ 199,894	$ 162,823

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

	December 31	
	2024	**2023**
Secured borrowings (Note 32)		
Bank loans	$ 945,000	$ 444,500
Unsecured borrowings		
Line of credit borrowings	589,000	535,000
	$ 1,534,000	$ 979,500

The interest rates range of the bank loans were as follows:

	December 31	
	2024	**2023**
Secured borrowings	1.90%-2.40%	1.90%-2.38%
Unsecured borrowings	2.09%-2.48%	1.89%-2.22%

b. Short-term bills payable

	December 31	
	2024	**2023**
Commercial paper	$ 460,000	$ 360,000
Less: Unamortized discounts on bills payable	(549)	(723)
	$ 459,451	$ 359,277

Outstanding short-term bills payable were as follows:

December 31, 2024

Guarantee/Promissory Institution	Par Value	Discount Amount	Carrying Amount	Interest Rate
Commercial paper				
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	100,000	150	99,850	2.06%-2.08%
	$ 460,000	$ 549	$ 459,451	

December 31, 2023

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

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

c. Long-term borrowings

	December 31	
	2024	2023
Secured borrowings (Note 32)		
Bank loans	$ 1,200,500	$ 1,570,000
Unsecured borrowings		
Loans from bank	100,000	-
Less: Current portion	(428,000)	(212,500)
Long-term borrowings	$ 872,500	$ 1,357,500

	Details	December 31 2024	December 31 2023
Secured borrowings			
Taiwan Cooperative Bank	The period is from October 5, 2022 to January 12, 2027, with principal to be repaid in quarterly installments beginning in January 2024.	$ 400,000	$ 600,000
Bank of Taiwan	The period is from April 17, 2023 to April 17, 2026 and the principal is repayable in quarterly installments beginning in July 2024.	186,000	250,000
O-Bank	The period is from December 28, 2022 to December 28, 2027; with principal will be repaid one time on maturity date and partial early repayment of principal in November 2023 and March 2024, respectively.	250,000	430,000
Sunny Bank Ltd.	The period is from March 30, 2023 to March 30, 2026.	364,500	290,000
Unsecured borrowings			
The Export-Import Bank of the Republic of China	The period is from May 20, 2024 to June 20, 2025. The principal will be repaid one time on the maturity date.	100,000	-
		1,300,500	1,570,000
Less: Current portion		(428,000)	(212,500)
Long-term borrowings		$ 872,500	$ 1,357,500

The annual interest rates of long-term borrowings were 2.23%-2.99% and 2.21%-3.06% as of December 31, 2024 and 2023, respectively.

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

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

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

   b) Debt ratio [(Total liabilities/(Net worth - Intangible assets)]: Not higher than 120%;

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

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

19. NOTES PAYABLE AND TRADE PAYABLES

a. Notes payable

   The Group issues notes payable for domestic payments and equipments.

b. Trade payables

   The average credit period for purchases is 3 months. The Group's financial risk management policies ensure that all payables are repaid within the pre-agreed credit period.

20. OTHER PAYABLES

	December 31	
	2024	**2023**
Payables for salaries and bonuses	$ 128,717	$ 120,426
Payables for utilities expense	31,520	22,223
Payables for taxes	22,739	25,690
Payables for freight expense	19,302	14,516
Payables for equipment	3,392	7,765
Others	35,253	24,486
	$ 240,923	$ 215,106

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company, Dasheng Enterprise, Luckicon Ready-mixed Co., Luckyship Co, and Fuyu Development Co., Ltd. adopted the pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the entities make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group in Japan are members of the retirement benefits program operated by the government of Japan. The subsidiary must allocate a specific percentage of salary costs to the retirement benefit plan to provide funding for the plan. The Group's obligation for this government-operated retirement benefit plan is only to allocate a specific amount.

b. Defined benefit plans

The defined benefit plans adopted by the Company, Dasheng Enterprise, and Luckicon Ready-mixed Co. in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company, Dasheng Enterprise, and Luckicon Ready-mixed Co. contribute amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

Since August 2021, Dasheng Enterprise, had no employees under labor pension system of the Labor Standards Act, and recovered pension remaining funds after closed the pension account in 2023.

The amount of the Group's defined benefit plan is included in the balance sheets as follows:

	December 31	
	2024	**2023**
Present value of funded defined benefit obligation	$ 137,142	$ 172,845
Fair value of plan assets	(146,189)	(148,211)
Net defined benefit (assets) liabilities	$ (9,047)	$ 24,634

Net defined benefit assets are the net amount of defined benefit assets of $10,209 thousand and defined benefit liabilities of $1,162 thousand as of December 31, 2024, respectively.

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2023	$ 184,403	$ (160,428)	$ 23,975
Service costs			
Current service costs	558	-	558
Net interest expense (income)	2,075	(1,808)	267
Recognized in profit or loss	2,633	(1,808)	825
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,616)	(1,616)
Actuarial loss (gain)			
Experience adjustments	2,325	-	2,325
Recognized in other comprehensive income	2,325	(1,616)	709
Contributions from the employer	-	(1,321)	(1,321)
Benefit paid	(16,516)	16,516	-
Plan assets claimed	-	446	446
Balance at December 31, 2023	$ 172,845	$ (148,211)	$ 24,634
Balance at January 1, 2024	$ 172,845	$ (148,211)	$ 24,634
Service costs			
Current service costs	378	-	378
Net interest expense (income)	1,945	(1,675)	270
Recognized in profit or loss	2,323	(1,675)	648
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(14,098)	(14,098)
Actuarial loss (gain)			
Experience adjustments	(12,955)	-	(12,955)
Changes in financial assumptions	(2,830)	-	(2,830)
Recognized in other comprehensive income	(15,785)	(14,098)	(29,883)
Contributions from the employer	-	(4,446)	(4,446)
Benefit paid	(22,241)	22,241	-
Balance at December 31, 2024	$ 137,142	$ (146,189)	$ (9,047)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plan is as follows:

	For the Year Ended December 31	
	2024	2023
Operating costs	$ 400	$ 500
Selling and marketing expenses	91	112
General and administrative expenses	157	213
	$ 648	$ 825

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2024	**2023**
Discount rate	1.500%	1.125%
Expected rate of salary increase	1.25%-1.50%	1.25%-1.50%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2024	**2023**
Discount rate		
0.25% increase	$ (1,835)	$ (2,485)
0.25% decrease	$ 1,876	$ 2,543
Expected rate of salary increase		
0.25% increase	$ 1,842	$ 2,490
0.25% decrease	$ (1,811)	$ (2,446)

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	**2023**
Expected contributions to the plans for the next year	$ 1,143	$ 1,295
Average duration of the defined benefit obligation	5.3-8.2 years	5.8 years

22. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

	Within 1 Year	More Than 1 Year	Total
December 31, 2024			
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,458,574	3,458,574
	$ 31,820	$ 3,458,574	$ 3,490,394
Liabilities			
Contracts liabilities	$ -	$ 524,085	$ 524,085
December 31, 2023			
Assets			
Financial assets at amortized cost	$ 31,820	$ -	$ 31,820
Inventories	-	3,477,710	3,477,710
	$ 31,820	$ 3,477,710	$ 3,509,530
Liabilities			
Contracts liabilities	$ -	$ 262,042	$ 262,042

23. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2024	2023
Number of shares authorized (in thousands)	498,646	498,646
Shares authorized	$ 4,986,460	$ 4,986,460
Number of shares issued and fully paid (in thousands)	404,738	404,738
Shares issued	$ 4,047,380	$ 4,047,380

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

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends or transferred to share capital*		
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition	$ 10	$ 10
May be used only to offset a deficit		
Changes in percentage of ownership interests in subsidiaries	8	8
	$ 18	$ 18

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

c. Retained earnings and dividend policy

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

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

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

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

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

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

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

On November 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 and decided not to distribute dividends.

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

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

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

The appropriation of earnings and dividend per share for 2024 that were approved in the board of directors' meeting on March 17, 2025 were as follows:

	For the Year Ended December 31, 2024
Legal reserve	$ 50,904
Special reserve	$ (10,617)
Cash dividends	$ 283,317
Cash dividends per share (NT$)	$ 0.70

The above appropriation for cash dividends had been resolved by the Company's board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on June 27, 2025.

d. Special reserve

	For the Year Ended December 31	
	2024	2023
Beginning at January 1	$ 91,055	$ 14,908
(Reversal) appropriation in respect of:		
Debits to other equity items	(54,382)	76,147
Balance at December 31	$ 36,673	$ 91,055

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

e. Other equity items

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 2,721	$ 3,668
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	166	(947)
Disposal of subsidiaries	(2,887)	-
Balance at December 31	$ -	$ 2,721

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (39,394)	$ (94,723)
Recognized for the year		
Unrealized loss - equity instruments	(1,442)	(36,654)
Other comprehensive income recognized for the year	(1,442)	(36,654)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	14,780	91,983
Balance at December 31	$ (26,056)	$ (39,394)

f. Non-controlling interest

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 67	$ 70
Net loss for the year	(1)	(3)
Balance at December 31	$ 66	$ 67

24. REVENUE

a. Segmentation of customer contract revenue

	For the Year Ended December 31	
	2024	2023
Cement	$ 2,206,259	$ 2,160,039
Cement products	1,695,300	1,811,265
Stone materials	435,846	606,129
Others	529,689	517,310
	$ 4,867,094	$ 5,094,743

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

	December 31, 2024	December 31, 2023	January 1, 2023
Notes receivable (Note 10)	$ 502,191	$ 493,136	$ 432,925
Trade receivables (Note 10)	$ 590,243	$ 686,567	$ 561,838
Trade receivables from related parties	$ 10,374	$ 12,234	$ 11,724
Contract liability			
Cement sales	$ 263,457	$ 248,478	$ 283,936
Sales of real estate under development	524,085	262,042	262,042
Others	6,520	10,339	3,211
	$ 794,062	$ 520,859	$ 549,189

On March 9, 2022, the board of directors of Dasheng Enterprise resolved to sell thirteen parcels of land, including Daitianfu Section, Anle District and Keelung City, to non-related parties for $1,746,951 thousand; the installment payments were collected according to the terms of contract. As of December 31, 2024 and 2023, Dasheng Enterprise has received the installment of $524,085 thousand and $262,042 thousand, respectively, and Dasheng Enterprise has recorded contract liabilities due to unfulfilled performance obligations.

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

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

	For the Year Ended December 31	
	2024	2023
Contract liability at the beginning of the year		
Cement sales	$ 248,478	$ 283,936
Others	10,339	3,211
	$ 258,817	$ 287,147

25. NET PROFIT

a. Other operating income and expenses

	For the Year Ended December 31	
	2024	2023
Gains on disposals of property, plant and equipment	$ 403	$ 2,328

b. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 4,122	$ 3,800

c. Other income

	For the Year Ended December 31	
	2024	2023
Rental income	$ 9,113	$ 9,033
Revenue from dividends	2,219	62,698
Others	18,521	13,584
	$ 29,853	$ 85,315

d. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Net foreign currency exchange gain (loss)	$ 43	$ (1,191)
Net gain on fair value changes of financial assets at fair value through profit or loss	163	24,825
Loss on impairment of financial assets	-	(527)
Gain on disposal of subsidiaries	2,887	-
Depreciation of rental assets	(2,292)	(2,292)
Others	(17,721)	(5,502)
	$ (16,920)	$ 15,313

e. Financial costs

	For the Year Ended December 31	
	2024	2023
Bank loan	$ 44,732	$ 53,423
Interest on lease liabilities (related parties included)	2,833	2,117
Related party loans	2,237	1,486
Others	-	13
	$ 49,802	$ 57,039

Information about interest capitalization is as follows:

	For the Year Ended December 31	
	2024	2023
Amount of interest capitalized	$ 18,626	$ 13,989
Interest capitalized rate	2.09%-2.56%	1.99%-2.88%

f. Depreciation, amortization and depletion

	For the Year Ended December 31	
	2024	2023
Property, plant and equipment	$ 110,809	$ 101,813
Right-of-use assets	56,556	56,312
Long-term prepaid expenses	4,034	16,533
Limestone mining rights	1	2
	$ 171,400	$ 174,660
Depreciation by function		
Operating costs	$ 121,763	$ 112,446
Operating expenses	43,310	43,387
Non-operating expenses	2,292	2,292
	$ 167,365	$ 158,125
Amortization by function		
Operating costs	$ 2,792	$ 15,069
Operating expenses	1,242	1,464
	$ 4,034	$ 16,533
Depletion by function		
Operating costs	$ 1	$ 2

g. Employee benefits expense

	For the Year Ended December 31	
	2024	2023
Post-employment benefits		
Defined contribution plan	$ 13,549	$ 14,360
Defined benefit plan (Note 21)	648	825
	14,197	15,185
Other employee benefits	415,504	415,076
Total employee benefits expense	$ 429,701	$ 430,261
An analysis of employee benefits expense by function		
Operating costs	$ 262,954	$ 278,165
Operating expenses	166,747	152,096
	$ 429,701	$ 430,261

h. Compensation of employees and remuneration of directors

The Company shall appropriate 3% and not less than 5% of the profit before tax and before deduction of compensation of employees and remuneration of directors in the current year. The appropriations of compensation of employees and the 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:

Accrual rate

	For the Year Ended December 31	
	2024	**2023**
Compensation of employees	3%	3%
Remuneration of directors	5%	5%

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

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

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2023 and 2022.

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

i. Gains or losses on foreign currency exchange

	For the Year Ended December 31	
	2024	**2023**
Foreign exchange gains	$ 280	$ 18
Foreign exchange losses	(237)	(1,209)
	$ 43	$ (1,191)

26. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 107,968	$ 137,595
Adjustments for prior year	294	286
	108,262	137,881
Deferred tax		
In respect of the current year	4,324	(5,267)
Income tax expense recognized in profit or loss	$ 112,586	$ 132,614

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2024	2023
Profit before tax	$ 606,523	$ 659,750
Income tax expense calculated at the statutory rate	$ 121,305	$ 131,950
Nondeductible expenses (nontaxable income) in determining taxable income	(29,335)	(36,349)
Adjustments for unrecognized deductible temporary differences and loss carryforwards	20,797	49,392
Tax-exempt income	(475)	(12,665)
Adjustments for prior years' tax	294	286
Income tax expense recognized in profit or loss	$ 112,586	$ 132,614

b. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax liabilities		
Income tax payable	$ 38,476	$ 137,356

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities are as follows:

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Closing Balance
Deferred tax assets			
Temporary differences			
Pension limit exceeded	$ 17,887	$ (760)	$ 17,127
Investment loss under equity method	31,866	3,765	35,631
Unrealized inventory valuation loss	2,602	803	3,405
Allowance for impairment loss	6,931	177	7,108
Gross profit from advance receipts with issued bill of lading	4,245	(1,594)	2,651
Unrealized foreign exchange loss	24	(23)	1
Others	453	-	453
	64,008	2,368	66,376
Tax loss	4,152	(202)	3,950
	$ 68,160	$ 2,166	$ 70,326
Deferred tax liabilities			
Temporary differences			
Accelerated depreciation of fixed assets	$ 24,193	$ 6,490	$ 30,683
Others	479	-	479
	$ 24,672	$ 6,490	$ 31,162

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Closing Balance
Deferred tax assets			
Temporary differences			
Pension limit exceeded	$ 17,986	$ (99)	$ 17,887
Investment loss under equity method	8,414	23,452	31,866
Unrealized inventory valuation loss	17,560	(14,958)	2,602
Allowance for impairment loss	7,806	(875)	6,931
Gross profit from advance receipts with issued bill of lading	3,582	663	4,245
Unrealized foreign exchange loss	-	24	24
Others	453	-	453
	55,801	8,207	64,008
Tax loss	4,842	(690)	4,152
	$ 60,643	$ 7,517	$ 68,160

(Continued)

	Opening Balance	Recognized in Profit or Loss	Closing Balance
Deferred tax liabilities			
Temporary differences			
Accelerated depreciation of fixed assets	$ 21,938	$ 2,255	$ 24,193
Unrealized foreign exchange gain	5	(5)	-
Others	479	-	479
	$ 22,422	$ 2,250	$ 24,672

(Concluded)

d. Income tax assessments

The income tax returns through 2022 of the Company, Luckicon Ready-mixed Co., Dasheng Enterprise, 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.

27. EARNINGS PER SHARE

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

Net Profit

	For the Year Ended December 31	
	2024	2023
Net profit for the year	$ 493,938	$ 527,139

Earnings Per Share

(In Thousands of Shares)

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings per share	404,738	404,738
Effect of potentially dilutive ordinary shares		
Compensation of employees	1,533	1,587
Weighted average number of ordinary shares used in the computation of diluted earnings per share	406,271	406,325

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

28. CASH FLOW INFORMATION

a. Non-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 years ended December 31, 2024 and 2023:

	For the Year Ended December 31	
	2024	2023
Partial cash payments for purchase of PP&E		
Acquisition of property, plant and equipment	$ 511,081	$ 493,569
Capitalized amounts	(18,626)	(13,989)
Net changes in prepayments for business facilities	40,241	(140,709)
Net changes in payable for purchase of equipment (reported as notes payable and other payables)	38,170	(63,771)
Cash paid	$ 570,866	$ 275,100

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2024

	January 1, 2024	Cash Flows	Non-cash Changes			Balance at December 31, 2024
			New Lease	Discount Amortization	Others	
Short-term borrowings	$ 979,500	$ 554,500	$ -	$ -	$ -	$ 1,534,000
Short-term bills payable	359,277	100,000	-	174	-	459,451
Long-term borrowings	1,570,000	(269,500)	-	-	-	1,300,500
Other payables to related parties	48,680	9,393	-	-	-	58,073
Guarantee deposits received	172,920	(52,300)	-	-	1,576	122,196
Lease liabilities	155,556	(55,865)	32,114	-	-	131,805
	$ 3,285,933	$ 286,228	$ 32,114	$ 174	$ 1,576	$ 3,606,025

For the year ended December 31, 2023

	January 1, 2023	Cash Flows	Non-cash Changes			Balance at December 31, 2023
			New Lease	Discount Amortization	Others	
Short-term borrowings	$ 1,478,200	$ (498,700)	$ -	$ -	$ -	$ 979,500
Short-term bills payable	409,296	(50,000)	-	(19)	-	359,277
Long-term borrowings	1,160,000	410,000	-	-	-	1,570,000
Other payables to related parties	39,040	9,640	-	-	-	48,680
Guarantee deposits received	139,444	38,000	-	-	(4,524)	172,920
Lease liabilities	132,456	(56,410)	79,510	-	-	155,556
	$ 3,358,436	$ (147,470)	$ 79,510	$ (19)	$ (4,524)	$ 3,285,933

29. CAPITAL MANAGEMENT

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

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

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

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

30. FINANCIAL INSTRUMENTS

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

There is no significant difference between the carrying amount and fair 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

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

December 31, 2023

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

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

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

For the year ended December 31, 2024

	Financial Assets at FVTOCI - Equity Instruments	
	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 10,590	$ 9,395
Recognized in other comprehensive income (included in unrealized valuation loss on financial assets at FVTOCI)	(218)	(991)
Additions	-	2,186
Balance at December 31	$ 10,372	$ 10,590

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

	December 31	
	2024	**2023**
Financial assets		
FVTPL		
Mandatorily classified as at FVTPL	$ 10,944	$ 10,922
Financial assets at amortized cost (1)	1,862,201	1,744,308
Financial assets at FVTOCI		
Equity instruments	108,883	93,869
Financial liabilities		
Amortized cost (2)	4,094,185	3,887,827

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 year are set out in Note 36.

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

	Impact on Profit or Loss For the Year Ended December 31	
	2024	**2023**
USD	$ (79)	$ (72)
JPY	(107)	-
RMB	-	(375)

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 year were as follows:

	December 31	
	2024	**2023**
Cash flow interest rate risk		
Financial assets	$ 617,185	$ 492,306
Financial liabilities	3,372,951	3,040,077

<u>Sensitivity analysis</u>

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. A 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 in 2024 and 2023 would have decreased/increased by $6,889 thousand and $6,369 thousand, respectively, with all other variables held constant; the non-derivative instruments include floating rate loan, demand deposit, time 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.

December 31, 2024

Non-derivative financial liabilities	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing liabilities	$ 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	541,863	873,588	1,085,000	872,500	-
	$ 847,040	$ 1,168,057	$ 1,205,264	$ 988,492	$ 22,602

December 31, 2023

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

b) Financing facilities

	December 31	
	2024	2023
Unsecured facilities		
Amount used	$ 1,149,000	$ 895,000
Amount unused	575,997	1,448,631
	$ 1,724,997	$ 2,343,631

(Continued)

	December 31	
	2024	2023
Secured facilities		
Amount used	$ 2,165,678	$ 2,014,500
Amount unused	441,235	1,149,749
	$ 2,606,913	$ 3,164,249

(Concluded)

31. TRANSACTIONS WITH RELATED PARTIES

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

a. Related parties

Related Party Name	Related Party Category
Other related party	
Yung-Sheng Development Enterprise Co., Ltd. (“Yung-Sheng Development”)	The chairman is also the chairman of the Company
Liang-Chuan Cultural and Educational Foundation (“Liang-Chuan Foundation”)	The chairman is first-degree relative of the chairman of the Company
Fudong Freight Co., Ltd. (“Fudong Freight”)	The director 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 and the chairman is also the chairman of the Company
Cheng Haibin	The company is major shareholder of the Company
Fuan Mining Co., Ltd. (“Fuan Mining”)	A manager in the company is spouse of the chairman of the Company

b. Business transaction

Line Item	Related Party Name	For the Year Ended December 31 2024	2023
Sale of goods	Other related parties	$ 70,034	$ 103,683
Purchases of goods	Fuan Mining	$ 215,275	$ 336,298
	Other related parties	67,373	46,637
		$ 282,648	$ 382,935
Operating costs - transportation expenses	Other related parties	$ 11,883	$ 13,024
Operating costs - manufacturing expenses	Other related parties	$ 172	$ 169
Operating expenses	Other related parties	$ 4,353	$ 2,577

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 Name	December 31 2024	2023
Trade receivables	Fuan Mining	$ 10,374	$ 11,644
	Yung-Sheng Development	-	590
		$ 10,374	$ 12,234
Other receivables	Shi Yi Cement	$ 657	$ -
	Jia Fu Entertainment	162	305
	Other related parties	6	6
		$ 825	$ 311

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

d. Payables to related parties

Line Item	Related Party Name	December 31 2024	2023
Notes payable (excluding loan from related parties)	Fuan Mining	$ 19,763	$ 61,225
	Fudong Freight	4,687	5,555
	Other related parties	81	-
		$ 24,531	$ 66,780

(Continued)

Line Item	Related Party Name	December 31 2024	2023
Trade payables	Fuan Mining	$ 32,133	$ 36,067
	Fudong Freight	6,576	6,233
	Shi Yi Cement	3,750	-
		$ 42,459	$ 42,300
Other payables - current (excluding loan from related parties)	Fudong Freight	$ 1,480	$ 940
	East Life Biotech	1,595	52
	Other related parties	9	456
		$ 3,084	$ 1,448

(Concluded)

The outstanding trade payables to related parties are unsecured.

e. Loan from related parties

Line Item	Related Party Name	December 31 2024	2023
Other payables - current	Fuan Mining	$ 79,112	$ 131,472
Other payables - non-current	Cheng Haibin	$ 40,000	$ 40,000
Financial costs	Other related parties	$ 2,237	$ 1,486

The interest rate of the 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

Related Party Name	For the Year Ended December 31 2024	2023
Acquisition of right-to-use assets		
Jia Fu Entertainment	$ -	$ 10,162

Line Item	Related Party Name	December 31 2024	2023
Lease liabilities - current	Jia Fu Entertainment	$ 408	$ 399
Lease liabilities - non-current	Jia Fu Entertainment	$ 9,127	$ 9,535

Related Party Name	For the Year Ended December 31 2024	2023
Financial costs		
Jia Fu Entertainment	$ 215	$ 130

The Group leased right-of-use of land from its related party in 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 - the Group is lessor

Lease arrangements - the Group is lessor under operating leases

Future lease payments receivable are as follows:

Related Party Category/Name	December 31 2024	2023
Fudong Freight	$ 1,916	$ 2,540
Other related parties	288	432
	$ 2,204	$ 2,972

Lease income was as follows:

Related Party Category/Name	For the Year Ended December 31 2024	2023
Fudong Freight	$ 1,344	$ 1,344
Other related parties	144	144
	$ 1,488	$ 1,488

The rental amounts and collection methods are negotiated.

h. Compensation of key management personnel

Type of Remuneration	For the Year Ended December 31 2024	2023
Short-term employee benefits	$ 54,343	$ 55,844
Post-employment benefits	530	447
Others	17,424	-
	$ 72,297	$ 56,291

The Company allocated $17,424 thousand for the family of deceased former chairman Chen, Liang-Chuan, which was paid in January 2025.

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

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets of the Group are pledged as collateral for long-term and short-term bank loans, short-term bills payable, and other credit accommodation:

	December 31	
	2024	2023
Property under development (reported as inventories)	$ 3,364,570	$ 3,383,496
Property, plant and equipment	1,942,910	1,948,500
Restricted assets (reported as financial assets at amortized cost)	228,081	217,516
Notes receivable	16,000	11,900
	$ 5,551,561	$ 5,561,412

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

Significant Unrecognized Commitments

a. As of December 31, 2024 and 2023, the Group signed a contract for purchase of property, plant and equipment; the unpaid amount is $208,374 thousand and $300,764 thousand, respectively.

b. As of December 31, 2024 and 2023, unused letters of credit for purchases of raw materials amounted to approximately $20,178 thousand and $0 thousand, respectively.

34. OTHER ITEMS

On February 15, 2023, the president of the ROC announced the amendments to the “Climate Change Response Act”, which added the provision of carbon fee collection. Subsequently, the Ministry of Environment announced the “Regulations Governing the Collection of Carbon Fees”, “Regulations for Administration of Voluntary Reduction Plans” and “Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees” on August 29, 2024 and the carbon fee rate on October 21, 2024. The fees will be levied starting from January 1, 2025. Based on the emissions of the Group in 2024, the Group expects that it will be the entity subject to carbon fees. The Group will recognize the provision of the carbon fees based on its actual emissions in 2025 and will pay them in May 2026.

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD: NONE

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

(In Thousands of New Taiwan Dollars and Foreign Currencies)

December 31, 2024

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

December 31, 2023

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

For the years ended December 31, 2024 and 2023, (realized and unrealized) net foreign exchange were gains of $43 thousand and losses of $1,191 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions.

37. ADDITIONAL DISCLOSURES

a. Information about significant transactions and investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

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

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

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.

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

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the

paid-in capital (Table 4)

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

9) Trading in derivative instruments: None.

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

b. Information on investees (Table 6)

c. Information on investments in mainland China

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

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

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

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

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: (Table 8)

38. SEGMENT INFORMATION

The Group defined its reportable segments as follows:

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

Other segment: Other operations of non-cement business.

a. Segment revenue and operating results

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

	Income of Segments		**Profit/Loss of Segments**	
	2024	**2023**	**2024**	**2023**
Cement segment	$ 4,866,980	$ 5,094,629	$ 666,705	$ 718,641
Other segment	114	114	(27,435)	(106,280)
Total amount of business unit	$ 4,867,094	$ 5,094,743	639,270	612,361
Interest income			4,122	3,800
Other income			29,853	85,315
Other gains and losses			(16,920)	15,313
Financial costs			(49,802)	(57,039)
Profit before tax			$ 606,523	$ 659,750

The segment revenue reported above was all generated from transactions with external customers. There were no inter-segment sales in 2024 and 2023.

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

	December 31	
	2024	**2023**
Segment assets		
Operating segment		
Cement segment	$ 6,888,774	$ 6,406,760
Other segment	3,542,493	3,563,113
Total assets	$ 10,431,267	$ 9,969,873
Segment liabilities		
Operating segment		
Cement segment	$ 4,335,010	$ 4,028,281
Other segment	910,513	870,767
Total liabilities	$ 5,245,523	$ 4,899,048

c. Geographic information

The Group's main operating area is in the Republic of China.

d. Main customer's information

No other single customers contributed 10% or more to the Group's revenue for both 2024 and 2023.

LUCKY CEMENT CO. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Counterparty	Financial Statement Account	Maximum Balance in Current Period	Related Party	Ending Balance (Note 4)	Amount Actually Drawn (Note 5)	Interest Rate	Nature for Financing (Note 1)	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 3)
													Name	Value		
0	Lucky Cement Co.	Dasheng Enterprise	Other receivables from related parties	$ 200,000	Yes	$ 200,000	$ 110,000	2.2446%	b.	$ -	Operating turnover	$ -	-	-	$ 518,568	$ 2,074,271
		Luckicon Ready-mixed Co.	Other receivables from related parties	100,000	Yes	100,000	-	-	b	-	Operating turnover	-	-	-	518,568	2,074,271
						$ 300,000										

Note 1: The nature of financing is as follows:

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

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

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

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

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

<u>**TABLE 2**</u>

LUCKY CEMENT CO. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 1)	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable (Note 2)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship											
0	Lucky Cement Co.	Dasheng Enterprise	Subsidiary	$ 2,074,271	$ 580,000	$ 490,000	$ 250,000	$ -	9.45%	$ 2,592,839	Y	-	-	
		Luckicon Ready-mixed Co.	Subsidiary	2,074,271	1,480,000	1,480,000	1,078,500	-	28.54%	2,592,839	Y	-	-	
						$ 1,970,000								

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

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

LUCKY CEMENT CO. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value (Notes 1 and 2)	
Lucky Cement Co.	Mutual fund							
	O-Bank No.1 Real Estate Investment Trust	-	Financial assets at FVTPL - current	100,000	$ 703	-	$ 703	
	Yuanta Japan Leaders Equity Fund	-	Financial assets at FVTPL - current	511,248	5,414	-	5,414	
	SinoPac Innovative Healthcare Multi-Asset Fund-Accumulation	-	Financial assets at FVTPL - current	500,000	4,827	-	4,827	
	Non-listed ordinary shares							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,508,200	10,043	10.58	10,043	
	Listed ordinary shares							
	Yang Ming Marine Transport Corp.	-	Financial assets at FVTOCI - current	5,000	379	-	379	
	Formosa Plastics Corporation	-	Financial assets at FVTOCI - current	400,000	14,200	0.01	14,200	
	Asia Cement Corporation	-	Financial assets at FVTOCI - current	375,000	15,150	0.01	15,150	
	Far Eastern New Century Corporation	-	Financial assets at FVTOCI - current	200,000	6,320	-	6,320	
	Taiwan Cement Corporation	-	Financial assets at FVTOCI - current	1,035,640	32,830	0.01	32,830	
	U-Ming Marine Transport Corporation	-	Financial assets at FVTOCI - current	78,000	4,532	0.01	4,532	
	United Microelectronics Corporation	-	Financial assets at FVTOCI - current	72,351	3,115	-	3,115	
	Winbond Electronics Corporation	-	Financial assets at FVTOCI - current	130,181	1,926	-	1,926	
	Medigen Biotechnology Corporation	-	Financial assets at FVTOCI - current	28,628	927	0.02	927	
	Sanitar Co., Ltd.	-	Financial assets at FVTOCI - current	24,000	989	0.03	989	
	KGI Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	13,496	232	-	232	
	First Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	1,001	27	-	27	
	Capital Securities Corp.	-	Financial assets at FVTOCI - current	875	22	-	22	
	Hua Nan Financial Holdings Co., Ltd.	-	Financial assets at FVTOCI - current	476	12	-	12	
	Convertible preference shares of listed companies							
	O-Bank Co., Ltd.	-	Financial assets at FVTOCI - current	1,500,000	17,850	0.60	17,850	
Luckyship Co.	Non-listed ordinary shares							
	Jonfeng Mining Co., Ltd.	-	Financial assets at FVTOCI - non-current	34,694	329	0.35	329	

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

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

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

LUCKY CEMENT CO. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total (Note)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total (Note)	
Lucky Cement Co.	Luckicon Ready-mixed Co.	Subsidiary	Sale	$ (474,484)	(13.27)	About 90 days	Similar to general transactions	Similar to general transactions	Accounts receivable $ 43,140	6.40	Note 2
									Notes receivable 76,131	11.29	Note 2
	Fuan Mining Co., Ltd.	Other related parties	Purchase	215,275	15.37	About 90 days	Agreed	Similar to general transactions	Trade payables (32,133)	(9.82)	
									Notes payable (19,763)	(6.04)	

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

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

TABLE 5

LUCKY CEMENT CO. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 2)		Turnover Rate (Note 1)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
Lucky Cement Co.	Luckicon Ready-mixed Co.	Subsidiary	Notes and accounts receivable	$ 119,271	4.28	$ -	-	$ 76,131	$ -
			Other receivables	176	-	-	-	176	-
	Dasheng Enterprise	Subsidiary	Other receivables	110,211 (Note 3)	-	-	-	211	-

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

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

Note 3: Of this amount, $110,000 thousand is the financing of its funds and $211 thousand is the interest receivable and the receivable payment.

LUCKY CEMENT CO. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Address	Main Businesses and Products	Original Investment Amount (Note 2)		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized (Note 1)	Note
				December 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership	Carrying Value			
Lucky Cement Co.	Dasheng Enterprise	14F., No. 237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Sale and lease of real estate	$ 2,367,473	$ 2,367,473	171,452,511	99.99	$ 2,505,383	$ (48,537)	$ (48,536)	
	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	1,077,968	146,045	146,083 (Note 3)	
	Lucky Cement Japan	Aichi, Japan hekinan Yu Jin-Pu-cho 12 gu	Cement trading	-	82,300	-	-	-	(12,641)	(12,641)	Note 5
	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	16,295	(1,833)	(1,827) (Note 4)	
Luckicon Ready-mixed Co.	Fuyu Development Co., Ltd.	13F., No. 237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	On land clay and stone quarrying	12,571	12,571	1,000,000	100.00	8,848	806	806	

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

Note 2: The original investment amount includes capital reduction for cover accumulated deficits in prior years.

Note 3: The difference is transactions realized gain of $38 thousand.

Note 4: The difference is transactions unrealized gain of $6 thousand.

Note 5: Lucky Cement Japan finalized its dissolution and liquidation procedures in October 2024.

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

LUCKY CEMENT CO. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

No	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	%of Consolidated Net Revenue or Total Assets
0	Lucky Cement Co.	Luckicon Ready-mixed Co.	a	Notes receivable	$ 76,131	About 90 days	0.73
		Luckicon Ready-mixed Co.	a	Accounts receivable	43,140	About 90 days	0.41
		Luckicon Ready-mixed Co.	a	Other receivables	176	About 90 days	-
		Luckicon Ready-mixed Co.	a	Accounts payable	2,253	About 90 days	0.02
		Luckicon Ready-mixed Co.	a	Contract liabilities	13,280	About 90 days	0.13
		Luckicon Ready-mixed Co.	a	Sales revenue	474,484	About 90 days	9.75
		Luckicon Ready-mixed Co.	a	Operating cost	209	About 90 days	-
		Luckicon Ready-mixed Co.	a	Rental income	1,525	30 days	0.03
		Luckicon Ready-mixed Co.	a	Interest income	569	30 days	0.01
		Fuyu Development Company	a	Other receivables	4	About 90 days	-
		Fuyu Development Company	a	Notes payable	1,061	About 90 days	0.01
		Fuyu Development Company	a	Other payables	608	About 90 days	0.01
		Fuyu Development Company	a	Operating cost	4,452	About 90 days	0.09
		Fuyu Development Company	a	Rental income	9,750	30 days	0.20
		Fuyu Development Company	a	Other income	1,200	30 days	0.02
		Luckyship Marine Co.	a	Other receivables	26	About 90 days	-
		Luckyship Marine Co.	a	Rental income	276	30 days	0.01
		Dasheng Enterprise	a	Other receivables - financing	110,000	Financing, the repayment period is one year	1.05
		Dasheng Enterprise	a	Other receivables	211	About 90 days	-
		Dasheng Enterprise	a	Rental income	90	30 days	-
		Dasheng Enterprise	a	Interest income	1,316	30 days	0.03

Note 1: The flow of transactions is as follows:

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

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

TABLE 8

LUCKY CEMENT CO.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Changheng Investment Co.	52,741,034	13.03
East Life Biotech Co.	30,378,008	7.50
Jinli Investment Co.	25,230,451	6.23
RI KON Construction Co.	22,658,066	5.59
Yung-Sheng Development Enterprise Co.	22,514,509	5.56
Lucky Construction Co.	22,091,152	5.45

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

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