

**Universal Cement Corporation and
Subsidiaries**

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Universal Cement Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Universal Cement Corporation and its subsidiaries (collectively the "Group") as of June 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2024 and 2023, the related consolidated statements of changes in equity and of cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As disclosed in Note 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of June 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT\$197,108 thousand and NT\$220,219 thousand, respectively, representing 0.67% and 0.76%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$46,767 thousand and NT\$60,363 thousand, respectively, representing 0.79% and 0.89%, respectively, of the consolidated total liabilities; for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the net comprehensive income (loss) of these non-significant subsidiaries were NT\$(6,083) thousand, NT\$(4,824) thousand NT\$(7,365) thousand, and NT\$(7,474) thousand, respectively, representing (0.63%), (0.39%), (0.39%), and (0.42%), respectively, of the consolidated total comprehensive income (loss). As disclosed in the consolidated financial statements, the investments accounted for using the equity method were based on the subsidiaries' financial statements that were not reviewed

for the same periods. In addition, as disclosed in Note 14, as of June 30, 2024 and 2023, the investments accounted for using the equity method were NT\$10,989,359 thousand and NT\$11,124,244, respectively, representing 38% and 38%, respectively, of the consolidated total assets, for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the recognized share of profit of associates and joint ventures were NT\$115,169 thousand, NT\$181,957 thousand, NT\$195,664 thousand and NT\$264,730 thousand, respectively, representing 12%, 15%, 10% and 15% , respectively, of the total amount of consolidated comprehensive income, and the related shares of other comprehensive income from the associates and joint ventures were NT\$88,978 thousand, NT\$673,139 thousand, NT\$436,968 thousand and NT\$688,854 thousand, respectively, representing 9%, 54%, 23% and 38%, respectively, of the total amount of consolidated comprehensive income. The investments' comprehensive income or loss recognized and the related information on the Group's investments disclosed in Note 36 to the consolidated financial statements were based on the investees' financial statements that were not reviewed for the same periods.

Qualified conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of June 30, 2024 and 2023, its consolidated financial performance for the three months ended June 30, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chi Chen Lee and Hung Ju Liao.

Deloitte & Touche
Taipei, Taiwan

Republic of China

August 8, 2024

Notice to Readers

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

For the convenience of readers, the 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. The English version not reviewed by an accountant.

Universal Cement Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2024 (Reviewed)		December 31, 2023 (Audited)		June 30, 2023 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,134,664	4	\$ 1,418,310	5	\$ 862,163	3
Financial assets at fair value through profit or loss - current (Note 7)	14,429	-	13,972	-	15,989	-
Financial assets at fair value through other comprehensive income - current (Note 8)	3,220,636	11	2,691,567	10	2,617,161	9
Financial assets at amortized cost - current (Notes 9, 10 and 32)	127,367	-	127,350	-	106,220	-
Notes receivable (Notes 11 and 24)	606,225	2	567,255	2	586,106	2
Net Accounts receivable (Notes 11 and 24)	1,403,591	5	1,546,340	6	1,238,625	4
Net Accounts receivable from related parties (Notes 11, 24 and 31)	34,433	-	58,750	-	51,217	-
Other receivables	455,648	2	589	-	476,068	2
Current tax assets	511	-	-	-	23	-
Inventories (Note 12)	376,210	1	388,373	1	423,732	2
Prepayments for equipment	33,010	-	18,065	-	20,866	-
Other current assets (Notes 24 and 31)	8,658	-	5,863	-	14,050	-
Total current assets	<u>7,415,382</u>	<u>25</u>	<u>6,836,434</u>	<u>24</u>	<u>6,412,220</u>	<u>22</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	43,661	-	47,558	-	48,095	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	2,292,798	8	1,991,004	7	2,452,906	9
Financial assets at amortized cost - non-current (Notes 9, 10 and 32)	12,776	-	16,995	-	11,344	-
Investments accounted for using the equity method (Note 14)	10,989,359	38	10,804,634	39	11,124,244	38
Property, plant and equipment (Note 15)	7,393,752	25	7,342,196	26	7,904,713	27
Right - of - use assets (Note 16)	195,721	1	222,428	1	238,770	1
Investment properties (Note 17)	840,136	3	840,717	3	841,291	3
Other intangible assets (Note 18)	9,759	-	10,648	-	11,190	-
Deferred tax assets	11,665	-	16,511	-	15,739	-
Prepayments for equipment	16,378	-	45,458	-	43,838	-
Net defined benefit assets	8,256	-	14,977	-	15,791	-
Total non-current assets	<u>21,814,261</u>	<u>75</u>	<u>21,353,126</u>	<u>76</u>	<u>22,707,921</u>	<u>78</u>
TOTAL	<u>\$ 29,229,643</u>	<u>\$ 100</u>	<u>\$ 28,189,560</u>	<u>\$ 100</u>	<u>\$ 29,120,141</u>	<u>\$ 100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	\$ 1,600,000	5	\$ 1,700,000	6	\$ 2,220,000	8
Short-term bills payable (Note 19)	279,834	1	274,785	1	399,017	1
Contract liabilities - current (Note 24)	1,738	-	2,359	-	1,892	-
Notes payable (Note 20)	144,537	1	218,691	1	135,101	-
Accounts Payable (Note 20)	613,853	2	709,034	3	663,700	2
Accounts Payable to related parties (Notes 20 and 31)	26,996	-	34,059	-	23,503	-
Other payables (Note 21)	402,898	1	406,020	1	359,411	1
Dividends payable	1,217,163	4	-	-	1,012,755	4
Current tax liabilities	182,559	1	157,831	1	139,880	1
Lease liabilities - current (Note 16)	53,578	-	53,990	-	51,007	-
Long-term borrowings due within one year (Note 19)	-	-	500,000	2	280,000	1
Other current liabilities (Note 21)	35,091	-	22,080	-	18,716	-
Total current liabilities	<u>4,558,247</u>	<u>15</u>	<u>4,078,849</u>	<u>15</u>	<u>5,304,982</u>	<u>18</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	1,238,203	4	1,245,107	4	1,305,151	4
Lease liabilities - non-current (Note 16)	149,798	1	175,887	1	194,040	1
Guarantee deposits received	10,486	-	11,583	-	9,369	-
Total non-current liabilities	<u>1,398,487</u>	<u>5</u>	<u>1,432,577</u>	<u>5</u>	<u>1,508,560</u>	<u>5</u>
Total liabilities	<u>5,956,734</u>	<u>20</u>	<u>5,511,426</u>	<u>20</u>	<u>6,813,542</u>	<u>23</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Capital stock						
Common stock	6,732,175	23	6,732,175	24	6,536,092	22
Stock dividends to be distributed	134,643	1	-	-	196,083	1
Total capital stock	<u>6,866,818</u>	<u>24</u>	<u>6,732,175</u>	<u>24</u>	<u>6,732,175</u>	<u>23</u>
Capital surplus	123,719	-	123,719	-	123,499	1
Retained earnings						
Legal reserve	3,130,978	11	2,920,126	10	2,920,126	10
Special reserve	3,185,793	11	3,185,793	11	3,185,793	11
Unappropriated earnings	7,173,641	24	8,099,817	29	6,682,185	23
Total retained earnings	<u>13,490,412</u>	<u>46</u>	<u>14,205,736</u>	<u>50</u>	<u>12,788,104</u>	<u>44</u>
Other equity	2,021,512	7	807,552	3	2,081,147	7
Total equity attributable to owners of the Company	<u>22,502,461</u>	<u>77</u>	<u>21,869,182</u>	<u>77</u>	<u>21,724,925</u>	<u>75</u>
NON - CONTROLLING INTERESTS	<u>770,448</u>	<u>3</u>	<u>808,952</u>	<u>3</u>	<u>581,674</u>	<u>2</u>
Total equity	<u>23,272,909</u>	<u>80</u>	<u>22,678,134</u>	<u>80</u>	<u>22,306,599</u>	<u>77</u>
TOTAL	<u>\$ 29,229,643</u>	<u>100</u>	<u>\$ 28,189,560</u>	<u>100</u>	<u>\$ 29,120,141</u>	<u>100</u>

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

Universal Cement Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)	\$ 2,092,080	100	\$ 1,919,189	100	\$ 4,000,652	100	\$ 3,754,719	100
OPERATING COSTS (Notes 12, 25 and 31)	1,658,271	79	1,535,596	80	3,183,420	80	3,026,571	80
GROSS PROFIT	433,809	21	383,593	20	817,232	20	728,148	20
OPERATING EXPENSES (Notes 25 and 31)								
Selling and marketing expenses	28,209	1	43,840	2	59,104	2	82,871	2
General and administrative expenses	89,005	4	82,458	4	177,515	4	161,858	5
Research and development expenses	18,481	1	18,162	1	36,501	1	40,684	1
Expected credit loss (gain)	(2,256)	-	(1,838)	-	(2,435)	-	7,980	-
Total operating expenses	133,439	6	142,622	7	270,685	7	293,393	8
PROFIT FROM OPERATIONS	300,370	15	240,971	13	546,547	13	434,755	12
NON-OPERATING INCOME AND EXPENSES(Notes 25 and 31)								
Interest income	3,385	-	2,780	-	7,150	-	3,831	-
Other income	62,087	3	94,351	5	90,074	2	113,520	3
Other gains and losses	(841)	-	8,964	-	3,300	-	43,483	1
Interest expenses	(9,261)	-	(14,093)	(1)	(20,740)	-	(29,902)	(1)
Share of profit or loss of associates accounted for using the equity method	115,169	5	181,957	10	195,664	5	264,730	7
Total non-operating income and expenses	170,539	8	273,959	14	275,448	7	395,662	10
INCOME BEFORE INCOME TAX	470,909	23	514,930	27	821,995	20	830,417	22
INCOME TAX EXPENSE (Notes 4 and 26)	74,332	4	92,981	5	170,836	4	128,114	3
NET INCOME	396,577	19	421,949	22	651,159	16	702,303	19
OTHER COMPREHENSIVE INCOME (Note 23)								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of defined benefit plans	-	-	910	-	-	-	910	-
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	481,836	23	154,217	8	777,174	20	407,210	11
Share of the other comprehensive income or loss of associates accounted for using the equity method	(379)	-	(345)	-	(146)	-	1,737	-
	481,457	23	154,782	8	777,028	20	409,857	11
Items that may be reclassified subsequently to profit or loss:								
Share of the other comprehensive income or loss of associates accounted for using the equity method	89,357	4	673,484	35	437,114	11	687,117	18
Other comprehensive income for the period, net of income tax	570,814	27	828,266	43	1,214,142	31	1,096,974	29
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 967,391	46	\$ 1,250,215	65	\$ 1,865,301	47	\$ 1,799,277	48
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 382,968	18	\$ 417,955	22	\$ 631,110	16	\$ 690,887	19
Non-controlling interests	13,609	1	3,994	-	20,049	-	11,416	-
	\$ 396,577	19	\$ 421,949	22	\$ 651,159	16	\$ 702,303	19
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 953,689	45	\$ 1,245,791	65	\$ 1,845,070	46	\$ 1,787,435	48
Non-controlling interests	13,702	1	4,424	-	20,231	1	11,842	-
	\$ 967,391	46	\$ 1,250,215	65	\$ 1,865,301	47	\$ 1,799,277	48
EARNINGS PER SHARE (Note 27)								
Basic	\$ 0.56		\$ 0.61		\$ 0.92		\$ 1.01	
Diluted	0.56		0.61		0.92		1.00	

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

Universal Cement Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company													Non-controlling Interests (Note 23)	Total Equity
	Capital Stock			Retained Earnings			Other Equity								
	Common Stock	Stock dividends to be distributed	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	other	Total Other Equity	Total			
BALANCE AT JANUARY 1, 2023	\$ 6,536,092	\$ -	\$ 123,499	\$ 2,715,883	\$ 3,185,793	\$ 7,372,038	(\$ 799,476)	\$ 1,711,898	\$ 89,394	(\$ 17,217)	\$ 984,599	\$ 20,917,904	\$ 608,574	\$ 21,526,478	
Appropriation of 2022 earnings (Note 23)															
Legal reserve	-	-	-	204,243	-	(204,243)	-	-	-	-	-	-	-	-	
Cash dividends distributed by the Company - NTS 1.5 per share	-	-	-	-	-	(980,414)	-	-	-	-	-	(980,414)	-	(980,414)	
Stock dividends distributed by the Company - NTS 0.3 per share	-	196,083	-	-	-	(196,083)	-	-	-	-	-	-	-	-	
Net income	-	-	-	-	-	690,887	-	-	-	-	-	690,887	11,416	702,303	
Other comprehensive income (loss), net of income tax	-	-	-	-	-	-	687,117	408,894	537	-	1,096,548	1,096,548	426	1,096,974	
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	690,887	687,117	408,894	537	-	1,096,548	1,787,435	11,842	1,799,277	
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-	(38,742)	(38,742)	
BALANCE AT JUNE 30, 2023	\$ 6,536,092	\$ 196,083	\$ 123,499	\$ 2,920,126	\$ 3,185,793	\$ 6,682,185	(\$ 112,359)	\$ 2,120,792	\$ 89,931	(\$ 17,217)	\$ 2,081,147	\$ 21,724,925	\$ 581,674	\$ 22,306,599	
BALANCE AT JANUARY 1, 2024	\$ 6,732,175	\$ -	\$ 123,719	\$ 2,920,126	\$ 3,185,793	\$ 8,099,817	(\$ 1,009,492)	\$ 1,743,007	\$ 91,254	(\$ 17,217)	\$ 807,552	\$ 21,869,182	\$ 808,952	\$ 22,678,134	
Appropriation of 2023 earnings (Note 23)															
Legal reserve	-	-	-	210,852	-	(210,852)	-	-	-	-	-	-	-	-	
Cash dividends distributed by the Company - NTS 1.8 per share	-	-	-	-	-	(1,211,791)	-	-	-	-	-	(1,211,791)	-	(1,211,791)	
Stock dividends distributed by the Company - NTS 0.2 per share	-	134,643	-	-	-	(134,643)	-	-	-	-	-	-	-	-	
Net income	-	-	-	-	-	631,110	-	-	-	-	-	631,110	20,049	651,159	
Other comprehensive income , net of income tax	-	-	-	-	-	-	437,114	776,846	-	-	1,213,960	1,213,960	182	1,214,142	
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	631,110	437,114	776,846	-	-	1,213,960	1,845,070	20,231	1,865,301	
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-	(58,735)	(58,735)	
BALANCE AT JUNE 30, 2024	\$ 6,732,175	\$ 134,643	\$ 123,719	\$ 3,130,978	\$ 3,185,793	\$ 7,173,641	(\$ 572,378)	\$ 2,519,853	\$ 91,254	(\$ 17,217)	\$ 2,021,512	\$ 22,502,461	\$ 770,448	\$ 23,272,909	

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

Universal Cement Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 821,995	\$ 830,417
Adjustments for:		
Depreciation expenses	103,531	89,606
Amortization expenses	1,956	1,927
Expected credit loss (gain) recognized	(2,435)	7,980
Net gain (loss) on fair value changes of financial assets at fair value through profit or loss	3,440	(45,309)
Interest expenses	20,740	29,902
Interest income	(7,150)	(3,831)
Dividend income	(60,806)	(92,644)
Share of profit of associates accounted for using the equity method	(195,664)	(264,730)
Net gain on disposal of property, plant and equipment	(2,769)	(572)
Changes in operating assets and liabilities		
Notes receivable	(38,970)	(49,042)
Accounts receivable (Including related parties)	169,299	147,220
Other receivables	(38)	(65,340)
Inventories	12,163	(29,749)
Prepayments	(14,945)	3,092
Other current assets	(2,593)	(1,256)
Contract liabilities	(621)	(192)
Notes payable	(74,154)	(53,644)
Accounts payable (Including related parties)	(102,244)	(17,047)
Other payables	6,183	25,568
Other current liabilities	13,011	(4,254)
Net defined benefit plan	6,721	543
Cash generated from operations	656,650	508,645
Interest received	7,171	3,849
Dividends received	53,671	131,044
Income tax paid	(148,677)	(112,525)
Net cash generated from operating activities	568,815	531,013

(Continued)

Universal Cement Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of financial assets at fair value through other comprehensive income	(\$ 53,689)	\$ -
Increase in financial assets at amortized cost	(35,094)	(3,903)
Decrease in financial assets at amortized cost	39,296	4,990
Proceeds from sale of financial assets at fair value through profit or loss	-	106,369
Payments for property, plant and equipment	(109,174)	(79,687)
Proceeds from disposal of property, plant and equipment	3,532	752
Payments for intangible assets	(1,067)	(1,125)
Net cash generated from / used in investing activities	<u>(156,196)</u>	<u>27,396</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	(100,000)	(70,000)
Increase (Decrease) in short-term bills payable	5,000	(600,000)
Increase in long-term loans	-	280,000
Repayment of long-term loans	(500,000)	-
Proceeds from guarantee deposits received	40	264
Refund of guarantee deposits received	(1,137)	(574)
Repayment of the principal portion of lease liabilities	(26,523)	(26,669)
Interest Paid	(20,282)	(29,999)
Dividends paid to non-controlling interests	(53,363)	(33,732)
Net cash used in financing activities	<u>(696,265)</u>	<u>(480,710)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(283,646)	77,699
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,418,310</u>	<u>784,464</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,134,664</u>	<u>\$ 862,163</u>

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

(Concluded)

Universal Cement Corporation and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Universal Cement Corporation (the Company) was incorporated in the Republic of China (ROC) in March 1960. The Company mainly manufactures and sells cement, ready mixed concrete and gypsum board panels.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since February 1971.

The consolidated financial statements are presented in the Company's functional currency, New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The accompanying consolidated financial statements were approved by the Company's board of directors on August 8, 2024.

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

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

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

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

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.

As of the date of approving the issuance of this consolidated financial report, the Group is still evaluating the effects of amendments to other standards and interpretations on the financial positions and financial performance; relevant effects are to be disclosed upon the completion of the evaluation.

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

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

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

IFRS 18 “Presentation and Disclosures 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 discounted 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 effects above, as of the date of approving the issuance of this consolidated financial report, the Group is still evaluating the effects of amendments to other standards and interpretations on the financial positions and financial performance; relevant effects are to be disclosed upon the completion of the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

c. Basis of consolidation

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

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

See Note 13 and table 4 for detailed information on subsidiaries (including percentages of ownership and main business).

d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2023.

1) Classification of current and non-current assets and liabilities

Current assets include:

- a) Assets held primarily for the purpose of trading;
- b) Assets expected to be realized within 12 months after the reporting period; and
- c) Cash and cash equivalents 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:

- a) Liabilities held primarily for the purpose of trading;
- b) Liabilities due to be settled within 12 months after the reporting period; and
- c) Liabilities for which the Group does not have an unconditional right 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.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

For the summary of critical accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Cash on hand and petty cash	\$ 434	\$ 461	\$ 571
Checking accounts and demand deposits	357,235	313,886	585,117
Cash equivalent (investments with original maturities less than 3 months)			
Time deposits (a)	14,300	49,400	56,249
Bonds with repurchase agreements (b)	762,695	1,054,563	220,226
	<u>\$ 1,134,664</u>	<u>\$ 1,418,310</u>	<u>\$ 862,163</u>

The ranges of interest rates of time deposits and bonds with repurchase agreements at the end of the reporting period were as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
a. Time deposits	1.23%-1.29%	1.1%-1.16%	1.10%-5.25%
b. Bonds with repurchase agreements	1.35%-1.39%	1.2%-1.23%	1.1%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Listed shares	\$ 14,026	\$ 13,578	\$ 15,578
Mutual funds	403	394	411
	<u>\$ 14,429</u>	<u>\$ 13,972</u>	<u>\$ 15,989</u>
<u>Financial assets - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Limited Partnership	\$ 43,661	\$ 47,558	\$ 48,095

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Investments in equity instruments at FVTOCI - Current</u>			
Domestic investments			
Listed shares	\$ 3,220,636	\$ 2,691,567	\$ 2,617,161
<u>Investments in equity instruments at FVTOCI - Non-current</u>			
Domestic investments			
Listed Private Equity	\$ 619,300	\$ 591,800	\$ 596,200
Unlisted shares	1,673,498	1,399,204	1,856,706
	<u>\$ 2,292,798</u>	<u>\$ 1,991,004</u>	<u>\$ 2,452,906</u>

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Current</u>			
Time deposits with original maturity more than 3 months (a)	\$ 92,300	\$ 127,283	\$ 106,153
Pledged time deposits (a)	67	67	67
Refundable deposits	35,000	-	-
	<u>\$ 127,367</u>	<u>\$ 127,350</u>	<u>\$ 106,220</u>
<u>Non-current</u>			
Pledged time deposits (a)	\$ 8,010	\$ 8,010	\$ 5,510
Refundable deposits	4,766	8,985	5,834
	<u>\$ 12,776</u>	<u>\$ 16,995</u>	<u>\$ 11,344</u>

- a. The ranges of interest rates of time deposits and pledged time deposits with original maturities of more than 3 months at the end of the reporting period were as follows:

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
Time deposits and pledged time deposits	1.25%-1.70%	1.25%-5.47%	1.28%-1.575%

The information on pledged time deposits is set out in Note 32.

- b. Refer to Note 10 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments were classified as financial assets at amortized cost.

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Gross carrying amounts</u>			
Financial assets at amortized cost - current	\$ 127,367	\$ 127,350	\$ 106,220
Financial assets at amortized cost - non-current	12,776	16,995	11,344
	<u>\$ 140,143</u>	<u>\$ 144,345</u>	<u>\$ 117,564</u>

The Group invests only in debt instruments that have low credit risk for the purpose of impairment assessment. In measuring the 12-months expected credit or duration of expected credit losses for debt instrument investments, the Group considers the historical default rates, the current financial condition of debtors, and the future prospects of the industries. Due to the low credit risk of debtors and sufficient ability to settle contractual cash flows, as of June 30, 2024, and for the periods ended December 31, 2023 and June 30, 2023, no expected credit losses have been recognized in financial assets measured at amortized cost.

11. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Notes receivable</u>			
At amortized cost			
Notes receivable - operating	\$ 606,225	\$ 566,922	\$ 586,023
Notes receivable - non-operating	-	333	83
	<u>\$ 606,225</u>	<u>\$ 567,255</u>	<u>\$ 586,106</u>
<u>Accounts receivable (Including related parties)</u>			
At amortized cost			
Less: Allowance for impairment loss	\$ 1,445,415	\$ 1,614,768	\$ 1,318,163
	7,391	9,678	28,321
	<u>\$ 1,438,024</u>	<u>\$ 1,605,090</u>	<u>\$ 1,289,842</u>

a. Notes receivable

The Group analyzed notes receivable was not past due based on past due status, and the Group did not recognize an expected credit loss for notes receivable as of June 30, 2024, December 31, 2023 and June 30, 2023.

b. Accounts receivable (Including related parties)

The average collection period for receivables due to sales was between 30 to 90 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Company has delegated a team responsible 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. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group recognizes loss allowance based on the use of lifetime expected credit losses on accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. 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 an account receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For account 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 accounts receivables based on the Group's provision matrix.

June 30, 2024

	Less than 30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-365 Days	Over 365 Days	Total
Expected credit loss rate	0.12%-0.81%	0.34%-0.93%	0.79%-1.34%	2.31%-2.70%	6.47%-10.93%	24.51%-38.57%	100%	
Gross carrying amount	\$ 973,750	\$ 276,564	\$ 131,400	\$ 51,631	\$ 7,644	\$ 3,727	\$ 699	\$ 1,445,415
Loss allowance (Lifetime ECL)	(1,439)	(1,265)	(1,220)	(1,768)	(568)	(432)	(699)	(7,391)
Amortized cost	<u>\$ 972,311</u>	<u>\$ 275,299</u>	<u>\$ 130,180</u>	<u>\$ 49,863</u>	<u>\$ 7,076</u>	<u>\$ 3,295</u>	<u>\$ -</u>	<u>\$ 1,438,024</u>

December 31, 2023

	Less than 30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-365 Days	Over 365 Days	Total
Expected credit loss rate	0.13%-0.82%	0.37%-0.94%	0.88%-1.35%	2.31%-2.96%	6.35%-13.41%	23.78%-54.09%	0%	
Gross carrying amount	\$ 1,010,499	\$ 370,838	\$ 131,779	\$ 67,430	\$ 27,765	\$ 2,691	\$ 3,766	\$ 1,614,768
Loss allowance (Lifetime ECL)	(1,210)	(2,537)	(1,640)	(2,115)	(2,013)	(163)	-	(9,678)
Amortized cost	<u>\$ 1,009,289</u>	<u>\$ 368,301</u>	<u>\$ 130,139</u>	<u>\$ 65,315</u>	<u>\$ 25,752</u>	<u>\$ 2,528</u>	<u>\$ 3,766</u>	<u>\$ 1,605,090</u>

The Group has received accounts receivable of over 366 days in January 2024 and did not recognize the loss allowance of accounts receivable.

June 30, 2023

	Less than 30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-365 Days	Over 365 Days	Total
Expected credit loss rate	0.03%-1.28%	0.37%-1.45%	0.88%-2.11%	2.96%-3.68%	10.49%-13.41%	27.53%-54.09%	100%	
Gross carrying amount	\$ 872,240	\$ 262,906	\$ 109,980	\$ 30,919	\$ 6,969	\$ 27,169	\$ 7,980	\$ 1,318,163
Loss allowance (Lifetime ECL)	(3,109)	(1,283)	(1,314)	(1,262)	(657)	(12,716)	(7,980)	(28,321)
Amortized cost	<u>\$ 869,131</u>	<u>\$ 261,623</u>	<u>\$ 108,666</u>	<u>\$ 29,657</u>	<u>\$ 6,312</u>	<u>\$ 14,453</u>	<u>\$ -</u>	<u>\$ 1,289,842</u>

The movements of the loss allowance of contract asset (included in other current assets) and accounts receivable (including related parties) were as follows:

For the Six Months Ended June 30, 2024

	<u>Contract Asset</u>	<u>Accounts Receivable (Including related parties)</u>	<u>Total</u>
Balance at January 1	\$ 370	\$ 9,678	\$ 10,048
Less: Allowance (reversal) for the period	(202)	(2,233)	(2,435)
Less: Written off for the period	-	(54)	(54)
Balance at June 30	<u>\$ 168</u>	<u>\$ 7,391</u>	<u>\$ 7,559</u>

For the Six Months Ended June 30, 2023

	<u>Contract Asset</u>	<u>Accounts Receivable (Including related parties)</u>	<u>Total</u>
Balance at January 1	\$ 1,549	\$ 19,237	\$ 20,786
Less: Allowance (reversal) for the period	(1,176)	9,156	7,980
Less: Written off for the period	-	(72)	(72)
Balance at June 30	<u>\$ 373</u>	<u>\$ 28,321</u>	<u>\$ 28,694</u>

12. INVENTORIES

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Merchandise	\$ 37,424	\$ 33,165	\$ 89,696
Finished goods	94,929	125,498	94,614
Work in process	34,986	9,990	20,993
Raw materials and supplies	208,871	219,720	218,429
	<u>\$ 376,210</u>	<u>\$ 388,373</u>	<u>\$ 423,732</u>

For the Three Months Ended June 30
2024 2023

The cost of inventories recognized as cost of goods sold	<u>\$ 1,658,271</u>	<u>\$ 1,535,596</u>
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For the Six Months Ended June 30
2024 2023

The cost of inventories recognized as cost of goods sold	<u>\$ 3,183,420</u>	<u>\$ 3,026,571</u>
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13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
The Company	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete	86.63	86.63	86.63	a
"	Huan-Chung International Co., Ltd.	Import, export, and sale of cement, cement material, fuel, and production	69.99	69.99	69.99	
"	Kaohsiung Pier Transportation Co., Ltd.	Trucking operation	100	100	100	a
"	UCC Investment Co., Ltd.	Investment activities	100	100	100	
"	Universal Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete and gravel	58.18	58.18	58.12	b
"	Uneo Inc.	Marketing of electronic products	100	100	100	a
"	Li-Yong Development Co., Ltd.	Investment activities, trading for real estate and leasing business	100	100	100	a
"	Tainan Ready-mixed Concrete Industry Co., Ltd.	Additional processing and marketing of ready-mixed concrete and cement	67.45	67.45	67.45	
UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete and gravel	0.87	0.87	0.87	
"	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Manufacturing and marketing of ready-mixed concrete	0.01	0.01	0.01	a
"	Huan-Chung International Co., Ltd.	Import, export, and sale of cement, cement material, fuel, and production	0.01	0.01	0.01	
"	Tainan Ready-mixed Concrete Industry Co., Ltd.	Additional processing and marketing of ready-mixed concrete and cement	0.33	0.33	0.33	

a. The subsidiaries' financial statements were not reviewed by auditors because they were non-significant.

b. The Company acquired 8 thousand shares held by the non-controlling interest of Universal Ready-mixed Concrete Industry Co., Ltd. in November 2023, resulting in an increase in the shareholding ratio.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates :

	June 30, 2024	December 31, 2023	June 30, 2023
Unlisted shares			
Material associate-Lioho Machine Works Ltd.	\$ 10,989,359	\$ 10,804,634	\$ 11,124,244

Material associates

Name of Associate	Proportion of Ownership and Voting Rights		
	June 30, 2024	December 31, 2023	June 30, 2023
Lioho Machine Works Ltd.	29.86%	29.86%	29.86%

Refer to Table 4 "Information on Investees" for the nature of activities, principal place of business and country of incorporation of the associates.

Investment accounted for using the equity method of June 30, 2024 and 2023, and the share of net profit and other comprehensive income from associates under the equity method of the three-month and six-month ended June 30, 2024 and 2023, were accounted for based on the non-reviewed financial statements.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Construction in progress	Total
Cost							
Balance at January 1, 2023	\$ 5,930,326	\$ 2,058,253	\$ 3,472,489	\$ 677,264	\$ 783,083	\$ 960,524	\$ 13,881,939
Additions	-	4,377	10,306	10,239	16,484	14,934	56,340
Disposals	-	-	(8,356)	(7,939)	(5,458)	-	(21,753)
Reclassification	-	18,608	-	-	20,387	(38,995)	-
Balance at June 30, 2023	\$ 5,930,326	\$ 2,081,238	\$ 3,474,439	\$ 679,564	\$ 814,496	\$ 936,463	\$ 13,916,526
Accumulated depreciation and impairment							
Balance at January 1, 2023	\$ -	\$ 1,204,473	\$ 3,263,326	\$ 540,990	\$ 584,446	\$ 377,166	\$ 5,970,401
Depreciation expense	-	15,310	19,244	17,526	10,905	-	62,985
Disposals	-	-	(8,356)	(7,759)	(5,458)	-	(21,573)
Balance at June 30, 2023	\$ -	\$ 1,219,783	\$ 3,274,214	\$ 550,757	\$ 589,893	\$ 377,166	\$ 6,011,813
Net carrying amounts at June 30, 2023	\$ 5,930,326	\$ 861,455	\$ 200,225	\$ 128,807	\$ 224,603	\$ 559,297	\$ 7,904,713
Cost							
Balance at January 1, 2024	\$ 5,425,740	\$ 2,088,767	\$ 3,486,687	\$ 718,852	\$ 828,496	\$ 983,355	\$ 13,531,897
Additions	-	6,349	70,768	25,237	6,346	19,840	128,540
Disposals	-	-	(4,807)	(11,268)	(2,051)	-	(18,126)
Reclassification	-	235	789,786	-	163,211	(953,232)	-
Balance at June 30, 2024	\$ 5,425,740	\$ 2,095,351	\$ 4,342,434	\$ 732,821	\$ 996,002	\$ 49,963	\$ 13,642,311
Accumulated depreciation and impairment							
Balance at January 1, 2024	\$ -	\$ 1,235,203	\$ 3,293,585	\$ 567,901	\$ 599,735	\$ 493,277	\$ 6,189,701
Depreciation expense	-	15,157	25,040	21,383	14,641	-	76,221
Disposals	-	-	(4,807)	(10,548)	(2,008)	-	(17,363)
Reclassification	-	-	468,872	-	24,405	(493,277)	-
Balance at June 30, 2024	\$ -	\$ 1,250,360	\$ 3,782,690	\$ 578,736	\$ 636,773	\$ -	\$ 6,248,559
Net carrying amounts at December 31, 2023 and January 1, 2024	\$ 5,425,740	\$ 853,564	\$ 193,102	\$ 150,951	\$ 228,761	\$ 490,078	\$ 7,342,196
Net carrying amounts at June 30, 2024	\$ 5,425,740	\$ 844,991	\$ 559,744	\$ 154,085	\$ 359,229	\$ 49,963	\$ 7,393,752

No impairment losses were recognized or reversed for the six months ended June 30, 2024 and 2023.

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

Buildings	
Main buildings	20-60 years
Outbuildings and construction	2-16 years
Engineering systems	9-16 years
Machinery equipment	2-21 years
Transportation equipment	2-7 years
Other equipment	2-20 years

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>	
Carrying amounts				
Land	\$ 1,233	\$ 1,682	\$ 1,700	
Buildings	177,540	200,986	223,101	
Transportation equipment	16,948	19,760	13,969	
	<u>\$ 195,721</u>	<u>\$ 222,428</u>	<u>\$ 238,770</u>	
	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 853</u>
Depreciation charge for right-of-use assets				
Land	\$ 225	\$ 202	\$ 449	\$ 403
Buildings	11,734	11,733	23,468	23,466
Transportation equipment	1,383	1,091	2,812	2,163
	<u>\$ 13,342</u>	<u>\$ 13,026</u>	<u>\$ 26,729</u>	<u>\$ 26,032</u>

Except for the aforementioned additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2024 and 2023.

b. Lease liabilities

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Carrying amounts			
Current	\$ 53,578	\$ 53,990	\$ 51,007
Non-current	\$ 149,798	\$ 175,887	\$ 194,040

Ranges of discount rates for lease liabilities were as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Land	1.71%-2.36%	1.71%-2.36%	1.422%-1.71%
Buildings	0.9%-1.71%	0.9%-1.71%	0.9%-1.71%
Transportation equipment	0.9%-1.95%	0.9%-1.95%	0.9%-1.95%

c. Material lease-in activities and terms

The Group leases certain land, plant and equipment for the use of operations with lease terms of 3-10 years. The Group is prohibited from subleasing or transferring all or any portion of the land and buildings leased from Taiwan International Port Corporation without the lessor's consent.

d. Other lease information

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Expenses relating to short-term leases	<u>\$ 5,327</u>	<u>\$ 5,416</u>	<u>\$ 10,652</u>	<u>\$ 10,671</u>
Expenses relating to low-value assets leases	<u>\$ 347</u>	<u>\$ 145</u>	<u>\$ 689</u>	<u>\$ 402</u>
Total cash outflow for leases	<u>\$ 5,674</u>	<u>\$ 5,561</u>	<u>\$ 11,341</u>	<u>\$ 11,073</u>

The Group leases certain assets which qualify as short-term leases and 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. INVESTMENT PROPERTIES

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1 and June 30, 2023	\$ 876,874	\$ 145,272	\$ 1,022,146
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 62,264	\$ 118,002	\$ 180,266
Depreciation expense	-	589	589
Balance at June 30, 2023	\$ 62,264	\$ 118,591	\$ 180,855
Net carrying amounts at June 30, 2023	\$ 814,610	\$ 26,681	\$ 841,291
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1 and June 30, 2024	\$ 876,874	\$ 145,272	\$ 1,022,146
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024	\$ 62,264	\$ 119,165	\$ 181,429
Depreciation expense	-	581	581
Balance at June 30, 2024	\$ 62,264	\$ 119,746	\$ 182,010
Net carrying amounts at December 31, 2023 and January 1, 2024	\$ 814,610	\$ 26,107	\$ 840,717
Net carrying amounts at June 30, 2024	\$ 814,610	\$ 25,526	\$ 840,136

As of June 30, 2024, December 31, 2023 and June 30, 2023 the Group has not yet completed the property registration of the land, both are amounting to \$113,247 thousand because of the restriction in the regulations but the property has been secured with mortgage registration.

The investment properties are depreciated using the straight-line method over 10-61 years of useful lives.

The fair values of the investment properties of the Group as of December 31, 2023 and 2022 were \$2,072,466 thousand and \$1,991,690 thousand, respectively. The fair values were determined by the independent appraisal company on each balance sheet date in the past three years with reference to similar real estate. The fair value of the transaction price is based on market evidence, or the company's management refers to the actual transaction price in nearby areas. Management of the Group had assessed and determined that there were no significant changes in fair value as of June 30, 2024 and 2023, as compared to that of December 31, 2023 and 2022.

Gross lease payments receivable of the future under operating leases of investment properties were as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Year 1	\$ 9,499	\$ 14,702	\$ 8,379
Year 2	8,037	7,167	6,839
Year 3	8,026	7,176	6,699
Year 4	8,026	7,176	6,699
Year 5	7,830	7,118	6,699
Year 5 onwards	12,325	3,451	6,899
	\$ 53,743	\$ 46,790	\$ 42,214

18. OTHER INTANGIBLE ASSETS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Patents	\$ 2,688	\$ 2,800	\$ 2,889
Licenses and Franchises	1,303	1,421	1,539
Trademarks	24	26	28
Computer Software	5,744	6,401	6,734
	\$ 9,759	\$ 10,648	\$ 11,190

Except for the recognition of amortization expenses, there was no significant increase, disposal or impairment of the intangible assets of the Group for the six months ended June 30, 2024 and 2023, respectively.

The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Patents	3-20 years
Licenses and franchises	10 years
Trademarks	10 years
Computer Software	2-5 years

19. BORROWINGS

a. Short-term borrowings

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 1,600,000	\$ 1,700,000	\$ 2,220,000
The range of interest rates	1.8%-1.825%	1.75%-1.88%	1.725%-1.8%

b. Short-term bills payable

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
Commercial papers	\$ 280,000	\$ 275,000	\$ 400,000
Less: Unamortized discount on bills payable	166	215	983
	<u>\$ 279,834</u>	<u>\$ 274,785</u>	<u>\$ 399,017</u>
The Group did not provide any collateral over these balance.			
The range of interest rates	1.888%-1.978%	1.798%-1.928%	1.858%-2.038%

c. Long -term borrowings

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ -	\$ 500,000	\$ 280,000
Less: Long-term borrowings due within one year	-	500,000	280,000
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Group acquired new bank loans in February and September 2023, amounting to \$280,000 thousand and \$220,000 thousand respectively. These loans are due in March and October 2024, with annual interest rates of 1.795% and 1.75% as of December 31, 2023 and June 30, 2023, respectively. The Group repaid the loans in advance in March 2024.

20. NOTES PAYABLE AND ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)

Notes payable and accounts payable (including related parties) were resulted from operating activities. The average credit period on purchases is 30-65 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Therefore, no interest was charged on the payables.

21. OTHER PAYABLES AND OTHER LIABILITIES

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>Current</u>			
Other payable			
Payable for salaries or bonus	\$ 99,454	\$ 127,931	\$ 117,876
Payable for remuneration to directors	64,830	53,921	43,265
Payable for remuneration to employees	60,828	50,211	42,317
Payable for freight	26,612	20,625	14,296
Payable for annual leave	11,963	12,883	10,475
Payable for taxes	11,820	9,002	12,059
Payables for equipment	1,480	11,194	1,818
Others	125,911	120,253	117,305
	<u>\$ 402,898</u>	<u>\$ 406,020</u>	<u>\$ 359,411</u>
Other liabilities			
Temporary receipts	\$ 18,315	\$ 14,673	\$ 18,397
Receipts in advance	16,599	7,161	86
Others	177	246	233
	<u>\$ 35,091</u>	<u>\$ 22,080</u>	<u>\$ 18,716</u>

22. RETIREMENT BENEFIT PLANS

The pension expenses related to the defined benefit plan recognized for the three-month and six-month periods ended June 30, 2024 and 2023, are calculated based on the pension cost rate actuarially determined on December 31, 2023 and 2022, and the amount is \$38 thousand, \$565 thousand, \$77 thousand and \$565 thousand, respectively.

23. EQUITY

a. Share capital

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
Number of shares authorized (thousands)	1,000,000	1,000,000	1,000,000
Capital stock authorized	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Number of shares issued and fully paid (thousands)	673,217	673,217	653,609
Capital stock issued	\$ 6,732,175	\$ 6,732,175	\$ 6,536,092
Stock dividends to be distributed	134,643	-	196,083
	<u>\$ 6,866,818</u>	<u>\$ 6,732,175</u>	<u>\$ 6,732,175</u>

The Corporation's shareholders meeting resolved to distribute share dividends of 19,608 thousand shares with par value of \$10 on June 16, 2023, to increase the authorized share capital to \$6,732,175 thousand. Which was approved by the Financial Supervisory Commission ("FSC") on July 3, 2023. The record date was July 29, 2023 and the change of registration was completed on August 16, 2023.

The Corporation's shareholders meeting resolved to distribute share dividends of 13,464 thousand shares with par value of \$10 on June 21, 2024, to increase the authorized share capital to \$6,866,818 thousand. Which was approved by the Financial Supervisory Commission ("FSC") on June 27, 2024. The record date was July 22, 2024.

b. Capital surplus

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)</u>			
Treasury share transactions	\$ 21,606	\$ 21,606	\$ 21,606
Differences between the actual equity value of subsidiaries acquired or disposed and its carrying amounts.	57,377	57,377	57,156
<u>May be used to offset a deficit only</u>			
Changes in interests in associates accounted for using the equity method	22,260	22,260	22,260
Overdue dividends not collected by shareholders	22,476	22,476	22,477
	<u>\$ 123,719</u>	<u>\$ 123,719</u>	<u>\$ 123,499</u>

Note: 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 every year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's Articles, if the Company makes profit in a fiscal year, the profit shall be first utilized to pay taxes, offset losses of previous years, set aside as legal reserve with 10% of the remaining profit, set aside or reverse a special reserve in accordance with the laws and regulations, and lastly, together with any undistributed retained earnings, serve as the basis of a distribution plan proposed by the Company's board of directors in accordance with the resolution of the shareholders' meeting pertaining to the distribution of dividends and bonus to shareholders. The policies on the distribution of employees' compensation and remuneration of directors in the Company's Articles refer to Note 25-g.

According to the Company's Articles, the bonus to shareholders can be distributed by way of stock dividends and cash dividends. However, the ratio for stock dividend shall not exceed 50% of the total distribution unless the value of cash dividends is less than \$ 0.5 per share. The distribution of dividends can be adjusted by shareholders based on the Company's profit, capital status, and operating requirement.

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.

When a special reserve is appropriated for cumulative net amount of other deductions from equity from prior period and cumulative net increases in fair value measurement of investment properties from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period if the prior unappropriated earnings is not sufficient.

The appropriations of 2023 and 2022 earnings have been proposed by the Company's regular shareholders meeting on June 21, 2024 and June 16, 2023, respectively. The appropriations and dividends per share were as follows:

	<u>2023</u>	<u>2022</u>
Legal reserve	\$ 210,852	\$ 204,243
Cash dividends	\$ 1,211,791	\$ 980,414
Stock dividends	\$ 134,643	\$ 196,083
Cash dividends per share (NT\$)	\$ 1.8	\$ 1.5
Stock dividends per share (NT\$)	\$ 0.2	\$ 0.3

d. Special reserves

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Special reserves			
First-time adoption IFRS Accounting Standards	\$ 3,185,793	\$ 3,185,793	\$ 3,185,793

Because the increase in the retained earnings caused by the first-time adoption of IFRSs was insufficient to be appropriated for provision, the Company had provided for special reserve based on the increase of the retained earnings, an adjustment that was recorded per Company policy on first-time adoption.

e. Other equity items

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

	<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Balance at January 1	(\$ 1,009,492)	(\$ 799,476)
Recognized for the period		
Share from associates accounted for using the equity method	437,114	687,117
Balance at June 30	(\$ 572,378)	(\$ 112,359)

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

	<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 1,743,007	\$ 1,711,898
Recognized for the period		
Unrealized gain (loss) - equity instruments	776,992	407,157
Share from associates accounted for using the equity method	(146)	1,737
Balance at June 30	\$ 2,519,853	\$ 2,120,792

3) Remeasurement of defined benefit plans

	<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 91,254	\$ 89,394
Remeasurement	-	537
Balance at June 30	\$ 91,254	\$ 89,931

f. Non-controlling interests

	<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 808,952	\$ 608,574
Net profit for the period	20,049	11,416
Other comprehensive income (loss) for the period		
Unrealized gain (loss) on financial assets at FVTOCI	182	53
Remeasurement of defined benefit plans	-	373
Non-controlling dividend distribution	(58,735)	(38,742)
Balance at June 30	\$ 770,448	\$ 581,674

24. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from sale of goods	\$ 2,091,353	\$ 1,918,299	\$ 3,998,819	\$ 3,752,940
Revenue from rendering of services	727	890	1,833	1,779
	<u>\$ 2,092,080</u>	<u>\$ 1,919,189</u>	<u>\$ 4,000,652</u>	<u>\$ 3,754,719</u>

a. Contract balances

	June 30,	December 31,	June 30,	January 1,
	2024	2023	2023	2023
Notes and accounts receivable (Including related parties)	<u>\$ 2,044,249</u>	<u>\$ 2,172,345</u>	<u>\$ 1,875,948</u>	<u>\$ 1,983,282</u>
Contract assets (included in other current assets)				
Sale of goods	\$ 838	\$ 1,850	\$ 1,866	\$ 7,744
Less: Loss allowance	168	370	373	1,549
	<u>\$ 670</u>	<u>\$ 1,480</u>	<u>\$ 1,493</u>	<u>\$ 6,195</u>
Contract liabilities - current				
Sale of goods	<u>\$ 1,738</u>	<u>\$ 2,359</u>	<u>\$ 1,892</u>	<u>\$ 2,084</u>

In accordance with the terms of the contract, the Group recognizes the construction retention money as contract assets before completing the contractual obligations, and considers the historical default loss rates and the state of the industry in estimating expected credit loss.

	June 30,	December 31,	June 30,
	2024	2023	2023
Expected credit loss rate	20%	20%	20%
Gross carrying amount	\$ 838	\$ 1,850	\$ 1,866
Loss allowance (Lifetime ECL)	(168)	(370)	(373)
	<u>\$ 670</u>	<u>\$ 1,480</u>	<u>\$ 1,493</u>

The movements of the loss allowance of contract assets refer to Note 11.

b. Disaggregation of revenue from contracts with Customers

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Concrete	\$ 1,322,675	\$ 1,200,785	\$ 2,589,920	\$ 2,366,312
Cement	462,567	428,453	848,987	840,780
Gypsum board panels	303,589	282,430	547,605	529,158
Others	3,249	7,521	14,140	18,469
	<u>\$ 2,092,080</u>	<u>\$ 1,919,189</u>	<u>\$ 4,000,652</u>	<u>\$ 3,754,719</u>

25. PROFIT BEFORE INCOME TAX

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Bank deposits	\$ 1,456	\$ 2,083	\$ 2,267	\$ 3,028
Bonds with repurchase agreements	1,929	697	4,870	803
Others	-	-	13	-
	<u>\$ 3,385</u>	<u>\$ 2,780</u>	<u>\$ 7,150</u>	<u>\$ 3,831</u>

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Rental income - investment properties (Note 17)	\$ 5,159	\$ 4,219	\$ 10,476	\$ 8,502
Dividend income	57,005	80,526	60,806	92,644
Litigation Settlement Revenue	-	-	11,464	-
Others	(77)	9,606	7,328	12,374
	<u>\$ 62,087</u>	<u>\$ 94,351</u>	<u>\$ 90,074</u>	<u>\$ 113,520</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Net foreign exchange gains (losses)	(\$ 292)	\$ 943	\$ 802	\$ 585
Gain on disposal of property, plant and equipment	2,693	478	2,769	572
Gain (Loss) in financial assets Financial assets mandatorily classified as at FVTPL	(2,238)	9,073	(3,440)	45,309
Others	(1,004)	(1,530)	3,169	(2,983)
	<u>(\$ 841)</u>	<u>\$ 8,964</u>	<u>\$ 3,300</u>	<u>\$ 43,483</u>

d. Interest expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 8,558	\$ 13,238	\$ 19,287	\$ 28,148
Interest on lease liabilities	703	855	1,453	1,754
	<u>\$ 9,261</u>	<u>\$ 14,093</u>	<u>\$ 20,740</u>	<u>\$ 29,902</u>

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 42,714	\$ 31,735	\$ 76,221	\$ 62,985
Right-of-use assets	13,342	13,026	26,729	26,032
Investment properties	290	295	581	589
Intangible assets	950	1,037	1,956	1,927
	<u>\$ 57,296</u>	<u>\$ 46,093</u>	<u>\$ 105,487</u>	<u>\$ 91,533</u>
An analysis of depreciation - by function				
Operating costs	\$ 32,935	\$ 29,542	\$ 64,411	\$ 58,761
Operating expenses	23,121	15,226	38,539	30,263
Others (included in non-operating income and expense)	290	288	581	582
	<u>\$ 56,346</u>	<u>\$ 45,056</u>	<u>\$ 103,531</u>	<u>\$ 89,606</u>
An analysis of amortization - by function				
Operating costs	\$ 107	\$ 143	\$ 281	\$ 286
Operating expenses	843	894	1,675	1,641
	<u>\$ 950</u>	<u>\$ 1,037</u>	<u>\$ 1,956</u>	<u>\$ 1,927</u>

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Short-term employee benefits expense	\$ 144,155	\$ 151,697	\$ 318,864	\$ 332,837
Salaries	14,274	14,467	30,217	30,646
Labor and health insurance	16,962	10,805	35,056	22,872
Others	175,391	176,969	384,137	386,355
Post-employment benefits				
Defined contribution plans	7,256	7,217	14,291	14,269
Defined benefit plans (Note 22)	38	565	77	565
	<u>7,294</u>	<u>7,782</u>	<u>14,368</u>	<u>14,834</u>
	<u>\$ 182,685</u>	<u>\$ 184,751</u>	<u>\$ 398,505</u>	<u>\$ 401,189</u>

An analysis of employee benefits

expense - by function

Operating costs	\$ 127,748	\$ 134,891	\$ 264,572	\$ 267,435
Operating expenses	54,937	49,860	133,933	133,754
	<u>\$ 182,685</u>	<u>\$ 184,751</u>	<u>\$ 398,505</u>	<u>\$ 401,189</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates no less than 1% and no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. Estimated compensation of employees and remuneration of directors for the three-month and six-month periods ended June 30, 2024 and 2023, respectively, were as follows:

Accrual rate

	For the Six Months Ended June 30	
	2024	2023
Employees' compensation	2.14%	1.32%
Remuneration of directors	2.14%	1.32%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Employees' compensation	\$ 8,219	\$ 5,528	\$ 16,437	\$ 10,743
Remuneration of directors	<u>\$ 8,219</u>	<u>\$ 5,528</u>	<u>\$ 16,437</u>	<u>\$ 10,743</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences will be recognized in the next year as a change in accounting estimate.

The compensation of employees and remuneration of directors for the years ended December 31, 2023 and 2022, which were approved by the Company's Board of Directors on March 15, 2024 and March 16, 2023, respectively, were as follows:

	2023	2022
	Cash	Cash
Employees' compensation	\$ 42,971	\$ 31,290
Remuneration of directors	<u>\$ 42,971</u>	<u>\$ 31,290</u>

There was no difference between the actual amount of compensation of employees and remuneration of directors paid and the amount 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.

26. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current tax				
In respect of the current period	\$ 61,044	\$ 57,426	\$ 114,672	\$ 93,240
Additional unappropriated earnings	24,049	42,616	66,314	42,616
Adjustments for prior years	<u>(8,092)</u>	<u>(5,334)</u>	<u>(8,092)</u>	<u>(5,334)</u>
	<u>77,001</u>	<u>94,708</u>	<u>172,894</u>	<u>130,522</u>
Deferred tax				
In respect of the current period	<u>(2,669)</u>	<u>(1,727)</u>	<u>(2,058)</u>	<u>(2,408)</u>
	<u>\$ 74,332</u>	<u>\$ 92,981</u>	<u>\$ 170,836</u>	<u>\$ 128,114</u>

b. Income tax return assessments

The corporate income taxes declared by its subsidiary Huan-Chung International Co., Ltd., Li-Yong Development Co., Ltd., Chiayi Ready-mixed Concrete Industry Co., Ltd., Tainan Ready-mixed Concrete Industry Co., Ltd., UCC Investment Co., Ltd., Universal Ready-mixed Concrete Industry Co., Ltd., Kaohsiung Pier Transportation Co., Ltd., Uneo Inc. till the end of 2022, approved by the tax collection authority.

27. EARNINGS PER SHARE

The weighted average number of shares outstanding used in the earnings per share computation was adjusted retrospectively for the issuance of bonus shares. The record date was July 22, 2024. The basic and diluted earnings per share adjusted retrospectively for the three-month and six-month periods ended June 30, 2024 and 2023 were as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment		After Retrospective Adjustment	
	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Basic earnings per share	\$ 0.62	\$ 1.03	\$ 0.61	\$ 1.01
Diluted earnings per share	\$ 0.62	\$ 1.02	\$ 0.61	\$ 1.00

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

Net profit for the period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Net profit attributable to owners of the Corporation	\$ 382,968	\$ 417,955	\$ 631,110	\$ 690,887

Number of shares

Unit: Thousand shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares in computation of basic earnings per share	686,682	686,682	686,682	686,682
Effect of potentially dilutive ordinary shares:				
Employees' compensation	461	350	1,017	870
Weighted average number of ordinary shares in the computation of diluted earnings per share	687,143	687,032	687,699	687,552

The Group may settle compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation or bonus will be settled in shares, and the resulting potential shares will be 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 FLOWS INFORMATION

Cash used in obtaining property, plant and equipment by the Group from January 1 to June 30 of 2024 and 2023 were as follows:

	For the Six Months Ended June 30	
	2024	2023
Increase in property, plant and equipment	\$ 128,540	\$ 56,340
Decrease in payables for equipment	9,714	9,540
Increase (decrease) in prepayments for equipment	(29,080)	13,807
Paid in cash	\$ 109,174	\$ 79,687

29. CAPITAL MANAGEMENT

The Group needs to maintain sufficient capital to fulfill the Group's requirements of capital to build and expand its production facilities and equipment. Therefore, the capital management of the Group shall ensure on the necessary financial resources and a comprehensive operational plan to fulfill the future demand of working capital, capital expenditures, research and development expenses, debts repayment and dividend distributions.

30. FINANCIAL INSTRUMENTS

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

The Group believes that the carrying amounts of financial instruments that are not measured at fair value, including cash and cash equivalents, accounts receivable, financial assets at amortized cost, short-term loans, short-term bills payable, accounts payable, long-term borrowings due within one year, and guarantee deposits received, recognized in the financial statements approximate their fair value.

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

1) Fair value hierarchy

June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 14,026	\$ -	\$ -	\$ 14,026
Mutual funds	403	-	-	403
Limited partnership	-	-	43,661	43,661
	<u>\$ 14,429</u>	<u>\$ -</u>	<u>\$ 43,661</u>	<u>\$ 58,090</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 3,220,636	\$ 619,300	\$ -	\$ 3,839,936
Unlisted shares	-	-	1,673,498	1,673,498
	<u>\$ 3,220,636</u>	<u>\$ 619,300</u>	<u>\$ 1,673,498</u>	<u>\$ 5,513,434</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 13,578	\$ -	\$ -	\$ 13,578
Mutual funds	394	-	-	394
Limited partnership	-	-	47,558	47,558
	<u>\$ 13,972</u>	<u>\$ -</u>	<u>\$ 47,558</u>	<u>\$ 61,530</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 2,691,567	\$ 591,800	\$ -	\$ 3,283,367
Unlisted shares	-	-	1,399,204	1,399,204
	<u>\$ 2,691,567</u>	<u>\$ 591,800</u>	<u>\$ 1,399,204</u>	<u>\$ 4,682,571</u>

June 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 15,578	\$ -	\$ -	\$ 15,578
Mutual funds	411	-	-	411
Limited partnership	-	-	48,095	48,095
	<u>\$ 15,989</u>	<u>\$ -</u>	<u>\$ 48,095</u>	<u>\$ 64,084</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 2,617,161	\$ 596,200	\$ -	\$ 3,213,361
Unlisted shares	-	-	1,856,706	1,856,706
	<u>\$ 2,617,161</u>	<u>\$ 596,200</u>	<u>\$ 1,856,706</u>	<u>\$ 5,070,067</u>

There were no transfers between Level 1 and 2 for the six months ended June 30, 2024 and 2023.

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

For the Six Months Ended June 30,2024

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance at January 1	\$ 47,558	\$ 1,399,204	\$ 1,446,762
Additions	-	13,263	13,263
Recognized in profit (other gains and losses)	(3,897)	-	(3,897)
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	261,031	261,031
Balance at June 30	<u>\$ 43,661</u>	<u>\$ 1,673,498</u>	<u>\$ 1,717,159</u>

For the Six Months Ended June 30,2023

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
Balance at January 1	\$ 43,733	\$ 1,890,604	\$ 1,934,337
Recognized in profit (other gains and losses)	4,362	-	4,362
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	(33,898)	(33,898)
Balance at June 30	<u>\$ 48,095</u>	<u>\$ 1,856,706</u>	<u>\$ 1,904,801</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Category of financial instrument</u>	<u>Measurement technique and input value</u>
Investments in equity instruments	Purchase of stock via private offering which is subject to a three-year-lock-up period. In light of the impact on the target to be measured due to the restriction of transaction, a discount is imposed to reflect the restricted liquidity of the stock. The target to be measure is the stock of a public listed company. The Closing price at the day of measurement was adopted as the fair value of an unrestricted stock price. The fair value of the restricted stock price is then derived via the Black-Scholes model.

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

- a) The fair values of unlisted equity securities in ROC was estimated by the marketing valuation method. This method is based on the industry category, evaluation and operations of similar companies, or the net equity of the companies.
- b) Limited partnership was estimated based on the net equity.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 58,090	\$ 61,530	\$ 64,084
Financial assets at amortized cost (Note 1)	3,774,704	3,735,589	3,331,743
Financial assets at FVTOCI – Investments in equity instruments	5,513,434	4,682,571	5,070,067
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (Note 2)	3,078,604	3,854,172	4,090,101

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, net accounts receivable (including related parties), other receivables, and financial assets at amortized cost (current and non-current).

2) The balances included financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable (including related parties), other payables, guarantee deposits received and long-term borrowings due within one year.

d. Financial Risk Management Objectives and Policies

The Group's major financial instruments include investments in equity instruments, accounts receivable, accounts payables, loans and lease liabilities. The financial management department of the Group provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in interest rate risk (see (a) below) and other price risk (see (b) below).

a) Interest rate risk

The Group was exposed to interest rate risk arising from short-term borrowing at New Taiwan dollar (NTD) market rates of overweight interest rates. Due to lower NTD borrowing rates and small borrowing position, the interest rate sensitivity is lower, and the interest rate risk is little risk to the Company.

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

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Fair value interest rate risk			
Financial assets	\$ 917,138	\$ 1,248,308	\$ 173,813
Financial liabilities	483,210	504,662	644,064
Cash flow interest rate risk			
Financial assets	312,066	283,200	486,734
Financial liabilities	1,600,000	2,200,000	2,500,000

b) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and mutual funds. The Group manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk was mainly concentrated on equity instruments operating in shares and open-end mutual funds quoted in the Taiwan Stock Exchange. In addition, the Group will evaluate the price by the closing price of the equity investments and the net asset value of the fund every month.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices of domestic listed equity securities(excluding private placement), which was hold by the Group calculated by \$ 3,220,636 thousand and \$ 2,617,161 thousand, had been 1% higher/lower, the pre-tax other comprehensive income for the six months ended June 30 in 2024 and 2023 would have increased/decreased by \$ 32,206 thousand and \$ 26,172 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Financial assets are exposed to the potential effects of outstanding contracts between the Group and its counterparty or other parties. Such effects include the credit risk concentration, components, contractual amounts, and other receivables of financial products engaged by the Group.

As at the end of the reporting period, the Group's maximum exposure to credit risk is due to the failure of counterparties to discharge an obligation, which is from the carrying amount of financial assets are recognized from consolidated financial reports.

In addition to the following paragraph, the main customers of its credit are good, and the Group will regularly annually review the customer's credit status, appropriately adjust the credit line, and will require customers to provide the necessary guarantees or trade by cash in special situations. The sales department understands the customer's credit status through external peer visits. The customers mentioned above, had no significant credit risk exposure.

Part of the concrete customers of the Group are individuals and small-scale enterprises, except for a few large customers are concrete construction companies, industry characteristics resulting in some small-scale enterprises. In addition to using credit limit controls to reduce credit risks and the relevant proceedings to protect their claims, the Group has set adequate allowance for bad debts for higher credit risk customers in accordance with company policy. The credit risk arising from its maximum possible amount is disclosed in the Note 11.

The Group has no significant concentration of credit risk.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents 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.

a) Liquidity and interest risk rate table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed 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 can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest cash flows are at floating rates, the undiscounted interest amount was derived from the effective interest rate at the end of the reporting period.

June 30, 2024

	<u>On Demand or Less than 3 Month</u>	<u>3 Months to 1 Year</u>	<u>1 Year to 5 Year</u>	<u>6 Year to 10 Year</u>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 2,405,447	\$ -	\$ 10,486	\$ -
Lease liabilities	13,879	40,856	134,033	19,263
Variable interest rate liabilities	901,334	702,618	-	-
Fixed interest rate liabilities	280,000	-	-	-
	<u>\$ 3,600,660</u>	<u>\$ 743,474</u>	<u>\$ 144,519</u>	<u>\$ 19,263</u>

December 31, 2023

	<u>On Demand or Less than 3 Month</u>	<u>3 Months to 1 Year</u>	<u>1 Year to 5 Year</u>	<u>6 Year to 10 Year</u>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 1,367,804	\$ -	\$ 11,583	\$ -
Lease liabilities	13,867	40,942	146,472	28,992
Variable interest rate liabilities	1,986,757	223,213	-	-
Fixed interest rate liabilities	275,000	-	-	-
	<u>\$ 3,643,428</u>	<u>\$ 264,155</u>	<u>\$ 158,055</u>	<u>\$ 28,992</u>

June 30, 2023

	<u>On Demand or Less than 3 Month</u>	<u>3 Months to 1 Year</u>	<u>1 Year to 5 Year</u>	<u>6 Year to 10 Year</u>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 2,194,470	\$ -	\$ 9,369	\$ -
Lease liabilities	13,536	40,055	157,947	39,711
Variable interest rate liabilities	2,507,682	-	-	-
Fixed interest rate liabilities	400,000	-	-	-
	<u>\$ 5,115,688</u>	<u>\$ 40,055</u>	<u>\$ 167,316</u>	<u>\$ 39,711</u>

The amount included above for variable interest rate instruments for non-derivative financial liabilities was subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

Loan is an important resource of liquidity for the Company.

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
The short-term unsecured line of credit	5,296,175	4,258,876	3,915,389

31. TRANSACTIONS WITH RELATED PARTIES

Transactions, balance, income and expenses between the Corporation and subsidiaries (related parties of the Corporation) had been eliminated on consolidation and are not disclosed in this note. Except as disclosed in other notes, details of transactions between the Group and other related parties are disclosed below.

a. Name and relationship of related party

<u>Related Party Name</u>	<u>Relationships of the Group</u>
CHC Resources Corp.	The Group acts as key management
Universal Real Estate Development Co., Ltd.	The Group acts as key management
Sheng Yuan Investment Co., Ltd.	The key management of the Group
Bo-Chih Investment Co., Ltd.	The key management of the Group (a)
Yu-Sheng Investment Co., Ltd.	The key management of the Group
Pan Asia (Engineers&Constructors) Corp.	The Group acts as juristic supervisor
Pao Good Industrial Co., Ltd	Other related parties

a) The chairman of our company since June 2023.

b. Sales of goods

<u>Account Items</u>	<u>Related Parties Category</u>	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Sales revenue	The Group acts as key management	\$ 44,177	\$ 22,858	\$ 67,792	\$ 52,407
	The Group acts as juristic supervisor	11,941	34,935	32,824	70,328
		<u>\$ 56,118</u>	<u>\$ 57,793</u>	<u>\$ 100,616</u>	<u>\$ 122,735</u>

The prices and terms to related parties were not significantly different from transactions with third parties. The credit terms were 1-3 months.

c. Purchase of goods

<u>Related Parties Category</u>	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
The Group acts as key management	\$ 91,525	\$ 76,654	\$ 169,368	\$ 149,580
Other related parties	2,499	2,494	4,718	4,715
	<u>\$ 94,024</u>	<u>\$ 79,148</u>	<u>\$ 174,086</u>	<u>\$ 154,295</u>

The purchased of goods are mainly blast furnace slag and fly ash. The prices and terms to related parties were not significantly different from transaction with third parties. The credit terms were 30-65 days.

d. Receivables from related parties (Excluding contract assets)

<u>Account Items</u>	<u>Related Parties Category / Name</u>	<u>June 30,</u>	<u>December 31,</u>	<u>June 30,</u>
		<u>2024</u>	<u>2023</u>	<u>2023</u>
Accounts receivable - related parties	The Group acts as juristic supervisor			
	Pan Asia (Engineers&Constructors) Corp.	\$ 16,462	\$ 47,430	\$ 42,142
	The Group acts as key management	18,042	11,422	9,153
	Less: Allowance for impairment loss	71	102	78
		<u>\$ 34,433</u>	<u>\$ 58,750</u>	<u>\$ 51,217</u>

The outstanding receivables from related parties are unsecured.

e. Payables to related parties

<u>Account Items</u>	<u>Related Parties Category / Name</u>	<u>June 30,</u>	<u>December 31,</u>	<u>June 30,</u>
		<u>2024</u>	<u>2023</u>	<u>2023</u>
Accounts payable - related parties	The Group acts as key management	\$ 25,303	\$ 32,250	\$ 20,922
	Other related parties	1,693	1,809	2,581
		<u>\$ 26,996</u>	<u>\$ 34,059</u>	<u>\$ 23,503</u>

The outstanding accounts payables from related parties are unsecured and would be paid in cash.

f. Lease arrangements - Group is lessor

The Group leased its office building to related parties under operating leases for a term of 1-2 years. The rental prices are determined with reference to the market standards and charged on a monthly basis.

Total lease payment to be collected in the future is summarized as follows:

<u>Related Party Category</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
The Group acts as key management	\$ 458	\$ 3,207	\$ 458
The key management of the Group	23	46	69
The chairman of our company	11	23	34
	<u>\$ 492</u>	<u>\$ 3,276</u>	<u>\$ 561</u>

Total lease revenue is summarized as follows:

<u>Related Party Category</u>	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
The Group acts as key management	\$ 1,375	\$ 1,375	\$ 2,749	\$ 2,749
The key management of the Group	11	16	22	34
The chairman of our company	5	1	11	1
	<u>\$ 1,391</u>	<u>\$ 1,392</u>	<u>\$ 2,782</u>	<u>\$ 2,784</u>

g. Compensation of key management personnel

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 12,678	\$ 11,996	\$ 25,149	\$ 23,812
Post-employment benefits	233	235	529	451
	<u>\$ 12,911</u>	<u>\$ 12,231</u>	<u>\$ 25,678</u>	<u>\$ 24,263</u>

The remuneration of directors and key executives was determined by the remuneration committee according to the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for lease performance bonds and natural gas performance bonds of Port of Taichung, Taiwan International Ports

	<u>Carrying Amount</u>		
	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Pledged time deposits			
Current	\$ 67	\$ 67	\$ 67
Non-current	8,010	8,010	5,510
	<u>\$ 8,077</u>	<u>\$ 8,077</u>	<u>\$ 5,577</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group on the date of balance sheets were as follows:

a. Unrecognized commitments are as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Acquisition of property, plant and equipment	<u>\$ 52,088</u>	<u>\$ 70,912</u>	<u>\$ 77,092</u>

b. The promissory notes are as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Promissory notes	<u>\$ 108,736</u>	<u>\$ 115,806</u>	<u>\$ 131,565</u>

These notes were provided as engineering performance bonds, which could be refunded when the guarantee is terminated

c. Unused letters of credit are as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Unused letters of credit for purchase of raw materials	<u>\$ 23,825</u>	<u>\$ 26,124</u>	<u>\$ 24,611</u>

34. OTHER ITEMS

On February 15, 2023, the President announced amendments to the "Climate Change Response Act" and added regulations for the collection of carbon fees. Subsequently, the Ministry of Environment Notice published on April 29, 2024 was hereby given, to commence a period of public comments for drafting "Regulations Governing the Collection of Carbon Fees", drafting "Regulations for Administration of Voluntary Reduction Plans" and drafting "Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees". According to the draft "Regulations of Carbon Fee Collection", starting in 2024, companies belonging to the power generation industry and large-scale operators in the manufacturing industry, with total annual greenhouse gas emissions generated by direct emissions and indirect emissions that occur through the use of purchased electricity exceeding 25,000 metric tons of carbon dioxide equivalent (tCO₂e), shall pay carbon fees if their plants are the emission sources subject to inventory, registration and inspection as announced by the Ministry of Environment.

Judging from its emissions in 2023, the Consolidated Entity will meet the levy threshold early in 2024 and must pay carbon fees. However, since the aforementioned drafts are merely a notice so far and the carbon fee rates are not announced, the Consolidated Entity is unable to reasonably estimate the carbon fee impacts.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than Group's individual functional currency and the exchange rates between foreign currencies and respective functional currency were disclosed. The significant financial assets denominated in foreign currencies are as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)			
<u>June 30, 2024</u>			
<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 238	32.450	\$ 7,707
RMB	926	4.445	4,117
JPY	74,085	0.202	14,943
<u>December 31, 2023</u>			
<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 1,007	30.705	\$ 30,935
RMB	916	4.33	3,962
EUR	97	33.98	3,295
<u>June 30, 2023</u>			
<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 1,383	31.14	\$ 43,058
RMB	907	4.282	3,885

The foreign currency risk of the Group is mainly exposed to USD. The following information was aggregated by the foreign currencies other than Group's individual functional currency and the exchange rates between foreign currencies and respective functional currency were disclosed. The exchange rate gains and losses of foreign currencies with significance (including realized and non-realized) are summarized as follows:

<u>Functional Currencies</u>	<u>For the Three Months Ended June 30</u>			
	<u>2024</u>		<u>2023</u>	
	<u>Exchange Rate</u>	<u>Net Foreign Exchange Loss</u>	<u>Exchange Rate</u>	<u>Net Foreign Exchange Gain</u>
NTD	1(NTD:NTD)	(\$ 292)	1 (NTD:NTD)	\$ 943
<u>Functional Currencies</u>	<u>For the Six Months Ended June 30</u>			
	<u>2024</u>		<u>2023</u>	
	<u>Exchange Rate</u>	<u>Net Foreign Exchange Gain</u>	<u>Exchange Rate</u>	<u>Net Foreign Exchange Gain</u>
NTD	1(NTD:NTD)	\$ 802	1 (NTD:NTD)	\$ 585

36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries and associates). (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$ 300 million or 20% of the paid-in capital. (N/A)
- 5) Acquisition of individual real estate at cost of at least NT\$ 300 million or 20% of the paid-in capital. (N/A)
- 6) Disposal of individual real estate at a price of at least NT\$ 300 million or 20% of the paid-in capital. (N/A)
- 7) Total purchases from or sales to related parties amounting to at least NT\$ 100 million or 20% of the paid-in capital. (Table 5)
- 8) Receivables from related parties amounting to at least NT\$ 100 million or 20% of the paid-in capital. (N/A)
- 9) Trading in derivative instruments. (N/A)
- 10) Intercompany relationships and significant intercompany transactions. (Table 6)

b. Related information on investees. (Table 4)

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 or loss of investee and investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment from the mainland China area. (N/A)

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

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: (N/A)

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: (N/A)

c) The amount of property transactions and the amount of the resultant gains or losses: (N/A)

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: (N/A)

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: (N/A)

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: (N/A)

d. Information on major shareholders: name, number and percentage of shareholding of shareholders with ownership achieving 5% and above. (Table 7)

37. SEGMENT INFORMATION

a. Operating segments information

The identification of reportable departments is based on the operation and management model of the Group management. Based on product categories, the identification is divided into departments such as building materials business and asset management center-provide information to key operating decision-makers for allocating resources and evaluating segment performance.

The Group's reportable segments are as follows:

- 1) Building materials segment - production, sales and research segment of cement, concrete and gypsum board.
- 2) Others - mainly the management segment of reinvested companies and segments that are not part of the building materials segment.

b. Segment revenues and operating results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

For the Six Months Ended June 30, 2024

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 3,986,512	\$ 14,140	\$ -	\$ 4,000,652
Inter-segment revenues	10,478	-	(10,478)	-
Total Segment revenues	<u>\$ 3,996,990</u>	<u>\$ 14,140</u>	<u>(\$ 10,478)</u>	<u>\$ 4,000,652</u>
Segment profit and loss	<u>\$ 632,096</u>	<u>\$ 229,156</u>	<u>(\$ 18,517)</u>	<u>\$ 842,735</u>
Interest expenses				(20,740)
Profit before income tax				<u>\$ 821,995</u>

For the Six Months Ended June 30, 2023

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 3,736,250	\$ 18,469	\$ -	\$ 3,754,719
Inter-segment revenues	11,910	-	(11,910)	-
Total Segment revenues	<u>\$ 3,748,160</u>	<u>\$ 18,469</u>	<u>(\$ 11,910)</u>	<u>\$ 3,754,719</u>
Segment profit and loss	<u>\$ 571,000</u>	<u>\$ 368,065</u>	<u>(\$ 78,746)</u>	<u>\$ 860,319</u>
Interest expenses				(29,902)
Profit before income tax				<u>\$ 830,417</u>

Segment income represented profit before tax earned by each segment without income tax. These amounts provide information to key operating decision-makers for allocating resources and evaluating segment performance.

The chief operating decision maker of the Group makes decisions based on the operating results of each segment, there was no information about the assessment of assets and liabilities classified through business activity performance, thence only listing revenue and results of reportable segments.

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS

FOR THE SIX MONTHS ENDED June 30, 2024

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature for Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limits for Each Borrower (Note 2)	Aggregate Financing Limits (Note 3)
													Item	Value		
0	The Company	UCC Investment Co., Ltd.	Other receivables	Yes	\$800,000	\$800,000	\$ -	1.922	For short-term financing	\$ -	Operating capital	\$ -	None	\$ -	\$9,000,984	\$9,000,984
0	The Company	Uneo Inc.	Other receivables	Yes	100,000	100,000	-	1.922	For short-term financing	-	Operating capital	-	None	-	9,000,984	9,000,984
0	The Company	Universal Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	300,000	300,000	-	1.922	For short-term financing	-	Operating capital	-	Land and Plant	300,000	9,000,984	9,000,984
0	The Company	Tainan Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	300,000	300,000	-	1.922	For short-term financing	-	Operating capital	-	None	-	9,000,984	9,000,984
1	UCC Investment Co., Ltd.	Tainan Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	250,000	250,000	-	2.123	For short-term financing	-	Operating capital	-	None	-	430,182	430,182
2	Tainan Ready-mixed Concrete Industry Co., Ltd.	The Company	Other receivables	Yes	400,000	280,000	280,000	1.40	For short-term financing	-	Operating capital	-	None	-	386,713	386,713

Note 1: a: "0" is the Company.

b: Subsidiaries are numbered from "1".

Note 2: The upper limit for each borrower is 40% of the Company's net asset value as stated in the latest financial statements; The upper limit for a subsidiary to a single enterprise is 40% of the net value of the subsidiary's most recent financial statements that have been audited (reviewed) by CPAs.

Note 3: The aggregate limit for each borrower is 40% of the Company's net asset value as stated in the latest financial statements; The aggregate limit for a subsidiary to a single enterprise is 40% of the net value of the subsidiary's most recent financial statements that have been audited (reviewed) by CPAs.

TABLE 2

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE SIX MONTHS ENDED June 30, 2024

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser / Guarantor	Endorsee / Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed / Guaranteed During the Period	Outstanding Endorsement / Guarantee at the End of the Period (Note 6)	Actual Borrowing Amount	Amount Endorsed / Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 4, Note 5, Note 7)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 2)										
0	The Company	Universal Ready-mixed Concrete Industry Co., Ltd.	(1)	\$ 132,329	\$ 120,000	\$ 120,000	\$ -	\$ -	1	\$ 22,502,461	Y	N	N
		UCC Investment Co., Ltd.	(1)	828,750	350,000	350,000	100,000	-	2	22,502,461	Y	N	N
		Uneo Inc.	(1)	60,000	50,000	50,000	-	-	-	22,502,461	Y	N	N
1	Kaohsiung Pier Transportation Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	490,729	324,592	324,592	-	-	331	981,458	N	N	N
		The Company	(2)	490,729	319,928	319,928	-	-	326	981,458	N	Y	N
2	UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	5,377,273	122,521	122,521	-	-	11	10,754,547	N	N	N
		The Company	(2)	5,377,273	621,553	602,397	-	-	56	10,754,547	N	Y	N
3	Universal Ready-mixed Concrete Industry Co., Ltd.	The Company	(2)	576,742	157,561	157,561	-	-	27	576,742	N	Y	N

Note 1: a: "0" is the Company.

b: Subsidiaries are numbered from "1".

Note 2: (1) The endorser / guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed / guaranteed subsidiary.

(2) The endorser / guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed / guaranteed company.

(3) The endorsed / guaranteed company owns directly and indirectly more than 50% voting shares of the endorser / guarantor parent company.

Note 3: The upper limit for the Company is equivalent to the capital of the endorsee; the upper limit for subsidiaries is equivalent to the net asset value of the subsidiaries as stated in its latest financial statements except that it is five times of the net asset value of Kaohsiung Pier Transportation Co., Ltd. and UCC Investment Co., Ltd.

Note 4: The upper limit for the Company is equivalent to the net asset value of the Company.

Note 5: The upper limit for the subsidiary is equivalent to the net asset value of the subsidiary as stated in its latest financial statements, unless the Company or other subsidiaries give more guarantee.

Note 6: The limits were approved by the board of directors.

Note 7: The upper limit for the subsidiary is equivalent to ten times of the net asset value of the subsidiary as stated in its latest financial statements.

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

June 30, 2024

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares/ Units	Carrying Value	Percentage of Ownership (%)	Fair Value Or Net Equity	
The Company	Listed shares							
	Prince Housing & Development Corp.	The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	40,621,948	\$ 487,463	2.50	\$ 487,463	
	CTBC Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	28,441,983	1,076,529	0.14	1,076,529	
	Far EasTone Telecommunications Co., Ltd.	-	Financial assets at FVTOCI - current	306,219	25,753	0.01	25,753	
	CHC Resources Corp.	The Company acts as juristic director	Financial assets at FVTOCI - current	17,020,254	1,119,933	6.85	1,119,933	
	Creative Sensor Inc.	Representative of the juristic director of the Company acts as the representative of juristic director	Financial assets at FVTPL - current	158,000	4,716	0.11	4,716	
	Privately offered shares							
	Creative Sensor Inc.	Representative of the juristic director of the Company acts as the representative of juristic director	Financial assets at FVTOCI - non - current	13,000,000	365,950	8.72	365,950	
	Unlisted shares							
	Grand Bills Finance Corp.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	43,999,488	556,154	8.14	556,154	
	Universal Real Estate Development Co., Ltd.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	24,864,000	706,884	16.44	706,884	
	Universal Venture Capital Investment Corp.	-	Financial assets at FVTOCI - non - current	1,400,000	16,586	1.16	16,586	
	Chinatrust Investment Co., Ltd.	-	Financial assets at FVTOCI - non - current	1,981,995	75,505	1.05	75,505	
	Kaohsiung Rapid Transit Corp.	-	Financial assets at FVTOCI - non - current	1,286,063	12,615	0.46	12,615	
	Chie-Ho Engineering & Development Co., Ltd.	-	Financial assets at FVTOCI - non - current	171,131	-	0.16	-	
	Unison Environmental & Technical Services Co., Ltd.	-	Financial assets at FVTOCI - non - current	600,000	-	30.00	-	
UCC Investment Co., Ltd.	Mutual funds							
	Cathay No. 2 Real Estate Investment Trust	-	Financial assets at FVTPL - current	24,000	403	-	403	
	Listed shares							
	Prince Housing & Development Corp.	The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	42,375,900	508,511	2.61	508,511	
	Tainan Spinning Co., Ltd.	The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	55	1	-	1	
	Teco Image Systems Co., Ltd.	-	Financial assets at FVTPL - current	523,000	9,310	0.46	9,310	
	Privately offered shares							
	Creative Sensor Inc.	Representative of the juristic director of the Company acts as the representative of juristic director	Financial assets at FVTOCI - non - current	9,000,000	253,350	6.04	253,350	
	Unlisted shares							
	Pan Asia (Engineers&Constructors) Corp.	Subsidiary of the Company acts as juristic supervisor	Financial assets at FVTOCI - non-current	3,102,803	240,933	2.71	240,933	
	Darzhen Venture Corp.	Representative of the juristic director of the Company acts as director	Financial assets at FVTOCI - non-current	673,200	11,499	8.06	11,499	
	Darchan Venture Corp.	Representative of the juristic director of the Company acts as supervisor	Financial assets at FVTOCI - non-current	4,000,000	40,059	3.64	40,059	
	Bao Horng Cement Corp.	-	Financial assets at FVTOCI - non-current	1,326,316	13,263	13.96	13,263	
Limited partnership								
Taiwania Capital Buffalo Fund V, LP.	-	Financial assets at FVTPL - non-current	-	43,661	3.23	43,661		
Tainan Ready-mixed Concrete Industry Co., Ltd.	Listed shares							
	CTBC Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	60,000	2,271	-	2,271	
	CTBC Financial Holding Co., Ltd. Preferred Shares C	-	Financial assets at FVTOCI - current	2,987	175	-	175	

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES

FOR THE SIX MONTHS ENDED June 30, 2024

(Amounts In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Amount			
The Company	Huan-Chung International Co., Ltd.	Taichung city	Import, export, and sale of cement, cement material, fuel, and production	\$ 69,993	\$ 69,993	6,999,333	69.99	\$ 166,242	\$ 16,018	\$ 11,213	
	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Chiayi County	Manufacturing and marketing of ready-mixed concrete	22,643	22,643	2,252,378	86.63	42,611	1,651	1,430	
	Kaohsiung Pier Transportation Co., Ltd.	Kaohsiung city	Trucking operation	74,580	74,580	7,560,000	100.00	95,331	(1,203)	(1,203)	
	UCC Investment Co., Ltd.	Taipei city	Investment activities	650,000	650,000	82,875,000	100.00	1,074,762	(1,709)	(1,709)	
	Universal Ready-mixed Concrete Industry Co., Ltd.	Taichung city	Manufacturing and marketing of ready-mixed concrete and gravel	33,887	33,887	7,698,963	58.18	340,593	61,346	36,225	
	Uneo Inc.	Taipei city	Marketing of electronic products	291,671	291,671	6,000,000	100.00	11,072	(7,869)	(7,869)	
	Li-Yong Development Co., Ltd.	Taipei city	Investment activities, trading for real estate and leasing business	20,000	20,000	2,000,000	100.00	19,338	56	56	
	Lio-Ho Machine Works Ltd.	Taoyuan city	Manufacturing and marketing of metal parts and automotive components	174,997	174,997	89,581,468	29.86	10,989,266	655,271	195,664	
	Tainan Ready-mixed Concrete Industry Co., Ltd.	Tainan city	Additional processing and marketing of ready-mixed concrete and cement	238,180	238,180	2,023,624	67.45	1,005,710	(31,139)	(21,243)	
UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Taichung city	Manufacturing and marketing of ready-mixed concrete and gravel	858	858	115,494	0.87	858			
	Chiayi Ready-mixed Concrete Industry Co., Ltd.	Chiayi County	Manufacturing and marketing of ready-mixed concrete	5	5	361	0.01	5			
	Huan-Chung International Co., Ltd.	Taichung city	Import, export, and sale of cement, cement material, fuel, and production	13	13	667	0.01	13			
	Tainan Ready-mixed Concrete Industry Co., Ltd.	Tainan city	Additional processing and marketing of ready-mixed concrete and cement	178	178	10,000	0.33	178			
	Lio-Ho Machine Works Ltd.	Taoyuan city	Manufacturing and marketing of metal parts and automotive components	93	93	1,680	-	93			

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE SIX MONTHS ENDED June 30, 2024

(In Thousands of New Taiwan Dollars)

Purchaser/Seller	Counterparty	Relationship	Transaction Details				Differences in transaction terms compared to third party transactions		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	Percentage of Total Purchases (Sales) (%)	Credit Period	Unit Price	Credit Period	Balance	Percentage of Total Notes/Accounts Receivable (Payable)	
The Company	Kaohsiung Pier Transportation Co., Ltd.	Subsidiary-100%	Freight expense	\$ 130,541	7	45 ~ 60 days after acceptance	Note	Equivalent	(\$ 14,448)	(2)	
	CHC Resources Corp.	The Group acts as key management	Purchase	139,699	8	30 ~ 65 days after acceptance	Equivalent	Equivalent	(20,022)	(3)	

Note: There is no comparison on the purchase price between related parties and the third parties because there is no similar product.

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE SIX MONTHS ENDED June 30, 2024

(In Thousands of New Taiwan Dollars)

No.	Company name	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount	Transaction terms	Percentage of Consolidated Total Operating Revenues or Total Assets (%)
0	The Company	Kaohsiung Pier Transportation Co., Ltd.	(1)	Freight expense	\$ 130,541	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 to 60 days after acceptance.	3
		Kaohsiung Pier Transportation Co., Ltd.	(1)	Accounts payable	14,448	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 to 60 days after acceptance.	-
		Kaohsiung Pier Transportation Co., Ltd.	(1)	Other payables	15,741	The prices to related parties were not significantly different from those to third parties. Credit terms were 45 to 60 days after acceptance.	-
		Uneo Inc.	(1)	Sales revenue	10,478	The sales prices have no comparison with those from third parties, net 60 days after shipment.	-
		Uneo Inc.	(1)	Accounts receivable	2,114	The sales prices have no comparison with those from third parties, net 60 days after shipment.	-
		Tainan Ready-mixed Concrete Industry Co., Ltd.	(1)	Other payables	280,000	Financing provided	1
		Tainan Ready-mixed Concrete Industry Co., Ltd.	(1)	Interest expense	1,415	Charged at an annual interest rate of 1.4%	-
1	Huan-Chung International Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	Sales revenue	70,985	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 to 120 days after shipment.	2
		Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	Accounts receivable	41,657	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 to 120 days after shipment.	-

Note 1: The transaction relationships with the counterparties are as follows:

No. 1: Represents transactions from parent Company to subsidiary.

No. 2: Represents transactions from the subsidiary to the parent Company.

No. 3: Represents transactions among subsidiaries.

Note 2: All the transactions had been eliminated when preparing consolidated financial statements.

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON MAJOR SHAREHOLDERS

June 30, 2024

Name of the major shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sheng-Yuan Investment Co., Ltd.	69,505,485	10.32%
Yu-Sheng Investment Co., Ltd.	69,267,998	10.28%
HOU, Bo-Yi	52,414,898	7.78%

Note 1: The information on major shareholders in the table is information related to shareholders with aggregate ownership in the Company achieving 5% and above by holding ordinary shares and special shares that completed the non-physical registration and delivery (including treasury shares), calculated by the TDCC on the last business day at the end of the quarter. The share capital stated in the consolidated financial report of the Company may differ from the number of shares that completed the non-physical registration and delivery due to the differences in the basis of preparation and calculation.

Note 2: Regarding the information above, where shareholders entrust their shares with a trust, the information shall be disclosed in a separate personal account of the client in the nature of a trust account opened by the trustee. When shareholders with shareholding over 10% carrying out the insider's equity report according to laws and regulations related to securities trading, the shareholding shall include its personal shareholding, plus shares entrusted with trust and possessing the right of utilization and decision-making. For information on the insider's equity report, please refer to MOP.