

**Universal Cement Corporation and
Subsidiaries**

**Consolidated Financial Statement for the
Nine Months Ended September 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 September 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended September 30, 2024 and 2023, and for the nine months ended September 30, 2024 and 2023, the related consolidated statements of changes in equity and of cash flows for the nine 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 September 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT\$194,048 thousand and NT\$220,720 thousand, respectively, representing 0.67% and 0.78%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$52,825 thousand and NT\$65,393 thousand, respectively, representing 1.05% and 1.18%, respectively, of the consolidated total liabilities; for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the net comprehensive income (loss) of these non-significant subsidiaries were NT\$(3,176) thousand, NT\$(1,289) thousand, NT\$(10,541) thousand, and NT\$(8,763) thousand, respectively, representing (0.40%), (0.27%), (0.40%), and (0.39%), 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 September 30, 2024 and 2023, the investments accounted for using the equity method were NT\$10,915,442 thousand and NT\$10,847,175 thousand, respectively, representing 38% and 39%, respectively, of the consolidated total assets, for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the recognized share of profit of associates and joint ventures were NT\$108,541 thousand, NT\$236,992 thousand, NT\$304,205 thousand and NT\$501,722 thousand, respectively, representing 14%, 50%, 11% and 22% , 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\$(182,458) thousand, NT\$(514,060) thousand, NT\$254,510 thousand and NT\$174,794 thousand, respectively, representing (23)%, (109)%, 10% and 8%, 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 37 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 September 30, 2024 and 2023, its consolidated financial performance for the three months ended September 30, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the nine months ended September 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

November 7, 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 CPAs.

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

ASSETS	September 30, 2024 (Reviewed)		December 31, 2023 (Audited)		September 30, 2024 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,322,443	5	\$ 1,418,310	5	\$ 1,533,222	5
Financial assets at fair value through profit or loss - current (Note 7)	10,027	-	13,972	-	14,049	-
Financial assets at fair value through other comprehensive income - current (Note 8)	3,035,680	11	2,691,567	10	2,547,869	9
Financial assets at amortized cost - current (Notes 9, 10 and 33)	92,367	-	127,350	-	96,340	-
Notes receivable (Notes 11 and 24)	501,433	2	567,255	2	493,064	2
Net Accounts receivable (Notes 11 and 24)	1,258,161	4	1,546,340	6	1,306,332	5
Net Accounts receivable from related parties (Notes 11, 24 and 32)	18,459	-	58,750	-	47,830	-
Other receivables (Note 8)	532	-	589	-	2,791	-
Current tax assets	511	-	-	-	114	-
Inventories (Note 12)	403,748	1	388,373	1	455,319	2
Prepayments for equipment	29,313	-	18,065	-	22,663	-
Other current assets (Note 24)	7,656	-	5,863	-	9,843	-
Total current assets	<u>6,680,330</u>	<u>23</u>	<u>6,836,434</u>	<u>24</u>	<u>6,529,436</u>	<u>23</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	43,387	10	47,558	-	47,847	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	2,970,702	-	1,991,004	7	2,327,335	8
Financial assets at amortized cost - non-current (Notes 9, 10 and 33)	13,127	-	16,995	-	11,344	-
Investments accounted for using the equity method (Note 14)	10,915,442	38	10,804,634	39	10,847,175	39
Property, plant and equipment (Note 15)	7,378,152	25	7,342,196	26	7,397,322	26
Right - of - use assets (Note 16)	184,899	1	222,428	1	227,502	1
Investment properties (Note 17)	839,844	3	840,717	3	840,997	3
Other intangible assets (Note 18)	9,371	-	10,648	-	11,668	-
Deferred tax assets	12,577	-	16,511	-	14,891	-
Prepayments for equipment	18,547	-	45,458	-	56,922	-
Net defined benefit assets	8,242	-	14,977	-	15,753	-
Total non-current assets	<u>22,394,290</u>	<u>77</u>	<u>21,353,126</u>	<u>76</u>	<u>21,798,756</u>	<u>77</u>
TOTAL	<u>\$ 29,074,620</u>	<u>\$ 100</u>	<u>\$ 28,189,560</u>	<u>\$ 100</u>	<u>\$ 28,328,192</u>	<u>\$ 100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	\$ 2,190,000	8	\$ 1,700,000	6	\$ 1,915,000	7
Short-term bills payable (Note 19)	117,900	-	274,785	1	259,706	1
Contract liabilities - current (Note 24)	3,186	-	2,359	-	2,216	-
Notes payable (Note 20)	197,776	1	218,691	1	223,664	1
Accounts Payable (Note 20)	528,287	2	709,034	3	648,746	2
Accounts Payable to related parties (Notes 20 and 32)	15,843	-	34,059	-	25,891	-
Other payables (Note 21)	356,735	1	406,020	1	359,324	1
Current tax liabilities	130,217	-	157,831	1	98,933	1
Lease liabilities - current (Note 16)	52,768	-	53,990	-	52,631	-
Long-term borrowings due within one year (Note 19)	-	-	500,000	2	280,000	1
Other current liabilities (Note 21)	32,725	-	22,080	-	25,200	-
Total current liabilities	<u>3,625,437</u>	<u>12</u>	<u>4,078,849</u>	<u>15</u>	<u>3,891,311</u>	<u>14</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	1,238,589	4	1,245,107	4	1,245,300	4
Lease liabilities - current (Notes 16)	138,581	1	175,887	1	182,241	1
Lease liabilities - non-current (Note 19)	-	-	-	0	220,000	1
Guarantee deposits received	10,493	-	11,583	-	11,359	-
Total non-current liabilities	<u>1,387,663</u>	<u>5</u>	<u>1,432,577</u>	<u>5</u>	<u>1,658,900</u>	<u>6</u>
Total liabilities	<u>5,013,100</u>	<u>17</u>	<u>5,511,426</u>	<u>20</u>	<u>5,550,211</u>	<u>20</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Capital stock						
Common stock	6,866,818	24	6,732,175	24	6,732,175	24
Capital surplus	122,793	-	123,719	-	123,499	-
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	7,648,119	26	8,099,817	29	7,640,115	27
Total retained earnings	<u>13,964,890</u>	<u>48</u>	<u>14,205,736</u>	<u>50</u>	<u>13,746,034</u>	<u>48</u>
Other equity	2,332,070	8	807,552	3	1,384,300	5
Total equity attributable to owners of the Company	<u>23,286,571</u>	<u>80</u>	<u>21,869,182</u>	<u>77</u>	<u>21,986,008</u>	<u>77</u>
NON - CONTROLLING INTERESTS	<u>774,949</u>	<u>3</u>	<u>808,952</u>	<u>3</u>	<u>791,973</u>	<u>3</u>
Total equity	<u>24,061,520</u>	<u>83</u>	<u>22,678,134</u>	<u>80</u>	<u>22,777,981</u>	<u>80</u>
TOTAL	<u>\$ 29,074,620</u>	<u>100</u>	<u>\$ 28,189,560</u>	<u>100</u>	<u>\$ 28,328,192</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 September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 32)	\$ 1,872,786	100	\$ 1,873,035	100	\$ 5,873,438	100	\$ 5,627,754	100
OPERATING COSTS (Notes 12, 25 and 32)	<u>1,526,773</u>	<u>81</u>	<u>1,511,978</u>	<u>81</u>	<u>4,710,193</u>	<u>80</u>	<u>4,538,549</u>	<u>81</u>
GROSS PROFIT	<u>346,013</u>	<u>19</u>	<u>361,057</u>	<u>19</u>	<u>1,163,245</u>	<u>20</u>	<u>1,089,205</u>	<u>19</u>
OPERATING EXPENSES (Notes 25 and 32)								
Selling and marketing expenses	32,755	2	33,912	2	91,859	2	116,783	2
General and administrative expenses	61,594	3	92,172	5	239,109	4	254,030	4
Research and development expenses	16,434	1	19,182	1	52,935	1	59,866	1
Expected credit loss (gain)	(789)	-	(14,342)	(1)	(3,224)	-	(6,362)	-
Total operating expenses	<u>109,994</u>	<u>6</u>	<u>130,924</u>	<u>7</u>	<u>380,679</u>	<u>7</u>	<u>424,317</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>236,019</u>	<u>13</u>	<u>230,133</u>	<u>12</u>	<u>782,566</u>	<u>13</u>	<u>664,888</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES(Notes 25 and 32)								
Interest income	3,494	-	1,352	-	10,644	-	5,183	-
Other income	186,408	10	148,726	8	276,482	5	262,246	5
Other gains and losses	13,473	1	610,072	33	16,773	-	653,555	11
Interest expenses	(10,593)	(1)	(13,553)	(1)	(31,333)	-	(43,455)	(1)
Share of profit or loss of associates accounted for using the equity method	<u>108,541</u>	<u>6</u>	<u>236,992</u>	<u>13</u>	<u>304,205</u>	<u>5</u>	<u>501,722</u>	<u>9</u>
Total non-operating income and expenses	<u>301,323</u>	<u>16</u>	<u>983,589</u>	<u>53</u>	<u>576,771</u>	<u>10</u>	<u>1,379,251</u>	<u>24</u>
INCOME BEFORE INCOME TAX	537,342	29	1,213,722	65	1,359,337	23	2,044,139	36
INCOME TAX EXPENSE (Notes 4 and 26)	<u>51,951</u>	<u>3</u>	<u>47,107</u>	<u>3</u>	<u>222,787</u>	<u>4</u>	<u>175,221</u>	<u>3</u>
NET INCOME	<u>485,391</u>	<u>26</u>	<u>1,166,615</u>	<u>62</u>	<u>1,136,550</u>	<u>19</u>	<u>1,868,918</u>	<u>33</u>
OTHER COMPREHENSIVE INCOME (Note 23)								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of defined benefit plans	-	-	-	-	-	-	910	-
Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	492,948	26	(181,173)	(10)	1,270,122	22	226,037	4
Share of the other comprehensive income or loss of associates accounted for using the equity method	<u>406</u>	<u>-</u>	<u>(500)</u>	<u>-</u>	<u>260</u>	<u>-</u>	<u>1,237</u>	<u>-</u>
	<u>493,354</u>	<u>26</u>	<u>(181,673)</u>	<u>- 10</u>	<u>1,270,382</u>	<u>22</u>	<u>228,184</u>	<u>4</u>
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	(182,864)	(10)	(513,560)	(27)	254,250	4	173,557	3
Other comprehensive income for the period net of income tax	<u>310,490</u>	<u>16</u>	<u>(695,233)</u>	<u>(37)</u>	<u>1,524,632</u>	<u>26</u>	<u>401,741</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 795,881</u>	<u>42</u>	<u>\$ 471,382</u>	<u>25</u>	<u>\$ 2,661,182</u>	<u>45</u>	<u>\$ 2,270,659</u>	<u>40</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 474,478	25	\$ 956,310	51	\$ 1,105,588	19	\$ 1,647,197	29
Non-controlling interests	<u>10,913</u>	<u>1</u>	<u>210,305</u>	<u>11</u>	<u>30,962</u>	<u>-</u>	<u>221,721</u>	<u>4</u>
	<u>\$ 485,391</u>	<u>26</u>	<u>\$ 1,166,615</u>	<u>62</u>	<u>\$ 1,136,550</u>	<u>19</u>	<u>\$ 1,868,918</u>	<u>33</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 785,036	42	\$ 261,083	14	\$ 2,630,106	45	\$ 2,048,518	36
Non-controlling interests	<u>10,845</u>	<u>-</u>	<u>210,299</u>	<u>11</u>	<u>31,076</u>	<u>-</u>	<u>222,141</u>	<u>4</u>
	<u>\$ 795,881</u>	<u>42</u>	<u>\$ 471,382</u>	<u>25</u>	<u>\$ 2,661,182</u>	<u>45</u>	<u>\$ 2,270,659</u>	<u>40</u>
EARNINGS PER SHARE (Note 27)								
Basic	\$ 0.69		\$ 1.39		\$ 1.61		\$ 2.40	
Diluted	0.69		1.39		1.61		2.40	

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					Total	Total Other Equity			
	Common Stock	Stock dividends to be distributed	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Assets at Fair Value Through Other Comprehensive Income	Financial	Remeasurement of Defined Benefit Plans	other					
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)	-	-	204,243	-	(204,243)	-	-	-	-	-	-	-	-		
Legal reserve	-	-	-	-	(980,414)	-	-	-	-	-	(980,414)	-	(980,414)		
Cash dividends distributed by the Company - NTS 1.5 per share	196,083	-	-	-	(196,083)	-	-	-	-	-	-	-	-		
Stock dividends distributed by the Company - NTS 0.3 per share	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net income	-	-	-	-	1,647,197	-	-	-	-	-	1,647,197	221,721	1,868,918		
Other comprehensive income (loss), net of income tax	-	-	-	-	-	173,557	227,227	537	-	401,321	401,321	420	401,741		
Total comprehensive income (loss) for the Nine months ended September 30, 2023	-	-	-	-	1,647,197	173,557	227,227	537	-	401,321	2,048,518	222,141	2,270,659		
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	-	(38,742)	(38,742)		
Disposals of investments in equity instruments at fair value through other comprehensive income (Note 8 and 23)	-	-	-	-	1,620	-	(1,620)	-	-	(1,620)	-	-	-		
BALANCE AT SEPTEMBER 30, 2023	\$ 6,732,175	\$ 123,499	\$ 2,920,126	\$ 3,185,793	\$ 7,640,115	(\$ 625,919)	\$ 1,937,505	\$ 89,931	(\$ 17,217)	\$ 1,385,920	\$ 21,986,008	\$ 791,973	\$ 22,777,981		
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)	-	-	210,852	-	(210,852)	-	-	-	-	-	-	-	-		
Legal reserve	-	-	-	-	(1,211,791)	-	-	-	-	-	(1,211,791)	-	(1,211,791)		
Cash dividends distributed by the Company - NTS 1.8 per share	134,643	-	-	-	(134,643)	-	-	-	-	-	-	-	-		
Stock dividends distributed by the Company - NTS 0.2 per share	-	-	-	-	-	-	-	-	-	-	-	-	-		
Acquired non-controlling interests of subsidiaries (Note 28)	-	(926)	-	-	-	-	-	-	-	-	(926)	(6,344)	(7,270)		
Net income	-	-	-	-	1,105,588	-	-	-	-	-	1,105,588	30,962	1,136,550		
Other comprehensive income, net of income tax	-	-	-	-	-	254,250	1,270,268	-	-	1,524,518	1,524,518	114	1,524,632		
Total comprehensive income (loss) for the Nine months ended September 30, 2024	-	-	-	-	1,105,588	254,250	1,270,268	-	-	1,524,518	2,630,106	31,076	2,661,182		
Change in non-controlling interests (Note 23)	-	-	-	-	-	-	-	-	-	-	-	(58,735)	(58,735)		
BALANCE AT SEPTEMBER 30, 2024	\$ 6,866,818	\$ 122,793	\$ 3,130,978	\$ 3,185,793	\$ 7,648,119	(\$ 755,242)	\$ 3,013,275	\$ 91,254	(\$ 17,217)	\$ 2,332,070	\$ 23,286,571	\$ 774,949	\$ 24,061,520		

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 Nine Months Ended September 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,359,337	\$ 2,044,139
Adjustments for:		
Depreciation expenses	160,090	135,167
Amortization expenses	2,906	3,018
Expected credit loss (gain) recognized	(3,224)	(6,362)
Net gain (loss) on fair value changes of financial assets at fair value through profit or loss	(5,751)	(43,121)
Interest expenses	31,333	43,455
Interest income	(10,644)	(5,183)
Dividend income	(224,728)	(224,834)
Share of profit of associates accounted for using the equity method	(304,205)	(501,722)
Net gain on disposal of property, plant and equipment	(6,693)	(612,541)
Changes in operating assets and liabilities		
Notes receivable	65,822	44,000
Accounts receivable (Including related parties)	331,488	97,233
Other receivables	2,165	(24)
Inventories	(15,375)	(61,336)
Prepayments	(11,248)	1,295
Other current assets	(1,587)	2,960
Contract liabilities	827	132
Notes payable	(20,915)	34,919
Accounts payable (Including related parties)	(198,963)	(29,613)
Other payables	(40,933)	(2,152)
Other current liabilities	10,645	2,230
Net defined benefit plan	6,735	581
Cash generated from operations	1,127,082	922,241
Interest received	8,536	5,201
Dividends received	672,635	672,741
Income tax paid	(253,496)	(259,673)
Net cash generated from operating activities	1,554,757	1,340,510

(Continued)

Universal Cement Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of financial assets at fair value through other comprehensive income	(\$ 53,689)	\$ -
Proceeds from the capital reduction of financial assets at fair value through other comprehensive income	-	11,565
Increase in financial assets at amortized cost	(35,446)	(4,023)
Decrease in financial assets at amortized cost	74,297	14,990
Proceeds from sale of financial assets at fair value through profit or loss	13,867	106,369
Payments for property, plant and equipment	(139,039)	(122,175)
Proceeds from disposal of property, plant and equipment	7,780	1,117,307
Payments for intangible assets	(1,629)	(2,694)
Net cash generated from / used in investing activities	<u>(133,859)</u>	<u>1,121,339</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in short-term loans	490,000	(375,000)
Decrease in short-term bills payable	(157,000)	(740,000)
Increase in long-term loans	-	500,000
Repayment of long-term loans	(500,000)	-
Proceeds from guarantee deposits received	57	2,140
Refund of guarantee deposits received	(1,147)	(460)
Repayment of the principal portion of lease liabilities	(41,023)	(38,610)
Acquisitions of non-controlling interests	(7,270)	-
Cash dividends paid	(1,211,791)	(980,414)
Interest Paid	(29,856)	(42,005)
Dividends paid to non-controlling interests	(58,735)	(38,742)
Net cash used in financing activities	<u>(1,516,765)</u>	<u>(1,713,091)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(95,867)	748,758
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>\$ 1,322,443</u>	<u>\$ 1,533,222</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 NINE MONTHS ENDED SEPTEMBER 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 November 7, 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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash on hand and petty cash	\$ 584	\$ 461	\$ 438
Checking accounts and demand deposits	468,431	313,886	392,783
Cash equivalent (investments with original maturities less than 3 months)			
Time deposits (a)	8,900	49,400	365,263
Bonds with repurchase agreements (b)	844,528	1,054,563	774,738
	<u>\$ 1,322,443</u>	<u>\$ 1,418,310</u>	<u>\$ 1,533,222</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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
a. Time deposits	1.225%-1.285%	1.1%-1.16%	1.1%
b. Bonds with repurchase agreements	1.4%-1.42%	1.2%-1.23%	1.1%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Listed shares	\$ 9,638	\$ 13,578	\$ 13,638
Mutual funds	389	394	411
	<u>\$ 10,027</u>	<u>\$ 13,972</u>	<u>\$ 14,049</u>
<u>Financial assets - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Limited Partnership	\$ 43,387	\$ 47,558	\$ 47,847

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Investments in equity instruments at FVTOCI - Current</u>			
Domestic investments			
Listed shares	\$ 3,035,680	\$ 2,691,567	\$ 2,547,869
<u>Investments in equity instruments at FVTOCI - Non-current</u>			
Domestic investments			
Listed Private Equity	\$ 1,298,000	\$ 591,800	\$ 559,900
Unlisted shares	1,672,702	1,399,204	1,767,435
	<u>\$ 2,970,702</u>	<u>\$ 1,991,004</u>	<u>\$ 2,327,335</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.

Chinese Products Promotion Center completed its liquidation in August 2023 and returned a share capital of \$2,125 thousand. Relevant other interests – unrealized gains on financial assets at fair value through other comprehensive income of \$1,620 thousand are transferred to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Current</u>			
Time deposits with original maturity more than 3 months (a)	\$ 92,300	\$ 127,283	\$ 97,290
Pledged time deposits (a)	67	67	67
	<u>\$ 92,367</u>	<u>\$ 127,350</u>	<u>\$ 97,357</u>
<u>Non-current</u>			
Pledged time deposits (a)	\$ 8,010	\$ 8,010	\$ 5,510
Refundable deposits	5,117	8,985	5,834
	<u>\$ 13,127</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>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Time deposits and pledged time deposits	1.25%-1.70%	1.25%-5.47%	1.28%-2.04%

The information on pledged time deposits is set out in Note 33.

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>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Carrying amounts</u>			
Financial assets at amortized cost - current	\$ 92,367	\$ 127,350	\$ 96,340
Financial assets at amortized cost - non-current	13,127	16,995	11,344
	<u>\$ 105,494</u>	<u>\$ 144,345</u>	<u>\$ 107,684</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 September 30, 2024, and for the periods ended December 31, 2023 and September 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>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Notes receivable</u>			
At amortized cost			
Notes receivable - operating	\$ 501,433	\$ 566,922	\$ 492,607
Notes receivable - non-operating	-	333	457
	<u>\$ 501,433</u>	<u>\$ 567,255</u>	<u>\$ 493,064</u>
<u>Accounts receivable (Including related parties)</u>			
At amortized cost	\$ 1,283,226	\$ 1,614,768	\$ 1,365,526
Less: Allowance for impairment loss	6,606	9,678	11,364
	<u>\$ 1,276,620</u>	<u>\$ 1,605,090</u>	<u>\$ 1,354,162</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 September 30, 2024, December 31, 2023 and September 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.

September 30, 2024

	<u>Less than 30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>121-150 Days</u>	<u>151-365 Days</u>	<u>Over 365 Days</u>	<u>Total</u>
Expected credit loss rate	0.12%-0.95%	0.34%-1.08%	0.79%-1.54%	2.70%-2.75%	8.36%-10.93%	28.42%-38.57%	100%	
Gross carrying amount	\$ 911,443	\$ 227,284	\$ 94,044	\$ 41,984	\$ 1,456	\$ 7,015	\$ -	\$ 1,283,226
Loss allowance (Lifetime ECL)	(1,544)	(1,195)	(991)	(1,080)	(127)	(1,669)	-	(6,606)
Amortized cost	<u>\$ 909,899</u>	<u>\$ 226,089</u>	<u>\$ 93,053</u>	<u>\$ 40,904</u>	<u>\$ 1,329</u>	<u>\$ 5,346</u>	<u>\$ -</u>	<u>\$ 1,276,620</u>

December 31, 2023

	<u>Less than 30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>121-150 Days</u>	<u>151-365 Days</u>	<u>Over 365 Days</u>	<u>Total</u>
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 365 days in January 2024 and did not recognize the loss allowance of accounts receivable.

September 30, 2023

	<u>Less than 30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>121-150 Days</u>	<u>151-365 Days</u>	<u>Over 365 Days</u>	<u>Total</u>
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	\$ 906,721	\$ 243,657	\$ 130,303	\$ 56,678	\$ 14,019	\$ 14,127	\$ 21	\$ 1,365,526
Loss allowance (Lifetime ECL)	(2,328)	(1,692)	(1,779)	(1,823)	(1,780)	(1,941)	(21)	(11,364)
Amortized cost	<u>\$ 904,393</u>	<u>\$ 241,965</u>	<u>\$ 128,524</u>	<u>\$ 54,855</u>	<u>\$ 12,239</u>	<u>\$ 12,186</u>	<u>\$ -</u>	<u>\$ 1,354,162</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 Nine Months Ended September 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	(206)	(3,018)	(3,224)
Less: Written off for the period	-	(54)	(54)
Balance at September 30	<u>\$ 164</u>	<u>\$ 6,606</u>	<u>\$ 6,770</u>

For the Nine Months Ended September 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	(1,185)	(5,177)	(6,362)
Less: Written off for the period	-	(2,696)	(2,696)
Balance at September 30	<u>\$ 364</u>	<u>\$ 11,364</u>	<u>\$ 11,728</u>

12. INVENTORIES

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Merchandise	\$ 31,793	\$ 33,165	\$ 83,936
Finished goods	111,857	125,498	117,157
Work in process	47,645	9,990	18,726
Raw materials and supplies	212,453	219,720	235,500
	<u>\$ 403,748</u>	<u>\$ 388,373</u>	<u>\$ 455,319</u>

	<u>For the Three Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>
The cost of inventories recognized as cost of goods sold	<u>\$ 1,526,773</u>	<u>\$ 1,511,978</u>

	<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>
The cost of inventories recognized as cost of goods sold	<u>\$ 4,710,193</u>	<u>\$ 4,538,549</u>

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			September 30, 2024	December 31, 2023	September 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	1.97	0.87	0.87	c
"	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.

c. The UCC Investment Co., Ltd. acquired 145 thousand shares held by the non-controlling interest of Universal Ready-mixed Concrete Industry Co., Ltd. in July 2024, resulting in an increase in the shareholding ratio.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates :

	September 30, 2024	December 31, 2023	September 30, 2023
Unlisted shares			
Material associate-Lioho Machine Works Ltd.	\$ 10,915,442	\$ 10,804,634	\$ 10,847,175

Material associates

Name of Associate	Proportion of Ownership and Voting Rights		
	September 30, 2024	December 31, 2023	September 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 September 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 nine-month ended September 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
<u>Cost</u>							
Balance at January 1, 2023	\$ 5,930,326	\$ 2,058,253	\$ 3,472,489	\$ 677,264	\$ 783,083	\$ 960,524	\$ 13,881,939
Additions	-	5,376	19,528	23,682	21,213	15,969	85,768
Disposals	(504,586)	-	(8,356)	(7,939)	(6,089)	-	(526,970)
Reclassification	-	18,948	-	-	21,182	(40,130)	-
Balance at September 30, 2023	\$ 5,425,740	\$ 2,082,577	\$ 3,483,661	\$ 693,007	\$ 819,389	\$ 936,363	\$ 13,440,737
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2023	\$ -	\$ 1,204,473	\$ 3,263,326	\$ 540,990	\$ 584,446	\$ 377,166	\$ 5,970,401
Depreciation expense	-	23,076	28,840	26,508	16,794	-	95,218
Disposals	-	-	(8,356)	(7,759)	(6,089)	-	(22,204)
Balance at September 30, 2023	\$ -	\$ 1,227,549	\$ 3,283,810	\$ 559,739	\$ 595,151	\$ 377,166	\$ 6,043,415
Net carrying amounts at September 30, 2023	\$ 5,425,740	\$ 855,028	\$ 199,851	\$ 133,268	\$ 224,238	\$ 559,197	\$ 7,397,322
<u>Cost</u>							
Balance at January 1, 2024	\$ 5,425,740	\$ 2,088,767	\$ 3,486,687	\$ 718,852	\$ 828,496	\$ 983,355	\$ 13,531,897
Additions	-	9,149	81,468	28,256	16,667	20,696	156,236
Disposals	-	-	(4,807)	(26,237)	(2,129)	-	(33,173)
Reclassification	-	235	789,786	-	163,211	(953,232)	-
Balance at September 30, 2024	\$ 5,425,740	\$ 2,098,151	\$ 4,353,134	\$ 720,871	\$ 1,006,245	\$ 50,819	\$ 13,654,960
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	\$ -	\$ 1,235,203	\$ 3,293,585	\$ 567,901	\$ 599,735	\$ 493,277	\$ 6,189,701
Depreciation expense	-	22,750	41,033	32,382	23,028	-	119,193
Disposals	-	-	(4,807)	(25,195)	(2,084)	-	(32,086)
Reclassification	-	-	468,872	-	24,405	(493,277)	-
Balance at September 30, 2024	\$ -	\$ 1,257,953	\$ 3,798,683	\$ 575,088	\$ 645,084	\$ -	\$ 6,276,808
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 September 30, 2024	\$ 5,425,740	\$ 840,198	\$ 554,451	\$ 145,783	\$ 361,161	\$ 50,819	\$ 7,378,152

No impairment losses were recognized or reversed for the nine months ended September 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>September 30,</u> <u>2024</u>		<u>December 31,</u> <u>2023</u>		<u>September 30,</u> <u>2023</u>	
Carrying amounts						
Land	\$	1,044	\$	1,682	\$	1,906
Buildings		167,466		200,986		212,719
Transportation equipment		16,389		19,760		12,877
	\$	<u>184,899</u>	\$	<u>222,428</u>	\$	<u>227,502</u>
	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>		
Additions to right-of-use assets	\$	-	\$	-	\$	2,619
Depreciation charge for right-of-use assets						
Land	\$	189	\$	209	\$	612
Buildings		11,762		11,733		35,199
Transportation equipment		1,344		1,092		3,255
	\$	<u>13,295</u>	\$	<u>13,034</u>	\$	<u>39,066</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 nine months ended September 30, 2024 and 2023.

b. Lease liabilities

	<u>September 30,</u> <u>2024</u>		<u>December 31,</u> <u>2023</u>		<u>September 30,</u> <u>2023</u>	
Carrying amounts						
Current	\$	52,768	\$	53,990	\$	52,631
Non-current	\$	138,581	\$	175,887	\$	182,241

Ranges of discount rates for lease liabilities were as follows:

	<u>September 30,</u> <u>2024</u>		<u>December 31,</u> <u>2023</u>		<u>September 30,</u> <u>2023</u>	
Land	1.71%-2.36%		1.71%-2.36%		1.71%-2.36%	
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 September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Expenses relating to short-term leases	\$	5,544	\$	16,196
Expenses relating to low-value assets leases	\$	154	\$	843
Total cash outflow for leases	\$	<u>5,698</u>	\$	<u>59,180</u>
			\$	<u>15,834</u>
			\$	<u>915</u>
			\$	<u>56,851</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 September 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	-	883	883
Balance at September 30, 2023	\$ 62,264	\$ 118,885	\$ 181,149
Net carrying amounts at September 30, 2023	\$ 814,610	\$ 26,387	\$ 840,997
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1 and September 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	-	873	873
Balance at September 30, 2024	\$ 62,264	\$ 120,038	\$ 182,302
Net carrying amounts at December 31, 2023 and January 1, 2024	\$ 814,610	\$ 26,107	\$ 840,717
Net carrying amounts at September 30, 2024	\$ 814,610	\$ 25,234	\$ 839,844

As of September 30, 2024, December 31, 2023 and September 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 September 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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Year 1	\$ 8,213	\$ 14,702	\$ 13,669
Year 2	8,031	7,167	11,009
Year 3	8,026	7,176	7,174
Year 4	7,918	7,176	7,174
Year 5	6,026	7,118	7,066
Year 5 onwards	12,112	3,451	5,174
	\$ 50,326	\$ 46,790	\$ 51,266

18. OTHER INTANGIBLE ASSETS

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Patents	\$ 2,727	\$ 2,800	\$ 2,944
Licenses and Franchises	1,243	1,421	1,480
Trademarks	23	26	27
Computer Software	5,378	6,401	7,217
	\$ 9,371	\$ 10,648	\$ 11,668

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

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

Patents	1-20 years
Licenses and franchises	10 years
Trademarks	10 years
Computer Software	2-5 years

19. BORROWINGS

a. Short-term borrowings

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 2,190,000	\$ 1,700,000	\$ 1,915,000
The range of interest rates	1.82%-2.075%	1.75%-1.88%	1.725%-1.88%

b. Short-term bills payable

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Commercial papers	\$ 118,000	\$ 275,000	\$ 260,000
Less: Unamortized discount on bills payable	100	215	294
	<u>\$ 117,900</u>	<u>\$ 274,785</u>	<u>\$ 259,706</u>

The Group did not provide any collateral over these balance.

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
The range of interest rates	2.058%	1.798%-1.928%	1.798%-1.958%

c. Long -term borrowings

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ -	\$ 500,000	\$ 500,000
Less: Long-term borrowings due within one year	-	500,000	280,000
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,000</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%-1.795% as of December 31, 2023 and September 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>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
<u>Current</u>			
Other payable			
Payable for salaries or bonus	\$ 127,952	\$ 127,931	\$ 159,863
Payable for remuneration to directors	30,147	53,921	19,319
Payable for remuneration to employees	26,139	50,211	18,631
Payable for freight	16,494	20,625	16,002
Payable for taxes	15,523	9,002	15,941
Payable for annual leave	11,854	12,883	10,810
Payables for equipment	1,480	11,194	1,842
Others	127,146	120,253	116,916
	<u>\$ 356,735</u>	<u>\$ 406,020</u>	<u>\$ 359,324</u>
Other liabilities			
Temporary receipts	\$ 16,184	\$ 14,673	\$ 17,686
Receipts in advance	16,363	7,161	7,291
Others	178	246	223
	<u>\$ 32,725</u>	<u>\$ 22,080</u>	<u>\$ 25,200</u>

22. RETIREMENT BENEFIT PLANS

The pension expenses related to the defined benefit plan recognized for the three-month and nine-month periods ended September 30, 2024 and 2023, are calculated based on the pension cost rate actuarially determined on December 31, 2023 and 2022, and the amount is \$39 thousand, \$60 thousand, \$116 thousand and \$625 thousand, respectively.

23. EQUITY

a. Share capital

	September 30, 2024	December 31, 2023	September 30, 2023
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)	682,682	673,217	673,217
Capital stock issued	\$ 6,866,818	\$ 6,732,175	\$ 6,732,175

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. The change registration was completed on August 7, 2024.

b. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
<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.	56,451	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
	\$ 122,793	\$ 123,719	\$ 123,499

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 and once a 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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 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 Nine Months Ended September 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	254,250	173,557
Balance at September 30	<u>(\$ 755,242)</u>	<u>(\$ 625,919)</u>

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

	<u>For the Nine Months Ended September 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	1,270,008	225,990
Share from associates accounted for using the equity method	260	1,237
The cumulative profit or loss arising from the disposals of equity instruments is transferred to retained earnings.	-	(1,620)
Balance at September 30	<u>\$ 3,013,275</u>	<u>\$ 1,937,505</u>

3) Remeasurement of defined benefit plans

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

f. Non-controlling interests

	<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 808,952	\$ 608,574
Net profit for the period	30,962	221,721
Other comprehensive income (loss) for the period		
Unrealized gain (loss) on financial assets at FVTOCI	114	47
Remeasurement of defined benefit plans	-	373
Non-controlling dividend distribution	(58,735)	(38,742)
Acquired non-controlling interests of subsidiaries (Note 28)	<u>(6,344)</u>	<u>-</u>
Balance at September 30	<u>\$ 774,949</u>	<u>\$ 791,973</u>

24. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from sale of goods	\$ 1,871,747	\$ 1,872,244	\$ 5,870,566	\$ 5,625,184
Revenue from rendering of services	1,039	791	2,872	2,570
	<u>\$ 1,872,786</u>	<u>\$ 1,873,035</u>	<u>\$ 5,873,438</u>	<u>\$ 5,627,754</u>

a. Contract balances

	September 30,	December 31,	September 30,	January 1,
	2024	2023	2023	2023
Notes and accounts receivable (Including related parties)	<u>\$ 1,778,053</u>	<u>\$ 2,172,345</u>	<u>\$ 1,847,226</u>	<u>\$ 1,983,282</u>
Contract assets (included in other current assets)				
Sale of goods	\$ 820	\$ 1,850	\$ 1,819	\$ 7,744
Less: Loss allowance	164	370	364	1,549
	<u>\$ 656</u>	<u>\$ 1,480</u>	<u>\$ 1,455</u>	<u>\$ 6,195</u>
Contract liabilities - current				
Sale of goods	<u>\$ 3,186</u>	<u>\$ 2,359</u>	<u>\$ 2,216</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.

	September 30,	December 31,	September 30,
	2024	2023	2023
Expected credit loss rate	20%	20%	20%
Gross carrying amount	\$ 820	\$ 1,850	\$ 1,819
Loss allowance (Lifetime ECL)	(164)	(370)	(364)
	<u>\$ 656</u>	<u>\$ 1,480</u>	<u>\$ 1,455</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 September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Concrete	\$ 1,193,720	\$ 1,202,626	\$ 3,783,640	\$ 3,568,938
Cement	427,451	408,478	1,276,438	1,249,258
Gypsum board panels	244,770	250,814	792,375	779,972
Others	6,845	11,117	20,985	29,586
	<u>\$ 1,872,786</u>	<u>\$ 1,873,035</u>	<u>\$ 5,873,438</u>	<u>\$ 5,627,754</u>

25. PROFIT BEFORE INCOME TAX

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Bank deposits	\$ 650	\$ 730	\$ 2,917	\$ 3,758
Bonds with repurchase agreements	2,844	622	7,714	1,425
Others	-	-	13	-
	<u>\$ 3,494</u>	<u>\$ 1,352</u>	<u>\$ 10,644</u>	<u>\$ 5,183</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Rental income - investment properties (Note 17)	\$ 5,154	\$ 4,209	\$ 15,630	\$ 12,711
Dividend income	163,922	132,190	224,728	224,834
Litigation Settlement Revenue	-	-	11,464	-
Others	17,332	12,327	24,660	24,701
	<u>\$ 186,408</u>	<u>\$ 148,726</u>	<u>\$ 276,482</u>	<u>\$ 262,246</u>

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Net foreign exchange gains (losses)	\$ 2,031	\$ 1,708	\$ 2,833	\$ 2,293
Gain on disposal of property, plant and equipment	3,924	611,969	6,693	612,541
Gain (Loss) in financial assets Financial assets mandatorily classified as at FVTPL	9,191	(2,188)	5,751	43,121
Others	(1,673)	(1,417)	1,496	(4,400)
	<u>\$ 13,473</u>	<u>\$ 610,072</u>	<u>\$ 16,773</u>	<u>\$ 653,555</u>

d. Interest expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 9,936	\$ 12,742	\$ 29,223	\$ 40,890
Interest on lease liabilities	657	811	2,110	2,565
	<u>\$ 10,593</u>	<u>\$ 13,553</u>	<u>\$ 31,333</u>	<u>\$ 43,455</u>

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Property, plant and equipment	\$ 42,972	\$ 32,233	\$ 119,193	\$ 95,218
Right-of-use assets	13,295	13,034	40,024	39,066
Investment properties	292	294	873	883
Intangible assets	950	1,091	2,906	3,018
	<u>\$ 57,509</u>	<u>\$ 46,652</u>	<u>\$ 162,996</u>	<u>\$ 138,185</u>
An analysis of depreciation - by function				
Operating costs	\$ 38,950	\$ 29,898	\$ 103,361	\$ 88,659
Operating expenses	17,317	15,373	55,856	45,636
Others (included in non-operating income and expense)	292	290	873	872
	<u>\$ 56,559</u>	<u>\$ 45,561</u>	<u>\$ 160,090</u>	<u>\$ 135,167</u>
An analysis of amortization - by function				
Operating costs	\$ 133	\$ 143	\$ 414	\$ 429
Operating expenses	817	948	2,492	2,589
	<u>\$ 950</u>	<u>\$ 1,091</u>	<u>\$ 2,906</u>	<u>\$ 3,018</u>

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits expense	\$ 142,749	\$ 155,544	\$ 461,613	\$ 488,381
Salaries	14,850	14,569	45,067	45,215
Labor and health insurance	16,742	11,745	51,798	34,617
Others	174,341	181,858	558,478	568,213
Post-employment benefits				
Defined contribution plans	7,329	6,928	21,620	21,197
Defined benefit plans (Note 22)	39	60	116	625
	<u>7,368</u>	<u>6,988</u>	<u>21,736</u>	<u>21,822</u>
	<u>\$ 181,709</u>	<u>\$ 188,846</u>	<u>\$ 580,214</u>	<u>\$ 590,035</u>

An analysis of employee benefits expense - by function

Operating costs	\$ 142,822	\$ 125,268	\$ 407,394	\$ 392,703
Operating expenses	<u>38,887</u>	<u>63,578</u>	<u>172,820</u>	<u>197,332</u>
	<u>\$ 181,709</u>	<u>\$ 188,846</u>	<u>\$ 580,214</u>	<u>\$ 590,035</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 nine-month periods ended September 30, 2024 and 2023, respectively, were as follows:

Accrual rate

	<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>
Employees' compensation	1.89%	1.00%
Remuneration of directors	1.89%	1.00%

Amount

	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Employees' compensation	<u>\$ 8,218</u>	<u>\$ 7,487</u>	<u>\$ 24,655</u>	<u>\$ 18,230</u>
Remuneration of directors	<u>\$ 8,218</u>	<u>\$ 7,487</u>	<u>\$ 24,655</u>	<u>\$ 18,230</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:

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

	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current tax				
In respect of the current period	\$ 50,738	\$ 108,007	\$ 165,410	\$ 201,247
Additional unappropriated earnings	(801)	(1,897)	65,513	40,719
Adjustments for prior years	<u>2,540</u>	<u>-</u>	<u>(5,552)</u>	<u>(5,334)</u>
	<u>52,477</u>	<u>106,110</u>	<u>225,371</u>	<u>236,632</u>
Deferred tax				
In respect of the current period	<u>(526)</u>	<u>(59,003)</u>	<u>(2,584)</u>	<u>(61,411)</u>
	<u>\$ 51,951</u>	<u>\$ 47,107</u>	<u>\$ 222,787</u>	<u>\$ 175,221</u>

b. Income tax return assessments

The corporate income taxes declared by its subsidiary Li-Yong Development Co., Ltd., Kaohsiung Pier Transportation Co., Ltd., Huan-Chung International Co., Ltd., Universal Ready-mixed Concrete Industry Co., Ltd., Chiayi Ready-mixed Concrete Industry Co., Ltd., Tainan Ready-mixed Concrete Industry Co., Ltd., UCC Investment Co., Ltd., till the end of 2022, and Uneo Inc. till the end of 2021, 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 nine-month periods ended September 30, 2024 and 2023 were as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment		After Retrospective Adjustment	
	For the Three Months Ended September 30,2023	For the Nine Months Ended September 30,2023	For the Three Months Ended September 30,2023	For the Nine Months Ended September 30,2023
Basic earnings per share	\$ 1.42	\$ 2.45	\$ 1.39	\$ 2.40
Diluted earnings per share	\$ 1.42	\$ 2.44	\$ 1.39	\$ 2.40

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 September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Net profit attributable to owners of the Corporation	\$ 474,478	\$ 956,310	\$ 1,105,588	\$ 1,647,197

Number of shares

Unit: Thousand shares

	For the Three Months Ended September 30		For the Nine Months Ended September 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	798	700	1,167	1,045
Weighted average number of ordinary shares in the computation of diluted earnings per share	687,480	687,382	687,849	687,727

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. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In July 2024, the Group acquired shares held by the non-controlling interest of Universal Concrete Industrial Corporation. And its shareholding increased from 59.05% to 60.15%.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over these subsidiaries.

	For the Nine Months Ended September 30	
	2024	
Cash payments	(\$	7,270)
The carrying amount of the subsidiary's net assets that shall be transferred to non-controlling interest based on relative equity changes		6,344
Difference in equity transactions	(\$	926)
<u>Adjustment accounts for difference in equity transactions</u>		
Capital surplus – Actual Difference between consideration and carrying amount of subsidiaries acquired or disposed	(\$	926)

29. CASH FLOWS INFORMATION

Cash used in obtaining property, plant and equipment by the Group from January 1 to September 30 of 2024 and 2023

	For the Nine Months Ended September 30	
	2024	2023
Increase in property, plant and equipment	\$ 156,236	\$ 85,768
Decrease in payables for equipment	9,714	9,516
Increase (decrease) in prepayments for equipment	(26,911)	26,891
Paid in cash	<u>\$ 139,039</u>	<u>\$ 122,175</u>

30. CAPITAL MANAGEMENT

The Group requires significant amounts of capital to build and expand its production facilities and equipment. The Group manages its capital in a manner to ensure that it has sufficient and necessary financial resources for working capital needs, capital asset purchases, research and development activities, dividend payments, debt service requirements and other business requirements associated with its existing and future operations.

31. 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

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 9,638	\$ -	\$ -	\$ 9,638
Mutual funds	389	-	-	389
Limited partnership	-	-	43,387	43,387
	<u>\$ 10,027</u>	<u>\$ -</u>	<u>\$ 43,387</u>	<u>\$ 53,414</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 3,035,680	\$ 1,298,000	\$ -	\$ 4,333,680
Unlisted shares	-	-	1,672,702	1,672,702
	<u>\$ 3,035,680</u>	<u>\$ 1,298,000</u>	<u>\$ 1,672,702</u>	<u>\$ 6,006,382</u>

December 31, 2023

	Level 1	Level 2	Level 3	Total
<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>

September 30, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 13,638	\$ -	\$ -	\$ 13,638
Mutual funds	411	-	-	411
Limited partnership	-	-	47,847	47,847
	<u>\$ 14,049</u>	<u>\$ -</u>	<u>\$ 47,847</u>	<u>\$ 61,896</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares	\$ 2,547,869	\$ 559,900	\$ -	\$ 3,107,769
Unlisted shares	-	-	1,767,435	1,767,435
	<u>\$ 2,547,869</u>	<u>\$ 559,900</u>	<u>\$ 1,767,435</u>	<u>\$ 4,875,204</u>

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

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

For the Nine Months Ended September 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)	(4,171)	-	(4,171)
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	260,235	260,235
Balance at September 30	<u>\$ 43,387</u>	<u>\$ 1,672,702</u>	<u>\$ 1,716,089</u>

For the Nine Months Ended September 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)	4,114	-	4,114
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-	(109,479)	(109,479)
Recognized in income (dividend income)	-	11,746	11,746
Return of capital from reduction of share capital	-	(23,311)	(23,311)
Return of capital from liquidation	-	(2,125)	(2,125)
Balance at September 30	<u>\$ 47,847</u>	<u>\$ 1,767,435</u>	<u>\$ 1,815,282</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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 53,414	\$ 61,530	\$ 61,896
Financial assets at amortized cost (Note 1)	3,206,522	3,735,589	3,490,923
Financial assets at FVTOCI – Investments in equity instruments	6,006,382	4,682,571	4,875,204
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (Note 2)	3,417,034	3,854,172	3,943,690

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>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Fair value interest rate risk			
Financial assets	\$ 958,922	\$ 1,248,308	\$ 472,947
Financial liabilities	309,249	504,662	494,578
Cash flow interest rate risk			
Financial assets	430,979	283,200	343,241
Financial liabilities	2,190,000	2,200,000	2,415,000

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 \$ 3,035,680 thousand and \$ 2,547,869 thousand, had been 1% higher/lower, the pre-tax other comprehensive income for the nine months ended September 30 in 2024 and 2023 would have increased/decreased by \$ 30,357 thousand and \$ 25,479 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.

September 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	\$ 1,098,641	\$ -	\$ 10,493	\$ -
Lease liabilities	13,843	41,087	127,295	14,397
Variable interest rate liabilities	2,197,194	-	-	-
Fixed interest rate liabilities	118,000	-	-	-
	<u>\$ 3,427,678</u>	<u>\$ 41,087</u>	<u>\$ 137,788</u>	<u>\$ 14,397</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>

September 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	\$ 1,257,625	\$ -	\$ 11,359	\$ -
Lease liabilities	13,741	40,692	152,207	35,074
Variable interest rate liabilities	2,205,712	-	224,209	-
Fixed interest rate liabilities	260,000	-	-	-
	<u>\$ 3,737,078</u>	<u>\$ 40,692</u>	<u>\$ 387,775</u>	<u>\$ 35,074</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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
The short-term unsecured line of credit	5,445,842	4,258,876	4,301,976

32. 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
Creative Sensor Inc.	The Group acts as key management(a)
Sheng Yuan Investment Co., Ltd.	The key management of the Group
Bo-Chih Investment Co., Ltd.	The key management of the Group (b)
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 amounts of transactions and account balances disclosed in this note are all generated from related parties since May 31, 2024.

b) 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 September 30</u>		<u>For the Nine Months Ended September 30</u>	
		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Sales revenue	The Group acts as key management	\$ 30,419	\$ 23,744	\$ 98,211	\$ 76,151
		7,407	29,567	40,231	99,895
	The Group acts as juristic supervisor	<u>\$ 37,826</u>	<u>\$ 53,311</u>	<u>\$ 138,442</u>	<u>\$ 176,046</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 September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
The Group acts as key management	\$ 77,932	\$ 78,056	\$ 247,300	\$ 227,636
Other related parties	2,088	2,141	6,806	6,856
	<u>\$ 80,020</u>	<u>\$ 80,197</u>	<u>\$ 254,106</u>	<u>\$ 234,492</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>September 30,</u>	<u>December 31,</u>	<u>September 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.	\$ 6,924	\$ 47,430	\$ 37,373
		11,570	11,422	10,544
	Less: Allowance for impairment loss	35	102	87
		<u>\$ 18,459</u>	<u>\$ 58,750</u>	<u>\$ 47,830</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>September 30,</u>	<u>December 31,</u>	<u>September 30,</u>
		<u>2024</u>	<u>2023</u>	<u>2023</u>
Accounts payable - related parties	The Group acts as key management	\$ 13,685	\$ 32,250	\$ 23,677
		2,158	1,809	2,214
	Other related parties	<u>\$ 15,843</u>	<u>\$ 34,059</u>	<u>\$ 25,891</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:

Related Party Category	September 30, 2024	December 31, 2023	September 30, 2023
The Group acts as key management	\$ 4,582	\$ 3,207	\$ 4,582
The key management of the Group	12	46	58
The chairman of our company	6	23	29
	\$ 4,600	\$ 3,276	\$ 4,669

Total lease revenue is summarized as follows:

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
The Group acts as key management	\$ 1,374	\$ 1,374	\$ 4,123	\$ 4,123
The key management of the Group	12	11	34	44
The chairman of our company	6	6	17	7
	\$ 1,392	\$ 1,391	\$ 4,174	\$ 4,174

g. Other related parties transactions

From the date the Group was included as a related party in 2024 until September 30, it paid the Group acts as key management research fees of \$179 thousand.

h. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 12,667	\$ 6,627	\$ 37,816	\$ 30,439
Post-employment benefits	269	224	798	675
	\$ 12,936	\$ 6,851	\$ 38,614	\$ 31,114

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

33. 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

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

34. 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:

	September 30, 2024	December 31, 2023	September 30, 2023
Acquisition of property, plant and equipment	\$ 52,828	\$ 70,912	\$ 90,090

b. The promissory notes are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Promissory notes	\$ 94,575	\$ 115,806	\$ 131,565

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:

	September 30, 2024	December 31, 2023	September 30, 2023
Unused letters of credit for purchase of raw materials	\$ 46,158	\$ 26,124	\$ 33,024

35. 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 announced on August 29, 2024 was hereby given, to commence a period of public comments for “Regulations Governing the Collection of Carbon Fees”, “Regulations for Administration of Voluntary Reduction Plans” and “Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees”. On October 21, 2024, the carbon fee collection rates were announced, which will take effect from January 1, 2025. Based on the preliminary emission estimates for the 2024 fiscal year, The Group will become subjects of carbon fee collection. Therefore, they will recognize related liabilities based on actual emissions in 2025 and pay the carbon fees in May 2026.

36. 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 and liabilities denominated in foreign currencies are as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

September 30, 2024

<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 203	31.65	\$ 6,424
RMB	926	4.523	4,189
JPY	108,470	0.222	24,113

December 31, 2023

<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

June 30, 2023

<u>Financial Assets</u>	<u>Foreign Currencies</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 1,376	32.27	\$ 44,404
EUR	323	33.91	10,962
RMB	907	4415	4,005

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>For the Three Months Ended September 30</u>			
	<u>2024</u>		<u>2023</u>	
<u>Functional Currencies</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)	\$ 2,031	1 (NTD:NTD)	\$ 1,708

	<u>For the Nine Months Ended September 30</u>			
	<u>2024</u>		<u>2023</u>	
<u>Functional Currencies</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)	\$ 2,833	1 (NTD:NTD)	\$ 2,293

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)

38. 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 Nine Months Ended September 30, 2024

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 5,852,453	\$ 20,985	\$ -	\$ 5,873,438
Inter-segment revenues	14,802	-	(14,802)	-
Total Segment revenues	<u>\$ 5,867,255</u>	<u>\$ 20,985</u>	<u>(\$ 14,802)</u>	<u>\$ 5,873,438</u>
Segment profit and loss	<u>\$ 922,047</u>	<u>\$ 540,120</u>	<u>(\$ 71,497)</u>	\$ 1,390,670
Interest expenses				(31,333)
Profit before income tax				<u>\$ 1,359,337</u>

For the Nine Months Ended September 30, 2023

	<u>Building Materials Segment</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
Revenue from external customers	\$ 5,598,168	\$ 29,586	\$ -	\$ 5,627,754
Inter-segment revenues	18,548	-	(18,548)	-
Total Segment revenues	<u>\$ 5,616,716</u>	<u>\$ 29,586</u>	<u>(\$ 18,548)</u>	<u>\$ 5,627,754</u>
Segment profit and loss	<u>\$ 920,801</u>	<u>\$ 2,188,598</u>	<u>(\$ 1,021,805)</u>	\$ 2,087,594
Interest expenses				(43,455)
Profit before income tax				<u>\$ 2,044,139</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 NINE MONTHS ENDED September 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	\$ -	1.955	For short-term financing	\$ -	Operating capital	\$ -	None	\$ -	\$9,314,628	\$9,314,628
0	The Company	Uneo Inc.	Other receivables	Yes	100,000	100,000	-	1.955	For short-term financing	-	Operating capital	-	None	-	9,314,628	9,314,628
0	The Company	Universal Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	300,000	300,000	-	1.955	For short-term financing	-	Operating capital	-	Land and Plant	300,000	9,314,628	9,314,628
0	The Company	Tainan Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	300,000	-	-	1.955	For short-term financing	-	Operating capital	-	None	-	9,314,628	9,314,628
1	UCC Investment Co., Ltd.	Tainan Ready-mixed Concrete Industry Co., Ltd.	Other receivables	Yes	250,000	-	-	2.213	For short-term financing	-	Operating capital	-	None	-	515,199	515,199
2	Tainan Ready-mixed Concrete Industry Co., Ltd.	The Company	Other receivables	Yes	400,000	280,000	280,000	1.43	For short-term financing	-	Operating capital	-	None	-	388,232	388,232

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 NINE MONTHS ENDED September 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	\$ 23,286,571	Y	N	N
		UCC Investment Co., Ltd.	(1)	828,750	350,000	350,000	100,000	-	2	23,286,571	Y	N	N
		Uneo Inc.	(1)	60,000	50,000	50,000	-	-	-	23,286,571	Y	N	N
1	Kaohsiung Pier Transportation Co., Ltd.	Universal Ready-mixed Concrete Industrv Co., Ltd.	(3)	490,729	341,607	341,607	-	-	348	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)	6,439,985	122,521	122,521	-	-	10	12,879,969	N	N	N
		The Company	(2)	6,439,985	621,553	602,397	-	-	47	12,879,969	N	Y	N
3	Universal Ready-mixed Concrete Industry Co., Ltd.	The Company	(2)	595,190	157,561	157,561	-	-	26	595,190	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 as set 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 Kaohsiung Pier Transportation Co., Ltd. and UCC Investment Co., Ltd are 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

September 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	September 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	\$ 440,748	2.50	\$ 440,748	
	CTBC Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	28,441,983	978,404	0.14	978,404	
	Far EasTone Telecommunications Co., Ltd.	-	Financial assets at FVTOCI - current	306,219	27,774	0.01	27,774	
	CHC Resources Corp.	The Company acts as juristic director	Financial assets at FVTOCI - current	17,020,254	1,126,741	6.85	1,126,741	
	Creative Sensor Inc.	The Company acts as juristic director	Financial assets at FVTPL - current	158,000	9,638	0.11	9,638	
	Privately offered shares							
	Creative Sensor Inc.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	13,000,000	767,000	8.72	767,000	
	Unlisted shares							
	Grand Bills Finance Corp.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	43,999,488	592,234	8.14	592,234	
	Universal Real Estate Development Co., Ltd.	The Company acts as juristic director	Financial assets at FVTOCI - non - current	24,864,000	722,300	16.44	722,300	
	Universal Venture Capital Investment Corp.	-	Financial assets at FVTOCI - non - current	1,400,000	16,063	1.16	16,063	
	Chinatrust Investment Co., Ltd.	-	Financial assets at FVTOCI - non - current	1,981,995	76,458	1.05	76,458	
	Kaohsiung Rapid Transit Corp.	-	Financial assets at FVTOCI - non - current	1,286,063	12,592	0.46	12,592	
	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	389	-	389	
Listed shares								
Prince Housing & Development Corp.		The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	42,375,900	459,779	2.61	459,779	
Tainan Spinning Co., Ltd.		The juristic director of the Company acts as juristic director	Financial assets at FVTOCI - current	55	1	-	1	
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	531,000	6.04	531,000	
Unlisted shares								
Pan Asia (Engineers&Constructors) Corp.		Subsidiary of the Company acts as juristic supervisor	Financial assets at FVTOCI - non-current	3,102,803	187,968	2.71	187,968	
Darzhen Venture Corp.		Representative of the juristic director of the Company acts as director	Financial assets at FVTOCI - non-current	673,200	11,682	8.06	11,682	
Darchan Venture Corp.		Representative of the juristic director of the Company acts as supervisor	Financial assets at FVTOCI - non-current	4,000,000	40,142	3.64	40,142	
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	-	43,387	3.23	43,387		
Tainan Ready-mixed Concrete Industry Co., Ltd.	Listed shares							
	CTBC Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - current	60,000	2,064	-	2,064	
	CTBC Financial Holding Co., Ltd. Preferred Shares C	-	Financial assets at FVTOCI - current	2,987	169	-	169	

UNIVERSAL CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES

FOR THE NINE MONTHS ENDED September 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 September 30, 2024			Net Income (Loss) of the Investee	Share of Profits/Losses of Investee	Note
				September 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	\$ 121,340	\$ 23,303	\$ 16,312	
	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	43,372	2,526	2,189	
	Kaohsiung Pier Transportation Co., Ltd.	Kaohsiung city	Trucking operation	74,580	74,580	7,560,000	100.00	94,931	(1,603)	(1,603)	
	UCC Investment Co., Ltd.	Taipei city	Investment activities	650,000	650,000	82,875,000	100.00	1,287,304	34,614	34,614	
	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	350,763	79,793	47,321	
	Uneo Inc.	Taipei city	Marketing of electronic products	291,671	291,671	6,000,000	100.00	7,420	(11,521)	(11,521)	
	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	10,915,442	1,018,772	304,205	
	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	1,008,216	(27,129)	(18,593)	
UCC Investment Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Taichung city	Manufacturing and marketing of ready-mixed concrete and gravel	8,128	858	260,892	1.97	8,128			
	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 NINE MONTHS ENDED September 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	\$ 203,175	8	45 ~ 60 days after acceptance	Note	Equivalent	(\$ 10,496)	(1)	
	CHC Resources Corp.	The Group acts as key management	Purchase	205,085	8	30 ~ 65 days after acceptance	Equivalent	Equivalent	(8,404)	(1)	
Huan-Chung International Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	Same ultimate parent company	Sales	108,714	(2)	90 ~ 120 days after shipment.	Equivalent	Equivalent	27,922	2	

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 NINE MONTHS ENDED September 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	\$ 203,175	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	10,496	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	16,126	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	14,802	The sales prices have no comparison with those from third parties, net 60 days after shipment.	-
		Uneo Inc.	(1)	Accounts receivable	2,798	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	2,419	Charged at an annual interest rate of 1.4%-1.43%	-
		Huan-Chung International Co., Ltd.	(1)	Cost of goods sold	6,475	The prices to related parties were not significantly different from those to third parties. Credit terms were 90 to 120 days after shipment.	-
1	Huan-Chung International Co., Ltd.	Universal Ready-mixed Concrete Industry Co., Ltd.	(3)	Sales revenue	108,714	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	27,922	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

September 30, 2024

Name of the major shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sheng-Yuan Investment Co., Ltd.	70,895,594	10.32%
Yu-Sheng Investment Co., Ltd.	70,653,357	10.28%
HOU, Bo-Yi	54,494,358	7.93%

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.