

ASIA CEMENT CORPORATION

2023 Annual Report

Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

Convening method: Video Assisted Shareholders' Meeting

(Physical Shareholders' Meeting convened and assisted by video)

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Printed on March 31, 2024

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I Report to Shareholders

2023 Business Report

1.1 Business Performance in 2023

1. In 2023, the overall cement output in China was 2.023 billion tons, down 0.7% from 2022. In the same year, the total clinker output of Asia Cement (China) Holdings Corporation (hereinafter referred to as Asia Cement (China)) was 21,045 thousand tons, a year-on-year decrease of 10.95%; the total sales volume of cement, clinker and slag powder was 26,228 thousand tons, a year-on-year decrease of 7.12%.

In 2023, Asia Cement (China) made a net income of NTD 246,663 thousand, and the Company and its subsidiaries recognized investment income of NTD 177,597 thousand in total.

2. In terms of domestic cement demand, according to the Taiwan Cement Manufacturers Association statistics, in 2023, the cement sales of peer companies were 10,308,471 tons, a year-on-year decrease of 7.7%. Among which, the domestic sales were 9,802,841 tons, a year-on-year decrease of 2.63%, export sales were 505,630 tons, a year-on-year decrease of 53.96%; Imported cement was at 3,238,850 tons, a 5.70% year-on-year decrease. The Company's domestic cement sales in 2023 were 3,036,647 tons, a year-on-year decrease of 3.00%, accounting for 30.98% of the domestic industry and 23.28% of the total cement sales in Taiwan. In 2023, under the influence of factors such as high interest rates, high inflation, the Russo-Ukrainian war and global economic slowdown, the domestic economic performance is not satisfactory. Although the government actively increases the scale of public construction, the progress of contracting will be affected by the shortages of construction workers and the price surge in raw materials. In 2023, the domestic cement consumption will be 13,041,691 tons, a decrease of 3.41%, and the average annual consumption per person will be 557 kg, a decrease of 3.97%.
3. The Company closely integrates the upstream, midstream, and downstream construction markets, and vertically integrates mining, clinkers, cement, ready-mix concrete, precast concrete, and building materials to enhance the value of the overall cement business; create the best value for the Company through diversified investments in electricity, steel, and transportation businesses.
4. The Company's 2023 consolidated operating revenue was NTD 80,182,799 thousand, a year-on-year decrease of 11.24%, and consolidated operating profits were NTD 7,460,048 thousand, a year-on-year decrease of 12.96%. Furthermore, the Company recognized NTD 2,492,783 thousand investment income under the equity method mainly from Far Eastern New Century, U-MING MARINE, and China Shanshui Cement. The consolidated net profit after tax reached

NTD 11,084,110 thousand, and the net profit rate after tax was 13.82%. The consolidated net profit after tax attributable to the owners of the Company amounted to NTD 10,882,826 thousand. For 2023 earnings distribution, cash dividends of NTD 2.1 per share were resolved in the 4th meeting of the 28th Board of Directors.

1.2 Operation Performance in 2023

1. Production

Unit: thousand tons

Item By company	Cement	Increase (decrease) from 2022	%	Clinker	Increase (decrease) from 2022	%
Asia Cement Corporation (Taiwan)	3,358	(321)	(8.73)	3,112	(269)	(7.96)

*** key performance indicator:**

Total cement production was 3,358 thousand tons, out of the planned total production of 3,620 thousand tons, with an achievement rate of 92.76%.

The total clinker production was 3,112 thousand tons, out of the planned 3,300 thousand tons, with a completion rate of 94.30%.

Unit: thousand tons

Item By company	Cement	Increase (decrease) from 2022	%	Clinker	Increase (decrease) from 2022	%
Asia Cement (China)	24,205	(19)	(0.08)	21,045	(2,587)	(10.95)

*** key performance indicator:**

The total cement production was 24,205 thousand tons, out of the planned 26,096 thousand tons, with an achievement rate of 92.75%.

The total clinker production was 21,045 thousand tons, out of the planned 23,472 thousand tons, with an achievement rate of 89.66%.

2. Sales

Asia Cement Corporation (Taiwan):

Unit: thousand tons, NTD thousand

Quantity Products	2023				Increase (decrease) from 2022			
	Domestic sales		Export sales					
	Quantity	Value	Quantity	Value	Quantity	%	Value	%
Cement, clinkers	3,053	9,027,227	330	640,977	(319)	(8.62)	364,226	3.91

***Key performance indicator:**

The total sales of self-produced cement and clinkers were 3,383 thousand tons, out of the planned total sale of 3,620 thousand tons, with an achievement rate of 93.45 %.

Asia Cement (China)

Unit: thousand tons, NTD thousand

Quantity Products	2023				Increase (decrease) from 2022			
	Domestic sales		Export sales					
	Quantity	Value	Quantity	Value	Quantity	%	Value	%
Cement, clinkers	26, 212	29, 772, 011	-	-	(1, 898)	(6. 75)	(9, 922, 265)	(25. 00)

*Key performance indicator:

The total sales of self-produced cement and clinkers were 26,212 thousand tons, out of which the planned total sales were 28,312 thousand tons, with a completion rate of 92.58%.

1.3 Deployment of investment in China

1. Asia Cement was the first cement company to invest in China 28 years ago after the government opened its investment policy by allowing domestic enterprise to invest in cement industry in China.
2. Asia Cement (China) Holdings Corporation, the subsidiary of the Company, was listed on the main board of HKEX on May 20, 2008 with total asset of 20.3 Billion RMB. Asia Cement (China) currently owns 26 subsidiaries and is in strategically partnership with other 5 companies. The business is located in Jainxi, Sicuan, Hubei, Jiangsu and Shanghai primarily with Jiangxi Yadong Company, Sichuan Yadong Company, and Hubei Yadong Company being the core of operation in Southeast, Southwest and Central China area. On top of this foundation, Asia Cement (China) has established various cement manufacturing plants, grinding mills, cement product plant and transportation company, and terminals and sales offices and therefore constituted a comprehensive and efficient network of production, transportation and sales.

1.4 Summary of business in China

1. Jiangxi Yadong Cement Co., Ltd – Owns 6 cement kilns with total annual production capacity of 11.3 Million tons for cement clinker which can be used to produce cement of 14 Million tons. Jiangxi Yadong is not only the biggest cement manufacturer. It is one of the leaders in terms of production capacity for a single plant. Power generated by waste heat gathered from 6 kilns reaches 332,570,000 kWh annually which effectively reduce cost of power and reliance on power from external source.
2. Sichuan Yadong Cement – Owns 3 cement kilns with total annual production capacity of 4.95 Million tons for cement clinker which can be used to produce cement of 6 Million tons. Power generated by waste heat gathered from 3 kilns reaches 125,000,000 kWh annually which effectively reduce cost of power and reliance on power from external source. Since the

completion of conveyor system, which transports limestone from quarry to the plant, extended from terminal to the plant, benefits such as increase of transportation efficiency, reduction of raw material cost and security of supply of limestone for production was observed, the system has also brought additional benefits of preventing of impact to neighborhood, road and residents around the transportation route of limestone.

3. Hubei Yadong Cement Co., Ltd - Owns 2 cement kilns with total annual production capacity of 3.3 Million tons for cement clinker which can be used to produce cement of 4 Million tons. Power generated by waste heat gathered from 2 kilns reaches 105,000,000 kWh annually which effectively reduce cost of power and reliance on power from external source.
4. Huanggang Yadong Cement Co., Ltd - Owns 1 cement kilns with total annual production capacity of 1.65 Million tons of cement clinker which can be used to produce cement of 2 Million tons. Power generated by waste heat gathered from 1 kiln reaches 41,000,000 kWh annually which effectively reduce cost of power and reliance on power from external source.
5. Sichuan Lanfeng Cement Co., Ltd.– To enforce its leading position in the market and increase its market share in Great Cheng-du market and to ensure the synergy in marketing, cost and operation, Sichuan Yadong has acquired, in May, 2014, 100% share in Sichuan Lan-feng Cement which owns two Dry-Process production line of clinker with total annual production capacity of 3.8 Million tons for cement clinker and that of 5 Million tons for cement. The company has also equipped with waste heat recycle system which can generate power of 130,000,000 kWh.
6. Yangzhou Yadong Cement Co., Ltd. – Grinding 2.3 million tons of cement annually to supply the market in Yangzhou region.
7. Wuhan Yadong Cement Co., Ltd. – Grind 1.8 million tons of cement each year for supply to the market in Wuhan.
8. Nanchang Yadong Cement Co., Ltd. - Grinding 600,000 tons of slag powder each year to supply the market in Nanchang region.
9. Jiangling Yadong Building Materials Cement Co., Ltd. – A company established in October 2022. It is expected to be put into production in August 2025. It can grind 1.5 million tons of cement and 500,000 tons of slag powder/admixture powder every year.

1.5 Prospect of performance of cement industry in China and Taiwan

1. Mainland China

In 2023, the first year after the lifting of pandemic control measures, solid progress was made in high-quality economic development, with an annual GDP growth of 5.2%. Looking forward to 2024, the government is actively coordinating the expansion of domestic demand and deepening the supply-side structural reform. With the implementation of various policies and measures to

stabilize the economy, promote growth, and optimize structural structure, the annual GDP growth rate is expected to reach 5%.

The normalization of supply and price stability and the full loosening of import policy have caused the coal price to fluctuate and fall. Under the combined action of the long-term coalition cooperation guarantee and the replenishment of imported coal, the coal price may continue to move slightly downward this year, effectively easing the pressure of cement production costs.

The outlook for China's cement industry is stated as follows:

- A. In October 2023, the central government issued an additional trillion-dollar treasury bond, which will be mainly used for post-disaster recovery and reconstruction and infrastructure projects. This year, it is planned to arrange special bonds of local governments for 3.9 trillion-dollar, which the central government invests 700 billion of its budget to the program. It will help to drive the demands for cement.
- B. The real estate industry is in the stage of in-depth adjustment, but the construction of "three major projects" of affordable housing, "dual-use" public infrastructure, and renovation of urban villages is accelerating, and the pulldown of cement demand by the real estate industry may be alleviated.
- C. Under the "double carbon" and "double control" policies, the removal of inefficient production capacity will be accelerated, and the capacity replacement and peak-off production will continue to strengthen, which is expected to further reduce the cement supply.
- D. Expand the industrial chain and continue to enter the new energy industry: With the advent of the era of high cost, cultivating new profit growth drivers has become an important issue for corporate survival. Expand the upstream and downstream industrial chain of aggregate and environmental protection; accelerate the deployment of new energies such as solar power and green energy storage; spare no effort to develop new businesses and advance in new markets. In the future, the profit contribution of the non-cement business will continue to increase.
- E. The wave of intelligence emerges one after another, and digital empowerment consolidates internal skills: The continuous promotion of the "dual carbon" policy, the upgrade of technology and management through digitalization, the continuous reduction of energy consumption, pollutants and carbon emissions, and the reduction of production costs, improvement of comprehensive competitiveness is the key for enterprises to respond to the decline in demand. Leading enterprises such as China National Building Material Company Limited (CNBM), Conch, and Huaxin have taken the lead in exploring intelligent transformation. The application of intelligent logistics, autonomous driving, digital mining,

AI kiln and grinding experts, and robots in cement plants has gradually become popular, and the pace of digital empowerment has been further accelerated.

- F. Increased industry concentration and optimized competitive landscape: As the time for market consolidation matures, disadvantaged companies are more willing to exit the industry. Several local policies are established to support the leading enterprises in mergers and reorganization integrating industry resources. These have accelerated the exit of enterprises with low benefits from the market leading to an enhancement of industry concentration.
- G. Strong Overseas Business Performance under the "One Belt, One Road" initiative: The domestic cement demand has reached an inflection point. With the support of the "One Belt, One Road" strategy, leading enterprises are aiming to seek breakthroughs in overseas markets. As of March, 62 cement clinker production lines overseas have been put into operation by Chinese companies, with a cumulative clinker capacity of 64.653 million tons. It is expected that overseas business will continue to grow in the future.

2. Taiwan

In terms of domestic construction, the government will continue its expansionary policy and promote and execute various public construction projects and tenders. According to the National Development Commission, the overall public construction budget in 2024 is close to NTD 780 billion, which is not only an increase of 15% from the NTD 678 billion in 2023, but also a revised upward for NTD 115 billion higher than the original NTD 665 billion.

As for real estate, the Ministry of the Interior announced that the number of transactions in 2023 will be 306,971 units, down about 11,000 units (-3.5%) from the previous year, which is the lowest point in the recent four years. Looking forward to the real estate market in 2024, under the circumstance that global inflation is slowing down and the overall economy is expected to recover, it is expected that the real estate transaction situation will improve.

Overall, the construction economy in 2024 will continue the growing demand for public construction and conservative demand for civil construction. In the first half of the year, driven by public construction, there should be a growth trend. However, with the tightened housing city policies and the remaining problems of shortage of construction labors and price surge in raw materials, the outlook for the second half of the year is conservative, given the uncertainties that may affect the progress of public construction contracts.

1.6 The Company's 2024 operation plan and the operating status of the first quarter

In 2024, Asia Cement Corporation expects to produce a total of 2,690 thousand tons of clinker and 2,906 thousand tons of cement, and 2,956 thousand tons of self-produced cement and clinker for sale in Taiwan. Asia Cement (China) is expected to produce a total of 21,809 thousand tons of clinkers and 24,583 thousand tons of cement, and 26,741 thousand tons of self-produced cement and clinker for sale.

Consolidated operating revenue of the Company for 1Q 2024 was NTD 16,499,750 thousand, 14% decrease comparing to NTD 19,208,712 thousand in 2023. Consolidated net profit after tax for 1Q2024 was NTD 2,815,657 thousand, 2% increase comparing to NTD 2,767,079 thousand in 2023. Whereas the net-profit after tax attributing to the owner of the Company amounted to NTD 2,948,055 thousand.

1.7 Implementation of ESG by the Company

The Company is committed to promoting a circular economy, and uses rotary kilns to reuse recycled products and wastes as alternative raw materials and fuels for cement production, in order to reduce the consumption of natural resources and solve the problem of waste treatment; in addition, the Company actively invests in ESG, and is the fourth company in the world with SBTi well-blow 2°C certification, to set a carbon reduction target of 8% by 2025. The long-term goal is set at net zero emissions by 2050. The Company have also launched a variety of low-carbon cement products and join with the subsidiaries to build a low-carbon value chain. Moreover, we are actively investing in the research of innovative carbon capture and reuse technologies, hoping to solve the two major problems of carbon emissions and waste disposal with innovative negative emissions technologies.

The Company's Board of Directors has established the "Corporate Sustainability Committee" to serve as the ESG decision-making center at the highest level to systematically set the long-term strategic direction, echo the United Nations Sustainable Development Goals, and link the Company's core strengths. Based on the foundation of ethical corporate management, the Company implements the sustainable strategy and vision from top to bottom. The Company values its corporate social responsibility and has won numerous awards gaining recognition from all aspects of the industries. It has also proposed four major principles for sustainable development: "creating

a happy workplace, supporting disadvantaged groups, fostering cultural heritage, and creating an inclusive society" to enhance the positive forces in society. It has also invested heavily to build a Butterfly and Stick Insect Ecological Park, which attracts tens of thousands of visitors every year to experience the beauty of ecology. The Company is also committed to building good neighborhoods and helping the indigenous tribes and community residents in terms of livelihood, education, and culture to achieve coexistence and common prosperity.

II Company Profile

2.1 Date of Incorporation: March 21, 1957.

Paid-in Capital: NT\$ 35,459,275,570

(Approved by the Ministry of Economic Affairs on May 30, 2023)

Scope of Business:

01. C901030 Cement manufacturing	11. H701010 Developing, leasing, and selling residential and business buildings
02. C901040 Ready-mixed concrete manufacturing	12. H701020 Developing, leasing, and selling industrial factories
03. B601010 Quarrying	13. H703100 Real estate rental & leasing
04. C901050 Cement and ready-mixed concrete products	14. H703090 Real estate sale & purchase
05. C901990 Non-metallic mineral products	15. JE01010 Rental and leasing
06. F111090 Whole sale of building materials	16. G202010 Parking-lot business
07. F211010 Retail sale of building materials	17. G801010 Warehousing
08. F401010 International trade	18. I103060 Business management consultation services
09. IZ06010 Tally and packing	19. J101040 Waste treatment
10. A201010 Afforestation business	

In addition to permitted scope of business, the Company can broaden its business not prohibited or restricted by laws.

2.2 Company History

Responding to the Taiwan government's second four-year economic development plan, Asia Cement Corporation (ACC) was founded on March 21, 1957 by Mr. Y.Z. Hsu and others. It built its first manufacturing plant in Hengshan Township, Hsinchu County. In 1973, in response to the government's call to develop eastern Taiwan, the Company established its second plant in Hsincheng Township, Hualien County. Asia Cement and its "Skyscraper" brand cement have always occupied the core position in Taiwan's cement business. For now, these two plants can produce 5 million MT of clinker annually.

Asia Cement uses the most modern rotary kilns and introduces waste-heat recycling generators to transform waste heat and hot air into electricity. In addition, for lower cement transportation costs, Asia Cement established storage and transportation facilities in the Keelung, Taichung, Kaohsiung, and Hualien harbor. It also invested in the Group's U-Ming Marine Transport Co., Ltd., and began using U-Ming's bulk carriers to transport cement around Taiwan. The Company's "Three Highs and One Low" strategy, high quality, high efficiency, high environmental protection, and low cost, along with its management capability, have given the Company the competitive edge to efficiently face challenges in the market.

Asia Cement believes that economic growth and environmental protection can be achieved in parallel. At the beginning of the establishment of the Hualien Plant, the Company invested a lot of manpower and material resources to set up a greenhouse seedling system in the quarry to cultivate various indigenous plants and transplant them to the remnant walls of the excavation sites. The

greening results have outstanding performance and have been repeatedly recognized by experts. Asia Cement introduces the most advanced dust collection equipment to effectively control the dust fall, keeping it far below the national standard. The Company has won the Enterprise Environmental Protection Award for 3 years. The Hualien plant has invested in circular economy, energy saving, and carbon reduction in recent years, and has achieved remarkable results. The Portland cement produced by the Hualien plant has also won international recognition this year by receiving the ISO-14067:2018 (Greenhouse Gases Carbon Footprints of Products), the ISO 14046:2014 (Greenhouse Gases Water Footprints of Products), and the optimizing level of the BS 8001:2017 for circular economy model maturity through SGS certification, making Asia Cement the first cement producer to receive the certification for circular economy standard, carbon footprint and water footprint at the same time in the world. In March 2021, Asia Cement passed the Science-Based Reduction Target Initiative (SBTi), becoming the fourth cement plant in the world with a well-below 2°C target. The Company joined the Global Cement and Concrete Association (GCCA), and jointly committee in Sep. 2020 to reach 2050 Carbon Neutral goal with global peer of cement and concrete industry. In addition, we have built a butterfly ecological park based on the existing beautified environment of the Hualien plant, luring thousands of visitors to experience the beauty of nature and receiving high recognition from the general public.

Besides establishing its core business, the Company also diversifies its investment by establishing Ya Tung Ready Mixed Concrete Co., Ltd. and Ya Li Precast & Prestressed Concrete Industries Ltd. Together with Far Eastern Construction Co., Ltd. and Far Eastern General Contractor Co., Inc., Asia Cement completed its vertical integration.

ACC's diversification strategic layout for the world not only includes the complete production and sales channels in Taiwan, it also has representative offices in Hong Kong and Singapore. Furthermore, it is also expanding into the world market, exporting cement to Southeast Asia, North America, Africa, and the Middle East Asia. Meanwhile, Asia Cement began to invest in China from 1994. Currently, with the production and sale bases in Jiangxi, Sichuan, Hubei, Yangzhou, and Shanghai, the total cement production capacity in China reaches 35 million MT. Asia Cement (China) Holdings Corporation has listed on the Main Board of the Hong Kong Stock Exchange in 2008. Asia Cement (China) Holdings Corporation will continue expand capacity through strategy cooperation, or merger & acquisition.

In the future, Asia Cement will keep maintaining its deep roots in Taiwan and continue moving forward by expanding in China and worldwide.

Major events in recent 6 years are shown as the following table:

Year	Major Events
Jan. 2021	Two quarries of Jiangxi Yadong were selected as the 2020 Green Mine List of the Ministry of Natural Resources.
Mar. 2021	Asia Cement has passed the SBTi review and aims to control climate warming below 2°C.
Apr. 2021	Asia Cement (China) won the 10th place in the cement clinker production capacity organized by China's cement website (ccement.com).
Apr. 2021	Asia Cement Ecological Park and National Taitung University signed a strategic alliance cooperation plan to rescue the unique butterfly in Lanyu Island.

Year	Major Events
Jun. 2021	Continued to be a constituent stock of the "Taiwan Highest Salary 100 Index"..
Aug. 2021	The laboratory quality management system ISO 17025 of the Hualien Plant uses the instrument analysis method to replace the traditional analysis method to reduce the pollution of chemicals to the environment.
Sep. 2021	The ISO 9001 certification of the Hualien Plant has added product certifications for Portland Cement Type II (MH), Portland Cement Type III, Portland Cement Type V and Portland Limestone Cement. It is also the first in Taiwan to obtain the product certification of Portland Cement Type III and Portland Limestone Cement.
Sep. 2021	The Supreme Administrative Court ruled to revoke the extension of the mining rights of the Hualien Plant.
Oct. 2021	Asia Cement (China) was awarded "Asia's Best Employer Award" by HR Asia Magazine.
Oct. 2021	Asia Cement (China) was awarded the "Outstanding Contribution to Economic Benefit of the Industry" by the China Cement Association.
Nov. 2021	The company was awarded “Outstanding performance in the implementation of circular economy”, by the Environmental Protection Administration.
Nov. 2021	The company was awarded “2021 excellent greenhouse gas reduction award” by the Industrial Bureau of the Ministry of Economic Affairs.
Dec. 2021	The Company was awarded the 2021 International Innovation Award
Jan. 2022	China Cement Association announced the 2021 China Top 100 Cement Clinker Capacity List, and Asia Cement (China) ranked 10th.
Jan. 2022	Sichuan Yadong received the "National Industrial Product Production License" issued by the Sichuan Provincial Administration for Market Regulation, valid until January 28, 2027
Jan. 2022	The Hualien Plant won the "Service and Solution" award at the "2021 International Innovation Summit" held by Enterprise Asia with the "ACTEC Artificial Intelligence Control System".
Feb. 2022	The Hualien plant has passed the consultative consent process and obtained 83% support from the Bsnagan Tribe to continue mining at the Hsincheng quarry.
Mar. 2022	Jiangxi Yadong donated 1 million RMB to the Ruichang Red Cross for anti-epidemic work.
Apr. 2022	The Company ranks among the top 6%-20% of listed companies in "8th Corporate Governance Evaluation".
Apr. 2022	Jiangxi Yadong sponsored RMB 5 million in the 16th Jiangxi Provincial Games held in Jiujiang City in October 2022.
May 2022	Asia Cement (China) ranked 11th in the "Announcement on the 2022 Comprehensive Strength Ranking of China's Listed Cement Companies" issued by the China Cement Association.
Jun. 2022	The company and its subsidiary Yadong Ready Mix have both been awarded the "Net Zero Mark" certification by the Taiwan Net Zero Action Alliance, and are committed to implementing the 2050 net zero vision.
Jul. 2022	Asia Cement was awarded the "Corporate Sustainability Report Award" in the 2022 Asia Responsible Entrepreneurship Awards.

Year	Major Events
Jul. 2022	The Hualien plant awarded the "2021 Excellent Insurance Unit Award" from the Central Health Insurance Administration of the Ministry of Health and Welfare.
Jul. 2022	The Hualien Plant received a Certificate of Appreciation for "Assisting in the 2022 National Middle School Games".
Aug. 2022	The Company won the "Gold Award", the highest honor of the 2nd Taiwan Sustainable Action Award, for its "Sustainable Shore Power for Cement Ships".
Aug. 2022	The Company continued to win the Best Employer in Asia Award organized by "HR Asia".
Aug. 2022	Jiangxi Yadong participated in the "Fifth National Green Mining Development Conference and 2021 Green Mine Science and Technology Award Presentation" held by the Zhongguancun Green Mine Industry Alliance, and won the honorary medal of the "Second Prize for Major Projects" of the Green Mine Science and Technology Award.
Sep. 2022	The Hualien Plant won the "Outstanding Award" in the Product Award of the "Third Taiwan Circular Economy Award" by Chung-Hua Institution for Economic Research.
Sep. 2022	Jiangxi Yadong was invited to participate in the 2022 annual meeting held by the China Cement Association and the "Top Ten Mine" awarding event. The company's limestone quarry won the title of "Top Ten Quarry" in 2022.
Sep. 2022	Sichuan Yadong donated RMB 1 million in the disaster area to Luding County, Ganzi Prefecture, Sichuan Province for the relief work of the magnitude 6.8 earthquake.
Sep. 2022	The Hualien Plant was awarded the "Occupational Safety and Health Management System Performance Review" certificate issued by the Occupational Safety and Health Administration of the Ministry of Labor, which is valid for three years (September 20, 2022 ~ September 19, 2025).
Oct. 2022	Asia Cement participates in the "R20 Regional Climate Action Organization" initiative, committing to net zero carbon reduction.
Nov. 2022	Asia Cement won six sustainability awards from 2022 GCSA and TCSA, including TCSA Taiwan Top 100 Sustainability Model Enterprise Award, Sustainability Report Platinum Award, Climate Leadership Award, and Social Inclusion Leader Award, as well as GCSA Excellent Case Award and Sustainability Report Bronze Award.
Nov. 2022	The Hualien Plant won the "2022 Industrial Greenhouse Gas Reduction Excellent Manufacturer Award" from the Bureau of Industry, Ministry of Economic Affairs. °
Dec. 2022	The Company won the "National Sustainable Development Award" issued by the National Sustainable Development Committee of the Executive Yuan, and is the only cement company that has ever received national recognition.
Dec. 2022	The Company won the "Learning Superstar Award" learning organization award of the 2022 Leader Campus Innovation Academy.
Mar. 2023	China Cement Network held the "2023 China Cement Industry Summit and TOP100 Awards Ceremony", and Asia Cement (China) ranked 10th.

Year	Major Events
Mar. 2023	The Hubei Yadong Quality Control Unit won the medal and certificate of the "All Excellence Award" in the 18th National Cement Chemical Analysis Comparison of "Meinuofu Cup" in 2022.
Apr. 2023	The Company ranks among the top 6%-20% of listed companies in "9th Corporate Governance Evaluation".
May 2023	The Company won the Award of the Environmentally Friendly Group of the 19th "Vision" ESG Corporate Sustainability Award for its "returning to the homeland, rediscovering the memory of the smell of the mountains and forests" project.
May 2023	Asia Cement (China) ranked 12 th in the "Announcement on the Comprehensive Strength Ranking of Chinese Cement Listed Companies in 2023", released by China Cement Association.
May 2023	In May 2023, two mines of Jiangxi Yadong were included in the provincial-level green mine list. With this, all five mines operated by Jiangxi Yadong have completed green mine construction.
Jun. 2023	In the 2023 Asia Responsible Enterprise Awards (AREA), Asia Cement was honored with the "Green Leadership Award", also the third time in the "Green Leadership" category.
Jun. 2023	Asia Cement headquarters, Nanhua Cement, and Ya Li Precast have completed the implementation of the ISO 45001 Occupational Health and Safety Management System, and have been third-party BSI verified. The coverage rate of the occupational safety system for Asia Cement and subsidiary in Taiwan has reached 100%.
Jun. 2023	Recognized by the UK's Financial Times and the international research institution Statista, Asia Cement was selected as a Climate Leader Asia-Pacific for 2023, acknowledging its significant reduction in carbon emissions from 2016 to 2021. It was the only cement company from Taiwan to be selected for this honor among Asia-Pacific enterprises.
Jul. 2023	Receiving the HR ASIA awards for "Asia's Best Employer," "Diversity & Inclusion Award," "Best Caring Award," and "Digital Transformation Award."
Jul. 2023	At the 2023 TSAA Taiwan Sustainability Action Awards, Asia Cement Corporation won the highest honor, the "Gold Award," for its initiative "Warmly Lighting Up the Beauty of the Tribe." Additionally, it received two "Bronze Awards" for its projects "Promoting Low-Carbon Cement for Net-Zero Wellbeing" and "Public-Private Cooperation to Combat Climate Change."
Aug. 2023	Selected as one of the top 10% outstanding enterprises in the Occupational Safety and Health Administration's "Corporate Sustainability Report Disclosure of Occupational Health and Safety Indicators Proactive Evaluation."
Sep. 2023	Asia Cement Corporation's Hualien Plant received the 2023 Outstanding Award from the Council of Indigenous Peoples for exceeding the employment quotas for indigenous people.
Sep. 2023	Huangan Yadong signed a contract to invest RMB 3.25 billion in the construction of a new cement clinker production line.
Sep. 2023	Huangan Yadong held a groundbreaking ceremony for its phosphogypsum comprehensive utilization project.

Year	Major Events
Oct. 2023	For the first time, Asia Cement Corporation won the 2023 PwC Sustainability Impact Award, with its project "Guardians of Home and Land on the Path to Sustainability" being selected in the "Corporate Sustainability Group."
Oct. 2023	Asia Cement Corporation and its subsidiary, Ya Tung Ready-Mixed Concrete, received the "Net Zero Mark" certification from the Taiwan Alliance for Net Zero Action.
Oct. 2023	For the second consecutive year, Asia Cement Corporation's Hualien Plant received the ESG Contribution Award - Annual Exemplary Award at the 4th Taiwan Circular Economy Awards hosted by the Green Economy Research Center of the Chung-Hua Institution for Economic Research.
Oct. 2023	Asia Cement Corporation's Hualien Plant was awarded the "Work-Life Balance Award" by the Hualien County Government, recognizing the company's efforts in creating a friendly workplace and providing employees with a balanced environment for work and family life.
Oct. 2023	Jiangxi Yadong's "Innovative Aggregate Production Efficiency Enhancement" project won the 2023 Far Eastern Spirit Award.
Nov. 2023	Winning six major awards including the TCSA Taiwan Corporate Sustainability Award and the GCSA Global Corporate Sustainability Award is a remarkable achievement. These awards include the TCSA Taiwan Top 100 Sustainable Enterprise Award, Platinum Award for Sustainability Reporting, Circular Economy Leadership Award, and Workplace Well-being Leadership Award. Additionally, receiving the Outstanding Case Award and Bronze Award for Sustainability Reporting from the GCSA
Nov. 2023	Asia Cement Corporation joined the Global Cement and Concrete Association's initiative "Getting the Numbers Right" (GNR). This initiative aims to provide professional data support and track the global cement and concrete industry's progress in emissions reduction.
Nov. 2023	Receiving the "2023 Happiness Enterprise Gold Award" from 1111 Job Bank is a significant recognition of the company's commitment to creating a happy and fulfilling workplace for its employees.
Nov. 2023	Asia Cement Corporation's Hualien Plant has been awarded the "Outstanding Greenhouse Gas Emission Reduction Manufacturer" for the ninth time by the Ministry of Economic Affairs, Industrial Development Bureau. This recognition solidifies its position as the factory with the highest number of awards nationwide for its efforts in reducing greenhouse gas emissions.
Dec. 2023	Huangan Yadong signed a joint venture agreement with Wuxue Urban Investment Company to establish a joint venture company. The venture will invest in and construct a production line capable of producing 10 million tons of construction aggregates annually.
Jan. 2024	Far Eastern Group and Asia Cement (China) Holdings Corporation have donated RMB 5 million to support post-disaster reconstruction in Gansu Province following the 6.2 magnitude earthquake.
Feb. 2024	Being selected as a member of the 2024 S&P Sustainability Yearbook is a significant achievement. Asia Cement has achieved the highest score in the

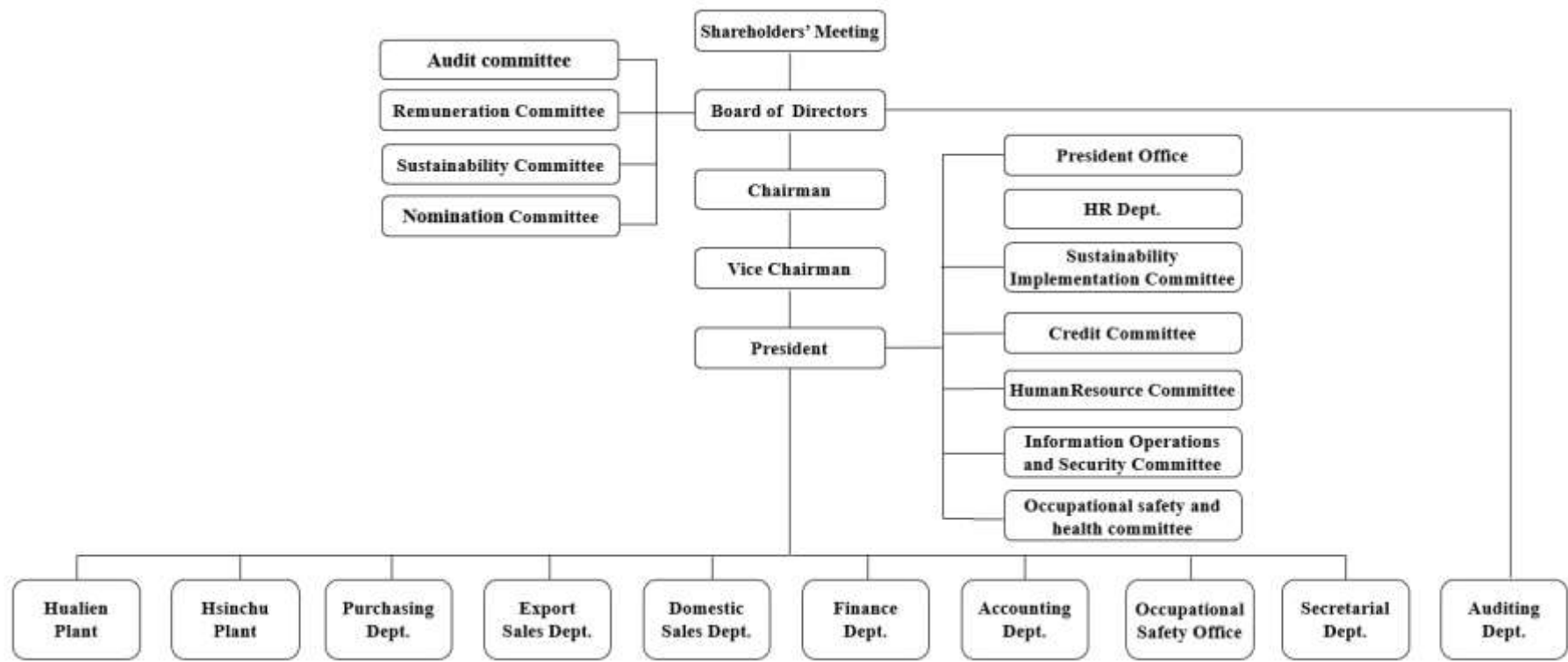
Year	Major Events
	building materials category in Taiwan, reaffirming its commitment to sustainability and responsible business practices.
Mar. 2024	Jiangxi Yadong's development of the "Construction Waste Treatment System" has been granted a national patent certificate.
Mar. 2024	At the "13th China Cement Industry Summit and TOP100 Awards Ceremony" hosted by China Cement Network, Asia Cement (China) ranked tenth.
May 2024	Winning the "Comprehensive Performance - Model Award in Traditional Industries" and the "Model Award in the Environmentally Friendly Category" at the 20th CommonWealth Magazine ESG Corporate Sustainability Awards in 2024.

During the most recent fiscal year and the current fiscal year up to the date of printing of the annual report, there are no important events listed below impacting on the shareholders' equity of the Company: Mergers and acquisitions. To restructure affiliate companies. Large volume shares transferred or changed by directors, supervisors, or major shareholders who own more than 10% shareholding. Changes in the Company's management. Significant changes in business modes or business scope.

III Corporate Governance Report

3.1 Organization

3.1.1 Organization Chart



3.1.2 Major Corporate Functions

Company Organization with Functions of Risk Management

Department	Primary Functions
Auditing Dept.	Directly report to the Board of Directors. Major duties: 1.Fair presentation of the financial reports, 2.The hiring (and dismissal), independence, and performance of CPA, 3.The effective implementation of the internal control system, 4.Compliance with relevant laws and regulations, and 5.Management of the existing or potential risks.
Remuneration Committee	Directly report to the Board of Directors. Prescribe and periodically review the performance and remuneration policy for directors and managerial officers.
Sustainability Committee	Directly report to the Board of Directors. In charge of the guidance of promoting corporate sustainability and the supervision of implementing corporate sustainability policy, systems or related management principles, and periodically reporting to Board of Directors regarding the status of progression.
Nomination Committee	Directly report to the Board of Directors. Reviewing the structure, size, and composition of the Board of Directors. Identifying suitable candidates qualified to become members of the Board of Directors. Assessing the independence of independent directors. Providing recommendations to the Board of Directors regarding matters related to the appointment or reappointment of directors, as well as succession planning for directors.
President Office	Assist ACC President to deal with daily affairs, plan operation strategies, and review the middle-term and long-term investment to reduce the risks resulting from improper decisions.
HR Dept.	Plan and implement HR policies to reduce relevant risks. HR Department is also responsible for promoting ethical management of the Company.
Sustainability Implementation Committee	Responsible for 1. Comply and disclose the information of corporate sustainability. 2. Plan and implement the corporate sustainability program. 3. Collect and submit the information of external assessment on corporate sustainability.
Credit Committee	Execute “Regulations for Managing Client’s Credit” enacted by the Company and take charge of risk control of account receivable.
Human Resource Committee	Review and advice to modify the Company’s organization structure, rules of personnel management, and other important human resource matters.
Information Operations and Security Committee	Responsible for reviewing internal information systems, office automation, network information, and information security protection measures on a quarterly basis, and providing tools related to operations, management, and decision-making to reduce information security and management risks.
Occupational safety and health committee	Responsible for making suggestions on the company's health and safety policies, and reviewing and coordinating related management matters.
Secretarial Dept.	Handle the affairs of general services, secretary, legal affairs, public relations, etc. Reinforce legal sense of employees to decrease the risks of violating law.
Occupational Safety Office	Responsible for occupational safety and health management, formulating policies and supervising related affairs to ensure safety of workers and reduce the risk and loss of occupational hazards.
Accounting Dept.	Handle all accounting matters including the costs, accounts, taxation to ensure management efficiency of the Company’s operation, the reliability of financial report, and the adherence of related accounting regulations to reduce company operation risks.
Finance Dept.	Responsible for financial operation strategy, investment strategy, financial management, and dividend strategy, as well as investor relationship in order to

Department	Primary Functions
	minimize financial exposure, uphold financial opportunity and maximize shareholders' best interest.
Domestic Sales Dept.	Plan and implement domestic marketing strategy, credit customers, and identify market trends to achieve business goals and reduce relevant risks.
Export Sales Dept.	Plan and implement oversea marketing strategy, credit customers, and identify market trends to achieve business goals and reduce relevant risks.
Purchasing Dept.	Handle all purchasing and contract issuing matters, setting up hedging mechanism to cope with changes in raw materials prices and shortage of raw materials supply.
Hsinchu Plant Hualien Plant	Take charge of R&D, production technology, quality control, planning production policies in collaboration with sales strategies to reduce production risks.

3.1.3 Information Security Management

1. Information and communication security risk management framework, information and communication security policies, specific management plans and investment in information and communication security management resources:

The Company has set up an "Information Security Officer" in accordance with laws and regulations to coordinate information and communication security-related affairs and resources. At the same time, it has set up an "Information Security Unit" including an information security supervisor and two information security personnel to plan, monitor and implement information and communication security systems. , to ensure the ability of the enterprise to continue operating.

Our company's information security equipment is integrated into the Far East Group's network architecture, aligning with the group's software and hardware protection strategies. We have deployed WAF, IDP, firewalls, email protection, endpoint protection, and more. Additionally, we have applied to join the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to access real-time updates on the latest cybersecurity threat trends and protection information. This allows us to promptly take action to defend against cybersecurity attacks, enhance our ability to counter cybersecurity risks, and effectively safeguard our information systems and data security.

The company's information unit has also established a number of internal control systems to effectively protect the company's information system from maintaining uninterrupted operations:

- (1) Practice the "Disaster Emergency Response Plan" once a year to ensure the resilience of important systems.
- (2) Information and communication security checks are carried out by external units every year to ensure the effectiveness of daily operations.
- (3) Quarterly check the sensitive authority and function conflicts of important systems to ensure the robustness of the system.
- (4) Execute the super user transaction inspection of important systems every month to ensure that there is no unauthorized access.

The Company also provide cybersecurity training to all colleagues with the aim of raising awareness about information security. This training covers guidelines for computer equipment, email, internet usage, and mobile device usage. Our goal is to strengthen our colleagues'

awareness of information security and promote adherence to security protocols, ultimately enhancing our overall cybersecurity posture.

The Company has established “Asia Cement Personal Data Protection Management Measures” and “Asia Cement Computerized Information System Processing” in accordance with Articles 8 and 9 of the Regulations Governing Establishment of Internal Control Systems by Public Companies; in addition, the “Information and Communication Security Inspection Audit” has been incorporated into our 2023 and 2024 annual audit plans. The aforesaid measures have all been submitted to and approved by the Board of Directors.

Information security policy:

Our "Computerized Information System Processing" regulates the management system for various types of IT data and information in the process of output, use, and preservation. Besides, the "Regulations for Use of IT Equipment and Information Software by Employees", regulates various information security behaviors that employees must observe in carrying out their business.

Specific management plan:

A total of 20 inspections were carried out in 2023, including the "Information Security Audit" (once) "Information System Internal Control Self-assessment" (twice), "SAP Sensitive Permission Authorization and Function Conflict Anomaly Check" (quarterly) and "SAP Super User Sensitive Transaction Check" (monthly) performed each by an external unit and an internal audit unit. In 2024, it will be handled in a similar manner and will be reviewed at any time to ensure perfection.

- 2. No losses suffered due to major information security incidents in the most recent year and as of the date of publication of the annual report.**

3.2 Directors and Management Team

3.2.1 Directors

As of 2024.04.27

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman Douglas Tong Hsu	2023. 06.27	M >70	3	1975. 04.28	23, 278, 334	0. 66%	23, 278, 334	0. 66%	6, 352, 467	0. 18%	Honorary Doctor, Chiao Tung University Master of University of Notre Dame, Master of Economics, Columbia University	Chairman, Far Eastern New Century Corp. Chairman, Far Eastone Telecommunications Co., Ltd Chairman, Far Eastern Department Stores Ltd.	Director Director	Peter Hsu Johnny Shih	Sibling relatives by marriage
Director Johnny Shih	2023. 06.27	M >70	3	1984. 04.25	453,745 *750,511,324	0.01% *21.16%	453,745 *750,511,324	0.01% *21.16%	6,159,993	0.17%	Master of Computer, Columbia University	Vice Chairman, Far Eastern New Century Corp. Vice Chairman, Oriental Union Chemical Corp.	Chairman Director	Douglas Tong Hsu Peter Hsu	relatives by marriage relatives by marriage
Director C.V. Chen	2023. 06.27	M >70	3	1987. 04.16	338,429 *750,511,324	0.01% *21.16%	338,429 *750,511,324	0.01% *21.16%	0	0%	S.J.D., Harvard University	Senior Partner, Lee and Li Attorneys-At-Law Chairman, Taipei European School	-	-	-
Director Kun Yen Lee	2023. 06.27	M >70	3	2005. 06.09	2,361,557 *1,895,136	0.07% *0.05%	3,333,557 *1,895,136	0.09% *0.05%	0	0%	Yi-Lan Elementary School	President, Asia Cement Corp. Director, U-Ming Marine Transport Corp.	-	-	-
Director Peter Hsu	2023. 06.27	M >70	3	2002. 06.07	13,454,981 *6,218,800	0.38% *0.18%	13,454,981 *8,637,180	0.38% *0.24%	0	0%	Master of Operations Research, Stanford University Master of Information Science, UCLA	Vice Chairman, Far Eastern New Century Corp. Director, Far Eastone Telecommunications Co., Ltd	Chairman Director	Douglas Tong Hsu Johnny Shih	Sibling relatives by marriage
Director Chen Kun Chang	2023. 06.27	M >70	3	2011. 06.22	29,745 *6,218,800	0.00% *0.18%	29,745 *8,637,180	0.00% *0.24%	5,358	0.00%	Mechanical Section, National Taipei Institute of	Vice CEO, Asia Cement (China) Holdings Corp.	-	-	-

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
											Technology				
Director Ruey Long Chen	2023. 06.27	M >70	3	2011. 06.22	0 *1,560,068	0% *0.04%	0 *1,560,068	0% *0.04%	0	0%	Bachelor of Economics, National Chung Hsing University	Chairman, China Petrochemical Industry Development Co., Ltd. Chairman, Sinocon Industrial Standards Foundation Chairman, Powerchip Technology Corp. Secretary General, Cross-Strait Entrepreneur Summit	-	-	-
Director Champion Lee	2023. 06.27	M >70	3	2002. 06.07	0 *181,566,797	0% 5.12%	0 *182,775,987	0% 5.15%	0	0%	Master of Business Administration, Texas A&I University	Director, Far Eastern New Century Corp. Director, U-Ming Marine Transport Corp.	-	-	-
Director Kwan-Tao Li	2023. 06.27	M >70	3	2002. 06.07	642,936 *1,505,585	0.02% 0.04%	642,936 *1,505,585	0.02% 0.04%	0	0%	Master, New York University	Chief Counselor, Lee and Li Attorneys-At-Law Director, Far Eastern New Century Corp. Director, Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation:	-	-	-
Director Doris Wu	2023. 06.27	F 50-59	3	2023. 06.27	180,000 *3,849,468	0.01% 0.11%	180,000 *3,849,468	0.01% 0.11%	0	0	Bachelor of Accounting, California State University	Director, Yadong Securities Investment Advisory Corp.	-	-	-
Independent Director Chi Schive	2023. 06.27	M >70	3	2014. 06.16	0	0%	0	0%	10,000	0.00%	PhD. in Economics, Case Western Reserve University Former Chairman, Taiwan Stock Exchange	Chair Professor, Soochou University	-	-	-
Independent Director	2023. 06.27	M 60-69	3	2014. 06.16	0	0%	0	0%	0	0%	PhD. in Business Administration,	Chairman, Central Investment Corp.	-	-	-

Title Name	Elected Date	Gender Age	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Experience (Education)	Other Position	Executives or Directors who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Gordon S. Chen											National Taiwan University Former Chairman, Financial Supervisory Commission				
Independent Director Yun-Pen Chu	2023. 06.27	M 60~69	3	2020. 06.23	0	0%	0	0%	0	0%	PhD in Economics, University of Maryland Councilor of the Executive Yuan Chairman of the Insurance Stability Fund	Chair Professor, School of Mass Data Management, Soochow University Part-time researcher at Central University Taiwan Economic Development Research Center	-	-	-
Independent Director Chang-Pang Chang	2023. 06.27	M >70	3	2023. 06.27	0	0%	0	0%	0	0%	Master of Laws, National Chengchi University	Chairman, Global Investment Holdings Co., LTD. Chief Executive Officer, Lien Chan Foundation for Peace and Development	-	-	-
Independent Director Flora Chia-I Chang	2023. 06.27	F 60~69	3	2023. 06.27	0	0%	0	0%	0	0%	PhD. in Educational Administration, Stanford University	Chairman, Tamkang University Honorary President, Chinese Excellent Management Association	-	-	-

Note 1: Information on Directors that are Representatives of Institutional Investors:

Representatives of Far Eastern New Century Corp.:	Director Johnny Shih, C.V. Chen
Representative of Yue Ding Industry Co., Ltd.:	Director Kun Yen Lee
Representatives of Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation:	Director Peter Hsu, Chen Kun Chang
Representative of Ta Chu Chemical Fiber Co., Ltd.:	Director Ruey Long Chen
Representative of Far Eastern Medical Foundation:	Director Champion Lee
Representative of U-Ming Corp.:	Director Kwan-Tao Li

Representative of Bai-Yang Investment Holdings Corp.: Director Doris Wu

Note 2: “*” indicates the number of shares held by Institutional Investors respectively represented by directors listed above.

Note 3: The shareholding excludes the shareholding that the trustor retains the power to decide the allocation of the trust fund.

Note 4: There is no director holding shares in the name of other person.

Note 5: All Directors are Taiwanese Citizens. The chairman and CEO of the Company is not the same person, nor kinship.

The First and Most Recent Date for Institutional Investors Elected as Directors (Based on the Annual Reports of the Company)

Title	Name of the Institutional Investors	First Date Elected	Most Recent Date Elected
Directors	Far Eastern New Century Corp	1987.04.16	2023.06.27
	Bai-Yang Investment Holdings Corp.	2001.05.16	2023.06.27
	Yue Ding Industry Co., Ltd.	2005.06.09	2023.06.27
	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	2005.06.09	2023.06.27
	Huey Kang Investment Corp.	2008.06.17	2023.06.27
	Ta Chu Chemical Fiber Co., Ltd.	2011.06.22	2023.06.27
	Far Eastern Medical Foundation	1987.04.16	2023.06.27
	U-Ming Corp.	1993.05.07	2023.06.27

3.2.2 Major Shareholders of ACC's Directors are Institutional Shareholders

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders	%
Far Eastern New Century Corporation	Asia Cement Corporation	23.77
	Asia Eastern University of Science and Technology	4.81
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	4.38
	Far Eastern Medical Foundation	3.61
	Far Eastern Memorial Foundation	3.42
	Yuanta/P-shares Taiwan Dividend Plus ETF	3.35
	Yuan-Ze University	2.74
	Chunghwa Post Co., Ltd.	1.89
	Douglas Tong Hsu	1.71
	Der Ching Investment Corp.	1.55
Bai Yang Investment Corp.	Far Eastern Department Stores Co., Ltd.	100.00
Yue Ding Industry Co.,Ltd.	Fu Da Transportation Co., Ltd.	26.95
	Yue-Tung Investment Corp.	25.36
	An Ho Garment Co., Ltd.	15.66
	Ding Yuan International Investment Corp.	13.20
	Ton Fu Investment Corp.	4.61
	Ta Chu Chemical Fiber Co., Ltd.	3.89
	Ya Li Precast Prestressed Concrete Industries Corp.	3.89
	Yuan Ding Co., Ltd.	2.59
	Bai Ding Investment Co., Ltd.	2.31
	Ding Shen Investment Co., Ltd.	1.53
	Far Eastern Apparel Co., Ltd.	0.01
Far Eastern Y. Z. Hsu Science and Technology Memorial Foundation	Far Eastern International Bank	25.00
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	23.00
	Asia Cement Corporation	18.00
	Far EasTone Telecommunications Co., Ltd	8.00
	Far Eastern Department Stores Co.,Ltd.	8.00
	U-Ming Marine Transport Corp.	4.00
	Oriental Union Chemical Corp.	4.00
	Yuan Ding Investment Company	2.00
	Oriental Securities Co., Ltd.	2.00
Ta Chu Chemical Fiber Co.,Ltd.	Yuan Ding Investment Company	41.86
	Yue Ding Industry Co., Ltd.	30.26
	Yue-Lee Investment Company	19.38
	Yu Ming Trading Corp.	8.50
Far Eastern Medical Foundation	Y. Z. Hsu (deceased)	76.90
	He Zongyan (deceased)	2.31
	Wang Shu-peng (deceased)	2.31
	Hsu Wei Yuan (deceased)	2.31
	Huang Ying Chung (deceased)	2.31

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders	%
	Douglas Tong Hsu	2.31
	Laurence M. Yang (deceased)	2.31
	John Hsu	2.31
	Johnny Shih	2.31
	S.S. Hsu (deceased)	2.31
	Yu Wei San	2.31
U-Ming Corp.	Far Eastern Department Stores Co., Ltd.	100.00

3.2.3 Major Shareholders of the Major Shareholders That Are Juridical Persons

Name of Juridical Person	Major Shareholders of the Juridical Person	%
Asia Cement Corporation	Far Eastern New Century Corporation	21.16
	Far Eastern Medical Foundation	5.15
	Yuanta/P-shares Taiwan Dividend Plus ETF	4.56
	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	2.52
	Labor Pension Fund Committee of Far Eastern New Century Corporation	1.67
	Yuan Ding Investment Company	1.53
	Far Eastern Department Stores Co., Ltd.	1.41
	Yuan-Ze University	1.37
	Chunghwa Post Co., Ltd.	1.35
	Far Eastern Memorial Foundation	1.24
Asia Eastern University of Science and Technology	Asia Cement Corporation	50.00
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	50.00
Far Eastern Medical Foundation	Y. Z. Hsu (deceased)	76.90
	He Zongyan (deceased)	2.31
	Wang Shu-peng (deceased)	2.31
	Hsu Wei Yuan (deceased)	2.31
	Huang Ying Chung (deceased)	2.31
	Douglas Tong Hsu	2.31
	Laurence M. Yang (deceased)	2.31
	John Hsu	2.31
	Johnny Shih	2.31
	S.S. Hsu (deceased)	2.31
	Yu Wei San	2.31
Far Eastern Memorial Foundation	Y. Z. Hsu (deceased)	50.00
	Hsu Yi Chu	50.00
Yuan-Ze University	U-Ming Marine Transport Corp.	55.21
	Far Eastern Medical Foundation	26.05
	Far Eastern New Century Corporation (Original from Far Eastern Textile Ltd.)	5.52
	Fu Ming Transportation Co., Ltd.	5.25
	Far Eastern Memorial Foundation	4.91
	Asia Cement Corporation	2.76

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Connie Hsu (deceased)	0.28
	Y. Z. Hsu (deceased)	0.01
	Yu Chao-Chung (deceased)	0.01
Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications	100.00
Der Ching Investment Corp.	Asia Cement Corporation	99.99
	Asia Investment Corp.	0.01
Far Eastern Department Stores Co.,Ltd.	Far Eastern New Century Corporation	17.06
	Yuan Ding Investment Co., Ltd.	9.87
	Asia Cement Corporation	5.65
	Yuan Tong Investment Co., Ltd.	5.62
	Yuan-Ze University	4.75
	Yuanta Taiwan High Dividend Low Volatility ETF	3.00
	Mega International Commercial Bank Co., Ltd. Treasury Department	2.44
	The committee of Employee Pension Fund of Far Eastern Department Stores Co., Ltd.	2.11
	Yu Yuan Investment Co., Ltd.	2.06
	Tranquil Enterprise Ltd.	2.04
Fu Da Transportation Co., Ltd.	Fu Ming Transportation Co., Ltd.	99.97
	Asia Investment Corp.	0.03
Yue-Tung Investment Corp.	U-Ming Marine Transport Corp.	73.54
	U-Ming Marine Transport (Singapore) Private Ltd.	26.46
An Ho Garment Co., Ltd.	Far Eastern New Century Corporation	100.0
Ding Yuan International Investment Corp.	Far Eastern New Century Corporation	100.0
Ton Fu Investment Corp.	Oriental Union Chemical Corp.	100.0
Ta Chu Chemical Fiber Co., Ltd.	Yuan Ding Investment Company	41.86
	Yue Ding Industry Co., Ltd.	30.26
	Yue-Lee Investment Company	19.38
	Yu Ming Trading Corp.	8.50
Ya Li Precast Prestressed Concrete Industries Corp.	Asia Cement Corporation	83.94
	Far-Eastern Construction Engineering Co.,Ltd.	16.03
Yuan Ding Co.,Ltd.	Far Eastern New Century Corporation	37.13
	Asia Cement Corporation	35.50
	Der Ching Investment Corp.	14.50
	Yuan Ding Investment Company	12.86
	Yu Ming Trading Corp.	0.002
	Far Eastern Department Stores Co., Ltd.	0.001
Bai Ding Investment Corp.	Far Eastern Department Stores Co., Ltd.	66.66

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Bai Yang Investment Corp.	33.34
Ding Shen Investment Co., Ltd.	Yue-Tung Investment Corp.	18.00
	Asia Investment Corp.	18.00
	Bai Ding Investment Co., Ltd.	18.00
	Ton Fu Investment Corp.	18.00
	Yuan Tong Investment Co., Ltd.	18.00
	Yue Ding Industry Co., Ltd.	5.00
	Ta Chu Chemical Fiber Co.,Ltd.	5.00
Far Eastern Apparel Co., Ltd.	Far Eastern New Century Corporation	100.00
Far Eastern International Bank	Yu Yuan Investment Co., Ltd.	4.83
	Yue Li Investment Corp.	4.28
	Special Account for trust property of Far Eastern International Bank employee in custody of FEIB	4.07
	Asia Investment Corp.	3.93
	Der Ching Investment Corp.	3.93
	Yue-Tung Investment Corp.	3.80
	Yuan Ding Investment Co., Ltd.	3.47
	Kai Yuan International Investment Co., Ltd.	3.13
	Yuan Tong Investment Co., Ltd.	3.12
	Ding Yuan International Investment Corp.	2.58
Far Eastern New Century Corporation	Asia Cement Corporation	23.77
	Asia Eastern University of Science and Technology	4.81
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	4.38
	Far Eastern Medical Foundation	3.61
	Far Eastern Memorial Foundation	3.42
	Yuanta/P-shares Taiwan Dividend Plus ETF	3.35
	Yuan-Ze University	2.74
	Chunghwa Post Co., Ltd.	1.89
	Douglas Tong Hsu	1.71
	Der Ching Investment Corp.	1.55
Far EasTone Telecommunications Co., Ltd	Yuan Ding Investment Co., Ltd.	29.58
	Cathay Life Insurance Co., Ltd.	5.28
	Asia Cement Corporation	5.12
	Shin Kong Life Insurance Co., Ltd.	4.68
	Hon Hai Precision Industry Co., Ltd.	3.25
	Chunghwa Post Co., Ltd.	2.94
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	2.53
	Labor Pension Fund (the New Fund)	1.51

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	1.36
	Yuanta Taiwan High Dividend Low Volatility ETF	1.16
U-Ming Marine Transport Corp.	Asia Cement Corporation	39.25
	Taiwan Cooperative Bank	1.49
	Yuan Ding Investment Co., Ltd.	1.05
	Yu Yuan Investment Co., Ltd.	0.94
	Asia Investment Co., Ltd.	0.92
	The Hongkong and Shanghai Banking Corporation Limited acting as custodian for Mitsubishi UFJ Morgan Stanley Securities Trading Account	0.85
	Cathay Life Insurance Co., Ltd.	0.84
	Investment Account of Japan Securities Finance Co., Ltd. managed by Chase Bank	0.83
	Standard Chartered Bank International Business Branch acting as custodian for DBS Bank Limited – External Account Manager for J.P. Morgan Investment Account	0.76
	Ya Li Transportation Corporation	0.75
Oriental Union Chemical Corp.	Far Eastern New Century Corporation	9.17
	Asia Cement Corporation	7.20
	Yuan Ding Investment Company	6.35
	Yuan Tong Investment Co., Ltd	5.64
	Yu Yuan Investment Co., Ltd	3.75
	Kai Yuan International Investment Co., Ltd.	3.67
	Ding Yuan International Investment Co., Ltd.	3.09
	Ding Shen Investment Co., Ltd.	2.22
	Labor Pension Fund Committee of Far Eastern New Century Corporation	1.39
	An Ho Garment Co., Ltd.	1.26
Yuan Ding Investment Company	Far Eastern New Century Corporation	99.40
	Ta Chu Chemical Fiber Co.,Ltd.	0.30
	An Ho Garment Co.,Ltd.	0.30
Oriental Securities Co., Ltd.	Yuan Ding Investment Company	25.96
	Far Eastern Department Stores Co.,Ltd.	19.66
	Far Eastern New Century Corporation	19.65
	Asia Cement Corporation	18.93
	Bai Ding Investment Co., Ltd.	13.61
	An Ho Garment Co.,Ltd.	1.21
	Ta Chu Chemical Fiber Co.,Ltd.	0.51
	Douglas Tong Hsu	0.09
	Shaw Y. Wang	0.07

Name of Juridical Person	Major Shareholders of the Juridical Person	%
	Fan Yu Chen	0.03
Yue Ding Industry Co.,Ltd.	Fu Da Transportation Co., Ltd.	26.95
	Yue-Tung Investment Corp.	25.36
	An Ho Garment Co., Ltd.	15.66
	Ding Yuan International Investment Corp.	13.20
	Ton Fu Investment Corp.	4.61
	Ta Chu Chemical Fiber Co., Ltd.	3.89
	Ya Li Precast Prestressed Concrete Industries Corp.	3.89
	Yuan Ding Co., Ltd.	2.59
	Bai Ding Investment Co., Ltd.	2.31
	Ding Shen Investment Co., Ltd.	1.53
Yue-Lee Investment Company	U-Ming Marine Transport Corp.	68.18
	U-Ming Marine Transport (Singapore) Private Ltd.	31.82
Yu Ming Trading Corp.	Yuan Ding Investment Company	45.50
	Ta Chu Chemical Fiber Co., Ltd.	38.23
	Bai Ding Investment Co., Ltd	15.45
	Yuan Ding Co., Ltd.	0.33
	Ding & Ding Management Consultants Co., Ltd	0.33

3.2.4 Information on Directors

1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Qualification Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Douglas Tong Hsu	Specialties: business management, leadership decision-making, business economics Experience: Chairman of Far Eastern New Century, Asia Cement, Oriental Union Chemical, Uming Marine, Far Eastern Department Store, Far Eastone and Vice Chairman of Far East Bank	Not applicable.	0
Johnny Shih	Specialties: business management, leadership decision-making, industry knowledge Experience: Vice Chairman of Far East New Century, Chairman of Everest Textile, Vice Chairman of Oriental Union Chemical, Director of CTCI		0
C.V. Chen	Specialties: Legal, business management, public welfare Experience: Senior Partner of Lee & Li Law Firm, Chairman of Taipei European School,		0

	Consultant of the Executive Yuan, Chairman of the International Law, Chairman of the Red Cross		
Kun Yen Lee	Specialties: Business management, leadership decision-making, industry knowledge Experience: President of Asia Cement, Supervisor of Far East New Century, Director of Uming Marine.		0
Peter Hsu	Specialties: Business management, leadership decision-making, information technology Experience: Vice Chairman of Far EasTone Telecom, Director of Far East New Century, Director of Uming Marine		0
Chen Kun Chang	Specialties: Business management, industrial knowledge, engineering construction Experience: Director of Asia Cement, CEO of Asia Cement (China) Holdings Corporation		0
Ruey Long Chen	Specialties: Economics, Business management, leadership decision-making Experience: Minister of Economy, Chairman of China Petrochemical Industry Development Co., Ltd., Chairman of Sinocon Foundation, Secretary General of Cross-Strait CEO Summit		3
Champion Lee	Specialties: Business Management, Financial Accounting, Business Economics Experience: Director of Far EasTone Telecom and Uming Marine, Senior Vice President of Far East New Century		0
Kwan-Tao Li	Specialties: Legal, Intellectual Property, Business Management, Public Welfare Experience: Special Chief Senior Consultant of Lee & Li Law Firm, Chairman of Far Eastern Memorial Foundation		0
Doris Wu	Specialties: Financial accounting, business economics, business management Experience: General Auditor and manager of the Financial Planning Department of Far EasTone Telecommunications, Director of U-Ming Marine Transport Corporation, CFO and Executive Vice President of the Company.	All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by Taiwan's Securities and Futures Bureau.	0
Chi Schive	Specialties: Economics, Economic Development, Industrial Organization Experience: Minister without Portfolio, Chairman of the Taiwan Stock Exchange, President of the Taiwan Financial Research Institute		3
Gordon S. Chen	Specialties: Business Economics, Economic Development, Industrial Organization Experience: Chairman of Taiwan Stock Exchange, Chairman of Taiwan Financial Research Institute and Chairman of Corporate Governance Association		3
Yun-Pen Chu	Specialties: Business Economics, Economic Development, Industrial Organization Experience: Minister without Portfolio, Executive Yuan Fair Trade Committee		2

	Member, Chairman of Insurance Stability Fund	2. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service”. 3. Shareholding of the Company’s shares of Independent Director (or nominee arrangement) as well as his/her spouse and minor children: Independent Director Chi Schive: 10,000 shares by his spouse and minor children.	
Chang-Pang Chang	Specialties: Business Economics, Economics Development, leadership decision-making. Experience: Deputy Minister of Economic Affairs, Deputy Secretary-General of the Executive Yuan, Deputy Minister of Finance		2
Flora Chia-I Chang	Specialties: Educational administration, business management, leadership decision-making Experience: President of Tamkang University, Chairman of the School Foundation, Honorary Chairman of the Chinese Excellence Management Association		0

* No director is subject to any of the provisions of Article 30 of the Company Act.

2. Diversity and independence of the board of directors:

(1) Diversity of the Board of Directors:

The 12rd meeting of the 27th board of directors of the Company on November 9, 2022 adopted the "Code of Corporate Governance" and formulated a diversity policy in Chapter 3 "Strengthening the Functions of the Board of Directors". In addition, in 2021, the shareholders' meeting passed the amendment to the "Director Election Rules", and detailed the policy of diversification of the composition of the board of directors in Article 3.

The nomination and election of the board of directors of the Company follows the provisions of the company's Articles of Incorporation and adopts the candidate nomination system. In addition to evaluating the education and experience qualifications of each candidate, it also refers to the opinions of stakeholders, and abides by the "Director Election Rules" and "the Code of Corporation Governance" to ensure the diversity and independence of directors.

Director's professional goals and implementation status:

- A. At least 6 directors with business judgment ability and 5 directors with industry knowledge are selected:

In this year, there are 10 directors with business judgment ability and 6 directors with industry knowledge, achieving the set goals.

- B. Among the directors, the number of independent directors accounts for more than 33%, and the number shall not be less than 3, and shall not be less than one-third of the number of directors:

The percentage of independent directors is 33%, which achieved the goals.

- C. Two female directors have been elected in 2023, accounted for 13% of the Board of Directors.

D. The target attendance rate of directors at board meetings reached over 85%: The actual attendance rate of 94.5% in 2023 reached the target."

The ratio of directors also served as employees is 20%. The percentage of independent directors is 33%. 67% of directors have business judgment ability, 67% have financial and accounting expertise, 20% have legal and business expertise, and 40% have industry knowledge expertise.

For members in the 28th board of directors, Douglas Tong Hsu, Johnny Shih, Kun Yen Lee, Peter Hsu, Champion Lee, Chen Kun Chang are good at leadership, business judgment, management, crisis management, and have industry knowledge and international market views. C.V. Chen and Kwan-Tao Li specialize in legal affairs and business management. Ruey Long Chen served as Minister of Economic Affairs. Doris Wu holds certified public accountant qualifications in both the United States and Taiwan. Chi Schive and Gordon S. Chen are expert at administrative and financial affairs. Yun-Pen Chu was Minister without Portfolio of the Executive Yuan. Chang-Pang Chang previously served as the Deputy Minister of Economic Affairs and Deputy Secretary-General of the Executive Yuan; Flora Chia-I Chang has expertise in educational administration and served as the president of Tamkang University. The directors of the Company have management, business judgment and relevant industry knowledge, and their academic experience includes law, finance, economics, computer, manufacturing, etc. The company will continue to evaluate the diversity of directors and continue to implement the diversity policy.

Future goals:

- A. Each board member should possess at least five or more professional backgrounds, and each professional background should be possessed by at least two members.
- B. At least one board member should be under the age of 60.
- C. There should be at least two or more female directors or independent directors.
- D. The target for the actual attendance rate of board members at board meetings for the next fiscal year is to reach 88%.

Implementation status:

The company has achieved its set goals after the election of the 28th board of directors. In the future, it will continue to work towards rejuvenation and increase the proportion of independent directors and female directors.

Diversity and Independence of the Board of Directors:

Name	Gender	Age	Serving as employee	Tenure Length of independent director	Director Diversity and Competence							
					Business Judgment	Management	Finance & Accounting	Legal & Business	Crisis Management	Industrial Knowledge	International Market Outlook	Leadership
Douglas Tong Hsu	M	>70			V	V	V	V	V	V	V	V
Johnny Shih	M	>70			V	V	V	V	V	V	V	V
C.V. Chen	M	>70			V	V	*	V	V	V	V	V
Kun Yen Lee	M	>70	V		V	V	*	V	V	V	V	V
Peter Hsu	M	>70			V	V	*	V	V	V	V	V
Chen Kun Chang	M	>70	V		V	V	*	V	V	V	V	V
Ruey Long	M	>70			V	V	V	V	V	V	V	V

Chen												
Champion Lee	M	>70			V	V	V	V	V	V	V	V
Kwan-Tao Li	M	>70			V	V	*	V	V	V	V	V
Doris Wu	F	<60	V		V	V	V	*	V	*	V	V
Chi Schive	M	>70		9	V	V	V	V	V	V	V	V
Gordon S. Chen	M	60~69		9	V	V	V	V	V	V	V	V
Yun-Pen Chu	M	60~69		6	V	V	V	V	V	V	V	V
Chang-Pang Chang	M	>70		1	*	V	V	V	V	*	V	V
Flora Chia-I Chang	F	>70		1	*	V	V	*	V	*	V	V

* is referred to possessing partial ability.

All Directors are Taiwanese Citizens. For the education and experience of directors, as well as their other positions, please refer to section 3.2.1.

(2) Independence of the Board of Directors:

The current board of directors consists of 15 directors, including 5 independent directors, accounting for 33% of the total number of directors. Among the 15 directors, 12 have no relatives within the second degree. None of the three independent directors have kinship relationships with other directors. Please refer to the director's information for the relationship between the directors in section 3.2.1.

3.2.5 Management Team

Title	Name	Gender	Effective Date	Shareholding		Spouse & Minor Shareholding		Experience(Education)	Other Title
				Shares	%	Shares	%		
President	Kun Yen Lee	Male	2000.08.01	3,333,557	0.0940	0	0	Chairman of Ya Tung Ready-Mixed Concrete Co., LTD	Director, U-Ming Marine Transport Corp.
Executive Vice President	Doris Wu	Female	2016.04.01	180,000	0.0051	0	0	Bachelor degree in Accounting, California State University	Director, Oriental Securities Investment Advisory Co., Ltd
Vice President & General Plant Manager	Z.P. Chang	Male	2009.07.01	33,999	0.0010	53,588	0.0015	Bachelor degree in Electrical Engineering, National Taiwan University	Director, Asia Engineering Co.
Vice President	T.L. Yu	Male	2019.01.01	122,202	0.0034	98	0.0000	Bachelor degree in Business Administration, University of the Philippines	Director, Yu Yuan Investment Co., Ltd
Special Assistant of President Office	T.M. Chen	Male	2011.01.01	147,268	0.0042	0	0	Bachelor degree in sociology, National Taiwan University	Director, Yu Yuan Investment Co., Ltd
Assistant Vice President	H.Y. Kao	Female	2013.10.16	832	0	467	0	Bachelor degree in Accounting, Soochow University	Director, Der Ching Investment Corp.
Assistant Vice President of Finance Dept.	Dana Lee	Female	2019.03.01	0	0	0	0	Master degree in Business Administration,, Soochow University	Supervisor, Ya Li Transportation Corp.
Deputy Chief Auditor	Karen Yang	Female	2019.03.01	8,971	0.0003	0	0	Master degree in Business Administration, Pace University USA	Supervisor, Der Ching Investment Corp.
Assistant Vice President of Secretarial Dept.	C.Y. Wang	Male	2021.01.01	0	0	0	0	PhD, University of Frankfurt, Germany	-
Assistant Vice President of Finance Dept.	Y.P. Lee	Female	2021.11.01	0	0	0	0	Bachelor degree in Accounting, National Chengchi University	-

Title	Name	Gender	Effective Date	Shareholding		Spouse & Minor Shareholding		Experience(Education)	Other Title
				Shares	%	Shares	%		
Manager of Domestic Sales Dept.	C.H. Chung	Male	2018.09.01	0	0	0	0	Master degree in International Business Administration, Da Yeh University	Director, China Hi-Ment Corporation
Manager of Export Sales Dept.	Gary Lee	Male	2018.09.01	0	0	0	0	Master degree in International business, Soochow University	Director, Asia Cement (Singapore) Pte Ltd
Manager of Purchasing Dept.	H.J. Kao	Female	2023.03.01					Master degree in Business Administration, Oklahoma State University	
Manager of the Hsinchu Plant	M.H. Jiang	Male	May 22,2022	0	0	0	0	Bachelor degree in Mechanical Engineering, National Taiwan Institute of Technology	-

* There is no manager holding shares in the name of any other person.

* Managers are spouse or within second- degree of consanguinity to each other: None.

* All managers are Taiwanese citizens.

3.2.6 Remuneration of Directors, President, and Vice Presidents

1. Remuneration of Directors

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees						Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)				
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	
Chairman	Douglas Tong Hsu	22,549	31,340	0	0	122,114	126,714	924	1,969	145,587 1.337%	160,023 1.470%	9,401	12,767	234	234	5,338	5,338	160,562 1.475%	178,363 1.596%	229,005
Director	Far Eastern New Century Corp. Representatives: Tsai Hsiung Chang (Retired)																			
Director	Johnny Shih																			
Director	C.V. Chen																			
Director	Yue Ding Industry Co., Ltd. Representative: Kun Yen Lee																			
Director	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation Representatives: Peter Hsu																			
Director	Chen Kun Chang																			
Director	Ta Chu Chemical Fiber Co.,Ltd Representative: Ruey Long Chen																			
Director	Far Eastern Medical Foundation Representative: Champion Lee																			
	Bai-Yang Investment Holdings Corp Representative:																			

Director	Chin-Der Ou(Retired) Doris Wu(New)																			
Director	U-Ming Corp Representative: Kwan-Tao Li																			
Independent Director	Chi Schive Gordon S. Chen Yun-Pen Chu Chang-Pang Chang(New) Flora Chia-I Chang(New)	0	0	0	0	8,600	8,600	520	520	9,120 0.084%	9,120 0.084%	0	0	0	0	0	0	9,120 0.084%	9,120 0.084%	0

* In addition to the above remuneration, director remuneration received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors: None.

* Please refer to Consolidated Operational Report for the list of All Companies.

* Pensions funded according to applicable laws.

* No stock bonus, warrant, or restricted stock awards for employees have been distributed from ACC and all companies listed in consolidated operational report.

* Director and President Kun Yen Lee is assigned one vehicle. The monthly rental is NT\$ 50,300, and the annual remuneration of driver is about NT\$ 700,000.

* Within recent two fiscal years, all ACC directors' remuneration accounted for 1.536% and 1.559% of ACC net income. Total directors' remuneration paid by all companies listed in consolidated operational report accounted for 1.660% and 1.680% of net income received from those companies.

* Connie Hsu resigned as a director due to her death; Results of the re-election of independent directors: Huang Ta-chou retired, and Yun-Pen Chu was newly appointed.

Classification of Remuneration Paid to ACC Directors	Name of Directors			
	A+B+C+D (Please refer to listed information above)		A+B+C+D+E+F+G (Please refer to listed information above)	
	ACC	All companies listed in Consolidated Operational Report	ACC	All companies listed in Consolidated Operational Report
Under NT\$1,000,000	Yue Ding Industry Co., Ltd., Chen Kun Chang, Ruey Long Chen, Champion Lee, Chin-Der Ou	Yue Ding Industry Co., Ltd., Champion Lee, Chin-Der Ou	Yue Ding Industry Co., Ltd., Chen Kun Chang, Ruey Long Chen, Champion Lee, Chin-Der Ou	Yue Ding Industry Co., Ltd., Chin-Der Ou
NT\$1,000,000~NT\$2,000,000	C.V. Chen, Kwan-Tao Li Chang-Pang Chang ,Flora Chia-I Chang, Doris Wu	Chen Kun Chang, Ruey Long Chen C.V. Chen, Kwan-Tao Li Chang-Pang Chang ,Flora Chia-I Chang, Doris Wu	C.V. Chen, Kwan-Tao Li Chang-Pang Chang ,Flora Chia-I Chang,	Ruey Long Chen, C.V. Chen, Chang-Pang Chang ,Flora Chia-I Chang,
NT\$2,000,000~NT\$3,500,000	Chi Schive, Gordon S. Chen, Yun-Pen Chu	Chi Schive, Gordon S. Chen, Yun-Pen Chu	Chi Schive, Gordon S. Chen, Yun-Pen Chu	Kwan-Tao Li, Chi Schive, Gordon S. Chen, Yun-Pen Chu
NT\$3,500,000~NT\$5,000,000	-	-	-	Chen Kun Chang

NT\$5,000,000~NT\$10,000,000	Tsai Hsiung Chang, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Tsai Hsiung Chang, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Doris Wu, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation	Champion Lee, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation
NT\$10,000,000~NT\$15,000,000	Johnny Shih, Peter Hsu	Peter Hsu	Tsai Hsiung Chang, Johnny Shih, Peter Hsu	Tsai Hsiung Chang, Doris Wu
NT\$15,000,000~NT\$30,000,000	Kun Yen Lee, Far Eastern New Century Corp., Douglas Tong Hsu	Johnny Shih, Kun Yen Lee, Far Eastern New Century Corp.	Kun Yen Lee, Far Eastern New Century Corp., Douglas Tong Hsu	Kun Yen Lee, Far Eastern New Century Corp.,
NT\$30,000,000~NT\$50,000,000	-	Douglas Tong Hsu	-	Johnny Shih
NT\$50,000,000~NT\$100,000,000	-	-	-	Peter Hsu
Over NT\$100,000,000	-	-	-	Douglas Tong Hsu
Total	24	24	24	24

2. Relevant information on the remuneration of Directors, President and Vice President:

A. The Comparison of the percentage of remuneration paid to directors, President, and Vice Presidents in last 2 years:

Item Title	The Company				All companies in the consolidated statement			
	2022		2023		2022		2023	
	Total	Percentage of net income after tax	Total	Percentage of net income after tax	Total	Percentage of net income after tax	Total	Percentage of net income after tax
Directors	165,913	1.381%	145,587	1.337%	177,518	1.477%	160,023	1.470%
Independent Directors	6,800	0.057%	9,120	0.084%	6,800	0.057%	9,120	0.084%
President, Executive Vice Presidents,	35,094	0.292%	30,818	0.283%	36,302	0.302%	32,020	0.294%

Senior Vice Presidents and Vice Presidents								
Net income after tax	12,016,396	1.73%	10,882,825	1.704%	12,016,396	1.836%	10,882,825	1.848%

The remuneration of directors and independent directors in 2023 will decrease compared to 2022, which is due to the decrease in Net income after tax in 2023; the total remuneration of the general manager and deputy general manager will decrease compared with 2022, due to the decrease in the total amount of employee remuneration paid in 2023 . (The increase in independent directors' remuneration is due to the increase in the number of independent directors from 3 to 5.)

B. Policies, Standards, Composition, and Procedures for Remuneration Determination, and the Relationship with Business Performance and Future Risks:

The policies, standards, composition, and procedures for remunerating directors, president, and vice president (hereinafter referred to as "executives") and the link between performance evaluation and remuneration, as well as the association with future risks, are as follows:

a. Policies, Standards, and Composition of Remuneration:

Directors: The remuneration for directors is determined according to the company's articles of incorporation and is approved by the Remuneration Committee and the Board of Directors before being reported in the annual shareholders' meeting in compliance with the law. The director's remuneration includes compensation (salary, bonuses, etc.), rewards (allocated based on annual profits as stipulated in Article 25 of the company's articles of incorporation), and business expenses (travel expenses), considering the remuneration standards of peers. Independent directors receive fixed compensation.

Executives: The remuneration for executives includes salary, various bonuses, special allowances, retirement fund contributions, and employee compensation. The salary is determined based on factors such as job responsibilities, external salary surveys conducted by professional consulting firms, and market salary levels that reflect performance. Various bonuses are related to the company's operational profitability as stipulated in the company's bonus regulations. Retirement fund contributions are made in accordance with the law. Employee compensation is allocated based on profits as stipulated in Article 25 of the company's articles of incorporation and is approved by the Remuneration Committee and the Board of Directors before being reported in the annual shareholders' meeting in compliance with the law.

b. Procedures for Remuneration Determination: Directors:

According to Article 25 of the company's articles of incorporation, if there is a profit for the year, director remuneration should be allocated not exceeding 2.5% of the profit. The actual distribution ratio, amount, and method of director remuneration are determined by the board of

directors and reported to the shareholders' meeting. The allocation of director remuneration may consider the representative equity of each director, taking into account their contribution to the company's operations. Furthermore, according to the organization regulations of the Remuneration Committee, the responsibilities of the committee include regularly reviewing and evaluating the performance assessment and remuneration policies, systems, standards, and structures of directors and executives. Executives: According to Article 25 of the company's articles of incorporation, if there is a profit for the year, employee compensation should be allocated between 0.1% and 4% of the profit. The actual distribution ratio and amount of employee compensation are determined by the board of directors and reported to the shareholders' meeting. The criteria, disbursement dates, and conditions for the distribution of employee compensation are implemented in accordance with the company's employee compensation regulations.

c. Performance Evaluation and Linkage with Remuneration:

Directors: The procedures for determining remuneration are based on the company's "Director Performance Evaluation Guidelines." The remuneration for directors is determined by considering their level of participation and the results of performance evaluations (such as their dedication to company affairs, communication with the management team on future development strategies, discussions on creating ESG management performance, professional expertise and continuous education of directors, and attendance rates, etc.). Additionally, according to the organization regulations of the Remuneration Committee, the committee is responsible for regularly reviewing and evaluating the performance assessment of directors and executives, as well as the policies, systems, standards, and structures of their remuneration.

Executives: Employee compensation is implemented according to the company's employee compensation regulations, which cover the achievement of company operational profit goals and individual annual targets. Company goals include financial indicators (such as achieving company revenue and net profit), while individual annual targets include achieving business objectives, controlling operating costs, managing internal control compliance and risk control, providing high-quality products and excellent customer service in the development of a circular economy, emphasizing talent development, and embodying the core values of the group (sincerity, diligence, simplicity, prudence, innovation) and corporate social responsibility indicators (such as reducing energy consumption and emissions for sustainable ESG management). Based on the achievement of these results, the actual distribution ratio and amount of employee compensation are determined in the following year through resolutions by the Remuneration Committee and the Board of Directors, showing a high correlation with the company's business performance.

d. Relationship with Future Risks: Directors:

The remuneration for directors, besides considering the company's past business performance, will also be flexibly adjusted based on future risk factors in terms of its standards, structure, and systems. Furthermore, the Remuneration Committee of the company will fulfill its duties by regularly reviewing and evaluating the remuneration of directors, and the recommendations proposed will be submitted to the board of directors for discussion, seeking a balance between sustainable business operations and risk management.

*** The succession planning of the Company's Board of Directors and important managers**

Member of the Board of Directors:

1. In 2020, the Shareholders' meeting amended the "Director Election Rules" which stipulates the director diversity policy in article 3.
2. The Company complies with the Company's AOI and the board of directors adopts the nomination system for candidates. In addition to assessing the academic experience of each candidate, and referring to the opinions of stakeholders, abide by the "Director Election Rules" and "Corporate Governance Code" to ensure the diversity and independence of directors.
3. 14 directors of the Company's 27th Board of Directors, including 3 independent directors, professional knowledge includes leadership, management, crisis management, industrial knowledge and international outlook, public welfare, legal affairs, legal compliance, economics, administration, finance , Agriculture, etc.
4. The succession of directors is partly from the senior executives of the company, but most of them still have to be promoted from the talent pool of the national society, especially independent directors who emphasize independence.
5. The Far Eastern Group to which the company belongs has a corporate culture that values corporate governance and talents. Due to the long-term succession planning, there are many companies with professional managers as general managers, vice chairman and chairman of the group.

Scheduled succession planning:

1. Increase the number of independent directors to one-third of the number of directors:

Currently 3 independent directors account for 21% of the number of directors. The future target is 5 independent directors to account for one-third of the number of directors.

2. There are currently no female directors, and it is planned to add 2 female directors.

3. Execution and operation status:

The Board of Directors proposed on May 11, 2023 to re-elect the 28th director at the 2023 AGM, and the scheduled goals will be achieved by then.

Succession planning for important managers:

The Company has cooperated with Yuanzhi University to set up a "training class" for corporate elites. 225 hour course training, followed by 30 high-level conference internships and 30 special seminars, the training has achieved good results. At present, more than 97% of the trainees have been promoted. In addition, trainees need to receive about 9 hours of back-training courses every year in order to continue to grow and improve. Due to the effectiveness of the training, this training plan model has been copied to all subsidiaries of ACC (China).

3. Remuneration of President and Vice Presidents

Unit: NT \$ 1000

Title	Name	Salary(A)		Pensions(B)		Reward and Allowance etc. (C)		Employees bonus from Distributable Earnings (D)		Total Amount (A+B+C+D)/Net Income		Other remuneration from investment business except subsidiary
		ACC	All companies*	ACC	All companies*	ACC	All companies*	ACC	All companies*	ACC	All companies*	
								Cash Bonus	Cash Bonus			
President	Kun Yen Lee	15,079	16,175	540	540	4,984	5,090	10,214	10,214	30,818	32,020	440
Executive Vice President	Doris Wu											
Vice President	C.M. Chen											
Vice President	T.L. Yu											
Vice President & General Plant Manager	Z.P. Chang									0.283%	0.294%	

* Please refer to Consolidated Operational Report for the list of All Companies.

* Pensions funded according to applicable law.

* No stock bonus, warrant, or restricted stock awards for employees have been distributed from ACC and all companies listed in consolidated operational report.

* Within recent two fiscal years, total remuneration of the President and Vice Presidents accounted for 0.292% and 0.283% of ACC net income. Total amount of President and Vice Presidents' remuneration paid by all companies listed in consolidated operational report accounted for 0.302% and 0.294% of net income received from those companies.

Classification of Remuneration Paid to ACC President and Vice Presidents	Name of President and Vice Presidents	
	ACC	All companies listed in Consolidated Operational Report
NT\$2,000,000 ~ NT\$3,500,000	-	-
NT\$3,500,000 ~ NT\$5,000,000	-	-
NT\$5,000,000 ~ NT\$10,000,000	Kun Yen Lee, Doris Wu, C.M. Chen, T.L. Yu, Z.P. Chang	Kun Yen Lee, Doris Wu, C.M. Chen, T.L. Yu, Z.P. Chang
Total	5	5

* The remuneration of President and Vice Presidents is divided into two parts:

1. Monthly salary based on fixed salary rank.

2. Based on ACC's bonus system, bonus and compensation are distributed mainly in consideration of the Company's operating performance and individual annual performance.

* The Remuneration Committee has approved current remuneration system for the President and Vice Presidents.

3.2.7 Employees Remuneration to Management Team

As of Dec. 31, 2023

Units: NT\$ 1,000

	Title	Name	Stock Bonus	Cash Bonus	Total Amount	Total Amount/Net Income
Executive Officers	President	Kun Yen Lee	0	21,273	21,273	0.1954%
	Executive Vice President	Doris Wu				
	Vice President	C.M. Chen				
	General Plant Manager	Z.P. Chang				
	Senior Assistant Vice President	T.L. Yu				
	Deputy Chief Auditor	Karen Yang				
	Special Assistant of President Office	T.M. Chen				
	Manager of Accounting Dept.	H.Y. Kao				
	Assistant Vice President	Dana Lee				
	Assistant Vice President	C.Y. Wang				

* The 2023 managers' remunerations have been approved by the BOD and will be reported to 2024 Shareholders' Meeting.

3.3 Implementation of Corporate Governance

3.3.1 Board of Directors

There are 6 meetings of the Board of Directors held in the period from January 1, 2021 to May 11, 2023. Directors' attendance condition was as follows:

Title	Name		Attendance in Person	By Proxy	Attendance Rate	Notes
Chairman	Douglas Tong Hsu		7	0	100%	Reappointment Jun.27, 2023
Director	Representatives of Far Eastern New Century Corp.	Tsai Hsiung Chang	2	1	50%	Retired
		Johnny Shih	7	0	100%	Reappointment Jun.27, 2023
		C.V. Chen	5	2	71%	Reappointment Jun.27, 2023
Director	Representative of Yue Ding Industry Co., Ltd.	Kun Yen Lee	7	0	100%	Reappointment Jun.27, 2023
Director	Representatives of Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	Peter Hsu	7	0	100%	Reappointment Jun.27, 2023
		Chen Kun Chang	7	0	100%	Reappointment Jun.27, 2023
Director	Representative of Ta Chu Chemical Fiber Co.,Ltd	Ruey Long Chen	7	0	100%	Reappointment Jun.27, 2023
Director	Far Eastern Medical Foundation	Champion Lee	6	1	86%	Reappointment Jun.27, 2023
Director	Bai-Yang Investment Holdings Corp.	Chin-Der Ou	2	0	100%	Retired
		Doris Wu	5	0	100%	Reappointment Jun.27, 2023
Director	U-Ming Corp.	Kwan-Tao Li	6	1	86%	Reappointment Jun.27, 2023
Independent Director	Chi Schive		7	0	100%	Reappointment Jun.27, 2023
	Gordon S. Chen		7	0	100%	Reappointment Jun.27, 2023
	Yun-Pen Chu		7	0	100%	Reappointment Jun.27, 2023
	Chang-Pang Chang		5	0	100%	Appointment Jun.27, 2023
	Flora Chia-I Chang		5	0	100%	Appointment Jun.27, 2023

* Each Board of Directors Meeting has at least 2 independent director who attended the meeting in person, which meets the requirements of Article 7 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies

3.3.2 Other mentionable items:

1. Board of Directors

A. Items listed in the Article 14-3 of the Securities Exchange Act: Please refer to 3.3.12 Major Resolutions of Shareholders' Meeting and Board Meetings

B. Except for the above matters, the three independent directors of the Company gave us valuable opinions with no objections or reservations on all discussed matters. The directors' statements were all set out in the minutes of the board meeting.

2. If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified:

Board meeting proposal on March 7, 2023: The Company intends to purchase the shares of Far EasTone Telecom held by NTT Docomo.

Resolution: All directors present passed without objection and authorized the chairman, or a person designated by him to handle relevant matters.

3. The implementation of the Board evaluation:

Board evaluation has been completed in March 2024 and submitted it to the 5th meeting of the 28th board of directors for approval.

Evaluation frequency and period	Evaluation scope	Evaluation content:	Result 1~5
Every year 2023.01.01~ 2023.12. 31	Board of Directors	Participation level, decision-making quality, composition and structure, director selection and continuing education, internal control and other items.	4.48
Every year 2023.01.01~ 2023.12. 31	Directors	Company goals and tasks, awareness of directors' responsibilities, degree of participation, internal relationship management and communication, directors' professional and continuing education, internal control and other projects.	4.32
Every year 2023.01.01~ 2023.12. 31	Remuneration Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.89
Every year 2023.01.01~ 2023.12. 31	Audit Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.56
Every year 2023.01.01~ 2023.12. 31	Sustainability Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.61
Every year 2023.01.01~ 2023.12. 31	Nomination Committee	Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items.	4.42

4. Measures taken to strengthen the function of the Board:

Goals:

To enhance corporate governance and the function of the Board by enacting “the Procedures for Evaluating the Board of Directors’ Performance”

Implementation Status and Assessment:

- A. The Board enacted “the Procedures for Evaluating the Board of Directors’ Performance” on May 13, 2015 and disclosed on the Company’s website. The Procedures has been revised on March 25, 2021. It is stipulated that at least every three years, experts and scholars from external professional independent institutions will conduct evaluations.
- B. In 2022, the company entrusts Taiwan Institute of Ethical Business to handle the external evaluation of the board of directors.

Evaluation scope and indicators:

● Board functions (board composition, structure, election and training): Evaluation indicators include compositional diversity, advanced education, utilization of external resources, etc.
● Decision-making effectiveness (the degree of participation in the company's operations, improving the quality of the board of directors' decision-making): Evaluation indicators include degree of participation, understanding of the Company's operations, risk management, and sufficient information for decision-making.
● Emphasis on and supervision of internal control: Evaluation indicators include the formulation and implementation of employee codes of conduct, the supervision of internal audit and control, the smooth flow of communication and reporting channels, the disclosure and avoidance for conflicts of interests, etc.
● Attitude towards sustainable management: Evaluation indicators include ESG information disclosure, talent cultivation and succession planning, and sustainable operation.

Evaluation materials and methods: internal regulations and records, evaluation questionnaires, interviews with directors (four directors and one independent director).

C. Suggestions:

- (1) Strengthen the diversity of directors.
- (2) Continue to implement the goal of ESG operation.

D. Improve and implement plans and actions:

- i. The Company will increase the number of independent directors to one-third of the number of directors (In 2022, independent directors account for 21%, and the target is to set 5 independent directors, accounting for 33% of the number of directors); and increase the number of female directors by 2 (currently there are no female directors director).

Execution plan: The company's 2023 general meeting of shareholders has re-elected directors, and the goals has be achieved.

- ii. The company has continued to implement sustainable development goals in recent years, such as developing low-carbon cement products, such as Portland limestone cement and masonry cement, using RDF, clean fuel or energy to significantly reduce the emission of greenhouse gases; and provide communication channels with stakeholders, which will help strengthen the trust of the outside world. In addition, the Company has issued sustainability reports for 9 years, which is also beneficial for stakeholders to understand the results of major ESG issues and related risk assessments related to the Company.
- E. The annual performance evaluation of the board of directors, directors and functional committees is disclosed on the board of directors and the company's website.

3.3.3 Annual priorities of Audit committee

The Audit Committee is designed to assist the Board in fulfilling its quality and integrity in overseeing the Company's accounting, auditing, financial reporting processes and financial controls.

The annual priorities reviewed by the Audit Committee mainly include: financial statements; audit and accounting policies and procedures; internal control systems and related policies and procedures; significant assets or derivatives transactions; major loans, endorsements or guarantees; raising or issuing securities; derivative products and cash investments; compliance; potential conflicts of interest for managers and directors; complaint report; fraud prevention and fraud investigation report; information security; company risk management; CPA independence and performance evaluation; appointment, dismissal or remuneration of CPA; appointment and dismissal of financial, accounting or internal audit managers; and other major matters prescribed by laws and regulations.

According to the laws, members of the Audit Committee shall be composed of all independent directors. The members of the Audit Committee of the Company has complied with the above-mentioned laws.

The Audit Committee of the Company fully understands that in order to perform its duties, it has the right to conduct any appropriate audits and investigations, and has direct communication with the Company's internal auditors, CPA, and all employees. At the same time, the Audit Committee also understands it has the right to hire and supervise lawyers, accountants or other consultants to assist the Audit Committee in performing its duties.

Please refer to the Company's website for the organization and working procedures of the Audit Committee of the Company.

3.3.4 Attendance of Audit committee

There are 6 meetings of the Audit committee held in the period from January 1, 2023, to May 8, 2023. Independent directors' attendance condition was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Notes
Convener	Yun-Pen Chu	6	0	100%	Re-elected in 2023
Member	Chi Schive	6	0	100%	Re-elected in 2023
Member	Gordon S. Chen	6	0	100%	Re-elected in 2023
Member	Chang-Pang Chang	4	0	100%	Elected in 2023
Member	Flora Chia-I Chang	4	0	100%	Elected in 2023

Other mentionable items:

1. Items listed in Article 14-5 of the Securities Exchange Act:

Meeting date	Items	Items listed in Article 14-5 of the Securities Exchange Act:	The resolution of the audit committee's and the Company's handling
2023/03/03	Audit report of 2022 Q4.	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors the approved without objection.
	Report on the Implementation of the External Performance Evaluation of the Board of Directors	V	
	Report on issued Cross Currency Swap	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.	V	
	In order to raise working capital, the Company applied for credit from financial institutions.	V	
	2022 consolidated financial report and individual financial report	V	
	2022 dividend distribution	V	
	Approval to 2022 "Internal Control System Statement"	V	
	Amendments to the "Internal Control System" and its rules	V	
	Appointment of accountants auditing the financial statements for 2022.	V	
	To approved "Pre-approval Policy for Accountants Providing Non-Assured Services"	V	
	To issue unsecured corporate bond with total amount not exceeding NT\$15 billion.	V	
	To purchase Far EasTone Telecom shares held by NTT Docomo	V	
2023/05/09	Communication meeting between independent directors and internal audit	V	All members present at the meeting
	Communication meeting between independent	V	

	directors and CPA		agreed to pass the items and submitted it to the board of directors in which all attended directors the approved without objection.
	Audit report of 2022 Q1	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.	V	
	Report on issued unsecured Bonds	V	
	2021 annual business report	V	
	Consolidated financial report of 2023 Q1	V	
	No profit distribution of 2023 Q1	V	
	Set the base date for issuance of new shares for the Company's third overseas unsecured conversion bonds.	V	
2023/08/10	Election of the Convener and Chairperson for the Third Audit Committee	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors the approved without objection.
	Audit report of 2023 Q2	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.		
	Consolidated financial report of 2023 H1	V	
	No profit distribution of 2023 H1	V	
	Amendments to the "Internal Control System" and its rules	V	
	Amendment to the Company's "Audit Committee Charter"	V	
2023/11/09	Audit report of 2023Q3	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors the approved without objection.
	Handling of Whistleblowing Cases for Dishonest Conduct		
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.	V	
	Consolidated financial report of 2023 Q3	V	
	No profit distribution of 2023 Q3	V	
	To set the 2024 audit plan	V	
	Renewal of liability insurance for directors, supervisors and important employees of the company and its subsidiaries	V	
	To establish the Company's "Regulations on Financial and Business Operations among Related Parties"	V	
	To approve the changes of the Company's Internal Audit Officer.	V	
2024/03/04	Audit report of 2023 Q4.	V	All members present at the meeting agreed to pass the
	Report on issued Cross Currency Swap	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	

	Acquisition and disposal of securities.	V	items and submitted it to the board of directors in which all attended directors the approved without objection.
	In order to raise working capital, the Company applied for credit from financial institutions.	V	
	2023 consolidated financial report and individual financial report	V	
	2023 dividend distribution	V	
	Approval to 2023 "Internal Control System Statement"	V	
	Amendments to the "Internal Control System" and its rules	V	
	Appointment of accountants auditing the financial statements for 2024.	V	
	To amend "Pre-approval Policy for Accountants Providing Non-Assured Services"	V	
	To issue unsecured corporate bond with total amount not exceeding NT\$20 billion.	V	
	To amend the "Board of Directors Meeting Rules" of the Company.	V	
	To amend the "Organizational Regulations of the Audit Committee" of our company.	V	
	To revise the "Seal Management Regulations " of our company.	V	
	Handling of reports on dishonest behavior.	V	
2024/05/08	Communication meeting between independent directors and internal audit	V	All members present at the meeting agreed to pass the items and submitted it to the board of directors in which all attended directors the approved without objection.
	Communication meeting between independent directors and CPA	V	
	Audit report of 2024 Q1	V	
	Acquisition and disposal of real estate, equipment or right-of-use assets	V	
	Report of endorsements / guarantees with affiliates	V	
	Acquisition and disposal of securities.	V	
	Report on issued unsecured Bonds	V	
	2023 annual business report	V	
	Consolidated financial report of 2024 Q1	V	
	No profit distribution of 2024 Q1	V	
	The change of the Accounting Officer and Internal Audit Officer of the company.	V	
	Due to the impact of the earthquake on April 3rd, 2024, some buildings and equipment at our Hualien manufacturing plant were damaged. It is proposed to add an additional budget of NT\$130.7 million for capital expenditures for the fiscal year 2024, and an additional NT\$96.02 million is proposed due to the original budget being insufficient for some projects.	V	

There are no other matters that did not pass the audit committee and agreed by more than two-thirds of all directors.

2. If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified:
None.

3. Communications with internal audit manager and CPA:

(1) Internal audit manager reports the plans and execution of audit works to Independent Directors every quarter and implement the instructions and follow-up of each independent director.

(2) CPA and accounting manager report financial and operation business to Independent Directors every quarter

Meeting date	Items discussed with internal auditor	Items discussed with CPA
2023/03/03	1. Audit report of 2023 Q4. 2. To issuing the 2022 "Internal Control System Statement". 3. To amend to the "Internal Control System" and its rules.	1. Declaration of independence. 2. The scope and method of review. 3. Group review. 4. Major accounting policies, major accounting estimates, major events, and major transactions 5. Key review items. 6. Suggestions and communication matters.
2023/05/09	1. Communication meeting between independent directors and internal audit. 2. Audit report of 2023 Q1.	1. Communication meeting between independent directors and internal audit. 2. Declaration of independence. 3. The scope and method of review. 4. Group review. 5. Major accounting policies, major accounting estimates, major events, and major transactions 6. Other communication matters.
2023/08/10	Audit report of 2023 Q2.	1. Declaration of independence. 2. The scope and method of review. 3. Group review. 4. Major accounting policies, major accounting estimates, major events, and major transactions 5. Other communication matters.
2023/11/09	1. Audit report of 2023 Q3. 2. To approve 2024 audit plan	1. Declaration of independence. 2. The scope and method of review. 3. Group review. 4. Major accounting policies, major accounting estimates, major events, and major transactions 5. Other communication matters. 6. Annual financial statement review plan. 7. Major risks 8. Key review items. 9. Regulations updates.
2024/03/04	1. Audit report of 2023 Q4. 2. To issuing the 2023 "Internal Control System Statement".	1. Declaration of independence. 2. The scope and method of review. 3. Group review. 4. Major accounting policies, major accounting estimates, major events, and major transactions

Meeting date	Items discussed with internal auditor	Items discussed with CPA
		5. Key review items. 6. Suggestions and communication matters.
2024/05/08	1. Communication meeting between independent directors and internal audit. 2. Audit report of 2024 Q1.	1. Communication meeting between independent directors and internal audit. 2. Declaration of independence. 3. The scope and method of review. 4. Group review. 5. Major accounting policies, major accounting estimates, major events, and major transactions. 6. Other communication matters.

The five independent directors of the Company gave us valuable opinions with no objections or reservations on all discussed matters. The directors' statements were all set out in the minutes of the Audit Committee meeting.

- Communication meeting between independent directors and internal audit
 Date: May 8, 2024
 Attendees: Independent Directors: Yun-Pen Chu, Chi Schive, Gordon S. Chen, Chang-Pang Chang, Flora Chia-I Chang
 Chief Auditor: Karen Yang
 The independent directors had no suggestions or opinions at this meeting.
- Communication meeting between independent directors and CPA
 Date: May 8, 2024
 Attendees: Independent Directors: Yun-Pen Chu, Chi Schive, Gordon S. Chen, Chang-Pang Chang, Flora Chia-I Chang
 Deloitte & Touche: Shin Wei Dai, Wen Ling Liu, Pin-Feng Chen
 The independent directors had no suggestions or opinions at this meeting.

3.3.5 The Sustainability Committee

The Corporate Sustainability Committee was established by our company on July 8th, 2021. The Corporate Sustainability Committee consists of 3 independent directors and 2 directors. Chairman Gordon S. Chen, an independent director, along with committee members Chi Schive and Yun-Pen Chu, also independent directors, possess expertise in business economics, management, international market insights, leadership decision-making, risk management, and corporate governance sustainability. Committee member Director Peter Hsu, in addition to expertise in corporate sustainability, excels in industry knowledge; while committee member Director Kwan-Tao Li specializes in legal affairs.

The purposes and responsibilities of Corporate Sustainability Committee are as follows:

1. Implementation of corporate governance.
2. Development of a sustainable environment.
3. Maintenance of social welfare.

The committee shall fulfill the following duties with the care of a prudent manager and shall be accountable to the board of directors:

1. Promote and strengthen corporate governance and integrity management systems.
2. Promote and develop matters related to corporate sustainability.
3. Supervise other sustainability-related work items as resolved by the board of directors.

Operational Status of the Committee

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Notes
Convener	Yun-Pen Chu	3	0	100%	Independent Director
Member	Chi Schive	3	0	100%	Independent Director
Member	Gordon S. Chen	3	0	100%	Independent Director
Member	Peter Hsu	3	0	100%	Director
Member	Kwan-Tao Li	3	0	100%	Director

Meeting date	Items discussed	Decision Result	The resolution of the audit committee's and the Company's handling
2023/05/09	1. The meeting minutes and status of execution. 2. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies". 3. Report on the Company's sustainability-related activities, awards, and ratings in 2022. 4. Report on the Company's ESG ratings for the year 2023. 5. Report on the management review of the ISO 37001 Anti-Bribery Management System. Decision: All attending committee members agreed to take note of the reports.	V	All members present at the meeting agreed to pass the discuss items.
2023/11/09	1. The meeting minutes and status of execution. 2. The organizational adjustment of the Sustainability Implementation Committee. 3. 2024 sustainability goals and the implementation status of ESG Initiatives in 2023. 4. Report on the Company's ESG ratings for the year 2023. 5. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies". 6. Report on the management review of the ISO 37001 Anti-Bribery Management System.	V	All members present at the meeting agreed to pass the discuss items.

Meeting date	Items discussed	Decision Result	The resolution of the audit committee's and the Company's handling
	7. Implementation Status of the Risk Management Policy and Procedures for 2023. 8. ESG Promotion Status of Asia Cement (China) in 2023. Decision: All attending committee members agreed to take note of the reports.		
2024/05/08	1. The meeting minutes and status of execution. 2. Sustainable Development Projects and Performance Report for 2023. 3. Report on the Company's ESG ratings for the year 2023 and 2024. 4. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies". 5. ESG Promotion Status of Asia Cement (China) in 2023. Decision: All attending committee members agreed to take note of the reports.	V	All members present at the meeting agreed to pass the discuss items.

3.3.6 The Nomination Committee

The Company appointed Chi Schive and Yun-Pen Chu, independent directors, and Director Peter Hsu as members of the first "Nomination Committee" of the Company at the 2nd meeting of the 28th Board of Directors on August 11, 2023. All members of the committee possess expertise in business economics, management, international market insights, leadership decision-making, risk management, and corporate governance sustainability."

The purpose and responsibilities of its establishment are as follows:

In accordance with the authorization of the Board of Directors, this committee shall exercise due care as a prudent manager, faithfully fulfilling the following duties, and submit recommendations to the Board of Directors for discussion:

1. Establishing standards for the professional knowledge, skills, experience, diversity of backgrounds including gender, and independence of board members, and using them to search for, review, and nominate director candidates.
2. Constructing and developing the organizational structure of the Board of Directors and its committees, conducting performance evaluations of the Board of Directors, its committees, and individual directors, and assessing the independence of independent directors.
3. Formulating and periodically reviewing director training programs and succession plans for directors.
4. Establishing the Company's corporate governance best practices."

Operational Status of the Committee

Title	Name	Attendance in Person	By Proxy	Attendance Rate	Notes
Convener	Chi Schive	1	0	100%	Independent Director
Member	Yun-Pen Chu	1	0	100%	Independent Director
Member	Peter Hsu	1	0	100%	Director

Meeting date	Items discussed	Decision Result	The resolution of the audit committee's and the Company's handling
2023/11/10	- To elect Committee member Chi Schive serves as the convener and chairman of the 1st Nomination Committee. - Planning and schedule for the performance evaluation of the Board of Directors and various functional committees for 2023. - Report of the training of directors. Decision: All attending committee members agreed to take note of the reports.	V	All members present at the meeting agreed to pass the discuss items.
	- The meeting minutes and status of execution. - Report on the Qualifications and Independence Assessment of Independent Directors (During Their Tenure). - Report of the training of directors. Decision: All attending committee members agree		

3.3.7 The Remuneration Committee

1. Professional Qualifications and Independence Analysis of Members of the Remuneration Committee

Position	Name	Criteria	Professional qualifications and experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Members of the Remuneration Committee
Independent Director 、Convener	Chi Schive		Please refer to the annex “Disclosure of information on the professional qualification and independence of Board Director” on section 3.2.4 of this annual report for details.	All the Remuneration Committee members meet any of the following situations:	1
Independent Director	Yun-Pen Chu			1. Satisfy the requirements of Article 14-6 of “Securities and Exchange Act” and the requirements of “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange” (Note 1) issued by Taiwan’s Securities and Futures Bureau.	1
Others	M.X. Lin		Ms. M.X. Lin, graduated from Department of Industrial Education of National Taiwan Normal University with Master degree. She worked at Far EasTone as Human Resources vice president.	2. Independent Director (or nominee arrangement) as well as his/her spouse, and relative within the second degree of kinship are not directors, supervisors or employees in the Company or any of its affiliates. 3. Received no compensation or	1

			benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service“	

Note 1: Within the scope of execution of business, a remuneration committee member of a public company shall maintain independence and may not have any direct or indirect interest relationship with the company. During the 2 years before being appointed or during the term of office, a remuneration committee member shall not have been or be any of the following:

- a) An employee of the company or any of its affiliates.
- b) A director or supervisor of the company or any of its affiliates.
- c) A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under any other's name, in an aggregate amount of 1 percent or more of the total number of issued shares of the company or ranking in the top 10 in shareholding.
- d) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
- e) A director, supervisor, or employee of a corporate shareholder that directly holds 5 percent or more of the total number of issued shares of the company, or that ranks in the top 5 in shareholding, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.
- f) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company.
- g) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution.
- h) A director, supervisor, managerial officer, or shareholder holding 5 percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.
- i) A professional individual who, or an owner, partner, director, supervisor, or managerial officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided that this restriction does not apply to a

member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

j) None of the circumstances specified in Article 30 of the Company Act.

Responsibilities of the Remuneration Committee include:

- Establishing and periodically reviewing policies, systems, standards, and structures for the performance evaluation and compensation of directors and executives.
- Conducting regular evaluations and establishing compensation for directors and executives.

2. Implementation Status of the Remuneration Committee

There are 3 members of the Remuneration Committee. Their terms of office start from Aug. 11, 2023. Totally, 2 meetings of the Remuneration Committee were held in the latest year. Members' attendance condition was as follows:

Position	Name	Attendance in Person	Attendance in Proxy	Attendance rate	Notes
Convener	Chi Schive	2	0	100	Incumbent
Member	Yun-Pen Chu	2	0	100	Incumbent
Member	M.X. Lin	2	0	100	Incumbent
Other mentionable items: 1. If the board of directors declined to adopt, or modified a recommendation of the Remuneration Committee, please specify the date, term, content, resolution, and the Company's processing situations for Remuneration Committee's resolution: None. 2. If any objections or reservations expressed by any committee member in record or in written to Remuneration Committee's resolution, please specify the date, term, content, and the committee's processing situations for objections or reservations: None.					
Meeting Date	Discussion item			Approve	Opinion processing situations
2023/11/09	2022 directors', president's, and vice presidents' remuneration, and the situation of the cement industry			V	All members present at the meeting agreed to pass the items without objection.
2024/03/04	President and vice president's 2023 performance evaluation			V	
	Salary adjustment case for employees			V	
	2023 directors' and employees' remuneration			V	
	President and vice president's 2024 performance evaluation items			V	

*The Compensation and Remuneration Committee holds two meetings a year, and all committee members attend twice.

3.3.8 Corporate Governance Execution Status and Deviations from “Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the Corporate Governance Codes with reference to “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” on Nov. 11, 2014 and revised on Nov 9, 2022. The information has been disclosed on MOPS and the Company’s website.	None
2. Shareholding structure & shareholders’ rights				
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		The Company has appointed spokesman or his deputy as well as stock agency, Oriental Security Corporation, to handle these issues. If involved in litigation matters, the spokesman will handle that with the Secretarial Department, and legal staff. If significant event happens, legal consultants, Lee and Li, and accounting consultants, Deloitte & Touche, will help deal with the matter. This complies with our internal operating procedures.	None
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		The Company keeps tracking the list of shareholders and their the ultimate owners and follows the Article 3 of Market Information Post Regulation Reporting by Listed Companies to post related information before 31th July.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		In addition to enacting “Regulations for Monitoring Subsidiaries” as the risk management mechanism for its subsidiaries, the Company has also enacted “Regulations for Managing Client’s Credit” and assigned the Credit Committee to be responsible for risk control of accounts receivable. Meanwhile, to establish risk management and firewall, we have signed up with affiliates for “Procedures of Assets Acquisition and Disposal”, “Procedures for Loaning of funds to Others”, “Procedures for Endorsement and Guarantee,” and “Rules on the Management of Related Party Transaction.” The Auditing Department will report regularly to the Board of Directors and Audit Committee about any abnormal conditions and their improvements. The Auditing Department will also report to the Financial Supervisory Commission and other government agencies in accordance with relevant regulations.	None
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		The Board of Director approved “the Procedure Dealing with Internal Material Information of Asia Cement Corporation” on Dec. 21, 2009, and revised it on Aug. 10, 2017. It states that “directors, supervisors, managers and other employees shall not disclose internal material information to others, nor involve in any transaction of the Company’s stock or any other	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			forms of security.” The Procedure has been post on the Company’s website and internal bulletin board.	
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	V		On November 12, 2020, the board of directors of the Company revised the "Corporate Governance Code" and formulated a diversification policy in Chapter 3 "Strengthening the Functions of the Board". In addition, in 2017, the shareholders' meeting passed an amendment to the "Director Election Rules", which specified the diversification policy for the composition of the board of directors in Article 3. The Company adopts candidate nomination system for the election of directors. In addition to the assessment of each candidate's education and experience, opinion of the stakeholder and full compliance with “the election rules for directors ” and “Corporate Governance Codes” are also considered to ensure the diversity and independence of directors. Please refer to 3.2.4 for the diversity policy of the board of directors, targets and implementation. The diversified policy for the composition of the Board of Directors has been disclosed on the Company’s website and MOPS.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		The Company has established Remuneration Committee and Audit Committee pursuant to government regulations. Other voluntarily established functional committees are: <u>Sustainability Committee:</u> Directly report to the Board of Directors. In charge of the guidance of promoting corporate sustainability and the supervision of implementing corporate sustainability policy, systems, or related management principles, and periodically reporting to Board of Director. <u>Nomination Committee:</u> Directly report to the Board of Directors. It reviews the structure, size, and composition of the Board of Directors; identifies suitable candidates qualified to be members of the Board of Directors; evaluates the independence of independent directors; provides recommendations to the Board of Directors on matters related to the appointment or reappointment of directors and succession planning for directors.	None
(3) Does the company establish a standard to measure the performance of the Board, and implement it annually?	V		The Company enacted “Procedures for Evaluating the Board’s Performance” on May 13, 2015 and revised on Mar. 25, 2021. 1. Every year, the members of the board of directors conduct an internal self-assessment	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			to evaluate the performance of the board of directors in five aspects (including the degree of participation in the company's operations, improving the quality of the board of directors' decision-making, the composition and structure of the board of directors, the selection and appointment of directors and continuing education, internal control, etc.) The evaluation conducts annually. 2. In 2023, the performance evaluation results of the company's board of directors, audit committee, remuneration committee, sustainability committee and Nomination Committee were "outstanding". 3. The "Procedures for Evaluating the Board's Performance" requires evaluation by external institutions every three years. The external evaluation of the Company's board of directors was conducted by Taiwan Institute of Ethical Business. The above performance evaluation and external evaluation results are not only reported to the board of directors, but also provided to the remuneration committee as a reference for remuneration payment and company nomination for renewal. The performance evaluation methods and procedures of the board of directors and the external evaluation report of the board of directors	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the board of directors of the company regularly (at least once a year) evaluate the independence and suitability of CPA with reference to the audit quality indicators (AQIs), and disclose the evaluation procedures in detail?	V		are disclosed on the company's website. 1. The Company regularly evaluates the independence of CPA every year and reports to the Audit Committee and the Board of Directors. The independence and suitability of CPA have been evaluated by the audit committee on March 4, 2024 and the board of directors on March 5, 2024. CPA have no interest, relatives, etc. relationship with the company, and when providing professional services Maintain a fair and objective attitude and obtain a independence statement issued by a certified accounting firm, which meets the standards of independence and eligibility. 2. The Audit Committee on March 4, 2024 and the Board of Directors on March 5, 2024 refer to the audit quality in accordance with Article 14-5 of the Securities Exchange Law and Article 25 and Article 29 of the Code of Practice for Corporate Governance of Listed OTC Companies Indicators (AQIs), through the assessment of the independence and suitability of the appointed accountants. Audit Quality Index (AQI) Independence and Competency Assessment Form for Certified Accountants.	None
3. Does the company establish specialized units or	V		1. On January 1, 2023, lawyer Chao Yu Wang is	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
dedicated members and personnel responsible for corporate governance affairs, as well as carrying out key actions and reporting statuses (e.g. : including but not limited to provide the information that board directors and supervisors request to perform their duties, ensuring the general affairs of board meetings and shareholders’ meetings are held in accordance with regulations, applying and changing of company registration, and taking meeting minutes for board meetings and shareholders’ meetings.)			appointed as Corporate Governance Officer. The Secretarial Dept. serves as the secretary of the board of directors to promote corporate governance. Each member of the Secretarial Dept. has sufficient working experience in the management of legal affairs and board affairs. On January 1, 2023, lawyer Chao Yu Wang is appointed as Corporate Governance Officer. 2. The main responsibilities are as follows: • Convene internal corporate governance regulations seminars twice a year. • Develop company and organizational structure to promote the independence of the board of directors, transparency, corporate governance, and internal control. • Plan to convene the Board of Directors and Audit Committee and their agenda at least prior 7 days before the meetings with sufficient meeting information to facilitate the directors to understand the contents of the relevant issues and conflict of interests in advance. • To registry the date of the shareholders' meeting every year, and to issue the meeting notice, annual report and handbook in both English and Chinese. The relevant documents shall be approved by the vice president and president. • To survey the Board’s performance	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			evaluation and report to the board of directors annually. 3. At least 12 hours of Training for Corporate Governance Officer have been declared to MOPS according to the regulations.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	V		The Company provides “Stakeholder Area” section of the Company’s website for the communication channel with shareholders and stakeholders with respect to any ESG issues. http://www.acc.com.tw/en https://esg.acc.com.tw/en	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company designates stock agency, Oriental Security Corporation, to deal with shareholder affairs.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		The Company has set up a Chinese/English website (www.acc.com.tw) to disclose information regarding the Company’s financials, business and corporate governance status.	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		The Company has assigned a spokesman or his deputy to handle information collection and disclosure. The Company will also convene the institutional investors’ conference upon request and post relevant information on MOPS and ACC website. Please refer to Section 3.3.5 8(2) Investor Relations of this Annual Report.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		(1) Status of employee rights and employee wellness: Please refer to the “Section 5.5 Labor Relation” of this Annual Report. (2) Investor Relations: For the efficient communication between investors and the Company, in addition to the spokesman or his deputy, the Company specifies its Finance Department to serve as investor relation contact. Moreover, the Company will attend or hold investor conference if necessary. In order to ensure the information symmetry of disclosure, the Company will post relevant information and materials to MOPS and the Company's website. (3) Supplier relations: The Company regards our suppliers as partners. Except requiring good service, high quality, and reasonable prices to our suppliers, the Company also brings our construction contractors into its safety management system, and set up safety regulations for contractors, such as access control and issuing construction permission, and holds training courses to help contractors fulfill safety requirements. (4) Stakeholders’ Rights: For the transparency and timely disclosure of the Company, the information of finance,	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			business, and corporate governance could be accessed on the Company’s website and MOPS in both Chinese and English. (5) The training for directors: Please refer to section 3.3.8 for detail. (6) Risk managements and assessments: Based on the principles of “protecting assets, promote interests, reducing damages and ensuring sustainable development” of the Company, the Company forms its company organization with functions of risk management. Please refer to section 3.1.2 for detail. Besides of routine business goals, each department of the Company would timely adjust to rapidly changing world for risk management. (7) Customer policy: The Company serves its customers with the principles of “good service, high quality, and reasonable prices, and customer-oriented”. The Company will also meet all customers’ need by stringent quality control. (8)Responsibility insurance purchase for directors and supervisors: On November 12, 2023, the Board of Directors agreed to renew the liability insurance for directors, and supervisors, and important employees of the Company and affiliates in the consolidated financial	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			statements, and it took effect on December 1, 2022.	
9. Base on the result of ”Corporate governance Evaluation” announced by TWSE (Taiwan Stock Exchange Corporation) in a recent year to illustrate the status of matters have been already improved and priority measures to reinforce matters haven’t been improved:	V		The Company ranked 6%~20% in “the 2023 Corporate Governance Evaluation” by the TWSE. This year the Company will focus on improving non-scored items: 1. The 2023 AGM has been convened by video-assisted shareholders meeting. 2. Set up an information security officer and a information security unit to strengthen the information security management structure. 3. To increase the number of independent directors to one-third of all directors in 2023. 4. The 28th Board of Directors has included at two female director.	None

3.3.9 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1.Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	☒		1. The Company's Board of Directors serves as the highest governing body overseeing sustainable development, reviewing the core operational capabilities of the enterprise, as well as the mid- and long-term for sustainable business operations. On July 28, 2021, the board of directors approved the establishment of a functional committee " Sustainability Committee". Three independent Directors and two directors serve as committee members, and independent director Gordon S. Chen serves as the convener, responsible for supervising the implementation of corporate sustainability policies, systems or related management guidelines, and regularly reporting the progress to the board of directors. In 2023, the Sustainability Committee convened twice on May 9 and November 9, and reported to the Board of Directors on May 10 and November 10. 2. The company has also set up the "Sustainability Promotion Committee" under the Board of Directors as the dedicated department for corporate sustainability, responsible for the collection and disclosure of corporate sustainability information, the planning and implementation of corporate sustainability projects. The Sustainability Promotion Committee is chaired by the President, with the manager of the Secretarial Department as the convener. The manager of the Secretarial Department is responsible for compiling the operations and achievements of corporate sustainability, and reports to the Sustainability Committee twice a year, so that the Board of Directors	None

			and the Sustainability Committee can fully supervise and handle relevant operations of ESG issues. 3. The Sustainability Committee is structured around three dimensions, including Environmental (E), Social (S), and Governance (G), of which comprises 10 major working groups, namely Net-Zero, Pollution Prevention, Biodiversity, Energy, Health and Safety, Community Relations, Labor rights and Talent Development, Corporate Governance, Anti-Corruption, Sustainability Advocacy and International Organizations. The ESG team is responsible for the planning and promoting of corporate sustainability programs, and submits work reports to the Sustainability Promotion Committee on a monthly basis.	
2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	☒		1. The Company has established a sound risk management mechanism to control possible risks within an acceptable range. The Board of Directors has approved an "Internal Control System" and established "Risk Management Policies and Procedures", which are implemented by the Board of Directors, the Sustainability Committee and all competent authorities accordingly. 2. The risk management process of the Company includes risk identification, risk measurement, risk response, risk monitoring and risk reporting. The types of risk include operational risk, financial risk, hazard risk, information security risk, compliance risk and other risks (climate change). 3. The Company's risk assessment process and standards for material environmental, social and corporate governance issues are based on AA 1000 Stakeholder Engagement Standard (AA1000 SES) 2015. This involves identifying stakeholder groups and sustainability issues and follows the dual materiality principle outlined in the Draft European Sustainability Reporting Standards (ESRS) proposed by the European Union. The assessment considers both organizational impacts (external aspect, the impact of organizational activities on the world) and sustainable development impacts (internal aspect, the financial impact of sustainability issues on the organization) to evaluate their materiality.	None

			For details, please refer to the "Material Topics and Stakeholders" section of the Company's Sustainability Report. In addition, considering the major risks brought about by climate change, the company also refers to UN SDGs, TCFD and other norms, and discloses relevant risk management and opportunities in the sustainability report.	
3.Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	☒		1. The Company promotes relevant environmental management systems including ISO 14001 environmental management system, ISO 50001 energy management system, ISO 14064-1 greenhouse gas inventory verification, ISO 14067 product carbon footprint, ISO 14046 water footprint and BS 8001 circular economy. In addition, the ISO 14067 product carbon footprint and ISO 14046 water footprint are in the process of re-certification, and the certification is expected to be obtained before the end of 2024. 2. The above management systems have been verified by a third party. For details, please refer to the chapter "Appendix: Third-party Verification System of Asia Cement Corporation and Subsidiaries" of the Sustainability Report or the "Resource Center - Certifications" on the corporate sustainability website.	None
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	☒		Asia Cement Corporation is committed to improving energy efficiency and has established an ISO 50001 energy management system and set up an energy policy to implement energy efficiency improvements. Asia Cement Corporation has set an energy consumption target of 1% reduction in energy consumption and intensity each year with year 2019 as the base year. The total energy consumption of Asia Cement Corporation in 2023 was 11,959 TJ (3,321,981 MWh), and the consumption intensity was 0.98 (MWh/per ton of cementitious materials), both achieving the target. For details, please refer to the chapter of "Energy Management" in the Sustainability Report.	None
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted	☒		The climate change risk management process of Asia Cement Corporation consists of three steps: identification and assessment of existing risk opportunities, definition of significant risk opportunities, financial impact analysis and significant risk opportunities, and response measures and cost estimation. Existing risk opportunities are identified and evaluated annually	None

relevant measures to address them?			by scoring the relevance, impact and period of occurrence of risk opportunity items based on TCFD transformation risks, physical risks and opportunities, and establishing a risk opportunity evaluation matrix. For more details, please refer to the chapter of “Climate Strategy” in the Company's Sustainability Report.	
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	☒		The Company annually collects data on GHG emissions, waste usage, waste volume, and other metrics. The policies, objective, and measures established by the Company, have been disclosed in the sustainability report. The relevant data are verified by SGS Taiwan Ltd. For the management of various sustainability performance, please refer to the chapter “Environmental Sustainability” of the Company's Sustainability Report. In terms of GHG, the Company is an entity regulated by the Ministry of Environment and conducts annual inventories in accordance with the prescribed schedule and regulations. The inventory data are verified by the third-party verification conducted by SGS Taiwan Ltd. Over the past two years, the GHG data have all been verified by third parties. Asia Cement Corporation has promoted Science based target and passed the Science-Based Targets Initiative (SBTi) review in March 2021, completing the carbon reduction targets setting and committing to an 8% reduction in cementation material emissions intensity by 2025, with 2019 as the base year. In 2023, the Company's Scope 1+2 GHG emission intensity was 0.825, achieving the SBTi target.	None
4.Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	☒		In accordance with the OECD principles, we follow the United Nations “Universal Declaration of Human Rights”, the “Global Compact”, the “United Nations Guiding Principles on Business and Human Rights”, the United Nations “International Labor Organization Convention”, and other internationally recognized human rights standards with the contents including workplace gender equality, safe and healthy workplaces, harmonious labor relations, and assistance to employees in maintaining physical and mental health and work-life balance, etc. to establish a human rights policy that is consistent with business ethics, environmental, social issues, human rights, and other public policy commitments. The Human Rights Declaration and Commitment signed by our general manager is publicly disclosed on our Company's external and internal websites. The human rights policy applies to Asia Cement Corporation and its subsidiaries.	None

		Our Company has established management principles through the development of internal management laws and the implementation of internal audits, including compliance with all national labor laws/Labor Standards Act, prohibition of child labor, prohibition of forced/compulsory labor, work and rest hours, non-discrimination and harassment, prohibition of human trafficking, freedom of association, implementation of equal respect for equal pay for equal work, and maternity protection. Specific Management Plan: In 2022, our company organized training programs related to human rights issues, including corporate social responsibility in human rights practices, labor safety, health management, and psychological well-being. A total of 198 sessions were held, with a total attendance of 2,215 participants, and approximately 478 hours of class time. The summary of the implementation of our company's human rights management policy is as follows: 1. In accordance with the provisions of the Labor Standards Act and other relevant laws, the Company attaches great importance to the balance of employees' health, work, family and leisure life; at the same time, we implement the management of working hours, prohibits child labor and prohibits all forms of forced/compulsory labor and discrimination. 2. In order to establish an equal workplace for both genders, our company has implemented a system of unpaid parental leave system for raising children, and also provides family care leave, menstrual leave, maternity leave, paternity leave, and nursery rooms for employees. 3. The Company inculcates the concept of paying attention to health to our employees, and every year we arrange physical examinations and health seminars for our head office and factory employees. We also work with the Hsinchu Lifeline Association to promote the Employee Assistance Program (EAP), which provides professional information services to help employees address the mind, body, and spirit for overall health. For more details, please refer to the special chapter on labor relations in P.93 and the description of our 2021 Sustainability Report on Happy Workplace. <u>Specific management program:</u>	

			In 2023, the Company organized education and training related to human rights issues (including courses on ethical management, prevention of employment discrimination, building diversity and gender equality in the workplace, and human rights advocacy) with a total of 4 topics of education and training, and each topic lasted about 30 minutes. A total of 1,884 people attended the courses.	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	☒		The article 25 of the Company's Articles of Incorporation clearly stipulates that if the Company has a profit in the year, it shall allocate 0.1% to 4% as employee compensation. The salary and compensation policy stipulates that the salary and compensation of employees includes the bonus of the Company's operating performance, and bonus calculations are reviewed and awarded based on the operating results achieved by the Company during the year. The operating performance and results are shared with our employees to motivate all employees to work together for the Company's goals. 1. In setting the salary and compensation system, we will not only consider our employees' education degrees, work experiences, whether they have licenses and professional skills, but also treat all of them as equals regardless of their gender, age, race, socio-economic class, religion, marital and family status, etc. 2. To plan a fair and reasonable salary and compensation system, in addition to the above-mentioned philosophy, our company also participates in annual market salary and compensation surveys to ensure that our employees' salaries and compensation rank among the best in the industry. ※The Company continued to be rated as a constituent stock of the "Taiwan High Pay 100 Index" by Taiwan Stock Exchange Corporation in 2021. 3. Due to the rational participation of the labor unions of Hsinchu and Hualien plants over the years, all those members have jointly realized our company's reasonable salary and compensation policy and we have been awarded the "the high-performance organization signing	None

			collective bargaining agreement in Year 2013" by the Ministry of Labor. Both our employers and employees received the award. 4. The rules of conduct for employees' work performance, training results, and corporate volunteer services are integrated with the annual performance appraisal of employees as set forth in our "Work Rules for staff", and a clear system of rewards and punishments has been established. Please refer to the description of our 2022 Sustainability Report on Happy Workplace. 5. Every year, the Company will consider the profitability of the company's operation and make salary adjustments and promotions accordingly based on the results of individual performance appraisals, with an average salary adjustment of 1% to 3%. The Company has established a welfare system for full-time employees, including the establishment of a "Labor Retirement Reserve Fund Supervisory Committee", which a 6% of the monthly pension fund is allocated to employees' personal accounts at the Labor Insurance Bureau according to the Monthly Contribution Wages Classification of Labor Pension to protect employees' rights and interests. In addition, a monthly appropriate Labor Retirement Reserve Fund (with a rate of 8%) is made to protect the rights and interests of employees who choose the old labor retirement system. The Employee Welfare Committee has been established to provide welfare funds and conduct welfare activities in accordance with the law. Our plants have commonly been set up with basketball courts, tennis courts, badminton courts, billiard courts, and swimming pools for employees' recreation. Other various benefits include subsidies for holiday bonus, International Workers' Day holiday on May 1st, birthday gift certificate, health examination that is offered better than laws and regulations, group comprehensive policy cover paid by the company, scholarships for staff children's education, cash as wedding gifts, company trips, and staff club activities. The system of vocation and leave without pay and so on is handled in accordance with labor-related regulations such as the Labor Standards Act and the Act of Gender Equality in Employment. <u>Gender Equality and Diversity Implementation</u>	

			Our Company is committed to providing employees with a respectful and safe working environment. We prioritize diversity in our hiring practices and ensure fairness in terms of compensation and promotion opportunities. No employee should experience discrimination, harassment, or inequality based on race, gender, religious beliefs, age, political affiliation, or any other protected status under applicable regulations. At our company, we adhere to equal pay for equal work regardless of gender, and we provide equal opportunities for advancement. Women hold 20% of entry-level management positions, 23% of senior management positions, 6% of revenue-generating roles (business units), and 4% of STEM positions. We empower individuals of all genders to work comfortably by promoting a female-friendly workplace. We have implemented measures to prevent and address sexual harassment, including the establishment of a "Sexual Harassment Complaint Handling Committee" and a formal procedure for handling complaints. We have also set up an employee complaint mailbox, and as of the year 2023, we have had no reported incidents of sexual harassment. In addition to posting information on laws and regulations related to gender equality in the workplace on the electronic bulletin board, the Company has posted audiovisual materials promoting workplace gender equality and preventing employment discrimination on the intranet. The total number of participants reached 944. Our commitment to workplace diversity is also reflected in our ethnic diversity indicators. The indigenous population in Taiwan comprises approximately 2.5% of the total population. However, indigenous employees make up 21.5% of our company, demonstrating a significantly higher representation of indigenous individuals compared to the general population. In addition to employing a high percentage of indigenous employees, we actively support and organize cultural celebrations and events for indigenous communities, respecting their cultural customs and highlighting our commitment to a diverse workforce. We have also achieved 100% compliance with regulations regarding the employment of disabled individuals and provide a safe working environment with facilities that accommodate their needs, ensuring that our disabled	

			colleagues can work comfortably and confidently.	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	☒		1. The Company has formulated occupational safety and health management policies, established a sound occupational safety and health management organization, and issues a management plans every year to be implemented. Additionally, we plan and conduct regular or project-based training for employees. Besides minimizing our own risks, we also provide guidance and training to subsidiaries and contractors through outreach education and training programs, aiming to enhance their employees' safety awareness and reduce the incidence of occupational accidents. In 2023, the Company conducted occupational safety training for 4,506 employees, and 5,069 contractors, for a total of 9,575 people. 2. In June 2023, Asia Cement Corporation and its subsidiaries obtained certifications for the Occupational Health and Safety Management System TSOHMS (for Hualien Plant) or CNS45001/ISO45001 (for the Headquarters Hsinchu Plant, and other subsidiaries). These certifications cover the entire industry chain of Asia Cement Corporation and its contractors. 3. During 2023, there was one incident at the Asia Cement Corporation's Hualien Plant where dust dispersion resulted in discomfort to a worker's eyes, requiring temporary disability and immediate medical treatment. One person was injured, resulting in a loss of 2 workdays. This incident occurred at a ratio of 1 incident per 474 employees. After conducting an occupational accident analysis, it was determined that the main cause was that the protective equipment was not tight enough. As a response measure, tight-fitting and air-supplied respirators have been procured for workers to prevent similar incidents from occurring in the future. 4. There was no fire incident in the Company in 2023. Please refer to (VI) Occupational Health and Safety, Chapter of Labor-	None

			Management Relations in the Company's annual report, and chapter "Occupational Health and Safety " of the Company's Sustainability Report	
(4) Has the Company established effective career development training programs for employees?	☒		The Company organizes training courses every year based on the functional needs of different departments and levels, combined with the Company's development strategy, to provide executives and employees with ample opportunities for learning and training. This not only achieves the goal of integrating training and application but also links to employees' career development. In 2022, the training courses were structured around two main themes: digital transformation and ESG sustainable development. Courses were designed to meet the specific skills required by different job categories and levels. The training content included orientation for new employees, core competency training, specialized/functional training, management training, digital transformation and ESG sustainable development series, and accelerated development series for the new generation of talents. These courses aimed to continuously develop the capabilities of our colleagues at Asia Cement to face changes and challenges. We also encourage internal trainers to share their knowledge through teaching, ensuring the company's inheritance more complete and institutionalized. The Company completed 485 training sessions for 7,286 participants and 15,352 hours of training in 2023. The Company has also established the "Asian Cement and Subsidiaries Modern Manager Training Course" for high-potential successors. The courses are taught by professors who are experts in various fields of business management. The training has been highly effective, with over 97% of participants receiving promotions to middle management positions in their respective units. Some of the participants have even risen to become top executives in their units or General Manager of subsidiaries. Please refer to P. 107 of this report for more detailed information regarding our company's employee development and training programs.	None
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and	☒		The Company has always followed government regulations and industry-related norms to ensure customer health, customer privacy, marketing labeling, and service quality. Customer privacy: Asia Cement Corporation attaches great importance to the privacy of its	None

marketing and labeling of products and services, and implement consumer protection and grievance policies?			customers, and is committed to maintaining the confidentiality of information provided by customers during business dealings. In order to ensure customer feel at ease in dealing with Asia Cement Corporation and avoid leakage of business information, we strictly requires all our employees to comply with our company's relevant confidentiality regulations. Article 6 (Duty of Confidentiality) of our company's internal code of ethical conduct requires that all employees of our company shall be obligated to maintain confidentiality of technical or non-technical information about our company, or the information of our company's purchase and sales customers, unless they are authorized or required by law to disclose such information. Information that should be kept confidential includes all undisclosed information that may be used or leaked by others to the detriment of our company or its customers. Documents with confidential information arising from business transactions will be destroyed periodically or immediately, depending on the degree of confidentiality. There were no cases of violation of customer privacy in 2023. Marketing labeling: In 2023, the Company did not violate any product-related laws, nor did it sell any disputed products. Service quality: Our company has established a "Customer Complaint Handling Regulations" to provide consumers with a transparent and effective grievance procedure. Once we receive a complaint from a consumer about quality and service processes, we would assign a dedicated person to handle it, both at home and abroad, so that we can deal with consumer complaints fairly and immediately.	
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their	☒		1. Asia Cement Corporation has established a supplier policy to ensure that suppliers comply with the principles of sustainable development in terms of environmental, social and economic aspects, and requires its suppliers to sign the "Supplier Statement of Commitment for Social Responsibility" in accordance with the contents of the policy. The supplier policy includes issues such as environmental standards, child labor, human rights, working conditions (working hours), compensation, occupational safety and health, business ethics, and	None

implementation?			sustainable procurement. 2. The total number of suppliers that have signed the commitment letter in 2023 is 392. The risk assessment of Asia Cement Corporation 's suppliers is conducted in accordance with the "Criteria and Management Measures for the Selection of Suppliers". The risks are classified into four levels: significant, high, medium and low after scoring according to the relevant supervisors' assessment. For projects with moderate or higher risks, relevant control measures must be formulated, and the rest are listed as observation items. In 2023, a total of 251 tier-one suppliers assessed for risk by the Company was 251, and all suppliers were rated as low risk. 3. Please refer to Sustainability Report - Supply Chain Management for details.	
5.Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	☒		1. In 2023, the Company's sustainability report was prepared in accordance with the GRI 2021 Standards. Additionally, we implemented the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) standards, following the guidelines outlined in the FSC's Corporate Governance 3.0 - Sustainable Development Blueprint. These standards were used for both preparation and disclosure of the sustainability report, specifically adhering to the disclosure guidelines for the building materials industry. The Company also complies with relevant international guidelines and standards, including: Global Cement and Concrete Association (GCCA) Sustainability Charter, ISO 26000 Social Responsibility Guidelines, and the S&P Corporate Sustainability Assessment (CSA) Guidelines. This ensures the provision of reliable public information for our readers. 2. The 2023 Corporate Sustainability Report of the Company was certified by SGS with AA 1000 Standard Type II Moderate level.	None
6.If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: None.				
7.Other important information to facilitate better understanding of the company's promotion of sustainable development: A. Please refer to the chapter on environmental protection expenditure information (1) ISO-14001 environmental management system (2) Air pollution prevention and control (3) Revegetation and beautification (4) Future environmental protection work priorities (5) Fulfillment of social responsibility and labor relations (6) Occupational safety and health in this annual report.				

B. Please refer to our Sustainability Report and website for details. ESG website: <https://esg.acc.com.tw/en/>

3.3.10 Climate Related Information

1. Implementing Status of climate related issues

Item	Status of Implementation
1. Stating the supervision and governance of board directors and management on climate related risks and opportunities.	Asia Cement's Board of Directors established the Sustainability Committee with five directors in which one independent director took the position of the convener. The Company also established the Sustainability Promotion Committee underneath the President and formed an ESG Promotion Team driving all departments to implement ESG issues. ESG Promotion Team reports to Sustainability Promotion Committee on the quarterly basis and Sustainability Promotion Committee reports to Sustainability Committee every six months about ESG related results. Sustainability Promotion Committee is responsible of examining and guiding strategies, important action plans, risk management policies, annual budget and business plans, as well as setting business goals for the organization, monitoring the status of implementation, supervising important capital expenditures and putting climate related issues into consideration. Furthermore, through Board of Directors it checks the progress on reaching Asia Cement's goal of net-zero emission. The Sustainability Promotion Committee is directly managed by the president, it requests all production units and business units to evaluate climate change related risks and opportunities, especially the long-term impact to business operation caused by climate change, the impacts covering factory assets, manufacturing processes, raw material delivery, even laws and regulations and the change of consumers preferences. The Sustainability Promotion Committee is also responsible of reviewing the risk management policy of the Company, examining the management report of significant risk issues. It is also in charge of the overall risk management matters including the integration and coordination of cross-departmental common risk management issues, promoting and communicating important risk management affairs, implementing and tracing all resolutions relating to risk management assigned by Sustainability Committee and drafting risk management report. It reports to Board of Directors and Sustainability Committee every six months.
2. Stating how the business, strategies	

and finance (short, mid and long term) are impacted by the identified climate risks and opportunities		Key Climate Risks	Transition risk: Policies and regulations increase the pricing of GHG emissions	Transition risk: Rising costs of materials and energy usage	Physical risk: Severe natural factors affect operations	
		Corresponding strategies	Implement net zero solutions for circular economy, renewable energy, and energy efficiency improvement.	Implement the energy management system ISO 50001 and improve energy efficiency every year.	Increase the safety stock of raw materials and undertake factory improvements in response to heavy rainfall	
		Impact to finance	Up to 2030, the total carbon fee expenditure is estimated to increase by NTD 5.67 billion	Up to 2030, the total capital expenditures is estimated to increase by NTD 2.3 billion	Up to 2025, the total additional expenditure is estimated to increase by NTD 27 million	
		Key opportunities	Recycling and reuse (raw material substitution)	Use of low-carbon energy (fuel substitution)	Products and services	
		Corresponding strategies	Increase the capacity for raw materials to increase income from disposal fees	Increase the capacity for fuel substitution to increase income from disposal fees and to save costs on coal	Develop and/or add low-carbon products and services	
		Impact to finance	Up to 2035, the estimated benefit from raw material substitution is NTD 2.29 billion	Up to 2035, the estimated benefit from fuel substitution is NTD 6.63 billion	Up to 2035, the estimated benefit from low-carbon products is NTD 9.4 billion	
Please refer to Sustainability Report of the Company for the details.						
3. Stating the impact caused by extreme climate events and transition actions to finance.	Extreme climate events, such as the strong typhoon and heavy rainfall led to the raw materials becoming wet and sticky, causing coal collapse, resulting in reduced subsequent production capacity. The financial impact caused by the closing down of production in the plant was estimated to be NT\$ 27 million. The transition action is the Net Zero Action Plan of Asia Cement, it includes promoting circular economy initiatives (alternative raw materials and fuels), saving material costs, and researching and promoting low-carbon cement. Up to 2035, the financial impact will be NTD 1.24 billion.					
4. Stating how to integrate the process of identifying, evaluating and managing climate risks into the overall risk management system.	Asia Cement's climate change risk management procedure is composed of three steps: Step 1: Identifying and evaluating current risk and opportunities. Step 2: Defining significant risks and opportunities. Step 3: Analyzing financial impact, corresponding measures and cost estimate. Step 1: Each year the Company gives rating to the correlation, impact and cycles of occurrence of TCFD					

	transition risk, physical risk and opportunity items to risks and opportunities items and creates evaluation matrix of risks and opportunities. The periods of risk and opportunity evaluation are from 2024 to 2025 as the short-term period of occurrence, from 2026 to 2030 as the mid-term period of occurrence and from 2031 to 2035 as the long-term period of occurrence. The possibility of occurrence and level of impact of each risk and opportunity issue are analyzed. Step 2: Define major risks and opportunities and analyze their financial impacts. Identify and quantify the impact of major risks in accordance with the "Risk Management Policies and Procedures" of the Company. These standards define the financial risk impact as five levels of "very low, low, medium, high, and very high." "High" and "very high" impact are considered to have a substantial impact on Asia Cement Corporation: EBITDA margin of 4% to 5%; "Very High" impact: EBITDA margin more than 5%. In 2023, Asia Cement Corporation assessed 2 material risks of its transition: Policies and regulations that increased the pricing of GHG emissions, as well as rising costs related with materials and energy usage, physical risks stemming from severe natural factors, such as productivity losses caused by typhoons, damage to facilities, and disruption in supply chain operations. The three substantive opportunities for Asia Cement's assessment are: Resource recycling and reuse efficiency (raw material substitution), use of low-carbon energy sources (fuel substitution), and development or addition of low-carbon products and services. Step 3: Corresponding measures and cost estimate. Focusing on the evaluated substantial risks and opportunities to evaluate the corresponding measures of actions and the associated cost to ensure the effectiveness of expected results.
5. If scenario analysis is used to evaluate the resilience of facing the risks of climate change, then the scenario, parameters, assumptions, analysis factors and the major financial impact used in the analysis	Transition scenario: The first stage: IEA B2DS scenario (transition risk assessment) Asia Cement evaluated the transition risk based on the "Beyond 2°C Scenario (B2DS)" drafted by International Energy Agency (IEA). The result of analyzing IEA B2DS scenario was as follows: Asia Cement participated Science-Based Target Initiative of carbon reduction (SBTi) and created carbon reduction scenario by department in accordance with IEA B2DS scenario. The first stage is by 2025, comparing to 2019, the scopes

must be described.	1+2 GHG emission intensity of cementitious material will be reduced by 8% per ton. The impact of IEA B2DS scenario to the target and strategy: Asia Cement sets the targets of carbon reduction every year based on the IEA B2DS scenario analysis. The reduction boundary is cementitious material production locations (Hsinchu plant and Hualien plant) plus the headquarter, and the low carbon transition strategy of the Company is to reach the target of reduction. The main strategy is to drive circular economy of alternative raw material and fuel, increasing energy efficiency and installing renewable energy. The second stage: IEA NZE 2050 scenario (transition risk assessment) The IEA NZE 2050 scenario assumes that enterprises will achieve net zero emissions by 2050 and control the global temperature rise to less than 1.5°C with a 50% probability of not exceeding the temperature limit. Asia Cement is committed to achieving net-zero emissions. In the second stage, using IEA NZE 2050 scenario, we have set a near-term net-zero emissions target to reduce the intensity of Scope 1 and 2 GHG emissions per ton of cementitious materials by 26.4% by 2030 compared to 2019 levels. Furthermore, our target for 2035 is to reduce net-zero emissions by 45.7%. Physical scenario: Sharing Socioeconomic Pathway SSP5-8.5 (Physical Risk Scenario Assessment) SSP5-8.5 is a hypothetical scenario in which GHG has the most emission. Asia Cement identified a risk matrix as controlling measure by multiplying hazard factor with vulnerability factor based on SSP5-8.5 scenario. The results of risk matrix identification conducted by Asia Cement showed that the major items of risks were slope land disasters and threats by strong wind, and the major items of impact included auxiliary raw material (clay) transporting system, raw material grinding system and rotary kiln system. The impact of SSP5-8.5 scenario to targets and strategies: Asia Cement drafted a disaster emergency response plan and continued to monitor climate related risks based on SSP5-8.5 scenario analysis.
6. If a transition plan is adopted in responding to the management of climate related risks, then the content of the plan, the indicators and goals used for identifying and managing physical and transition risks must be	Climate change is a trend that cannot be halted, it has caused a far-reaching impact to Asia Cement. We committed to realize net-zero emission by 2050 and passed the setting of science-based carbon reduction target based on B2DS scenario. Using 2019 as the base year, we aim to reduce the GHG emission intensity (scope 1 plus scope 2/per ton of cementitious materials) by 8% by 2025. We have achieved the goal of carbon reduction for 4 consecutive years. In the second stage, the Company promotes net-zero emissions by following the IEA NZE 2050 scenario,

explained.	setting a near-term net zero emissions target of reducing Scope 1 and Scope 2 GHG emissions per ton of cementitious materials by 26.4% by 2030 compared to 2019; mid-term and long-term emission reduction target of 45.7% by 2035 and net-zero by 2050. In order to achieve net zero by 2050, the Company has formulated short-, mid- and long-term carbon reduction strategies. In the short-term, we focus on adopting the best available technologies, such as promoting circular economy to reduce clinker emission factors, producing low-carbon cement by reducing the clinker ration in cement, lowering direct emissions, improving energy efficiency to reduce indirect emissions, and continuously investing in the development of innovative carbon reduction technologies. In the mid-term, we will continue to expand the application of new supplementary cementing materials (SCM) to further reduce emissions per unit of cement. In the long-term, once carbon reduction measures are mature and complete, we will fully implement carbon capture and utilization (CCU) technologies Due to Taiwan's location in a low subtropical area, climate change poses physical risks that are exacerbated by more severe weather patterns resulting from global warming. The Company considers the most stringent SSP5-8.5 scenario, which assumes the highest GHG emissions, to analyze potential climate risks and strengthen corresponding measures.
7. If the internal carbon pricing is used as the planning tool, then the basis of pricing must be explained.	The Company sets the internal carbon pricing (shadow price) based on the progress of SBTi carbon reduction targets, and integrates carbon risk into investment, climate risk, management, and long-term strategy assessments. Key evaluation items include drive low-carbon investments and drive energy efficiency initiatives to facilitate achieving SBT carbon reduction goals. Asia Cement has implemented a phased approach to internal carbon pricing, with the price set as NTD 216/per ton of CO₂e for the period from 2021 to 2025.
8. If the goals relating to climate are set, then the covered activities, GHG emission scope, scheduled timeline and the progress to be reached in each year must be explained; if carbon offsets or renewable energy certificates (RECs) is used to reach the related goals, then the source and volume of carbon credit for offsetting or the number of RECs	The baseline year of Asia Cement's commitment to science-based carbon reduction target was 2019, the commitment was that by 2025 the scopes 1+2 emission intensity of cementitious material in the headquarter, Hsinchu plant and Hualien plant will be reduced by 8%, equivalent to the reduction of over 258,000 tons of GHG emission. The actual emission intensity of Scope 1+2 in 2023 will be 0.825. (Third-party verification has been completed on May 30, 2024). The Company has also set a net zero target for the headquarters. The main implementation methods are to coordinate energy management and procurement of renewable energy sources. We aim to offset any remaining emissions through carbon offsetting mechanisms. By 2023, we aim to utilize 20% renewable energy sources, increasing to 40% by 2025. Ultimately, our goal is to achieve zero emissions at our headquarters by 2030.

must be explained.	Procurement of 213 renewable energy certificates in 2023.
9. Status of GHG inventory and verification (filled in 1-1).	On May 30, 2024, the third-party (SGS) verification has been completed.

2. Greenhouse Gas Inventory and Verification Status for the Past Two Years

A. Greenhouse Gas Inventory Information

The most recent two year GHG emissions (tons CO₂e), intensity (tons of CO₂e/ revenue in NTD million), and data coverage scope.				
According to the requirements of the Roadmap for the Sustainable Development of TWSE Listed Companies, the disclosure covers the following scope:				
(1) The parent company shall disclose the inventory information as of 2023.				
(2) Subsidiaries in the consolidated financial statements shall disclose the inventory information from 2025.				
According to the "Roadmap for the Sustainable Development of TWSE Listed Companies" published by the Financial Supervisory Commission in March 2022, the Company is a company with capital of over NTD 10 billion. The GHG inventory and verification for our company's subsidiaries included in the consolidated financial statements must be completed by 2025 and 2027, respectively. The parent company completed the GHG inventory and assurance in 2023. Moving forward, we will continue to monitor the schedule for GHG inventory and verification disclosures in accordance with guidelines and regulations issued by the competent authorities, with quarterly oversight.				
In addition, the GHG inventory data for the most recent two years have been in accordance with the Operational Control Method, and the parent company's GHG emissions have been disclosed as follows:				
	FY 2022		FY 2023	
	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)
Scope 1	2,924,606	272.242	2,634,275	236.465
Scope 2	184,773	17.200	167,540	15.039
Scope 3	97,239	9.05	100,643	9.03
Note 1: Scope 1 refers to direct emissions from sources owned or controlled by the Company. Scope 2 refers to indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the Company. Scope 3 refers to all other indirect emissions that occur in the Company's value chain, not included in Scope 2, and are results of company activities from sources not owned or controlled by the Company.				
Note 2: The data coverage of direct emissions and indirect energy emissions must be prepared in accordance with the schedule specified in Article 10, Item 2 of the guidelines. Other indirect emissions information may be disclosed by the company itself.				
Note 3: GHG inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).				
Note 4: The intensity of GHG emissions can be calculated per unit of product/service or per sales revenue. However, the data calculated based on sales revenue (NTD million) must be specified.				

B. Greenhouse Gas Verification Information

The most recent two year GHG emissions (tons CO ₂ e), intensity (tons of CO ₂ e/ revenue in NTD million), and data coverage scope.				
According to the requirements of the Roadmap for the Sustainable Development of TWSE Listed Companies, the disclosure covers the following scope:				
(1) The parent company shall disclose the verification status as of 2024.				
(2) Subsidiaries in the consolidated financial statements shall disclose the verification status from 2027.				
Verification status on the implementation of GHG inventory in the last two years is described as follows:				
	FY 2022		FY 2023	
	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)	Emissions (tons CO ₂ e)	Intensity (tons CO ₂ e/revenue in NTD million)
Scope 1	2,924,606	272.242	2,634,275	236.465
Scope 2	184,773	17.200	167,540	15.039
Scope 3	97,239	9.05	100,643	9.03
Percentage in the inventory data disclosed in 1-1-1 above	100%		100%	
Verification institutions	SGS Taiwan Limited		SGS Taiwan Limited	
Description of assurance status	Third-party verification has been completed on June 30, 2023.		Third-party verification is expected to be completed by May 30, 2024. The complete verification information will be disclosed in the sustainability report.	
Note 1: In accordance with the schedule set forth in Article 10, Paragraph 2 of these guidelines, if the Company does not obtain complete GHG verification opinions by the publication date of the annual report, it should indicate “The complete verification information will be disclosed in the sustainability report”. If the Company does not prepare a sustainability report, it should indicate “complete verification information will be disclosed on the MOPS”, and include the complete verification information in the annual report of the following year.				
Note 2: The verification institutions shall comply with the relevant regulations for sustainability report verification providers as set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.				

3. Greenhouse Gas Emission Reduction Targets, Strategies and Specific Action Plans

Describe the Greenhouse Gas reduction base year and data, reduction targets, strategies, and specific action plans, as well as status of achieving reduction targets.

1. Greenhouse Gas reduction base year and reduction targets

As a global leading manufacturer of cement and concrete, Asia Cement Corporation is also a member of the Global Cement and Concrete Association (GCCA), a global initiative organization. In 2020, Asia Cement, along with all member companies, committed to the “2050 Climate Vision”, transitioning from net zero practices to achieving complete net zero. Commit to reducing the carbon footprint of operations and production processes, and achieving net zero emissions from cement and concrete by 2050 in line with the global climate goals of the "Paris Agreement". The Company divides the carbon reduction path into two stages:

Stage 1: In 2021, the Company adopts a B2DS scenario to pass scientific carbon reduction target setting, and reduces GHG emission intensity (Scopes 1+2/per ton of cementitious materials) by 8% from 2019 as the base year to 2025. The actual emission intensity of Scopes 1+2 in 2023 was 0.825 (third-party verification is expected to be completed on May 30, 2024), meeting the standard for four consecutive years.

Stage 2: The Company follows the IEA NZE 2050 scenario, setting short-term net-zero emission goals by 2030. Compared to 2019, we aim to reduce GHG emission intensity in scope 1+2 by 26.4%. By 2035, the mid- to long-term goal is a reduction of 45.7% in emissions. The ultimate goal is to achieve net-zero carbon emissions by 2050.

2. GHG reduction strategies and specific action plans

In order to achieve net zero by 2050, the Company has formulated short-, mid- and long-term carbon reduction strategies. In the short-term, we focus on implementing the best available technologies such as promoting circular economy to reduce clinker emission factors, producing low-carbon cement by reducing the clinker ratios in cement, and improving energy efficiency to reduce indirect emissions. We also continue to invest in the development of new carbon reduction technologies. In the mid-term, we will continue to scale up the aforementioned carbon reduction measures and develop new Supplementary Cementing Materials (SCM) for application in low-carbon cement to achieve greater reductions in unit cement emissions. In the long-term, once carbon reduction measures are mature and well-established, we will fully deploy Carbon Capture Utilization (CCU) technologies to complete the final stretch towards achieving net-zero emissions.

3. SBT carbon reduction targets achievement

In 2023, Taiwan Cement Corporation's actual Scopes 1+2 emission intensity was 0.825, which achieved the SBTi target value of 0.830. The Scope 1 emission intensity was 0.776 and the Scope 2 emission intensity was 0.049. Compared to the base year, the carbon reduction amounted to 410,000 tons CO₂e. Asia Cement actively promotes low-carbon cement products such as Portland cement and Portland limestone cement with lower clinker ratio. To ensure that customers do not need to adjust the formula when applying the products, the surface area of the cement produced has increased compared to before. This has led to an increase in electricity consumption for cement grinding, resulting in a slight increase in emissions intensity in scope 2. However, overall, the emission intensity of Scopes 1+2 continues to decrease year by year. For details, please refer to the chapters of "Low-Carbon and Green Leadership," "Climate Strategy," and "Circular Economy" of the Corporate Sustainability Report.

Note 1: Compliance should be based on the schedule specified in Article 10, Paragraph 2 of these guidelines.

Note 2: The base year should be the year that the GHG inventory is completed based on the boundaries of the consolidated financial statements. For example, according to Article 10, Paragraph 2 of these guidelines, companies with a capital of over NTD 10 billion should complete the inventory for 2024 in 2025. Therefore, the base year is 2024. If the Company has completed the inventory of consolidated financial statements ahead of schedule, the earlier year may be used as the base year. Additionally, the data for the base year may be calculated as a single year or as an average of several years.

3.3.11 Implementation Status of Ethical Management

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy? (2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at	V		1. “Codes of Ethical Conduct” and “Principles for Ethical Management” of Asia Cement Corporation have been adopted by Board of Directors on June 27, 2012 and reported to the 2013 shareholders’ meeting. 2. The Company has post “Codes of Ethical Conduct” and “Principles for Ethical Management” on the Company’s intranet for compliance. 3. “Principles for Ethical Management” was amended on March 25, 2020. The company requires the directors and senior management to issue a statement of compliance with the integrity management policy, and require the employees to comply with the integrity management policy in terms of employment according Article 8. The Company establish precautions for directors, managers, employees for preventing high-potential unethical conducts: 1. Set a standard distinguishing improper benefit, 2. Set procedures for political donations, 3. Set procedures for charity donations or sponsorship, 4. Set reporting and handling procedures to avoid	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? (3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?			job-related conflicts of interest, 5. Set an information firewall to prevent sensitive information or undisclosed information and to prevent the use of the non-disclosed information in insider trading, 6. Set working procedures dealing with dishonest actions involved by suppliers, customers, and trading partners and others, 7. Set working procedures dealing with violators of Principles for Ethical Management, 8. Set punishment for violators and reward for whistleblowers. 1. For the purpose of developing a corporate culture of ethical management and preventing unethical conduct, HR Department enacted “Working procedures and Guidelines for Ethical Management”. It clearly expresses all kinds of bad faith conducts, preventions, and punishments for violators. 2. In order to promote the Company's honest operation and sustainable development, the 12th meeting of the 27th Board of Directors of the company approved the formulation of the "Anti-corruption Management Policy", and announced the Bribery Prevention Management Manual and related operating methods from	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			December 9, 2022 , all 15 directors and 525 employees of the company have signed the anti-corruption prevention policy compliance statement. 3. To cooperate with the implementation of the bribery prevention and control policy, the company has formulated the "Measures for Reporting and Investigation of Dishonest Behaviors". 4. On May 11, 2023, the management review report on the ISO37001 anti-corruption management system has been submitted to the 14th meeting of the 27th board of directors. The British Standards Institution (BSI) was appointed as the external auditor for this project, and in 2023 The third-party verification process was completed on March 28, 2023 and the verification certificate has been issued in June 2023. The verification was completed again on January 29, 2024.	
2. Fulfill operations integrity policy (1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	V		All suppliers of the Company signed "Codes of Conduct and Commitment Statement for Suppliers". We will review, rate, and eliminate our suppliers based on past evaluation records and their implementations of CSR affairs.	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		For fully implementation, the Purchasing Department has urged all suppliers to comply with our “Codes of Ethical Conduct” and “Principles for Ethical Management”. The Purchasing Department will include this item into commercial terms. The HR Department is responsible for formulating policy and supervising ethical management for the Company. It will report the implementation status to the Board on a regular basis. In addition to report implementation status of ethical management to the Board, the HR Department will also report to independent directors. On March 25, 2020, the Board of Directors approved the establishment of the "Promoting Ethical Management Working Group" by the Corporate Governance Officer and the HR Department, responsible for policy formulation and implementation, and regularly (at least once a year) report to the Audit Committee and the Board of Directors. The Company's integrity management practices and annual implementation have been reported to the	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		board of directors on November 9, 2022. The Company provides that no manager shall engage in any affairs with conflicts of interest to the Company unless otherwise released restriction by the Board and the shareholders’ Meeting. All members of our Board of Directors are highly disciplined. Once there are conflicts of interests, such member will not participate in discussion and voting of the issue according to relevant regulation and keep it in the meeting minutes. The Company also has standard procedures for employees to report any potential conflicts of interests.	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	V		The Company has a strict accounting system and dedicated accounting department. For ensuring accuracy and transparency, all financial statements are audited or reviewed by Deloitte & Touche in accordance with relevant regulation. In order to implement “Regulations Governing Establishment of Internal Control Systems by Public Companies” and “Principles for Ethical Management”, the Company has set up the Auditing Department which established its internal control system. And	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	V		the Audit Department will regularly review and revise the internal control system. In addition, the Audit Department will develop and implement its annual internal audit plan in accordance with risk assessment. The Company does not use CPA for auditing. 1. To establish corporate culture of ethical management and prevent unethical behaviors, the Company holds internal training sections for employees understanding our commitment to ethical management and policies. 2. Our “Codes of Ethical Conduct”, “Principles for Ethical Management”, and relevant regulations have been posted on the Company's website and internal bulletin board. In addition, all sales representatives have signed and followed the code of conduct of integrity management/anti-corruption/ethical conduct. 3. Handling of integrity management education and training: In 2023, professional instructors conducted two sessions on anti-corruption prevention. Using practical cases and relevant regulations, they explained the responsibilities and procedures for handling violations of bribery prevention. All employees were required to	

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			attend and achieve a 100% pass rate on the test. There were also special training sessions specifically for internal audit personnel. Additionally, videos promoting integrity management and anti-corruption were posted on the internal website, and all employees were required to complete the learning. New employee training included a dedicated section on this topic, and all employees signed an agreement to comply with these practices.	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		1. On November 9, 2022, the company's board of directors approved the "Anti-corruption Management Policy" and formulated the "Measures for Reporting and Investigation of Dishonest Behavior", which stipulates the acceptance unit, reporting channels, handling procedures, punishment and reward systems. 2. In addition, the company encourages employees to report to the internal audit supervisor when they find violations of honest management and unethical behavior. If the violations are found to be true, they will be punished according to company regulations. 3. Please refer to the company website (http://www.acc.com.tw) => corporate governance => operating procedures.	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V		The company's "Anti-Corruption Management Policy" and "Operation Measures for Reporting and Investigation of Dishonest Behaviors" clearly stipulate the investigation standard operating procedures, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms.	
(3) Does the company provide proper whistleblower protection?	V		The company accepts real-name and anonymous reports, and promises to keep the identity of the whistleblower and the content of the whistleblower confidential, so as to protect the whistleblower from being mistreated due to the whistleblowing. All reported matters will be verified by an independent channel to protect the whistleblower.	
4. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	V		Our “Codes of Ethical Conduct”, “Principles for Ethical Management”, and relevant regulations have been posted on the Company's website and internal bulletin board. The Company has designated employees responsible for disclosing relevant information on MOPS and the Company's website (http://www.acc.com.tw).	None

Evaluation Item	Implementation Status ¹			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			The company has reported the promotion of honest business practices and implementation to the board of directors on November 10, 2023. So far, there is no violation of the company's suppliers, management or employees..	
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation. There have been no differences.				
6. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies). a. The Company adds integrity information to the procurement system to ensure supplier compliance, and there are appeal channels available. b. The Company treats its employees and business partners with the highest standards of ethical conducts. Any bribery or unethical conducts made by its employees or suppliers will be punished, such as disposition, rejection of transaction, or legal prosecution. c. On November 9, 2022, the board of directors of the company formulated the "Anti-corruption Management Policy" and formulated the "Measures for Reporting and Investigation of Dishonest Behaviors". d. On May 11, 2023, the management review report of the ISO 37001 Anti-Corruption Management System has been reported to the 14th meeting of the 27th Board of Directors.				

Note 1: The status of ethical management practices and annual implementation

Item	Description of the execution situation
Training	Manager at all levels, through various internal meetings, publicize the company's business philosophy of integrity and emphasize the importance of ethics, and strictly prohibit personal fraud.
Formulate Regulations	1. In order to establish the company's culture of ethics management, the Company's Principles for Ethical Management and its bylaws are formulated with reference to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" published by the Taiwan Stock Exchange. 2. There are "Work Rules" and "Rewards and Punishments Rules" to regulate employee behavior, and personnel who violate relevant regulations will be treated according to the circumstances. 3. In order to guide the behavior of employees to comply with ethical standards and laws and to prevent illegality and disorder, "Codes of Ethical Conduct" provides that to accept bribes, banquets, and entertainment or engage in fraudulent behaviors are strictly forbid. 4. "Measures for Reporting Illegal and Unethical or Dishonest Behavior" establish a formal complaint channel and encourage reporting of any illegal or violation of Codes of Ethical Conduct or the Principles for Ethical Management. 5. To align with international standards and implement ESG practices, the Company established the highest ethical standards. In November 2022, the Board of Directors officially approved the Anti-Bribery Management Policy. In July 2023, the company obtained ISO 37001 certification for the Anti-Corruption Management System.
Follow the principle of conflicts of interests	The Company's "Meeting Rules of the Board of Directors" stipulates that the directors must report any conflict of interests and may not participate in the discussion and voting. The "Code of Ethical Conduct" also clearly stipulates that all employees should prevent conflicts of interest. Those who have relevant situations should report to the company.
Supplier Management	All suppliers of the Company are required to sign the "Supplier Social Responsibility Commitment". In terms of ethics management, in addition to requiring suppliers to abide by the highest ethics standards in all business interactions. Any form of bribery, corruption, extortion, theft, abuse of power and improper advantage is prohibited, including money, gifts, commissions, positions, services, preferential treatment, kickbacks, etc. It is also necessary to avoid conflicts of interest. If suppliers find any potential conflicts of interest, they must immediately notify the Company and take appropriate measures to prevent possible misconduct.
Reports of Illegal and Ethics	In order to implement the Company's ethical codes, the company has formulated the "Procedures for Reporting and Investigation of Dishonest Behaviors". The contact for accepting reports is as follows:

Violations	https://www.acc.com.tw/en/contact-us
2023 Training	In 2023, the Human Resources Department made video training materials available on the company's internal electronic bulletin board for all employees to access online. The courses are as follows: 1. Integrity Management and Anti-Corruption Education Training: * Implementation: From May 23, 2023, this video course was made available on the electronic bulletin board for all employees to learn. * Instructor: Lectured by a lawyer from Lee and Li Attorneys-at-Law. * Content: The course introduces regulations and practical cases to help employees understand the legal responsibilities involved in integrity management and what actions to take in case of violations. * Details: Course topics, duration, and number of participants are listed in the table below. 2. Anti-Bribery Advocacy Training: * Implementation: On September 26 and December 5, 2023, professional instructors conducted anti-bribery advocacy courses. * Content: Practical cases and relevant regulations were used to explain the responsibilities and procedures for handling violations of bribery prevention. * Requirements: All employees were required to attend and pass the test with a 100% success rate. On September 26, a special session was also held for internal audit personnel. * Details: Course topics, duration, and number of participants are listed in the table below. 3. Prevention of Employment Discrimination: * Implementation: From May 30, 2023, a course video was made available on the company's electronic bulletin board for unlimited learning by all employees. * Content: The video was produced by the Ministry of Labor and covers the basics of employment discrimination, relevant regulations both domestically and internationally, and cases related to the Employment Service Act. 4. Creating Workplace Gender Diversity: * Implementation: From May 31, 2023, a course video was made available on the company's electronic bulletin board for unlimited learning by all employees. * Content: The video, produced by the Ministry of Labor, addresses the challenges faced by gender minorities, the relevant

	provisions of the Gender Equality Act, and the latest international trends. 5. Business, Human Rights, and Sustainable Development: * Implementation: On June 8, 2023, a professional scholar was invited to deliver a two-hour lecture to all employees. * Content: The course covered international trends in human rights, the national action plan for business and human rights, and the domestic application of human rights conventions.		
	Topic	Hours	Number of people
	1. Integrity Management and Anti-Corruption Education Training	1	472
	2. First Anti-Bribery Education and Advocacy Training for All Employees	1	472
	3. Second Anti-Bribery Education and Advocacy Training for All Employees	1	472
	4. Anti-Bribery Training for Internal Audit Personnel	1	21
Human Rights Policy	The company follows internationally recognized human rights standards such as the "United Nations Universal Declaration of Human Rights", "United Nations Global Covenant", "United Nations Guiding Principles on Business and Human Rights", "United Nations International Labor Organization Core Conventions", and enacts our Human Rights Policy with the following key points. 1.Create a diverse and inclusive workplace, respect workplace equality, 2.Provide a safe and healthy work environment, 3.Respect employees' freedom of association, implement labor-management consultation, 4.Assist employees in maintaining physical and mental health and work-life balance. The above Human Rights Policy has been published on the Company's website.		

*So far this year, none of the company's suppliers, management or employees have violated the ethics of business operations.

- ◎ Access to Corporate Governance Best-Practice Principles and relevant regulations: Please visit the Company's website at <http://www.acc.com.tw>.
- ◎ Any other important information to facilitate better understanding of the Company's corporate governance practices: None.
- ◎ During the most recent fiscal year and the current fiscal year up to the date of printing of this annual report, any punishment occurred for the Company and its employees violating laws, and any punishment, fault and improvement occurred for the Company's employees against the regulations of Internal Audit System: None.
- ◎ To appoint certified accountants to audit internal audit system: None.

3.3.12 The Training for Directors

Name	Date	Organizer	Course Title and Lecturer	Hours
<u>Directors</u> Douglas Tong Hsu C.V.Chen Kun Yen Lee Peter Hsu C.K.Chang Kun Yen Lee Kun Yen Lee Doris Wu <u>Independent Directors</u> Gordon S.Chen Chang,Chia-I	07/11	Taiwan Academy of Banking and Finance	Corporate Governance Forum:-Now& Future of Industrial AI - Chat GPT Impact and Enterprise Response	3
<u>Directors</u> Douglas Tong Hsu Johnny Shih C.V.Chen Kun Yen LeePeter Hsu C.K.Chang Champion Lee Kwan-Tao Li Doris Wu <u>Independent Directors</u> Gordon S.Chen Chang,Chia-I	12/15	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Challenges and opportunities in the global net-zero transition	3
<u>Directors</u> Johnny Shih	08/02	Corporate Governance Association	Trends and risk management of digital technology and artificial intelligence	1.5
<u>Directors</u> Ruey Long Chen	03/14	Corporate Governance Association	Investment Trends in Digital Biomedicine	1.5
<u>Directors</u> Ruey Long Chen	05/12	Corporate Governance Association	Integrity management and insider trading prevention	1.5
<u>Directors</u> Ruey Long Chen	8/11	Corporate Governance Association	Looking at the trend of risk management from the perspective of ESG	1.5
<u>Directors</u> Ruey Long Chen	11/10	Corporate Governance Association	Reflecting on the AI-driven world from the perspective of the technology industry information security standard (SEMI E187)	3
<u>Doris Wu</u>	06/26	Taiwan Academy of Banking and Finance	Corporate Governance Forum : Sustainable Transformation-Environmental Sustainability Classification	2
<u>Doris Wu</u>	05/03	Taiwan Academy of Banking and Finance	Corporate Governance Forum: Sustainability Assessment-CDP-ClimateChange	2
<u>Doris Wu</u>	10/04	The Chinese National Association of Industry and Commerce	Company Directors and Supervisors Study - How companies respond to international anti-tax avoidance measures	3
<u>Independent Directors</u> Chi Schive	08/9	Taiwan Insurance Institute	How the board of directors implements protection for elderly consumers	3
<u>Independent Directors</u> Chi Schive	08/22	Taiwan Academy of Banking and Finance	Corporate Governance Forum-International Trends in Money Laundering Prevention and the Application of Financial Technology	2
<u>Independent Directors</u> Chi Schive	09/21	Corporate Governance Association	Current status of global carbon rights development and carbon trading	3
<u>Independent Directors</u>	11/15	Securities&Futures Institute	112 Annual Insider Equity Transaction	3

Name	Date	Organizer	Course Title and Lecturer	Hours
Gordon S.Chen			Legal Compliance Promotion and Briefing Session	
<u>Independent Directors</u> Yun-Pen Chu	09/23	Securities&Futures Institute	Global Prosperity Outlook and Industrial Trends in 2024	3
<u>Independent Directors</u> Yun-Pen Chu	10/03	Securities & Futures Institute	How directors and supervisors should supervise corporate risk management and crisis management	3
<u>Independent Directors</u> Chang Chang-Pang	03/14	Corporate Governance Association	Investment Trends in Digital Biomedicine	1.5
<u>Independent Directors</u> Chang Chang-Pang	0512	Corporate Governance Association	Integrity management and insider trading prevention	1.5
<u>Independent Directors</u> Chang Chang-Pang	08/11	Corporate Governance Association	Looking at the trend of risk management from the perspective of ESG	1.5
<u>Independent Directors</u> Chang Chang-Pang	11/01	Corporate Governance Association	Reflecting on the AI-driven world from the perspective of the technology industry information security standard (SEMI E187)	1.5
<u>Independent Directors</u> Chang, Chia-I	09/01	Corporate Governance Association	Integrity management and insider trading prevention	1.5
<u>Independent Directors</u> Chang, Chia-I	10/17	Corporate Governance Association	How can independent directors combine business judgment and fulfill their duty of loyalty?	3

3.1.13 The Training for Managers

Title	Name	Date	Organizer	Course Title and Lecturer	Hours
Deputy Chief Auditor	Karen Yang	2024 03/24	Taiwan Development& Research Academia of Economic & Technology	Analysis of Compliance and Anti-Fraud Practices by Internal Auditors in the Context of 'Information Security' and Practical operation of internal control and internal audit	6
		2024/04 /23	IT Audit Framework	Who stole the profits - learn procurement fraud techniques and fraud prevention	6
Assistant Vice President	Nancy Kao	05/18~ 05/19	Accounting Research and Development Foundation	Accounting Manger Continuing Training Course	12
President Executive Vice President General Plant Manager Vice President Deputy Chief Auditor Special Assistant Assistant Vice President Assistant Vice President Manager Manager Manager Manager Manager	Kun Yen Lee Doris Wu Z.P.Chang T.L.Yu W.H.Yeh T.M.Chen Nancy Kao C.Y .Wang Chenho Chung Gary Lee Yuchi Tsai Qingyuan Su Tracy Kao	05/24 07/20 08/24	Asia Cement	Economic thoughts in turbulent times From Ivory Tower to Wall Street - The connection between ESG and financial performance Communication strategies for ESG stakeholders	9
President Executive	Kun Yen Lee Doris Wu	07/11	Taiwan Academy of Banking and Finance	Corporate Governance Forum:-Now& Future of Industrial AI - Chat GPT Impact and	3

Title	Name	Date	Organizer	Course Title and Lecturer	Hours
Vice President Vice President Special Assistant Assistant Vice President Manager Manager Manager	T.L.Yu T.M.Chen C.Y .Wang Chenho Chung Gary Lee Yuchi Tsai			Enterprise Responsen	
President Executive Vice President Vice President Special Assistant Assistant Vice President Deputy Chief Auditor Manager Manager Manager	Kun Yen Lee Doris Wu T.L.Yu T.M.Chen C.Y .Wang Karen Yang Chenho Chung Gary Lee Yuchi Tsai	12/15	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Challenges and opportunities in the global net-zero transition	3
Assistant Vice President (Corporate Governance Officer)	C.Y .Wang	05/12	Corporate Governance Association	Discussing global and Taiwan tax system reform and corporate tax governance from the perspective of ESG trends and epidemic environment	3
		05/199	Corporate Governance Association	Business secret protection and non-competition	3
		06/02	Corporate Governance Association	Commercial Litigation and Dispute Resolution Practice Discussion	3
		07/11	Taiwan Academy of Banking and Finance	Corporate Governance Forum: -Now& Future of Industrial AI - Chat GPT Impact and Enterprise Response	3
		08/15	Corporate Governance Association	Corporate Governance Association	3
		12/15	Taiwan Academy of Banking and Finance	Corporate Governance Forum - Challenges and opportunities in the global net-zero transition	3

C.Y .Wang, Corporate Governance Officer has completed 12 hours training as required.

3.3.14 The Execution Status of Internal Control System

Asia Cement Corporation Statement of Internal Control System

Date: March 5, 2024

Asia Cement Corporation(ACC) has conducted a self-inspection of internal control system during 2023. The results are as follows:

ACC acknowledges that the implementation and maintenance of internal control system is the responsibility of Board of Directors and managerial level, and ACC has established such system. It is aimed to reasonably ensure that the goals such as effective and efficient operations (including profitability, performance, and safeguard of assets), the reliability, timeliness, transparency, and regulatory compliance of reporting , and the compliance with applicable laws and regulations are achieved.

The internal control system has its inherent limitations; whatever a perfect design is, an internal control system can provide only reasonable assurance that the above-mentioned goals will be achieved; besides, owing to the change of environment and circumstances, the effectiveness of internal control system will be changed accordingly. However, the internal control system of ACC is equipped with self-monitoring mechanisms and ACC will take corrective action once defect is identified.

According to the criteria for the internal control system as specified in “Guidelines for Implementation of Establishing Internal Control System by Public Listed Companies”(hereinafter referred to as “Guidelines,”) ACC evaluates the effectiveness of its internal control system. The said Guidelines divide internal control system into five components: (1) Control Environment, (2) Risk Assessment, (3) Control Operations, (4) Information and Communication, and (5) Monitoring. Each component includes certain items. For the foregoing items, please refer to “Guidelines”.

ACC has adopted the aforesaid criteria for internal control system to evaluate the effectiveness of design and implementation of internal control system.

Based on the findings of the evaluation mentioned in the preceding paragraph, ACC believes that as at December 31, 2023 its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, the reliability, timeliness, transparency, and regulatory compliance of reporting , and the compliance with applicable laws and regulations, was effectively designed and operating, and reasonably assured the achievement of the above-stated objectives.

This statement comprises the entire annual report and public brochure, and will be publicly disclosed. If the aforesaid statement has any unlawful attempt such as pretence and concealment, ACC will assume the legal responsibilities according to Article 20, 32, 171 and 174 of Securities and Exchange Law.

This statement has been approved by ACC Board of Directors at the meeting of March 5, 2024 with 15 directors in presence and none disagreement with the content of this statement.

Asia Cement Corporation

Chairman: Douglas Tong Hsu

President: K.Y. Lee

3.3.15 Major Resolutions of Shareholders' Meeting and Board Meetings

1. Major resolution of Regular Shareholders' Meeting

Date	Major resolutions and Implementation Status
2023/06/27	- Acceptance of 2022 financial statements and consolidated financial statements Implementation: 2022 business report and financial statements have been approved. - Acceptance of the proposal for distribution of 2022 profits. Implementation: The record date for distribution of 2022 profits was Jul. 26, 2023. Cash dividends have been distributed on Aug. 17, 2023. - Election of 28th Directors and Independent Directors. Implementation: The election result has been approved by the MOEA. - To release the prohibition on directors from participation in competitive business. Implementation: The case has been approved by the Shareholders' Meeting.

2. Major Resolutions of the Board of Directors

Totally 7 meetings of the Board of Directors were held in the period from Jan. 1, 2023 to May 9, 2024. Directors have no opposition to major resolutions in this period.

Regarding the items listed in Article 14(3) of the Securities Exchange Act, all attended independent directors approved without disagreement.

Date	Major resolutions
2023/03/07	- Acceptance of the 2022 employees' compensation and Directors' remuneration. - Acceptance of 2022 financial statements and consolidated financial statements. - Acceptance of the proposal for distribution of 2022 profits. - Proposal to elect 28th Board of Directors. - To convene 2023 regular shareholders' meeting. - Acceptance to issue 2022 Statement of Internal Control System. - Amending the company's "internal control system" and its rules. - Acceptance of 2023 business budget. - Acceptance of 2023 CPA service of Deloitte & Touche. - In order to repay loans, enrich medium and long-term working capital or strengthen financial structure, the company plans to issue unsecured ordinary corporate bonds in one or more batches, with a total amount not exceeding NT\$15 billion. - The Company's acquisition of securities.
2023/05/11	- Acceptance of 2022 Business Report. - Review the candidates for directors and independent directors. - Proposal to lift the restrictions on directors' non-compete liability in accordance with Article 209 of the Company Law. - Revise the agenda of the company's 2023 annual shareholders' regular meeting. - Acceptance of 2023 Q1 consolidated financial statements. - No profits distribution for 2023 Q1. - To set the base date for the capital increase and issuance of new shares for overseas unsecured conversion bonds.
2023/06/27	Election of Director Douglas Tong Hsu as the Chairman of the 28th Board of Directors of the Company.
2023/08/11	- Consolidated financial report for Q2 2023. - No profits distribution for Q2 2023. - Amendment of the Company's "internal control system" and its rules. - Election of members for the "Remuneration Committee".

	- Election of members for the "Sustainability Committee". - Amendment of the "Nomination Committee Organization Regulations" and election of members for the "Nomination Committee". - Amendment of the "Audit Committee Organization Regulations". - Amendment of the "Board Meeting Rules". - Amendment of the "Corporate Governance Guidelines".
2023/11/10	- Consolidated financial report for Q3 2023. - No profits distribution for Q3 2023. - To accept 2024 audit plan. - To purchase liability insurance for directors, and supervisors, and important employees of the Company and its affiliates in the consolidated financial statements. - Changes for senior executives. - Enactment of the "Operational Standards for Financial Transactions Among Related Parties".
2024/03/05	- Acceptance of the 2023 employees' compensation and Directors' remuneration. - Acceptance of 2023 financial statements and consolidated financial statements. - Acceptance of the proposal for distribution of 2023 profits. - To convene 2024 regular shareholders' meeting. - To issue 2023 Statement of Internal Control System. - Acceptance of 2024 business budget. - Acceptance of 2024 CPA service of Deloitte & Touche. - In order to repay loans, enrich medium and long-term working capital or strengthen financial structure, the company plans to issue unsecured ordinary corporate bonds in one or more batches, with a total amount not exceeding NT\$20 billion. - Amendments to the "Board Meeting Rules". - Amendments to the "Audit Committee Organization Regulations". - Revision of the "Seal Management Regulations". - In order to expand the development of the power industry, it is proposed to invest in establishing Asia U Power Corp. which will set up a large-scale battery energy storage system and provide Taiwan Power Company with E-dReg services.
2024/05/09	- Acceptance of 2023 Business Report. - Acceptance of 2024 Q1 consolidated financial statements. - No profits distribution for 2024 Q1. - Changes for senior executives. - Due to the earthquake on April 3, 2024, some buildings and equipment at our Hualien manufacturing plant were damaged. It is proposed to increase the capital expenditure budget for the fiscal year 2024 by an additional NT\$130.7 million. Additionally, due to underestimated budgets for certain projects, it is proposed to add an additional NT\$96.02 million.

3.3.16 Resignation or dismissal of the chairman, president, accounting manager, finance manager, auditing manager, and R&D manager of the Company

The Vice General Auditor Wen-Hua Yeh, the head of internal auditing, retired on November 25, 2023, and was succeeded by Vice General Auditor Karen Yang. There were no other changes in management.

3.4 Information of CPA Service Fee

1. Information of CPA service fee

Unit: NT\$1,000

Accounting Firm	Name of CPA	Audit period	Audit Fee	Non-audit Fee	Total	Remarks
Deloitte & Touche	H.W. Tai	01/01/2023-12/31/2023	6,980	3,678	10,658	Other non-audit fees include establish anti-bribery management system, tax compliance audit, investment project submit, application of tax rulings etc.
	P. D. Chen					

- If the audit fee in the year CPA firm changes is lower than that in the prior year, specify the amount of audit fee before and after and the reason: None.
- If the audit fee dropped year on year by more than 10%, specifies the amount, percentage, reason of the reduction: None.
- Change of CPA in recent two fiscal years and subsequent periods:

(1). Regarding the former CPA

Date of change	March 5 2024		
Cause and explanation	Due to the internal adjustments within Deloitte & Touche, the original CPA, P. D. Chen was changed to CPA, J.C. Chih		
Specify whether appointer or CPA terminates or rejects the appointment	Concerned party		
	Circumstance	CPA	Appointer
	Terminate the appointment voluntarily	V	-
	Reject (refuse to accept) the appointment	-	-
The comments and causes for issue of the audit report other than unqualified opinions within the latest two years	No		
Disagreement with the publisher	Yes	-	Accounting principles or practices
		-	Disclosure of financial statement
		-	Audit scope or procedure
		-	Others
	No	V	
	Please specify it: -		

Other information to be disclosed (to be disclosed according to Article 10.6.1.4 to 10.6.1.7 of the Principles)	No

(2) Regarding the succeeding CPA:

Name of office	Deloitte & Touche
Name of CPA	CPA J.C. Chih
Date of appointment	Approved by Board meeting on March 5 2024
Consultation results and opinions that CPA might issue prior the engagement on accounting treatments or principles with respect to certain transactions and financial reports	No
Succeeding CPA's written opinion of disagreement toward the former CPA	No

(3). The former CPA's response to the issues referred to Article 10.6.1 and Article 10.6.2.3 of the Regulations Governing Information to be Published in Annual Reports of Public Companies:
No

5. The ACC Chairman, President, and managers who are responsible for finance and accounting do not have any position at CPA Firm or its affiliated companies in the most recent fiscal year.

3.5 Relevant licenses and certificates obtained about transparent financial information

Department	Name	Title	Licenses and Certificates
Finance	Doris Wu	Executive Vice President	CPA, Taiwan and United States
Auditing	Yu Ling Yang	Assistant Vice President	CPA, Taiwan and China
Finance	Ya Ping Li	Assistant Vice President	CPA, Taiwan
Finance	Wei Zhong Chen	Manager	Chartered Financial Analyst
Finance	Yu De Liao	Deputy Manager	Certified Internal Auditor Certified Information Systems Auditor
Auditing	Chi Wen Lu	Assistant Specialist	Certified Internal Auditor Certification in Risk Management Assurance
Accounting	Bi Chen Weng	Assistant Section Chief	CPA, Taiwan
Accounting	Ying Bei Lin	Assistant Administrator	CPA, Taiwan

3.6 Changes in Shareholdings and pledge of Directors, Managers, and Shareholders with more than 10% Shareholding

1. Changes in Shareholdings:

Title	Name	Shareholding on Dec. 31, 2023		Shareholding on Apr. 27, 2024	
		Changes of Shares	Changes of Shares Pledged	Changes of Shares	Changes of Shares Pledged
Chairman	Douglas Tong Hsu	—	—	—	—
Director	Far Eastern New Century Corporation ¹	—	—	—	—
	T.H. Chang	—	—	—	—
	Johnny Shih	—	—	—	—
	C.V. Chen	—	—	—	—
Director	Bai-Yang Investment Holdings Corporation	—	—	—	—
	Doris Wu	—	—	—	—
Director	U-Ding Corporation	—	—	—	—
	K.Y. Lee	—	—	—	—
Director	Far Eastern Y.Z. Hsu Science And Technology Memorial Foundation	2,418,380	—	—	—
	Peter Hsu	—	—	—	—
	C.K. Chang	—	—	—	—
Director	Ta Chu Chemical Fiber Co.,Ltd	—	—	—	—
	Ruey Long Chen	—	—	—	—
Director	Far Eastern Medical Foundation	1,209,190	—	—	—
	Champion Lee	—	—	—	—
Director	U-Ming Corporation	—	—	—	—
	K.T. Li	—	—	—	—
Independent Director	Chi Schive	—	—	—	—
Independent Director	Gordon S. Chen	—	—	—	—
Independent Director	Yun-Pen Chu	—	—	—	—
Independent Director	Chang-Pang Chang	—	—	—	—
Independent Director	Flora Chia-I Chang	—	—	—	—
President	K.Y. Lee	—	—	—	—
Executive Vice President	Doris Wu	—	—	—	—

¹ The majority shareholder with holding more than 10% share of the Company.

Title	Name	Shareholding on Dec. 31, 2023		Shareholding on Apr. 27, 2024	
		Changes of Shares	Changes of Shares Pledged	Changes of Shares	Changes of Shares Pledged
Vice President	Z.P. Chang	—	—	—	—
Vice President	T.L. Yu	—	—	—	—
Special Assistant	T.M. Chen	—	—	—	—
Accounting Manager	H.Y. Kao	—	—	—	—
Assistant Vice President	C.Y. Wang	—	—	—	—
Assistant Vice President	Dana Lee	—	—	—	—
Assistant Vice President	Karen Yang	—	—	—	—
Assistant Vice President	Y.P. Lee	—	—	—	—
Manager	Z.H. Zhong	—	—	—	—
Manager	Gary Lee	—	—	—	—
Plant Manager	M.H. Jiang	—	—	—	—

2. Shareholders transfer information: Since the relative transfer of shareholders is non-related person, so there is no information on this information.
3. Shareholders pledge information: no shareholders pledged.

3.7 Information Disclosing the Relationship between any of the Company's Top 10 Shareholders

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Far Eastern New Century Corporation Representative: Douglas Tong Hsu	750,511,324	21.16%	0	0%	0	0%	Far Eastern Medical Foundation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Chairman is the Director of the Foundation
Far Eastern Medical Foundation Representative: Douglas Tong Hsu	182,775,987	5.15%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Chairman is the Director of the Foundation
Yuanta/P-shares Taiwan	161,765,770	4.56%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Dividend Plus ETF			0	0%	0	0%	Far Eastern Medical Foundation	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Non-related party
KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.) Representative: To Be Appointed	89,499,000	2.52%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
Labor Pension Fund Committee of Far Eastern New Century Corporation	59,303,049	1.67%	0	0%	0	0%	Far Eastern Memorial Foundation	Non-related party
			0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
Yuan Ding Investment Company Representative: Douglas Tong Hsu	54,301,518	1.53%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Far Eastern Medical Foundation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Chairman is the Director of the Foundation
Far Eastern Department Stores Co., Ltd. Representative: Douglas Tong Hsu	50,000,492	1.41%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Far Eastern Medical Foundation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	Yuan-Ze University	The Same Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Chairman is the Director of the Foundation
Yuan-Ze University Representative: Douglas Tong Hsu	48,708,757	1.37%	0	0%	0	0%	Far Eastern New Century Corporation	The Same Chairman
			0	0%	0	0%	Far Eastern Medical Foundation	The Same Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	The Same Chairman
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	The Same Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Chairman is the Director of the Foundation
Chunghwa Post Co., Ltd. Representative: Wu, Hong-Mo	47,870,152	1.35%	0	0%	0	0%	Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Far Eastern Medical Foundation	Non-related party
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Non-related party
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Non-related party
			0	0%	0	0%	Yuan-Ze University	Non-related party
			0	0%	0	0%	Far Eastern Memorial Foundation	Non-related party
Far Eastern Memorial Foundation Representative: Kwan-Tao Li	44,115,478	1.24%	0	0%	0	0%	Far Eastern New Century Corporation	Director of the Foundation is the Chairman
			0	0%	0	0%	Far Eastern Medical Foundation	Director of the Foundation is the Chairman
			0	0%	0	0%	Yuanta/P-shares Taiwan Dividend Plus ETF	Non-related party
			0	0%	0	0%	KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)	Non-related party

Name	Current Shareholding		Spouse & Minor Children's Shareholding		Shareholding In Name of Others		The name and relation of top10 shareholders who mutually have relations that meet the definition of the "affiliate", or mutually are spouses or within two degrees of kinship	
	Shares	%	Shares	%	Shares	%	Name	Relation
			0	0%	0	0%	Labor Pension Fund Committee of Far Eastern New Century Corporation	Non-related party
			0	0%	0	0%	Yuan Ding Investment Company	Director of the Foundation is the Chairman
			0	0%	0	0%	Far Eastern Department Stores Co., Ltd.	Director of the Foundation is the Chairman
			0	0%	0	0%	Yuan-Ze University	Director of the Foundation is the Chairman
			0	0%	0	0%	Chunghwa Post Co., Ltd.	Non-related party



3.8 Shareholding Proportion of ACC to Investees

Unit: share, %
Dec. 31, 2023

Investees	Investments by ACC		Investments by Directors, Supervisors, Managers and Directly or Indirectly Controlled Businesses		Total Investments	
	Shares	%	Shares	%	Shares	%
Asia Investment Corp.	499,426,678	100.00%	-	0.00%	499,426,678	100.00%
Sunrise Industrial Holdings Ltd.	90,000	100.00%	-	0.00%	90,000	100.00%
Yuan Long Stainless Steel Corp.	200,000,000	100.00%	-	0.00%	200,000,000	100.00%
Asia Cement (Singapore) Pte. Ltd.	10,500,000	100.00%	-	0.00%	10,500,000	100.00%
Nan Hwa Cement Corp.	26,139,000	99.98%	5,000	0.02%	26,144,000	100.00%
Asia Engineering Enterprise Corp.	8,108,397	99.93%	6,000	0.07%	8,114,397	100.00%
Der Ching Investment Corp.	775,225,091	99.99%	7,029	0.00%	775,232,120	99.99%
Ya Tung Ready-Mixed Concrete Corp.	199,992,732	99.99%	7,268	0.00%	200,000,000	99.99%
Fu Ming Transportation Co., Ltd.	58,520,371	99.95%	9,900	0.02%	58,530,271	99.97%
Chiahui Power Corp.	568,307,076	99.70%	543,464	0.10%	568,850,540	99.80%
FEDS Development Ltd.	53,250,000	25.00%	149,100,000	70.00%	202,350,000	95.00%
Yuan Ding Co., Ltd.	178,707,648	35.50%	259,922,109	51.63%	438,629,757	87.13%
Everstrong Iron & Steel Foundry Ltd.	16,271,969	83.97%	-	0.00%	16,271,969	83.97%
Asia Cement (China) Holdings Corp.	1,061,209,202	67.73%	71,115,298	4.54%	1,132,324,500	72.27%
Ya Li Transportation Corp.	5,160,817	51.61%	-	0.00%	5,160,817	51.61%
Everstrong Iron & Steel Foundry Ltd.	3,199,823	40.40%	660,000	8.33%	3,859,823	48.73%
Yuan Ding Leasing Corp.	34,640,189	43.60%	-	0.00%	34,640,189	43.60%
U-Ming Marine Transport Corp.	331,701,152	39.25%	19,837,205	2.35%	351,538,357	41.60%
Oriental Securities Corp.	79,929,133	18.93%	85,549,733	20.26%	165,478,866	39.19%
Far Eastern New Century Corp.	1,272,277,085	23.77%	542,440,676	10.13%	1,814,717,761	33.90%
Yue Yuan Investment Corp.	155,000,830	29.92%	515,000	0.10%	155,515,830	30.02%
China Shanshui Cement Group Ltd.	331,878,315	7.62%	428,393,000	9.84%	760,271,315	17.46%

IV Capital Formation

4.1 Capital and Shares

4.1.1 Capital Increase in the Recent Five Years

Book closure date: Apr. 27, 2024

Date	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Others
Dec.2013	NT\$10	3,600,000,000	36,000,000,000	3,295,536,469	32,955,364,690	Dividend	None	Note1
Dec.2014	NT\$10	3,600,000,000	36,000,000,000	3,361,447,198	33,614,471,980	Dividend	None	Note1
Apr.2021	NT\$10	4,000,000,000	40,000,000,000	3,367,379,460	33,673,794,600	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Jul.2021	NT\$10	4,000,000,000	40,000,000,000	3,446,057,251	34,460,572,510	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Aug.2021	NT\$10	4,000,000,000	40,000,000,000	3,523,384,400	35,233,844,000	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Sep.2021	NT\$10	4,000,000,000	40,000,000,000	3,544,174,122	35,441,741,220	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Oct.2021	NT\$10	4,000,000,000	40,000,000,000	3,545,572,071	35,455,720,710	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Apr.2022	NT\$10	4,000,000,000	40,000,000,000	3,545,927,557	35,459,275,570	Exchange of Overseas Unsecured Convertible Bonds	None	Note2
Apr.2023	NT\$10	4,000,000,000	40,000,000,000	3,546,562,881	35,465,628,810	Exchange of Overseas Unsecured Convertible Bonds	None	Note2

Note1: Ruling Ref. No. and effective date for capitalization of share dividends were No. 10201196030 dated 2013/9/23, and No. 10301193070 dated 2014/9/17, respectively.

Note2: The overseas unsecured convertible bonds was approved by the Financial Supervisory Commission with Ruling Ref. No. 1070312574 dated 2018/5/2.

4.1.2 Capital

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	3,546,562,881 Available for trading on the TWSE	453,437,119	4,000,000,000	-

4.1.3 Shelf Registration: None

4.1.4 Shareholder Structure

Book closure date: Apr. 27, 2024

Structure Amount	Governments	Financial Institutions	Other Institutional Investors	Domestic Individual Investors	Foreign Institutions & Individuals	Total
Number of Shareholders	10	53	575	130,903	628	132,169
Number of shares	41,399,213	340,705,533	1,848,236,420	752,191,493	564,030,222	3,546,562,881
Shareholding Percentage	1.17%	9.61%	52.11%	21.21%	15.90%	100.00%

Note: No foreign institutions and individuals from China Area.

4.1.5 Shareholding Distribution Status

Book closure date: Apr. 27, 2024

Class of Shareholding (Unit: Share)	Number of shareholders	Number of shares	Holding Percentage
1-999	36,718	9,076,146	0.26%
1,000-5,000	71,457	155,163,472	4.36%
5,001-10,000	12,352	95,409,585	2.69%
10,001-15,000	3,873	48,652,577	1.37%
15,001-20,000	2,241	41,029,554	1.16%
20,001-30,000	1,940	48,974,090	1.38%
30,001-40,000	927	32,965,029	0.93%
40,001-50,000	580	26,855,612	0.76%
50,001-100,000	1,014	72,639,030	2.05%
100,001-200,000	452	63,732,995	1.80%
200,001-400,000	231	64,566,565	1.82%
400,001-600,000	83	40,729,854	1.15%
600,001-800,000	37	25,741,371	0.73%
800,001-1,000,000	33	29,798,942	0.84%
Over 1,000,001	231	2,791,228,059	78.70%
Total	132,169	3,546,562,881	100%

Preferred Share

Book closure date: Apr. 27, 2024

Class of Shareholding (Unit: Share)	Number of shareholders	Number of shares	Holding Percentage
NA	0	0	0

4.1.6 List of Major Shareholders

Book closure date: Apr. 27, 2024

Major Shareholder	Shares	Number of Shares	Holding Percentage
Far Eastern New Century Corporation		750,511,324	21.16%
Far Eastern Medical Foundation		182,775,987	5.15%
Yuanta/P-shares Taiwan Dividend Plus ETF		161,765,770	4.56%
KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.)		89,499,000	2.52%
Labor Pension Fund Committee of Far Eastern New Century Corporation		59,303,049	1.67%
Yuan Ding Investment Company		54,301,518	1.53%
Far Eastern Department Stores Co., Ltd.		50,000,492	1.41%
Yuan-Ze University		48,708,757	1.37%
Chunghwa Post Co., Ltd.		47,870,152	1.35%
Far Eastern Memorial Foundation		44,115,478	1.24%
Total		1,488,851,527	41.98%

4.1.7 Market Price, Net Value, Earnings and Dividends per Share

Unit: NT\$

Item		Year	2022	2023	The current year up to March 31, 2024 (Note 3)
Market Price Per Share	Highest		48.70	44.80	41.70
	Lowest		36.60	38.20	39.20
	Average		43.38	42.04	40.30
Net Value Per Share	Before Distribution		45.35	47.70	-
	After Distribution		43.05	45.60(Note 2)	-
Earnings Per Share	Weighted Average shares (in thousand)		3,313,166	3,316,177	-
	Earnings Per Share		3.63	3.28	-
Dividends Per Share	Cash Dividends		2.30 (Note 1)	2.10 (Note 2)	-
	Stock from retained earnings		-	-	-
	Dividend from capital surplus		-	-	-
	Accumulated Unpaid Dividends		-	-	-
Return on Investment	Price-Earnings Ratio		11.95	12.82	-
	Price-Dividend Ratio		18.86	20.02	-
	Cash Dividend Yield Rate		5.30%	5.00%	-

Note 1: Given to transfer the number of ordinary shares converted from outstanding overseas unsecured convertible bonds, the total number of issued and outstanding shares have increased, and the cash dividend was adjusted to \$2.29958798 per ordinary share.

Note2: The appropriation of cash dividends per share for 2023 were approved in the board of directors' meetings on March 5, 2024.

Note 3: Net value per share and earnings per share should be based on auditor-reviewed data as at the latest quarter before the publishing date of this annual report. For all other fields, data should be provided as at the end of their respective years.

4.1.8 Dividend Policy & Implementation Status

1. Dividend Policy

The Company's profits distribution or loss appropriation may be made after the end of each quarter. If the profits distribution is paid in cash, it shall be dealt with by the resolution of the board of directors in accordance with the provisions of Article 228-1 and Article 240 Paragraph 5 of the Company Act, and shall be reported to the shareholders' meeting.

When the Company distributes profits of the first three quarters, it shall first estimate and retain the taxation, employee compensation and directors' remuneration, make up for losses and set aside statutory surplus reserves in accordance with the law. However, when the legal reserve has reached the paid-in capital, it may no longer be listed.

Apart from paying all its income taxes in the case where there are net incomes at the end of the year, the Company shall first utilize the sum of said profit and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit for offsetting accumulated losses in past years. Where there is still balance, the Company shall set aside 10% of the remaining profit as legal reserve provided that the amount of accumulated legal reserve has not reached the amount of the paid-in capital of the Company, then set aside a special capital reserve as required by law. Subject to certain business conditions under which the Company may retain a portion of the remaining balance, the Company may distribute to the shareholders the remainder together with undistributed profits from previous years in proportion to the number of the shares held by each shareholder as shareholders' dividend. However, in the case of increase in the Company's share capital, the shareholders' dividend to be distributed to the shareholders of increased shares for the year shall be decided by the shareholders' meeting.

The distribution of shareholders' dividend shall take into consideration the changes in the outlook for the Company's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Shareholders' dividend shall be distributed aimed at maintaining the stability of shareholders' dividend distributions. Save for the purposes of improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required, when distributing shareholders' dividend, the dividend payout ratio each fiscal year shall be no less than fifty percent (50%) of the final surplus which is the sum of after-tax profit of the fiscal year to withhold previous loss, if any, legal reserve and special reserve as required by law; the cash dividend shall not be less than 10% of the shareholders' dividend distributed in the same year.

2. Hereby lists the Company's dividend in recent years as follows:

Year	Cash Dividend	Ratio of Total Dividend	Stock dividend	Ratio of Total Dividend	Total dividend
2018	NT \$2.8	100%	NT \$0	0%	NT \$2.8
2019	NT \$3.0	100%	NT \$0	0%	NT \$3.0
2020 (Adjusted)	NT \$3.46	100%	NT \$0	0%	NT \$3.46
2021 (Adjusted)	NT \$3.4	100%	NT \$0	0%	NT \$3.4
2022	NT \$2.3	100%	NT \$0	0%	NT \$2.3
2023 (Approved by BOD)	NT \$2.1	100%	NT \$0	0%	NT \$2.1

The net income after tax for FY2023 is NT\$ 10,882,825,591, the Board of Directors has approved the fourth quarter cash dividend of NT\$ 2.1 per share, which is summed up to NT\$ 7,447,782,050 in total.

4.1.9 Effects on Business Performance and EPS Resulting from Stock Dividend Distribution

Not applicable because of no stock distribution.

4.1.10 Employees' Compensation and Directors' and Supervisors' Remuneration

1. The percentages or ranges with respect to employees' compensation and directors' remuneration as set forth in the Asia Cement Corporation's Articles of Incorporation: Pursuant to the Articles of Incorporation for distribution 0.1%~4% as employees' compensation and distribution less than 2.5% as directors' remuneration base on the profit of the current year. However, the company's accumulated losses shall have been covered. The company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, determine the actual ratio, amount, form (in the form of shares or in cash) and the number of shares of the profit distributable as employees' compensation; and a report of such distribution shall be submitted to the shareholders' meeting. The actual ratio and amount of the profit distributable as directors' remuneration shall also be determined by Board of Directors, and a report of such distribution shall be submitted to the shareholders' meeting.
- 2.(1)The basis for estimating the amount of employees' compensation and directors' remuneration: Distribution 0.1%~4% as employees' compensation and less than 2.5% as directors' remuneration shall be based on the profit before income tax of the current year.
(2)The number of shares to be distributed as employees' compensation: NA
(3)The accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure for the current period: the difference would be regarded as accounting estimation adjustment and recognized as the profit and loss of 2024.
3. Information on resolved by the Board of Directors on March 5, 2024 for distribution of compensation:
(1)The amount of any compensation distributed in cash or stocks: Employees' cash compensation is NT\$ 148,125,892. Directors' cash remuneration is NT\$ 130,714,603.
(2)If there is any discrepancy between that amount and the estimated are recognized for the fiscal year shall be disclosed the discrepancy amount, its cause, and the status of treatment: No discrepancy.
(3)The amount of any employees' compensation distributed in stocks, and the amount as a percentage of the sum of profit after income tax base on the separated financial report and total employees' compensation: NA
1. The actual distribution of employees' compensation and directors' remuneration for the previous fiscal year (with an indication of the number of shares, amount and stock price of the shares distributed), and if there is any discrepancy between the actual distribution and the recognized employees' compensation and directors' remuneration shall be disclosed the discrepancy, its cause, and the status of treatment:
The Board of Directors resolved on March 7, 2023 to distribute employees' compensation NT\$ 148,125,892 and directors' remuneration NT\$ 130,714,603. The employees' compensation and directors' remuneration was fully distributed and no discrepancy with 2022 separate financial report.

◎Buyback of Treasury Stock: None.

◎Preferred Stock: None.

◎Employee Stock Option: None.

◎Restricted Stock Awards for employees: None.

◎Merger or acquisition of other company' share to issue new share: None.

4.2 Summary of Corporate Bonds

Type of Bond Issued Item		1st Unsecured Corporate Bond Issued in 2019	2nd Unsecured Corporate Bond Issued in 2019
Date Issued		May. 8, 2019	Aug. 16, 2019
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$6,500,000,000	NT\$3,500,000,000
Interest Rate		0.88%	0.79%
Term		Five Years. Maturity: May. 8, 2024	Five Years. Maturity: Aug. 16, 2024
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Masterlink Securities Corporation	Yuantan Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		L.W. Kuo, Y.W. Fan	H.W. Tai, Y.W. Fan
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$6,500,000,000	NT\$3,500,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Sep. 19, 2018	Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Sep. 19, 2018
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2020	2nd Unsecured Corporate Bond Issued in 2020
Item			
Date Issued		Apr. 20, 2020	Jun. 18, 2020
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$7,700,000,000	NT\$5,500,000,000
Interest Rate		0.66%	Tranche A: 0.75% Tranche B: 0.83%
Term		Five Years. Maturity: Apr. 20, 2025	Tranche A: Five Years. Maturity: Jun. 18, 2025 Tranche B: Seven Years. Maturity: Jun. 18, 2027
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		H.W. Tai, Y.W. Fan	H.W. Tai, Y.W. Fan
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$7,700,000,000	NT\$5,500,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Oct. 23, 2019	Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Oct. 23, 2019
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		3rd Unsecured Corporate Bond Issued in 2020	4th Unsecured Corporate Bond Issued in 2020
Item			
Date Issued		Sep. 23, 2020	Dec. 23, 2020
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$6,200,000,000	NT\$9,400,000,000
Interest Rate		Tranche A: 0.65% Tranche B: 0.73%	Tranche A: 0.57% Tranche B: 0.65%
Term		Tranche A: Five Years. Maturity: Sep. 23, 2025 Tranche B: Seven Years. Maturity: Sep. 23, 2027	Tranche A: Five Years. Maturity: Dec. 23, 2025 Tranche B: Seven Years. Maturity: Dec. 23, 2027
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		Masterlink Securities Corporation	Yuanta Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		H.W. Tai, Y.W. Fan	H.W. Tai, Y.W. Fan
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$6,200,000,000	NT\$9,400,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Stable Bond Ratings: - Credit rating date: Oct. 23, 2019	Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Positive Bond Ratings: - Credit rating date: Sep. 28, 2020
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2021	1st Unsecured Corporate Bond Issued in 2023
Item			
Date Issued		Aug. 5, 2021	Apr. 27, 2023
Par Value		NT\$1,000,000	NT\$1,000,000
Issue and Trade Place		N/A	N/A
Issue Price		Par Value	Par Value
Nominal Amount		NT\$6,300,000,000	NT\$4,000,000,000
Interest Rate		0.60%	1.60%
Term		Five Years. Maturity: Aug. 5, 2026	Five Years. Maturity: Apr. 27, 2028
Guaranty/Guarantor		None	None
Trustee		China Trust Commercial Bank, Trust Department	China Trust Commercial Bank, Trust Department
Underwriter		KGI Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certified Lawyer		M.T.HUANG	M.T.HUANG
Certified Public Accountant		H.W. Tai, P.D. Chen	H.W. Tai, P.D. Chen
Repayment Method		Repayment In Lump Sum Upon Maturity	Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$6,300,000,000	NT\$4,000,000,000
Redemption Clauses		None	None
Restrictive Covenants		None	None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twA+ Short term Credit Ratings: twA-1 Outlook: Positive Bond Ratings: - Credit rating date: Sep. 28, 2020	Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Stable Bond Ratings: - Credit rating date: Oct. 11, 2022
Convertible	Amount Converted	None	None
	Issue/ Conversion Rules	None	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None	None
Custodian		None	None

Type of Bond Issued		1st Unsecured Corporate Bond Issued in 2024
Item		
Date Issued		Apr. 26, 2024
Par Value		NT\$1,000,000
Issue and Trade Place		N/A
Issue Price		Par Value
Nominal Amount		NT\$3,700,000,000
Interest Rate		Tranche A: 1.70% Tranche B: 1.77%
Term		Tranche A: Five Years. Maturity: Apr. 26, 2029 Tranche B: Seven Years. Maturity: Apr. 26, 2030
Guaranty/Guarantor		None
Trustee		China Trust Commercial Bank, Trust Department
Underwriter		Yuanta Securities Co., Ltd.
Certified Lawyer		N.C. Liao
Certified Public Accountant		H.W. Tai, P.D. Chen
Repayment Method		Repayment In Lump Sum Upon Maturity
Outstanding Balance		NT\$3,700,000,000
Redemption Clauses		None
Restrictive Covenants		None
Credit Rating Agency/Date/Rating		Taiwan Ratings Corporation Long term Credit Ratings: twAA- Short term Credit Ratings: twA-1+ Outlook: Negative Bond Ratings: - Credit rating date: Sep. 26, 2023
Convertible	Amount Converted	None
	Issue/ Conversion Rules	None
Terms to issuance, conversion, exchange and subscription. The impacts to current shareholder equity and potential dilutions.		None
Custodian		None

4.3 Summary of Issued GDR

None.

4.4 Status on Execution of Capital Utilization Plans

Funds utilization plans have not been completed or have been completed in past 3 years but their benefits have not been appeared: none.

V Overview of Business Operation

5.1 Business Introduction

5.1.1 Business Scope

1. Scope of Business: Please refer to Section 2.1: “Scope of Business.”
2. Main Business and Percentage:
 - A. Production and sales of Cement and clinker: 94%.
 - B. Granulated blast-furnace slag: 6%.
3. New Product Research & Development: None.

5.1.2 Industry Overview

1. Market situation and future outlook

- A. The 2023 total cement production volume in Taiwan was 10,308,471 tons, decreased 7.7% compared to 2022. Among them, the domestic cement was 9,802,841 tons, and exported cement was 505,630 tons. Compared with those in 2022, domestic sales decreased by 2.63%, exports decreased by 53.96%. The company's domestic sale of cement in 2023 was 3,036,647, an annual decrease of 3.00%, accounting for 30.98% of the domestic industry and 23.28% of Taiwan's cement sales.

In 2023, influenced by factors such as high interest rates, high inflation, the Russo-Ukrainian War, and a global economic slowdown, the domestic economy did not perform as well as expected. Despite the government's active efforts to increase the scale of public construction, progress was affected by shortages of construction workers and rising material costs.

B. For the year 2024:

(1) Outlook of the domestic market:

In 2024, with rising geopolitical risks and various ongoing conflicts (including the Russo-Ukrainian War, the Gaza conflict, and the Red Sea crisis), coupled with the delayed rate cuts by Western central banks to combat inflation, major international forecasting agencies predict that global economic growth will be slightly lower than in 2023. However, the overall market is still expected to show signs of recovery. The Directorate-General of Budget, Accounting and Statistics forecasts a domestic economic growth rate of 3.43% for 2024, the best performance in three years.

In terms of domestic construction demand, the government will continue its expansionary policies, promoting and implementing various public construction projects and tenders. This is expected to boost the release of civil engineering tenders in the future, thereby maintaining growth momentum in related businesses. Additionally, commercial office spaces are expected to increase in line with economic recovery and manufacturing sector revival. The optimistic outlook for the future development of high-tech industries further drives the demand for industrial building construction. Therefore, the construction industry's outlook for 2024 is anticipated to improve.

In terms of real estate, the Ministry of the Interior announced that in 2023, the number

of buildings sold and transferred in Taiwan's real estate market was 306,971, an annual decrease of 3.5%, a record low in the past four years. For outlook for the 2024 housing market, with global inflation easing and the overall economy expected to recover, real estate transactions are anticipated to improve.

Overall, the 2024 construction market will continue to experience growth in public construction demand while maintaining a conservative trend in private construction demand. The demand for the entire year is viewed with cautious optimism.

(2) Outlook of the global markets:

In the first half of 2024, China's cement market continued the downward trend from the previous year, with severe oversupply and no import demand. As a result, efforts have begun to seek export opportunities.

Vietnam is also experiencing a serious oversupply of cement due to the continuous expansion of domestic production capacity. The country is actively seeking export markets, significantly impacting international clinker prices.

In terms of markets, Vietnam's domestic demand for cement continues to decline, and the severe oversupply situation has led to active export of clinker to countries such as the Philippines, the United States, Singapore, Bangladesh, Australia, and South Africa. Demand in other Southeast Asian countries remains generally stable.

In Northeast Asia, domestic demand for cement in Japan and South Korea has decreased by about 5-10%. With coal costs falling, these countries are also actively seeking export opportunities and need to continuously lower prices to compete with Vietnam. The U.S. market is also performing poorly due to the impacts of interest rate hikes and inflation, which have dragged down residential demand. Production, import, and demand volumes have all decreased in 2024, and future demand is viewed cautiously.

Our company, in line with government export policies, has significantly reduced exports, supplying only to Guam. The focus is on price rather than volume to maximize company profits. Exports will follow a triangular trade model, purchasing cement, clinker, slag powder, and gypsum from other countries and re-exporting them to the Southeast Asian market, continuously generating profits for the company.

Overall, the domestic market is expected to experience stable growth in the first half of the year. However, due to uncertainties in international conditions and economic situations in the second half, a more conservative outlook is adopted. The outlook for foreign markets will be cautiously monitored.

C. In addition to root in Taiwan for on-going cement business operation, the Company will keep enhancing its competitiveness by largely expansion in China both in production and sales.

2. The relationships among the value chain of cement industry

The upstream, midstream and downstream sectors of cement industry, namely ready-mixed concrete, precast, and construction industry, are co-existed and blooming together. Nowadays, vertical integration is the trend in cement industry. As a result, the Company's operation strategy

is to establish the downstream subsidiaries—Ya Tung Ready-mixed Concrete Corp. and Yali Precast & Prestressed Concrete Industries Corp., and to invest Far Eastern Construction Company and Far Eastern General Contractor Company to grasp the business opportunities.

3. Product development and company competitiveness

Although the cement products include Portland Cement Type I, Type II, and Special Cement, the major market demand is Portland Cement Type I. However, the overseas market has stronger demand for Special Cement in recent years. The ability to produce quality products and the shipping & loading efficiency has become the key competitive factors.

5.1.3 Technology and Research Development

As of Mar. 31, 2024
Unit: NT\$1,000

	Item	Amount
1	Reducing Mining Blasting Vibration Levels	290
2	Development of Hypergravity Carbon Capture Technology	10,000
3	Construction of Alternative Fuel Small-Scale Step Furnace	55,890
4	Replacement of PLC System Equipment for Cement Mill No. 1	1,400
5	Replacement of PLC System Equipment for Cement Mill No. 2	1,400
6	Replacement of PLC System Equipment for Cement Mill No. 3	1,300
	Total	70,280

5.1.4 Short-term Business Plan

- ◎ To strengthen the existing domestic and international channels of cement sales.
- ◎ To reduce costs and to maintain fully sell out the estimated production volume and sound profitability.
- ◎ Promote the brand value and maintain a good relationship with customers.
- ◎ Improve products and services to improve user satisfaction.
- ◎ Strive for the opportunity of supplying major government projects.
- ◎ Optimize the product sales structure and increase the company's profitability.
- ◎ Strengthen its own ready-mix channel and product differentiation.
- ◎ Expand circular economy.

5.1.5 Long-term Business Plan

- ◎ Maintain solid position in Taiwan - improve producing efficiency.
- ◎ Increase the investment in China (Please refer to the “I Report to Shareholders” at page 1 and the “8.2 Basic Information of Affiliates” at section 8.2 of this annual report.
- ◎ Extend the global market - Find new markets, new opportunities to expand overseas operations.

5.2 General Information of Market & Production

5.2.1. Markets Analysis

1. Major Sale Markets

A. Cement and Clinker:

“Skyscraper” is the Company’s brand-name for marketing all kinds of our products. Our domestic market includes Taiwan, Penghu, Kinmen and Matsu, and our overseas market includes Guam, etc.

B. Ready-Mixed Concrete:

To provide better customer service, our subsidiary, Ya Tung Ready-Mixed Concrete Corp., has set up many plants around Taiwan, and furthermore established strategic alliance with local firms.

2. Market Share

In 2023, the Company domestic sales was 3,036,647 MT, i.e. 30.98% of the sales amount of all domestic cement producers, which was equal to 23.28% of total cement consumption in Taiwan.

3. Market supply forecast, growth opportunity, and business competitiveness:

Outlook for 2024:

Domestic Market:

With the housing market regulation policies remaining unchanged and the growing number of unsold new homes nationwide, the outlook for future demand remains conservative. Fortunately, the government will continue its economic stimulus policies and strengthen the promotion of various public construction projects. The overall public construction budget for 2024 is expected to reach nearly NT\$780 billion, a 15% increase from the NT\$678 billion in 2023. This is also an upward revision from the originally planned NT\$665 billion by an additional NT\$115 billion, setting a historical high in budget scale.

The construction market in 2024 will likely continue to see growth in public construction demand while private construction demand remains conservative. The first half of the year is expected to show growth driven by public construction projects. However, issues such as the unchanged housing market policies, labor shortages in construction, and rising material costs could impact the progress of public construction project tenders, leading to a more conservative outlook for the second half of the year.

Meanwhile, other important factors affecting market volume and price include raw material costs, labor costs, environmental costs, energy prices, shipping fees, and the quantity of imported cement.

Export Market:

For 2024, the company plans to export 30,000 to 50,000 tons of cement. Currently, the Company only supplies customers in Guam, focusing on maintaining profitability rather than volume. Additionally, the Company will continue to expand its foreign business through trade methods to meet the needs of international customers.

China Market:

In China, the production, storage, and transportation facilities of the Company constitute an effective competitive niche for the Company.

4. Positive factors for the industry development

A. In the fiscal year 2024, the government will continue its "Expand Investment in Taiwan"

program, promoting public construction and expanding investments to stimulate the domestic market. The total budget for public construction projects is nearly NT\$780 billion, a 15% increase from NT\$678 billion in 2023, setting a historical high in budget scale. The industry generally believes that key government projects such as the "Taipei Metro Circular Line (North and South sections)", "Taipei Metro Wanda Line Phase 2", "Taoyuan International Airport Terminal 3", "Taoyuan Metro Green Line", "Kaohsiung Intercontinental Terminal", "Kaohsiung Metro Yellow Line", "Kaohsiung Metro Red Line Extension (Gangshan to Luzhu)", and public housing design-build projects will accelerate tendering and construction, driving stable growth in market demand.

- B. The government is also pushing forward with its three-pronged housing policy, aiming to expand the number of social housing units nationwide. Additionally, accelerated plans for urban renewal and the reconstruction of dilapidated buildings will further boost domestic construction investment. However, uncertainties such as the government's passage of the amendments to the Equalization of Land Rights Act, rising interest rates, high raw material prices, and labor shortages in the market remain and require ongoing observation.

5. Negative factors and the solutions

- A. Industry relocation, environmental awareness, and emission limits of carbon dioxide will increase the difficulties in both public constructions and private housing sectors, and cause the construction industry more conservative. This will constrain the growth of cement demand.
- B. The Ministry of Economic Affairs has set limitations on trade volume of domestic cement industry according to the Foreign Trade Law. The limitations will gradually lower the export-production ratio to 21% in 2024. The over-supply condition will be worse.
- C. After the revision of the Mining Industry Act, the industry will face stricter requirements and limitations in its operations.
- D. Limestone tax is raised from NT\$ 10 to NT\$ 70 per metric ton. As well as the recent rise in raw material prices will bring to the cement industry to more difficult condition.
- E. Solutions:
 - Improve the efficiency of current production, transportation and marketing activities and strengthen the downstream distribution channels in both domestic and overseas market.
 - Continue selecting good target markets, establish production and distribution channels, expand customers in emerging countries, and realize reasonable profitability.

5.2.2 Application of Major Cement Products

1. Portland Cement Type I:

It is known as ordinary cement, used for all structural projects which are not particularly exposed to sulphuric acid or underground water. Most of the current market supply is in this category.

2. Portland Cement Type II:

With lower hydration heat than Portland Cement Type I as well as low alkalis and moderate resistance to sulfate, Portland Cement Type II is for large-scale structures. It is resistant against cracking and erosion by sea water, salt, and alkali. The general purposes are as follows:

- A. Underground foundation engineering: Tower Building Basement, underpass, sewers, tunnels and massive underground rapid transit systems.
- B. Large-scale concrete works: Bridges, dams, water retention facilities, valve based structure.

- C. Construction subject to erosion by sea water and sea wind: dock, breakwaters, caisson, breeding plants, harbors, and others.
 - D. Project that requires resistance to sulfate: Sewage treatment plants and chemical engineering.
3. Special Purpose Cement: Produced to meet customers' special needs.
4. Production process:
- All types of cement are produced in accordance to a fixed proportion of mixtures, in the following steps:
- A. Limestone and clay are mixed and ground into raw meal.
 - B. Raw meal is poured into the rotary kiln and burned in high temperature to produce clinker.
 - C. Clinker is mixed with gypsum and ground into cement.
 - D. Cement is sold in bulk or packages.

5.2.3 Supply Condition of Main Raw Materials

The major raw materials used by the Company consist of limestone, clay, gypsum, pyrite, iron slag, and raw coal for fuel. Except a little limestone, most limestone is produced and used by the Company. Clay is purchased from domestic suppliers through long-term contracts. Gypsum and pyrite are supplied by qualified domestic and foreign firms. Fuel coal is supplied by Australian providers via long or short term contracts.

5.2.4 Major Suppliers Information for the Last Two Years

Unit: NT\$1,000

Item	2022				2023			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	Glencore Coal Sales PTY Limited	1,035,770	23.74	Raw material supplier	Bulga Coal Sales Pty Limited	1,781,429,697	38.83	Raw material supplier
2	BB Co., Australia	981,960	22.51	Raw material supplier	Chung Ling Co.	661,035,370	14.40	Raw material supplier
3	Chung Ling Co.	401,526	9.21	Raw material supplier				
4	KENWAY INTERNATIONAL LTD	252,765	5.80	Construction supplier				
	Others	1,691,309	38.77		Others	1,673,843	40.66	
	Net Total Supplies	4,363,330	100.00		Net Total Supplies	4,116,308	100.00	

1. Variations are because of market mechanisms.

5.2.5 Major Clients Information for the Last Two Years

Unit: NT\$1,000

Item	2022				2023			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	Ya Tung Ready-Mixed Concrete Co.	2,510,261	24.58	Subsidiary	Ya Tung Ready-Mixed Concrete Co.	2,736,107	25.53	Subsidiary
	Others	7,700,288	75.42		Others	7,981,476	74.47	
	Net Sales	10,210,549	100.00		Net Sales	10,717,583	100.00	

1. Variations are because of market mechanisms.



5.2.6 Output of Main Products

1. ACC (Taiwan)

Unit: NT \$1,000, Cement and Clinker 1,000 MT

Year Output Product	2022			2023		
	Capacity	Production Volume	Production Value	Capacity	Production Volume	Production Value
Cement & Clinker	5,597	3,671	7,859,249	5,597	3,380	8,170,115

2. ACC (China)

Unit: NT \$1,000, Cement and Clinker 1,000 MT

Year Output Product	2022			2023		
	Capacity	Production Volume	Production Value	Capacity	Production Volume	Production Value
Cement & Clinker	36,600	28,530	35,189,711	35,100	26,125	25,975,859

5.2.7 Sales of Main Products

1. ACC (Taiwan)

Unit: NT \$1,000, Cement and Clinker 1,000 MT

Year Sales Product	2022				2023			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Cement & Clinker*	3,155	8,356,278	547	947,700	3,053	9,027,227	330	640,977

* Cement & Clinker produced by the Company.

2. ACC (China)

Unit: NT \$1,000, Cement and Clinker 1,000 MT

Year Sales Product	2021				2022			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Cement & Clinker*	28,110	39,694,276	-	-	26,212	29,772,011	-	-

* Cement & Clinker produced by the Company.

5.3 Human Resources

Year		2023	2023	As of Mar. 31, 2024
Number of Employees	Headquarter	152	142	140
	Hsinchu Plant	30	29	29
	Hualien Plant	302	301	299
	Total	484	472	468
Average Age		46.04	45.62	45.41
Average Years of Service		16.50	15.97	15.74
Education	Ph.D.	0.21%	0.21%	0.21%
	Masters	18.89%	18.39%	18.72%
	Bachelor's Degree	47.23%	47.57%	48.09%
	Senior High School	30.59%	30.66%	30.21%
	Below Senior High School	3.08%	3.17%	2.77%

5.4 Expenditures on Environmental Protection

As of Mar. 31, 2024

Unit: NT\$ 1,000

Items		Amount
1	Expenses for Vegetation Greening and Maintenance in Mining Areas	8,208
2	Six Sets of Continuous Automatic Monitoring Facilities for Air Pollutants	5,000
3	Other: a Environmental expenditure, including expenses for dust collectors (including EP dust collectors), maintenance of dust collection bags, and chimney inspections, amounted to \$4,275,636 for construction and repair orders, with project application forms totaling \$15,174,328 and material requisition amounting to \$26,581,681. b The increase in fixed assets related to environmental protection amounted to \$222,860,011. c The expenses for vegetation greening and maintenance in the mining area totaled \$15,028,551. d Training expenses amounted to \$710,115.	284,630
Total		297,838

According to government regulations, the Company set up the continuous emission monitoring system to monitor pollutant opacity of nitrogen oxides, sulfur oxides, and other pollutants.

© During the most recent fiscal year and the current fiscal year up to the printing date of the annual report, the loss (including compensation) and penalty resulted from environmental pollution:

None.

- ◎ The restriction of RoHS (to restrict the use of hazardous chemicals) is not applicable to the Company.

5.4.1 ISO-14001 Environmental Management Systems (EMS)

1. ISO-14001 EMS has become the trend in many advanced countries.
2. In August 1996, the Hualien plant of the Company passed certification by the Bureau of Commodity Inspection and Quarantine of the Ministry of Economic Affairs (MOEA), and in November of the same year, Hualien plant became one of the first organizations in Taiwan to receive ISO-14001 certification. In July 2000, Taiwan's first Environmental Report was completed by Hualien plant according to Sustainability Reporting Guidelines of Global Reporting Initiative (GRI).
3. The affiliated Jiangxi Yadong Cement Co., Sichuan Yadong Cement Co., Hubei Yadong Cement Co., Huanggang Yadong Cement Co., and Wuhan Yaxin Cement Co., have awarded ISO-14001 certification.

5.4.2 Air Pollution Prevention

1. Cement production mainly involves a dry process, and in the event of abnormal conditions, dust dispersion can cause air pollution and result in the loss of raw materials and finished products. Therefore, our company places great importance on the effectiveness of dust collection equipment, always adopting the best available dust collection technologies during plant construction. To enhance dust prevention facilities, in 2015, the Hualien plant completed a 440-meter fully enclosed belt conveyor system along the Hsinchenshan Mine, completely preventing dust and material spillage. In 2016, the plant continued to extend the fully enclosed belt conveyor system by approximately 180 meters. In 2020, fully enclosed corrugated sheets and steel sheds with black nets were installed at the primary crusher's feed inlet to block dust, and a high-pressure water spraying system was set up at the storage yard to suppress dust, along with a 1.5 times higher surrounding barrier net wall to reduce dust dispersion. In 2023, an electric control dust suppression system with atomizing nozzles was added to the primary crusher, ensuring complete dust capture before dispersion.
2. The Hualien plant currently has 4 electrostatic precipitators and 85 bag filters, with a total investment of over NT \$950 million. We continuously invest in various resources and have replaced the electrostatic precipitators in 2021, 2022 and 2023 with bag-type dust collectors, which offer higher dust collection efficiency. In the future, we will allocate budgets to gradually retrofit the remaining 4 electrostatic precipitators to further improve air pollution control efficiency and enhance air quality in Hualien County.
3. Due to the good maintenance of the equipment and the concerted maintenance efforts of our team, dust collection efficiency is excellent, with dust emissions far below legal limits, ensuring air quality around the plant is better than national standards.
4. Environmental protection agencies' inspections and self-monitoring have shown that chimney emissions at the Hualien plant are below 14 milligrams per cubic meter, significantly better than national standards. Due to its outstanding performance, the plant has received the Enterprise Environmental Protection Award for three consecutive years, the 8th National Environmental Education Award Hualien County Excellence Award, the Hualien County "Garden City

Competition" Enterprise Group Gold Award, and the Environmental Protection Bureau's "Excellent Air Quality and Purification" Enterprise Special Award. The plant also received the Greenhouse Gas Voluntary Reduction Excellent Manufacturer Award from the Industrial Development Bureau in 2023, being the only factory in the cement industry to win this award nine times.

5.4.3 Greening and Beautification for Quarry Restoration

1. Both Hsinchu and Hualien plants have implemented measures for soil conservation and taken actions to green the environment by planting trees and other vegetation. For many years, the Hualien plant promotes the cultivation of the native species of trees for greening the quarry and the plant.
2. As of 2023, the green restoring area is 71.9 acres which is 80.9% of the quarry, while exploiting operation area is 17 acres. Recently, the quarry of the Hualien plant is visible from nearby high way and railroad. In order to integrate the quarry into the surrounding environment, the Hualien Plant introduced a new forestation method for quarry restoration. Within merely two year, trees could grow up to 4 meters high.
3. Due to Hualien Plant's dedication of environmental protection and engaging in community activities, the Taroko National Park cooperates with the Company to preserve native species of trees for greening and beatification of the National Park and environment guidance.
4. In 2007, the Hualien Plant was awarded for the excellent performance in the project of "promoting green communities" by the Environmental Protection Administration.

The Hualian plant was awarded the "Asia Responsible Enterprise Awards" by the Enterprise Asia for three years form 2017~2019.

5.4.4 Major Environmental Protection Work in the Future

1. Reinforcing and ensuring the normal operation of environmental facilities.
2. Practicing in industry waste reduction; avoiding pollution.
3. Improving the greening rate in factory and quarry areas.
4. Utilizing wastes as resources to take social responsibilities.
5. Endlessly enhancing the environmental measures and techniques; expecting to reach the goal of "zero pollution".

5.4.5 Fulfill Social Responsibilities

1. The Company volunteered to take care of greenbelts and pavements alone the Dun-Hua South Road and An-He Road over a long period of time to fulfill its social responsibilities and strengthen relations with neighborhood.
2. Since 2001 on, Hualien plant has annually participated in local festivals such as lily blossom in Buluowan held by the Taroko National Park and donated potted flowers and plants for all visitors.
3. For our neighbors' traffic safety, the Hualien plant has regularly sponsored Xincheng Branch of the Hualien County Police Office to renew police stands and street lamps.
4. The Company will also sponsor local activities and facilities of the villages and towns nearby the Hsinchu and Hualien plant.
5. Employees are encouraged to serve as hospital volunteers.
6. Based on ACC corporate philosophy of "feeding back to society whatever takes from society,"

the Company sponsors Far Eastern Medical Foundation, Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation, and Far Eastern Memory Foundation and participates in all kinds of public service activities.

5.5 Labor Relations

The Company complies with every regulation of labor relationship. Due to the excellent labor relations, there were no damages or penalties causing from labor disputes.

1. According to law, The Company has Industrial Welfare Committee to allot welfare fund for staffs and conduct many welfare-related activities. In factory, we have basketball courts, tennis courts, badminton courts, table tennis courts, and swimming pools, etc., as staff's recreational facilities. Health examination, group insurance, subsidies for employee's education, trips, and clubs are also included in welfare plans. The Company also provides three days of volunteer leave each year to support employees in engaging in social welfare services. There are also emergency relief loans to help employees whose economy has been severely impacted by sudden natural disasters and man-made disasters and other factors to meet their immediate needs first.

2. Employee Relations

The Company provides Employee Assistance Program (EAP) service from Hsinchu Lifeline Association, EAP Center, which offers professional counsel to all issues employees may meet, such as career development, family issues, and interpersonal relationship. We will also conduct a new personnel care questionnaire to understand the workplace adaptability of new employees and provide necessary assistance based on their feedback. In addition, various types of psychological education and care and propaganda will be posted on the company's electronic bulletin board to promote employees' mental health knowledge.

3. The Human Resources Department develops training programs and organizes courses annually based on the company's vision, mission, and operational strategies. These programs are tailored to the specific functional needs of different departments and levels. The training objectives not only aim to achieve Asia Cement's operational goals for the year but also align with the company's overall training policies. They provide supervisors and employees with ample opportunities for learning and training, thereby achieving the goal of integrating training and application while also linking to employees' career development.

In 2023, the training courses were structured around two main themes: digital transformation and ESG sustainable development. These themes formed the framework for the training programs and were supplemented with courses designed to meet the specific skills required by colleagues in different job categories and levels. The training content included orientation for new employees, core competency training, specialized/functional training, management training, digital transformation and ESG sustainable development series, and accelerated development series for the new generation of talents. These training programs aimed to continuously develop the capabilities of Asia Cement's colleagues to face changes and challenges.

Furthermore, we encouraged internal trainers to share their expertise and deliver training sessions, ensuring a more comprehensive and institutionalized knowledge transfer within the company.

In addition, colleagues at all levels within the company are encouraged to participate in vocational training courses offered by affiliated companies, government agencies, and professional training institutions, based on their actual needs. This enables them to enhance their professional competencies and stay connected with the pulse of society.

The Human Resources Department also organizes book clubs through both digital reading platforms and physical gatherings. These book club activities aim to encourage colleagues to absorb new knowledge, foster self-development, and facilitate the exchange and sharing of knowledge. The company also provides other digital learning platforms for colleagues who are interested, making learning more diverse and digitalized.

Moreover, our company has been conducting the "Asia Cement and Subsidiaries Modern Supervisor Training Program" for several years. This program is designed for high-potential talents and focuses on developing the necessary competencies for senior leadership positions. Professors from renowned universities such as National Taiwan University, National Chengchi University, National Tsing Hua University, National Yang Ming Chiao Tung University, National Cheng Kung University, and Yuan Ze University deliver the training sessions.

The participants of this program undergo an intensive 225-hour curriculum spread over two years. In addition to the coursework, they also engage in over 30 high-level meeting internships and participate in 30 specialized seminar discussions. As a result, over 97% of the program participants have received promotions within their respective job positions, becoming key executives within their units, and some trainees have become the top executives of their units or general managers of subsidiaries. Some of the participants have even advanced to the highest leadership positions within their units.

Currently, the program participants continue to receive at least 9 hours of advanced leadership training courses annually. They are also responsible for various important projects within the company, actively participating in decision-making processes, and continuously growing and improving both in theory and practice.

In 2023, despite the impact of the pandemic, our company's employees successfully completed a total of 458 training sessions, with 7,286 participants and a cumulative training time of 15,352 hours. These training sessions were conducted through a combination of online and offline methods. The company allocated approximately 2.8 million NT dollars for training expenses.

4. Retirement system and retirement care

The company's "Working Rules for Employees" clearly stipulates regulations on appointment, service, assessment, rewards and punishments, promotion and retirement pensions. The Labor Retirement Reserve Fund Supervision Committee is established in accordance with the law, which allocates pension funds to government-designated institutions based on a certain proportion. The committee convenes regularly to review the allocation and utilization of pension funds to fully protect the retirement rights of employees. In addition, for employees who choose to adopt the Labor Pension Ordinance, pensions will be paid monthly to the employees' personal accounts at the Labor Insurance Bureau in accordance with the wage scale in accordance with the law to safeguard the rights and interests of employees. The company also cooperates with

professional foundations to provide retired employees with face-to-face services such as retirement life planning, retirement restructuring, psychological support talks, dietary and health advice, healthy exercise guidance, social resource monitoring, legal advisory consultation, trust supervisor, etc. full range of services.

5. The Company's management philosophy "Sincerity, Diligence, Thrift, Prudence and innovation" has been firmly in every employee's heart. "Sincerity" implies honest and enthusiasm. "Diligence" indicates dedication. "Thrift" signifies frugality and modesty. "Prudence" represents deliberation and accuracy. In short, one important corporate culture of ACC is that every job should be done thoroughly, precisely, and perfectly.

In "Employment Rules of Asia Cement Corporation" mentioned above, the chapter 4 'Service', and chapter 7 'Assessment, Reward, Punishment, and Promotion' clearly illustrate the principles of conduct. In terms of management, besides emphasizing staff self-discipline, the Company also asks every department managers to take responsibilities of educating, advising, and leading their subordinates, which enables employees to fully understand the behavior and ethics criteria.

For better compliance with corporation governance, the Company has also enacted "Codes of Ethical Conduct" and "Principles for Ethical Management".

6. Policies of labor safety and health

A. Management in Labor Safety and Health

- a. Asia Cement, driven by the principles of sustainable development and fulfilling corporate social responsibilities, firmly believes that only under healthy and safe working conditions can we manufacture reliable and safe products for customers.

To create a healthy and safe quality working environment and serve as the primary indicator for measuring the performance of various units, Asia Cement is committed to achieving the sustainable development goal of a healthy and safe workplace. It adheres to regulations and stakeholder requirements, establishes comprehensive management systems and standards, implements risk management, prioritizes inherent safety, and continuously improves the working environment and machinery to ensure a healthy and safe workplace.

Asia Cement takes shaping a healthy and safe organizational culture as its vision, creating a healthy and safe working environment with zero disasters, and protecting the health and safety of all workers (including contractors) as its goal. We promise and implement the occupational safety and health policy, and move towards the sustainable development of the enterprise.

- b. Since its initial verification of the "Taiwan Occupational Safety and Health Management System (TOSHMS)" in February 2009, Hualien Manufacturing Plant has undergone multiple versions in line with the policies of the Occupational Safety and Health Administration, Ministry of Labor. It is now aligned with "Chinese National Standard Occupational Safety and Health Management System CNS45001:2018 Z2158" and has passed the verification of "Taiwan Occupational Safety and Health Management System (TOSHMS)". In September 2022, it also passed the "Performance Review of Occupational Safety and Health Management System" conducted by the Ministry of Labor, with a validity period of three years. It is the first plant in the cement industry to pass the review.

- c. To enhance the systematic occupational safety and health management, Asia Cement has adopted policies that surpass regulatory requirements. Starting from September 2022, the headquarters, Hsinchu Plant, and subsidiaries with less than 200 employees have been implementing the ISO 45001/CNS 45001 Occupational Safety and Health Management System. It is anticipated that external audits and verification will be completed by the end of June 2023. Once completed, the entire company and its subsidiaries will have all aspects of occupational safety and health management incorporated into the systematic management. This initiative is expected to reduce accidents and ensure the health and safety of personnel, as well as the interests of the company.

B. Workplace environment and labor safety protection

To assure employee safety and health, protect the assets of the Company, and make comfortable and safe workplace, based on safety-related rules, we have the following active measures:

- a. Following procurement to assure the intrinsic safety of raw materials and equipment:

Conforming to the safety and health standard is the essential consideration of purchasing raw materials and equipment to assure the intrinsic safety of manufacture procedure, products, and equipment.

- b. General safety management, training courses, and related auditing:

We monthly hold safety and health committee and safety-related courses for employees and contractors to make sure that everyone working with ACC fully understands the possible hazardous factors and prevention measures in workplace, and obeys safety-related standards to preclude the occurrence of any disaster. Also, by means of “the walking around management” and frequently patrols, we investigate flaws and also improve them to assure the effective operation in safety management.

- c. Workplace environmental monitoring system and usage of protective outfits:

All plants regularly monitor noise, high temperature, and radiation around workplace, so the unusual condition can be immediately detected and eliminated. Also, all employees can be protected from possible dangers by protective outfits designed for different hidden hazardous factors in workplace.

- d. Health Care Management for Employees:

All plants set up medical offices with nursing staff and contracted doctors, and prepare emergency medicine, equipment, and supplies. According to related rules, all employees regularly accept health assessment and carry out health care management.

- e. Emergency Drills and Exercises

All plants shall regularly exercise emergency response drills by following their emergency response plan. All employees shall be familiar with relevant details, which ensures the losses could be minimized in case of emergency.

7. ACC has enjoyed harmonious relations between management and employees for years. Employees devoted their time and hard work to the Company. In recent years, the Company's continuous excellent performance of sales and production is a proof of employees' effort. The Company's work and employment regulations are based on the Labor Law and in some cases

even exceed the minimum requirements of the law. Besides reasonable payment, ACC gives seasonal bonuses to encourage clinker production, attendance award, and cost and resource-saving measures, as well as year-end bonuses based on the Company's annual performance.

The Company was awarded “2013 Excellence Recognition for its collective agreement with employees” by the Ministry of Labor.

5.6 Major Contracts

Type of Contract	Contracting Party	Contract Duration	Primary Contents	Restrictive Clauses
Bank long-term loan/guarantee	Mizuho Corporate Bank, Taipei Branch	2024/03~2026/03	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	BNP PARIBAS Taipei Branch	2023/09~2025/09	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	SMBC Bank Taipei Branch	2023/11~2025/11	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	First Commercial Bank. Tung-Hwa Branch	2024/01~2025/07	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Hwa Nan Commercial Bank. Tung-Hwa Branch	2024/02~2026/02	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Far Eastern International Bank Business Dept.	2022/12~2025/12	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Yuanta Commercial Bank	2023/12~2025/12	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Bank of Taiwan Wu-Chang Branch	2024/01~2026/01	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	DBS Bank (Taiwan) Ltd	2023/10~2025/10	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Land Bank of Taiwan Co., Ltd. Tung-Hwa Branch	2024/04~2026/04	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	KGI Bank	2023/07~2025/07	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Chang Hwa Bank Tung-Hwa Branch	2023/08~2025/08	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	E.Sun Commercial Bank	2023/07~2025/07	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Bank of China Taipei Branch	2023/07~2025/07	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Mega International Commercial Bank Foreign Dept.	2023/06~2025/06	Interest paid monthly, principal repaid at maturity	None
Bank long-term secured loan	Mega International Commercial Bank Foreign Dept.	2023/06~2025/06	Interest paid monthly, principal repaid at maturity	None
Bank long-term unsecured loan	Taiwan Cooperative Bank Ta-An Branch	2023/06~2025/06	Interest paid monthly, principal repaid at maturity	None
Long term raw material supply	BB Co.,	2023/01~2023/12	Contract of Coal Purchase	None
Long term raw material supply	Splendid Treasure	2023/10~2024/01	Contract of Limestone Purchase	None
Long term raw material supply	Huamall Trading	2023/04~2023/09	Contract of Gypsum Purchase	None
Long term construction service provider	Yuantai Corp.	2023/12~2025/03	Contract of construction service	None

VI Financial Information

6.1 Financial Reports & Audit Results in Recent five Years

6.1.1 Consolidated Balance Sheets

UNIT: NT\$1,000

Item \ Year		Five-Year Financial Summary				
		2019	2020	2021	2022	2023
Current Assets		89,242,066	87,023,947	105,955,718	111,449,752	122,340,909
Property, Plant and Equipment		50,681,281	52,820,212	41,431,732	39,795,675	39,341,493
Intangible Assets		7,000,317	7,254,262	6,969,037	6,789,196	6,466,819
Other Assets		150,354,848	149,988,434	162,699,582	166,208,504	168,577,630
Total Assets		297,278,512	297,086,855	317,056,069	324,243,127	336,726,851
Current Liabilities	Before Apportioned	74,335,619	64,027,610	71,082,366	70,962,661	82,887,767
	After Apportioned	84,419,961	75,960,748	83,137,311	79,118,294	-
Non-current Liabilities		53,493,855	63,172,293	65,700,817	69,047,221	61,975,517
Total Liabilities	Before Apportioned	127,829,474	127,199,903	136,783,183	140,009,882	144,863,284
	After Apportioned	137,913,816	139,133,041	148,838,128	148,165,515	-
Equity Attributable To Owners Of The Corporation		146,067,358	147,768,559	156,926,923	160,816,847	169,169,896
Share Capital		33,614,472	33,614,472	35,455,721	35,459,276	35,465,629
Capital Surplus		1,456,054	1,492,584	5,986,339	6,005,713	8,574,119
Retained Earnings	Before Apportioned	108,564,355	111,583,496	114,999,751	115,195,194	117,910,408
	After Apportioned	98,480,013	99,650,358	102,944,806	107,039,561	-
Other Equity		2,432,477	1,078,007	485,112	4,156,664	7,219,740
Non-Controlling Interests		23,381,680	22,118,393	23,345,963	23,416,398	22,693,671
Total Equity	Before Apportioned	169,449,038	169,886,952	180,272,886	184,233,245	191,863,567
	After Apportioned	159,364,696	157,953,814	168,217,941	176,077,612	-

6.1.2 Consolidated Statements Of Comprehensive Income

UNIT: NT\$1,000

Year Item	Five-Year Financial Summary				
	2019	2020	2021	2022	2023
Operating Revenue	89,347,637	78,240,880	89,654,713	90,340,503	80,182,799
Realized Gross Profit	25,586,317	23,329,476	21,180,878	11,755,482	10,437,187
Profit From Operations	22,063,176	19,670,138	17,686,217	8,571,273	7,460,048
Non-operating Income and Expenses	6,330,006	4,473,745	4,247,696	6,625,704	6,476,320
Income Before Income Tax	28,393,182	24,143,883	21,933,913	15,196,977	13,936,368
Net Profit for The Period	22,243,953	18,773,807	17,527,770	12,597,136	11,084,110
Other Comprehensive Income, Net	(617,304)	(1,189,331)	(396,550)	4,417,882	2,697,171
Total Comprehensive Income for The Period	21,626,649	17,584,476	17,131,220	17,015,018	13,781,281
Net Profit Attributable To Owner Of the Company	17,459,673	14,710,486	15,068,221	12,016,396	10,882,826
Net Profit Attributable to Non-Controlling Interests	4,784,280	4,063,321	2,459,549	580,740	201,284
Total Comprehensive Income Attributable to Owner of The Company	17,652,536	13,255,580	14,758,614	16,002,287	13,954,793
Total Comprehensive Income Attributable to Non-Controlling Interests	3,974,113	4,328,896	2,372,606	1,012,731	(173,512)
Earnings Per Share	5.56	4.70	4.70	3.63	3.28

6.1.3 Separate Balance Sheets

UNIT: NT\$1,000

UNIT: NT\$1,000

Year Item		Five-Year Financial Summary				
		2019	2020	2021	2022	2023
Current Assets		10,880,961	11,779,434	17,693,205	16,514,946	28,092,903
Property, Plant and Equipment		4,234,288	4,137,094	4,375,078	4,356,609	5,148,625
Intangible Assets		4,957	3,171	3,309	2,095	6,277
Other Assets		188,820,293	199,978,546	208,445,586	215,673,742	221,303,613
Total Assets		203,940,499	215,898,245	230,517,178	236,547,392	254,551,418
Current Liabilities	Before Apportioned	16,273,235	14,682,102	16,716,480	19,898,035	33,556,015
	After Apportioned	26,357,577	26,615,240	28,771,425	28,053,668	-
Non-current Liabilities		41,599,906	53,447,584	56,873,775	55,832,510	51,825,507

Item \ Year		Five-Year Financial Summary				
		2019	2020	2021	2022	2023
Total Liabilities	Before Apportioned	57,873,141	68,129,686	73,590,255	75,730,545	85,381,522
	After Apportioned	67,957,483	80,062,824	85,645,200	83,886,178	-
Share Capital		33,614,472	33,614,472	35,455,721	35,459,276	35,465,629
Capital Surplus		1,456,054	1,492,584	5,986,339	6,005,713	8,574,119
Retained Earnings	Before Apportioned	108,564,355	111,583,496	114,999,751	115,195,194	117,910,408
	After Apportioned	98,480,013	99,650,358	102,944,806	107,039,561	-
Other Equity		2,432,477	1,078,007	485,112	4,156,664	7,219,740
Total Equity	Before Apportioned	146,067,358	147,768,559	156,926,923	160,816,847	169,169,896
	After Apportioned	135,983,016	135,835,421	144,871,978	152,661,214	-

6.1.4 Separate Statements Of Comprehensive Income

UNIT: NT\$1,000

Item \ Year		Five-Year Financial Summary				
		2019	2020	2021	2022	2023
Operating Revenue		8,985,917	8,991,169	9,134,245	10,742,667	11,140,246
Realized Gross Profit		469,483	1,061,298	1,334,852	1,704,348	1,844,723
Profit From Operations		(212,675)	510,628	696,636	1,096,747	1,231,947
Non-operating Income And Expenses		18,368,775	14,952,902	14,913,920	11,617,912	10,052,385
Income Before Income Tax		18,156,100	15,463,530	15,610,556	12,714,659	11,284,332
Net Profit For The Year		17,459,673	14,710,486	15,068,221	12,016,396	10,882,826
Other Comprehensive Income , Net		192,863	(1,454,906)	(309,607)	3,985,891	3,071,967
Total Comprehensive Income For The Year		17,652,536	13,255,580	14,758,614	16,002,287	13,954,793
Earnings Per Share		5.56	4.70	4.70	3.63	3.28

6.1.5 Auditors' Opinions from 2019 to 2023

Year	CPA's Name	Audit Opinion
2019	Hsin Wei Dai 、 You Wei Fan	Unqualified Opinion with Other Matter Paragraphs
2020	Hsin Wei Dai 、 You Wei Fan	Unqualified Opinion with Other Matter Paragraphs
2021	Hsin Wei Dai 、 Pei De Chen	Unqualified Opinion with Other Matter Paragraphs
2022	Hsin Wei Dai 、 Pei De Chen	Unqualified Opinion with Other Matter Paragraphs
2023	Hsin Wei Dai 、 Pei De Chen	Unqualified Opinion with Other Matter Paragraphs

6.2 Financial Analysis

6.2.1 Consolidated Financial Statements

Year Item		Financial Analysis (2019~2023)				
		2019	2020	2021	2022	2023
Capital Structure Analysis	Debts Ratio (%)	43.00	42.82	43.14	43.18	43.02
	Long-term Fund to Property, Plant and Equipment (%)	439.89	441.23	593.68	636.45	645.22
Liquidity Analysis	Current Ratio (%)	120.05	135.92	149.06	157.05	147.60
	Quick Ratio (%)	109.57	125.61	136.66	143.38	136.93
	Times Interest Earned (Times)	16.60	21.75	25.53	12.73	8.86
Operating Performance Analysis	Average Collection Turnover (Times)	3.95	4.05	5.23	6.36	5.96
	Days Sales Outstanding	92	90	70	57	61
	Average Inventory Turnover (Times)	7.25	7.63	8.89	8.99	8.57
	Average Payment Turnover (Times)	5.85	4.76	6.21	6.75	6.65
	Average Inventory Turnover Days	50	48	41	41	43
	Property, Plant and Equipment Turnover (Times)	1.73	1.51	1.90	2.22	2.03
	Total Assets Turnover (Times)	0.31	0.26	0.29	0.28	0.24
Profitability Analysis	Return on Total Assets (%)	8.22	6.63	5.94	4.25	3.78
	Return on Shareholders' Equity (%)	13.54	11.07	10.01	6.91	5.89
	Pre-tax Income to Paid-in Capital Ratio (%)	84.47	71.83	61.86	42.86	39.30
	Net Margin (%)	24.90	23.99	19.55	13.94	13.82
	Basic Earnings Per Share (NT\$)	5.56	4.70	4.70	3.63	3.28
Cash Flow	Cash Flow Ratio (%)	50.14	30.65	12.09	21.57	8.77
	Cash Flow Adequacy Ratio (%)	180.16	172.34	131.52	122.43	119.13
	Cash Reinvestment Ratio (%)	11.73	3.80	(1.29)	1.20	(0.32)
Leverage	Operating Leverage	1.28	1.25	1.28	1.56	1.64
	Financial Leverage	1.09	1.06	1.05	1.18	1.31
Analysis of deviation of 2023 vs. 2022 over 20%: The decrease in Times Interest Earned was mainly due to the increase of interest expenses in 2023. The decrease in Cash Flow Ratio and Cash Reinvestment Ratio were mainly due to the decrease of net cash provided by operating activities.						

6.2.2 Separate Financial Statements

Item \ Year		Financial Analysis (2019~2023)				
		2019	2020	2021	2022	2023
Capital Structure Analysis	Debts Ratio (%)	28.38	31.56	31.92	32.01	33.54
	Long-term Fund to Property, Plant and Equipment (%)	4,432.09	4,863.71	4,886.79	4,972.89	4,292.32
Liquidity Analysis	Current Ratio (%)	66.86	80.23	105.84	83.00	83.72
	Quick Ratio (%)	57.37	70.79	98.09	74.10	78.23
	Times Interest Earned (Times)	50.16	43.36	40.72	28.25	18.58
Operating Performance Analysis	Average Collection Turnover (Times)	8.43	8.64	8.98	10.00	9.04
	Days Sales Outstanding	43	42	41	37	40
	Average Inventory Turnover (Times)	5.30	5.41	5.81	6.15	5.60
	Average Payment Turnover (Times)	5.18	4.45	3.85	4.41	4.44
	Average Inventory Turnover Days	69	67	63	59	65
	Property, Plant and Equipment Turnover (Times)	2.09	2.15	2.15	2.46	2.34
	Total Assets Turnover (Times)	0.05	0.04	0.04	0.05	0.05
Profitability Analysis	Return on Total Assets (%)	8.95	7.15	6.89	5.31	4.64
	Return on Shareholders' Equity (%)	12.30	10.01	9.89	7.56	6.60
	Pre-tax Income to Paid-in Capital Ratio (%)	54.01	46.00	44.03	35.86	31.82
	Net Margin (%)	194.30	163.61	164.96	111.86	97.69
	Basic Earnings Per Share (NT\$)	5.56	4.70	4.70	3.63	3.28
Cash Flow	Cash Flow Ratio (%)	47.97	47.30	39.39	42.74	Note3
	Cash Flow Adequacy Ratio (%)	83.03	80.17	69.44	66.52	54.82
	Cash Reinvestment Ratio (%)	(0.94)	(1.71)	(2.72)	(1.78)	Note3
Leverage	Operating Leverage	Note1	1.94	1.59	1.43	1.40
	Financial Leverage	Note2	3.51	2.29	1.74	2.09
Analysis of deviation of 2023 vs. 2022 over 20%: The decrease in Times Interest Earned and increase in Financial Leverage were mainly due to the increase of interest expenses in 2023.						

Note1:The ratio was equal or less than zero.

Note2:The ratio was not calculated due to operating loss.

Note1:The ratio was not calculated due to net cash outflow from operating activities.

*Glossary

1. Capital Structure Analysis

- (1) Debt Ratio = Total Liabilities / Total Assets
- (2) Long-term Fund to Property, Plant and Equipment Ratio = (Shareholders' Equity + Noncurrent Liabilities) / Net Property, Plant and Equipment

2. Liquidity Analysis

- (1) Current Ratio = Current Assets / Current Liabilities
- (2) Quick Ratio = (Current Assets - Inventories - Prepaid Expenses) / Current Liabilities
- (3) Times Interest Earned = Earnings before Interest and Taxes / Interest Expenses

3. Operating Performance Analysis

- (1) Average Collection Turnover = Net Sales / Average Trade Receivables
- (2) Days Sales Outstanding = 365 / Average Collection Turnover
- (3) Average Inventory Turnover = Cost of Sales / Average Inventory
- (4) Average Payment Turnover = Cost of Sales / Average Trade Payables
- (5) Average Inventory Turnover Days = 365 / Average Inventory Turnover
- (6) Property, Plant and Equipment Turnover = Net Sales / Average Net Property, Plant and Equipment
- (7) Total Assets Turnover = Net Sales / Average Total Assets

4. Profitability Analysis

- (1) Return on Total Assets = (Net Income + Interest Expenses * (1 - Effective Tax Rate)) / Average Total Assets
- (2) Return on Shareholders' Equity = Net Income / Average Total Equity
- (3) Pre-tax Income to Paid-in Capital Ratio = Income before Tax / Paid-in Capital
- (4) Net Margin = Net Income / Net Sales
- (5) Basic Earnings Per Share = (Net income attributable to Shareholders of the Corporation. - Preferred Stock Dividend) / Weighted Average Number of Shares Outstanding

5. Cash Flow

- (1) Cash Flow Ratio = Net Cash Provided by Operating Activities / Current Liabilities
- (2) Cash Flow Adequacy Ratio = Five-year Sum of Cash from Operations / Five-year Sum of Capital Expenditures, Inventory Additions, and Cash Dividend
- (3) Cash Reinvestment Ratio = (Cash Provided by Operating Activities - Cash Dividends) / (Gross Property, Plant and Equipment + Long-term Investments + Other Noncurrent Assets + Working Capital)

6. Leverage

- (1) Operating Leverage = (Net Sales - Variable Cost) / Income from Operations
- (2) Financial Leverage = Income from Operations / (Income from Operations - Interest Expenses)

6.3 Audit Committee's Review Report on the 2023 Financial Statements

To: The 2024 Regular Shareholders' Meeting

The Board of Directors has prepared the Company's 2023 Business Report, the Proposal for Profit Distribution, and the Financial Statements certified by CPA Tai, Xin Wei and Chen, Pei De of the Deloitte & Touche. The Business Report, Financial Statements, and the Proposal for Profit Distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of Asia Cement Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Chairman of the Audit Committee: Yun-Peng Chu

May 8, 2024

6.4 Financial Statements and Independent Auditors' Report

Please refer to Attachment for the Notes to Financial Statements (<https://emops.twse.com.tw/>) .

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying consolidated financial statements of Asia Cement Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2023 are described as follows:

Estimated Impairment of Trade Receivables in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy in 2023, the property developers and the constructors, who were the indirect and ultimate customers of the Group's subsidiaries in mainland China, respectively, faced massive debt and cash flow issues. The management of the Group estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information; refer to Notes 5 and 10 to the consolidated financial statements for the details. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables in mainland China as of the balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 17 to the consolidated financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.

2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We sample-tested items from management's supporting documents, verified the valuation process used by management, recalculated the fair value of investment properties and assessed the reasonableness of management's calculation.

Other Matter

As of December 31, 2023 and 2022, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2023 and 2022, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,867,905 thousand and NT\$16,885,741 thousand, representing 4.7% and 5.2%, respectively, of the consolidated total assets. For the years ended December 31, 2023 and 2022, the share of profit or loss of CSCGL was NT\$(770,781) thousand and NT\$396,237 thousand, representing (5.5%) and 2.6%, respectively, of the consolidated profit before income tax.

We have also audited the parent company only financial statements of Asia Cement Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion with the Other Matter paragraph.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chen, Pei De.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 35)	\$ 33,229,516	10	\$ 43,486,332	13
Financial assets at fair value through profit or loss - current (Note 7)	39,719,980	12	26,710,158	8
Financial assets at fair value through other comprehensive income - current (Notes 8 and 36)	4,307,126	1	4,833,688	2
Financial assets at amortized cost - current (Notes 6, 9, 35 and 36)	21,684,983	7	11,238,921	4
Contract assets - current (Notes 28 and 35)	80,131	-	135,578	-
Notes receivable - third parties	2,360,615	1	2,557,075	1
Trade receivables				
Third parties (Notes 10 and 11)	9,883,837	3	10,819,177	3
Related parties (Notes 10 and 35)	654,691	-	616,113	-
Other receivables (Note 35)	1,163,181	-	851,355	-
Current tax assets (Note 30)	26,422	-	36,765	-
Inventories (Note 12)	7,610,592	2	8,667,817	3
Prepayments (Note 35)	1,229,356	-	1,036,876	-
Other current assets (Note 20)	390,479	-	459,897	-
Total current assets	122,340,909	36	111,449,752	34
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 36)	12,777,129	4	11,494,100	4
Financial assets at amortized cost - non-current (Notes 6, 9, 35 and 36)	52,336	-	70,561	-
Investments accounted for using the equity method (Notes 14, 35 and 36)	94,087,422	28	91,718,368	28
Property, plant and equipment (Notes 15, 35 and 36)	39,341,493	12	39,795,675	12
Right-of-use assets (Notes 16 and 35)	4,581,995	1	4,974,040	2
Investment properties (Notes 17 and 36)	37,699,498	11	37,186,104	11
Intangible assets (Notes 18 and 19)	6,466,819	2	6,789,196	2
Deferred tax assets (Note 30)	807,958	-	789,858	-
Finance lease receivables - non-current (Note 11)	13,545,937	4	14,962,846	5
Other non-current assets (Notes 20, 26 and 35)	5,025,355	2	5,012,627	2
Total non-current assets	214,385,942	64	212,793,375	66
TOTAL	\$ 336,726,851	100	\$ 324,243,127	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 21 and 35)	\$ 29,016,580	9	\$ 28,692,869	9
Short-term bills payable (Note 22)	30,328,957	9	27,059,806	8
Contract liabilities - current (Note 28)	672,297	-	836,904	-
Accounts payable and accrued expenses				
Third parties (Note 19)	9,814,956	3	10,393,404	3
Related parties (Note 35)	382,283	-	374,293	-
Dividends and bonuses payable	261,991	-	258,059	-
Other payables - others	30,972	-	31,503	-
Current tax liabilities (Note 30)	1,661,755	1	1,359,739	1
Provisions - current (Note 25)	211,383	-	24,932	-
Lease liabilities - current (Notes 16 and 35)	254,281	-	261,250	-
Deferred revenue - current (Note 24)	33,152	-	75,912	-
Current portion of long-term liabilities (Notes 23 and 35)	10,219,160	3	1,593,990	1
Total current liabilities	82,887,767	25	70,962,661	22
NON-CURRENT LIABILITIES				
Bonds payable (Note 23)	39,100,000	12	45,100,000	14
Long-term borrowings (Notes 23 and 35)	9,567,454	3	10,415,840	3
Provisions - non-current (Notes 20, 25 and 37)	1,077,111	-	1,040,794	-
Deferred tax liabilities (Note 30)	10,202,680	3	10,169,111	3
Lease liabilities - non-current (Notes 16 and 35)	1,100,494	-	1,302,028	1
Deferred revenue - non-current (Note 24)	587,005	-	620,157	-
Net defined benefit liabilities - non-current (Note 26)	56,737	-	111,146	-
Other non-current liabilities	284,036	-	288,145	-
Total non-current liabilities	61,975,517	18	69,047,221	21
Total liabilities	144,863,284	43	140,009,882	43
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 27)				
Share capital	35,465,629	10	35,459,276	11
Capital surplus	8,574,119	3	6,005,713	2
Retained earnings				
Legal reserve	22,558,401	7	21,318,344	7
Special reserve	66,660,987	20	66,656,628	21
Unappropriated earnings	28,691,020	8	27,220,222	8
Total retained earnings	117,910,408	35	115,195,194	36
Other equity	7,219,740	2	4,156,664	1
Total equity attributable to owners of the Corporation	169,169,896	50	160,816,847	50
NON-CONTROLLING INTERESTS (Notes 27 and 32)	22,693,671	7	23,416,398	7
Total equity	191,863,567	57	184,233,245	57
TOTAL	\$ 336,726,851	100	\$ 324,243,127	100

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 28 and 35)	\$ 80,182,799	100	\$ 90,340,503	100
OPERATING COSTS (Notes 12, 29 and 35)	<u>69,745,612</u>	<u>87</u>	<u>78,585,021</u>	<u>87</u>
GROSS PROFIT	10,437,187	13	11,755,482	13
OPERATING EXPENSES				
Administrative expenses (Notes 29 and 35)	3,271,753	4	3,324,394	3
Expected credit gain (Note 10)	<u>(294,614)</u>	<u>-</u>	<u>(140,185)</u>	<u>-</u>
Total operating expenses	<u>2,977,139</u>	<u>4</u>	<u>3,184,209</u>	<u>3</u>
OPERATING INCOME	<u>7,460,048</u>	<u>9</u>	<u>8,571,273</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 29)	1,330,819	1	931,594	1
Other gains and losses (Note 29)	3,072,659	4	1,732,061	2
Finance costs (Note 29)	(1,772,450)	(2)	(1,295,075)	(2)
Share of profit of associates and joint ventures	2,492,783	3	4,311,008	5
Interest income	<u>1,352,509</u>	<u>2</u>	<u>946,116</u>	<u>1</u>
Total non-operating income and expenses	<u>6,476,320</u>	<u>8</u>	<u>6,625,704</u>	<u>7</u>
PROFIT BEFORE INCOME TAX	13,936,368	17	15,196,977	17
INCOME TAX EXPENSE (Note 30)	<u>2,852,258</u>	<u>3</u>	<u>2,599,841</u>	<u>3</u>
NET INCOME FOR THE YEAR	<u>11,084,110</u>	<u>14</u>	<u>12,597,136</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	110,602	-	202,096	-
Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income	2,197,849	3	(189,012)	-
Share of other comprehensive income (loss) of associates and joint ventures	<u>2,078,024</u>	<u>2</u>	<u>(239,851)</u>	<u>-</u>
	<u>4,386,475</u>	<u>5</u>	<u>(226,767)</u>	<u>-</u>

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ (1,229,250)	(1)	\$ 1,618,546	2
Share of other comprehensive (loss) income of associates and joint ventures	<u>(460,054)</u>	<u>(1)</u>	<u>3,026,103</u>	<u>3</u>
	<u>(1,689,304)</u>	<u>(2)</u>	<u>4,644,649</u>	<u>5</u>
Other comprehensive income for the year, net of income tax	<u>2,697,171</u>	<u>3</u>	<u>4,417,882</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,781,281</u>	<u>17</u>	<u>\$ 17,015,018</u>	<u>19</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 10,882,826	14	\$ 12,016,396	13
Non-controlling interests	<u>201,284</u>	<u>-</u>	<u>580,740</u>	<u>1</u>
	<u>\$ 11,084,110</u>	<u>14</u>	<u>\$ 12,597,136</u>	<u>14</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 13,954,793	17	\$ 16,002,287	18
Non-controlling interests	<u>(173,512)</u>	<u>-</u>	<u>1,012,731</u>	<u>1</u>
	<u>\$ 13,781,281</u>	<u>17</u>	<u>\$ 17,015,018</u>	<u>19</u>
EARNINGS PER SHARE (Note 31)				
Basic	<u>\$ 3.28</u>		<u>\$ 3.63</u>	
Diluted	<u>\$ 3.28</u>		<u>\$ 3.62</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation													
							Other Equity							
	Retained Earnings						Exchange Differences on Translating the Financial Statements of	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other	Gain on	Cash Flow Hedges	Total Other Equity	Total	Non-controlling Interests	Total Equity
	Share Capital Issued		Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings								
Shares	Amount	Foreign Operations					Comprehensive Income	Property Revaluation						
BALANCE AT JANUARY 1, 2022	3,545,572	\$ 35,455,721	\$ 5,986,339	\$ 19,783,405	\$ 66,476,869	\$ 28,739,477	\$ (7,411,875)	\$ 6,928,068	\$ 911,178	\$ 57,741	\$ 485,112	\$ 156,926,923	\$ 23,345,963	\$ 180,272,886
Appropriation of 2021 earnings														
Legal reserve	-	-	-	1,534,939	-	(1,534,939)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	411,137	(411,137)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(12,054,945)	-	-	-	-	-	(12,054,945)	-	(12,054,945)
Net profit for the year ended December 31, 2022	-	-	-	-	-	12,016,396	-	-	-	-	-	12,016,396	580,740	12,597,136
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	303,336	4,327,499	(646,338)	828	566	3,682,555	3,985,891	431,991	4,417,882
Convertible bonds converted to ordinary shares	356	3,555	8,350	-	-	-	-	-	-	-	-	11,905	-	11,905
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	11,293	-	-	-	-	-	-	-	-	11,293	-	11,293
Actual acquisition of interests in subsidiaries	-	-	(269)	-	-	(166)	-	-	-	-	-	(435)	(326)	(761)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(941,970)	(941,970)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	11,003	-	(11,003)	-	-	(11,003)	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	(80,181)	-	-	-	-	-	(80,181)	-	(80,181)
Special reserve reversed	-	-	-	-	(231,378)	231,378	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	3,545,928	35,459,276	6,005,713	21,318,344	66,656,628	27,220,222	(3,084,376)	6,270,727	912,006	58,307	4,156,664	160,816,847	23,416,398	184,233,245
Appropriation of 2022 earnings														
Legal reserve	-	-	-	1,240,057	-	(1,240,057)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	377,005	(377,005)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(8,155,633)	-	-	-	-	-	(8,155,633)	-	(8,155,633)
Net profit for the year ended December 31, 2023	-	-	-	-	-	10,882,826	-	-	-	-	-	10,882,826	201,284	11,084,110
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	176,149	(1,333,630)	2,944,346	1,285,314	(212)	2,895,818	3,071,967	(374,796)	2,697,171
Convertible bonds converted to ordinary shares	635	6,353	13,537	-	-	-	-	-	-	-	-	19,890	-	19,890
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	2,554,402	-	-	-	-	-	-	-	-	2,554,402	-	2,554,402
Actual acquisition of interests in subsidiaries	-	-	461	-	-	(80)	-	-	-	-	-	381	(1,170)	(789)
Changes in ownership interests in subsidiaries	-	-	6	-	-	(5)	-	-	-	-	-	1	(1)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(548,040)	(548,040)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(167,258)	-	167,258	-	-	167,258	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	(20,785)	-	-	-	-	-	(20,785)	(4)	(20,789)
Special reserve reversed	-	-	-	-	(372,646)	372,646	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	3,546,563	\$ 35,465,629	\$ 8,574,119	\$ 22,558,401	\$ 66,660,987	\$ 28,691,020	\$ (4,418,006)	\$ 9,382,331	\$ 2,197,320	\$ 58,095	\$ 7,219,740	\$ 169,169,896	\$ 22,693,671	\$ 191,863,567

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 13,936,368	\$ 15,196,977
Adjustments for:		
Depreciation expenses	4,455,429	4,478,360
Amortization expenses	300,269	290,975
Expected credit loss reversed on trade receivables	(294,614)	(140,185)
Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(2,552,018)	(1,242,903)
Finance costs	1,772,450	1,295,075
Interest income	(1,352,509)	(946,116)
Dividend income	(1,354,865)	(1,071,915)
Share of profit of associates and joint ventures	(2,492,783)	(4,311,008)
Loss on disposal of property, plant and equipment	87,993	6,968
Gain on disposal of financial assets	(80,224)	(177,373)
Impairment loss recognized on property, plant and equipment	-	387,333
(Reversal) write-downs of inventories	(136,129)	275,808
Unrealized loss (gain) on foreign exchange	40,438	(1,015,399)
Gain on changes in fair value of investment properties	(521,787)	(327,080)
Loss on disposal of subsidiaries	-	3,229
Day 1 gains for financial instruments	(847,560)	-
Gain on modification of lease	(6,624)	(167)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(9,583,342)	(996,300)
Contract assets	55,447	52,709
Notes receivable	1,008,546	3,132,592
Trade receivables	2,585,782	1,228,284
Other receivables	(58,629)	54,359
Inventories	1,149,995	5,354
Prepayments	(244,271)	277,388
Other current assets	52,280	(59,869)
Contract liabilities	(156,167)	(226,181)
Accounts payable and accrued expenses	(536,201)	(1,117,609)
Provisions	225,196	(44,183)
Net defined benefit liabilities	(4,756)	(15,466)
Deferred revenue	(75,912)	(75,912)
Cash generated from operations	5,371,802	14,917,745
Interest received	1,089,656	621,039
Dividends received	5,077,835	4,783,260
Interest paid	(1,720,826)	(1,294,044)
Income tax paid	(2,549,051)	(3,719,369)
Net cash generated from operating activities	<u>7,269,416</u>	<u>15,308,631</u>

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (411,565)
Proceeds from sale of financial assets at fair value through other comprehensive income	619,487	39,172
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	26,282
(Payments for) proceeds from financial assets at amortized cost	(10,756,747)	4,363,549
Acquisition of associates and joint ventures	(59,609)	(189,913)
Increase in long-term prepayments for investments	(2,740)	(5,760)
Net cash outflow on disposal of subsidiaries	-	(420)
Proceeds from capital reduction of investments accounted for using equity method	567,841	-
Payments for property, plant and equipment	(4,081,969)	(2,666,315)
Proceeds from disposal of property, plant and equipment	33,149	11,237
Decrease (Increase) in refundable deposits	11,170	(103,004)
Payments for intangible assets	(33,324)	(7,261)
Proceeds from disposal of intangible assets	2	-
Payments for right-of-use assets	(633)	(500)
Payments for investment properties	(1,367)	(782)
Proceeds from sale of derivative instruments not held for trading	48,500	-
Net cash (used in) generated from investing activities	<u>(13,656,240)</u>	<u>1,054,720</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	417,214	4,564,715
Increase (decrease) in short-term bills payable	3,252,000	(796,900)
Proceeds from issuance of bonds	4,000,000	-
Proceeds from long-term borrowings	9,439,397	21,563,103
Repayments of long-term borrowings	(11,614,879)	(19,496,086)
(Decrease) increase in guarantee deposits received	(1,042)	1,995
Repayment of the principal portion of lease liabilities	(263,223)	(260,466)
(Decrease) increase in other non-current liabilities	(824)	4,565
Dividends paid	(8,155,562)	(12,054,870)
Acquisition of additional interests in subsidiaries	(789)	(761)
Dividends paid to non-controlling interests	<u>(548,040)</u>	<u>(941,970)</u>
Net cash used in financing activities	<u>(3,475,748)</u>	<u>(7,416,675)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(394,244)</u>	<u>1,089,038</u>

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (10,256,816)	\$ 10,035,714
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>43,486,332</u>	<u>33,450,618</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 33,229,516</u>	<u>\$ 43,486,332</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying financial statements of Asia Cement Corporation (the "Corporation"), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Corporation's financial statements for the year ended December 31, 2022 are described as follows:

Estimated Impairment of Trade Receivables in Subsidiaries Accounted for
Using the Equity Method in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy in 2023, the property developers and the constructors who were the indirect and ultimate customers of the Corporation's subsidiaries accounted for using the equity method in mainland China respectively faced massive debt and cash flow issues. The management of the Corporation estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historically observed default rates over the expected life of the debtors and are adjusted for forward-looking information. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in subsidiaries accounted for using the equity method in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables of subsidiaries accounted for using the equity method in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables of subsidiaries accounted for using the equity method in mainland China as of balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 15 to the financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.
2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We sample-tested items from management's supporting documents, verified the valuation process used by management, recalculated the fair value of investment properties and assessed the reasonableness of management's calculation.

Other Matter

As of December 31, 2023 and 2022, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2023 and 2022, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,867,704 thousand and NT\$16,885,170 thousand, representing 6.2% and 7.1%, respectively, of the total assets. For the years ended December 31, 2023 and 2022, the share of profit or loss of CSCGL was NT\$(770,763) thousand and NT\$396,223 thousand, representing (6.8%) and 3.1%, respectively, of the profit before income tax.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chen, Pei De.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2024

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally applied in the Republic of China.

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

ASIA CEMENT CORPORATION

BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 31)	\$ 3,917,101	2	\$ 5,085,265	2
Financial assets at fair value through profit or loss - current (Note 7)	13,341,659	5	1,442,750	1
Financial assets at fair value through other comprehensive income - current (Note 8)	2,476,543	1	2,045,165	1
Financial assets at amortized cost - current (Notes 6, 9 and 31)	4,978,295	2	4,856,236	2
Note receivable - third parties	102,785	-	78,916	-
Trade receivables				
Third parties (Note 10)	403,751	-	373,671	-
Related parties (Notes 10 and 31)	801,575	-	703,131	-
Other receivables (Note 31)	226,616	-	158,416	-
Inventories (Note 11)	1,675,436	1	1,641,979	1
Prepayments (Note 31)	166,754	-	128,060	-
Other current assets	<u>2,388</u>	<u>-</u>	<u>1,357</u>	<u>-</u>
Total current assets	<u>28,092,903</u>	<u>11</u>	<u>16,514,946</u>	<u>7</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	6,704,087	3	6,058,267	3
Investments accounted for using the equity method (Notes 12, 31 and 32)	165,320,651	65	161,409,598	68
Property, plant and equipment (Notes 13, 31 and 32)	5,148,625	2	4,356,609	2
Right-of-use assets (Note 14)	398,019	-	464,730	-
Investment properties (Notes 15 and 32)	44,149,087	17	43,308,034	18
Intangible assets (Note 16)	6,277	-	2,095	-
Deferred tax assets (Note 26)	161,548	-	3,902	-
Other non-current assets (Notes 17, 22 and 31)	<u>4,570,221</u>	<u>2</u>	<u>4,429,211</u>	<u>2</u>
Total non-current assets	<u>226,458,515</u>	<u>89</u>	<u>220,032,446</u>	<u>93</u>
TOTAL	<u>\$ 254,551,418</u>	<u>100</u>	<u>\$ 236,547,392</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ -	-	\$ 500,000	-
Short-term bills payable (Note 19)	20,312,517	8	16,423,990	7
Contract liabilities - current (Note 24)	104,713	-	140,872	-
Accounts payable and accrued expenses				
Third parties	1,994,710	1	1,654,486	1
Related parties (Note 31)	256,297	-	280,650	-
Dividends and bonuses payable	256,906	-	255,000	-
Current tax liabilities (Note 26)	505,931	-	463,599	-
Lease liabilities - current (Note 14)	91,789	-	83,397	-
Deferred revenue - current (Note 21)	33,152	-	75,912	-
Current portion of long-term liabilities (Note 20)	<u>10,000,000</u>	<u>4</u>	<u>20,129</u>	<u>-</u>
Total current liabilities	<u>33,556,015</u>	<u>13</u>	<u>19,898,035</u>	<u>8</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 20)	39,100,000	16	45,100,000	19
Long-term borrowings (Note 20)	2,060,000	1	-	-
Provisions - non-current	133,756	-	73,316	-
Deferred tax liabilities (Note 26)	9,877,033	4	9,917,476	4
Lease liabilities - non-current (Note 14)	38,581	-	93,086	-
Deferred revenue - non-current (Note 21)	587,006	-	620,157	1
Other non-current liabilities	<u>29,131</u>	<u>-</u>	<u>28,475</u>	<u>-</u>
Total non-current liabilities	<u>51,825,507</u>	<u>21</u>	<u>55,832,510</u>	<u>24</u>
Total liabilities	<u>85,381,522</u>	<u>34</u>	<u>75,730,545</u>	<u>32</u>
EQUITY (Note 23)				
Share capital	<u>35,465,629</u>	<u>14</u>	<u>35,459,276</u>	<u>15</u>
Capital surplus	<u>8,574,119</u>	<u>3</u>	<u>6,005,713</u>	<u>2</u>
Retained earnings				
Legal reserve	22,558,401	9	21,318,344	9
Special reserve	66,660,987	26	66,656,628	28
Unappropriated earnings	<u>28,691,020</u>	<u>11</u>	<u>27,220,222</u>	<u>12</u>
Total retained earnings	<u>117,910,408</u>	<u>46</u>	<u>115,195,194</u>	<u>49</u>
Other equity	<u>7,219,740</u>	<u>3</u>	<u>4,156,664</u>	<u>2</u>
Total equity	<u>169,169,896</u>	<u>66</u>	<u>160,816,847</u>	<u>68</u>
TOTAL	<u>\$ 254,551,418</u>	<u>100</u>	<u>\$ 236,547,392</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)	\$ 11,140,246	100	\$ 10,742,667	100
OPERATING COSTS (Notes 11, 25 and 31)	<u>9,291,434</u>	<u>83</u>	<u>9,041,271</u>	<u>84</u>
GROSS PROFIT	1,848,812	17	1,701,396	16
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>(4,089)</u>	<u>-</u>	<u>2,952</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>1,844,723</u>	<u>17</u>	<u>1,704,348</u>	<u>16</u>
OPERATING EXPENSES				
Administrative expenses (Notes 25 and 31)	610,194	6	608,041	6
Expected credit loss (gain) (Note 10)	<u>2,582</u>	<u>-</u>	<u>(440)</u>	<u>-</u>
Total operating expenses	<u>612,776</u>	<u>6</u>	<u>607,601</u>	<u>6</u>
OPERATING INCOME	<u>1,231,947</u>	<u>11</u>	<u>1,096,747</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 25)	1,020,343	9	663,851	6
Other gains and losses (Note 25)	2,271,171	20	401,857	4
Finance costs (Note 25)	(641,785)	(6)	(466,565)	(5)
Share of profit of subsidiaries and associates	7,024,008	63	10,820,856	101
Interest income	<u>378,648</u>	<u>4</u>	<u>197,913</u>	<u>2</u>
Total non-operating income and expenses	<u>10,052,385</u>	<u>90</u>	<u>11,617,912</u>	<u>108</u>
PROFIT BEFORE INCOME TAX	11,284,332	101	12,714,659	118
INCOME TAX EXPENSE (Note 26)	<u>401,506</u>	<u>3</u>	<u>698,263</u>	<u>6</u>
NET INCOME FOR THE YEAR	<u>10,882,826</u>	<u>98</u>	<u>12,016,396</u>	<u>112</u>

(Continued)

ASIA CEMENT CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ 1,077,198	10	\$ (83,273)	(1)
Remeasurement of defined benefit plans	70,454	-	190,182	2
Share of other comprehensive income (loss) of subsidiaries and associates	<u>3,233,211</u>	<u>29</u>	<u>(336,484)</u>	<u>(3)</u>
	<u>4,380,863</u>	<u>39</u>	<u>(229,575)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive (loss) income of subsidiaries and associates	<u>(1,308,896)</u>	<u>(12)</u>	<u>4,215,466</u>	<u>39</u>
Other comprehensive income for the year, net of income tax	<u>3,071,967</u>	<u>27</u>	<u>3,985,891</u>	<u>37</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,954,793</u>	<u>125</u>	<u>\$ 16,002,287</u>	<u>149</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 3.28</u>		<u>\$ 3.63</u>	
Diluted	<u>\$ 3.28</u>		<u>\$ 3.62</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

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ASIA CEMENT CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

							Other Equity					
	Share Capital Issued		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation	Cash Flow Hedges	Total	Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2022	3,545,572	\$ 35,455,721	\$ 5,986,339	\$ 19,783,405	\$ 66,476,869	\$ 28,739,477	\$ (7,411,875)	\$ 6,928,068	\$ 911,178	\$ 57,741	\$ 485,112	\$ 156,926,923
Appropriation of 2021 earnings												
Legal reserve	-	-	-	1,534,939	-	(1,534,939)	-	-	-	-	-	-
Special reserve	-	-	-	-	411,137	(411,137)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(12,054,945)	-	-	-	-	-	(12,054,945)
Net profit for the year ended December 31, 2022	-	-	-	-	-	12,016,396	-	-	-	-	-	12,016,396
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	303,336	4,327,499	(646,338)	828	566	3,682,555	3,985,891
Convertible bonds converted to ordinary shares	356	3,555	8,350	-	-	-	-	-	-	-	-	11,905
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	11,293	-	-	-	-	-	-	-	-	11,293
Actual acquisition of interests in subsidiaries	-	-	(269)	-	-	(166)	-	-	-	-	-	(435)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	11,003	-	(11,003)	-	-	(11,003)	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	(80,181)	-	-	-	-	-	(80,181)
Special reserve reversed	-	-	-	-	(231,378)	231,378	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	3,545,928	35,459,276	6,005,713	21,318,344	66,656,628	27,220,222	(3,084,376)	6,270,727	912,006	58,307	4,156,664	160,816,847
Appropriation of 2022 earnings												
Legal reserve	-	-	-	1,240,057	-	(1,240,057)	-	-	-	-	-	-
Special reserve	-	-	-	-	377,005	(377,005)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(8,155,633)	-	-	-	-	-	(8,155,633)
Net profit for the year ended December 31, 2023	-	-	-	-	-	10,882,826	-	-	-	-	-	10,882,826
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	176,149	(1,333,630)	2,944,346	1,285,314	(212)	2,895,818	3,071,967
Convertible bonds converted to ordinary shares	635	6,353	13,537	-	-	-	-	-	-	-	-	19,890
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	2,554,402	-	-	-	-	-	-	-	-	2,554,402
Actual acquisition of interests in subsidiaries	-	-	461	-	-	(80)	-	-	-	-	-	381
Changes in ownership interests in subsidiaries	-	-	6	-	-	(5)	-	-	-	-	-	1
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	(167,258)	-	167,258	-	-	167,258	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	(20,785)	-	-	-	-	-	(20,785)
Special reserve reversed	-	-	-	-	(372,646)	372,646	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	<u>3,546,563</u>	<u>\$ 35,465,629</u>	<u>\$ 8,574,119</u>	<u>\$ 22,558,401</u>	<u>\$ 66,660,987</u>	<u>\$ 28,691,020</u>	<u>\$ (4,418,006)</u>	<u>\$ 9,382,331</u>	<u>\$ 2,197,320</u>	<u>\$ 58,095</u>	<u>\$ 7,219,740</u>	<u>\$ 169,169,896</u>

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

(With Deloitte & Touche auditors’ report dated March 15, 2024)

ASIA CEMENT CORPORATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 11,284,332	\$ 12,714,659
Adjustments for:		
Depreciation expenses	486,824	470,936
Amortization expenses	1,334	1,214
Expected credit loss recognized (reversed) on trade receivables	2,582	(440)
Net (gain) loss on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(1,072,577)	739,665
Finance costs	641,785	466,565
Interest income	(378,648)	(197,913)
Dividend income	(848,823)	(381,245)
Share of profit of subsidiaries and associates	(7,024,008)	(10,820,856)
Gain on disposal of property, plant and equipment	(2,975)	(3,773)
Unrealized (realized) on transactions with subsidiaries and associates	4,089	(2,952)
Unrealized loss (gain) on foreign exchange	52,061	(902,914)
Gain on changes in fair value of investment properties	(839,686)	(409,484)
Day 1 gains for financial instruments	(847,560)	-
Gain on modification of lease	(343)	-
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(10,027,610)	(276,300)
Notes receivable	(23,869)	7,131
Trade receivables	(132,025)	(161,716)
Other receivables	(69,503)	(13,343)
Inventories	(34,345)	(284,594)
Prepayments	(31,103)	(25,216)
Other current assets	(1,031)	2,613
Net defined benefit assets	(49,177)	(26,217)
Contract liabilities	(36,159)	53,822
Accounts payable and accrued expenses	200,520	(174,990)
Provisions	60,440	(17,527)
Deferred revenue	(75,911)	(75,912)
Cash (used in) generated from operations	(8,761,386)	681,213
Interest received	379,950	159,063
Dividends received	7,848,917	8,512,577
Interest paid	(591,197)	(489,904)
Income tax paid	(574,877)	(357,956)
Net cash (used in) generated from operating activities	(1,698,593)	8,504,993

(Continued)

ASIA CEMENT CORPORATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (95,788)
Purchase of financial assets at amortized cost	(151,131)	-
Proceeds from sale of financial assets at amortized cost	-	1,615,106
Proceeds from capital reduction of investments accounted for using equity method	567,841	-
Payments for property, plant and equipment	(1,108,193)	(460,378)
Proceeds from disposal of property, plant and equipment	11,768	3,825
Increase in refundable deposits	(3,766)	(29,402)
Payments for intangible assets	(4,766)	-
Payments for investment properties	(1,367)	(579)
Proceeds from the sale of derivatives held for non-trading purposes	<u>48,500</u>	<u>-</u>
Net cash (used in) generated from investing activities	<u>(641,114)</u>	<u>1,032,784</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term bank borrowings	(500,000)	500,000
Increase in short-term bills payable	3,880,000	2,430,000
Proceeds from issuance of bonds	4,000,000	-
Proceeds from long-term borrowings	2,460,000	1,100,000
Repayments of long-term borrowings	(400,000)	(2,050,000)
Increase (decrease) in guarantee deposits received	656	(315)
Repayment of the principal portion of lease liabilities	(90,727)	(89,567)
Dividends paid	(8,155,562)	(12,054,870)
Acquisition of additional interests in subsidiaries	<u>(754)</u>	<u>(189)</u>
Net cash generated from (used in) financing activities	<u>1,193,613</u>	<u>(10,164,941)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(22,070)</u>	<u>441,034</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(1,168,164)</u>	<u>(186,130)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>5,085,265</u>	<u>5,271,395</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,917,101</u>	<u>\$ 5,085,265</u>

The accompanying notes are an integral part of the financial statements.
(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

※ The Company and its affiliates have not experienced financial difficulties in the most recent fiscal year or during the current fiscal year up to the printing date of the annual report.

VII Analysis of Financial Status, Operating Result, and Risk Management

7.1 Analysis of Financial Status

UNIT: NT\$1,000

Item \ Year	2022	2023	Variance	
			Amount	%
Current Assets	111,449,752	122,340,909	10,891,157	10
Property, Plant and Equipment	39,795,675	39,341,493	(454,182)	(1)
Intangible Assets	6,789,196	6,466,819	(322,377)	(5)
Other Assets	166,208,504	168,577,630	2,369,126	1
Total Assets	324,243,127	336,726,851	12,483,724	4
Current Liabilities	70,962,661	82,887,767	11,925,106	17
Non-Current Liabilities	69,047,221	61,975,517	(7,071,704)	(10)
Total Liabilities	140,009,882	144,863,284	4,853,402	3
Equity Attributable To Owners Of The Corporation	160,816,847	169,169,896	8,353,049	5
Share Capital	35,459,276	35,465,629	6,353	0
Capital Surplus	6,005,713	8,574,119	2,568,406	43
Retained Earnings	115,195,194	117,910,408	2,715,214	2
Other Equity	4,156,664	7,219,740	3,063,076	74
Non-Controlling Interests	23,416,398	22,693,671	(722,727)	(3)
Total Equity	184,233,245	191,863,567	7,630,322	4
Analysis of deviation over 20%:				
1. The increase of capital surplus was mainly due to the increase of associates and joint ventures accounted for using the equity method in 2023.				
2. The increase of other equity was mainly due to the increase of unrealized gain on financial assets at fair value through other comprehensive income.				

7.2 Analysis of Financial Performance

UNIT: NT\$1,000

Item \ Year	2022	2023	Variance	
			Amount	%
Operating Revenue	90,340,503	80,182,799	(10,157,704)	(11)
Operating Costs	78,585,021	69,745,612	(8,839,409)	(11)
Gross Profit	11,755,482	10,437,187	(1,318,295)	(11)
Operating Expenses	3,184,209	2,977,139	(207,070)	(7)
Profit From Operations	8,571,273	7,460,048	(1,111,225)	(13)
Non-operating Income And Expenses	6,625,704	6,476,320	(149,384)	(2)
Income Before Income Tax	15,196,977	13,936,368	(1,260,609)	(8)
Income Tax Expense	2,599,841	2,852,258	252,417	10
Net Profit For The Year	12,597,136	11,084,110	(1,513,026)	(12)
Other Comprehensive Income , Net	4,417,882	2,697,171	(1,720,711)	(39)
Total Comprehensive Income For The Year	17,015,018	13,781,281	(3,233,737)	(19)
Net Profit Attributable To Owner Of The Company	12,016,396	10,882,826	(1,133,570)	(9)
Net Profit Attributable To Non-Controlling Interests	580,740	201,284	(379,456)	(65)
Total Comprehensive Income Attributable To Owner Of The Company	16,002,287	13,954,793	(2,047,494)	(13)
Total Comprehensive Income Attributable To Non-Controlling Interests	1,012,731	(173,512)	(1,186,243)	(117)
1. Analysis of deviation over 20%: (1).The decrease of net other comprehensive income was mainly due to the increase of exchange losses on translating the financial statements of foreign operations in 2023. (2).The decrease of net profit attributable to non-controlling interests was mainly due to the profit decrease of business in mainland China in 2023. (3).The decrease of total comprehensive income attributable to non-controlling interests was mainly due to the increase of exchange losses on translating the financial statements of foreign operations and the profit decrease of business in mainland China in 2023. 2. Expected sales volume in next one year and the reason for such expectation. The impact of such expectation on the Company's financial situation and operational performances, and the Company's plan: Please refer to the "Letter to Shareholders".				

7.3 Analysis of Cash Flow

(1)The Analysis for Changing of Cash Flow for 2023

Unit: NT\$1,000

Cash Balance in the Beginning	Net Cash Inflows from Operating Activities	Total Cash Outflows	The Cash Surplus	Source of Funding for Negative Cash Balance	
				Investing Plans	Financing Plans
43,486,332	7,269,416	(17,526,232)	33,229,516	-	-

1. OperatingActivities:Mainly generated from operations NT\$5,371,802 thousand, dividends received NT\$5,077,835 thousand and income taxes paid NT\$2,549,051 thousand.
2. Investing Activities:Mostly for net increase in financial assets NT\$10,088,760 thousand and net increase in property, plant and equipment NT\$4,048,820 thousand.
3. Financing Activities: Mostly for net increase in short-term and long-term loans NT\$5,493,732 thousand, cash dividends paid NT\$8,155,562 thousand and net decrease in non-controlling interests NT\$548,040 thousand.

(2)Remedy plans for insufficient liquidity for 2023:Not Applicable.

(3)Liquidity Analysis for the Coming Year

Unit: NT\$1,000

Cash Balance in the Beginning	Expected Net Cash Inflows from Operating Activities	Expected Total Cash Outflows	Expected Cash Surplus	Expected Source of Funding for Negative Cash Balance	
				Investing Plans	Financing Plans
33,229,516	13,763,869	(29,904,147)	17,089,238	-	-

1. Operating Activities:Mainly from operating income and cash dividends received.
2. Investing Activities:Primarily for investment in capital expenditures.
3. Financing Activities:Mostly for net decrease in short-term and long-term loans and payout of cash dividends.

7.4 Impacts of Major Capital Expenditures on Finance and Operation

7.4.1 Major Capital Expenditures and Funding Sources

UNIT: NT\$1,000

Projects	Actual or Expected Source of Capital	Actual or Expected Date of Completion	Total Capital	Capital Expenditures			
				Actual		Expected	
				2018~2022	2023	2024	2025
CHIAHUI POWER natural gas fueled combined cycle power plant (Phase II Expansion)	Syndicated loan	Jul. 2021	10,402,644	10,389,633	8,850	4,161	-
YA TUNG READY-MIXED CONCRETE purchase the land and auxiliary building	Self-owned capital	Aug. 2024	534,687	-	-	534,687	-

FU MING TRANSPORTATION purchase the land	Self-owned capital and loan	Mar. 2023	1,052,000	-	1,052,000	-	-
FU MING TRANSPORTATION plant and office building construction	Self-owned capital	Oct. 2024	459,048	-	160,667	298,381	-
JIANGXI YADONG Coarse aggregate mining and conveyor system construction	Self-owned capital	Dec. 2025	1,291,520	16,477	30,535	638,567	605,941
JIANGXI YADONG obtained the right of mining	Self-owned capital	Jun. 2024	2,813,298	-	-	2,813,298	-
HUANGGANG YADONG obtained the right of mining	Self-owned capital	Dec. 2025	2,089,458	-	-	519,378	1,570,080
HUANGGANG YADONG production line and piers expansion construction	Self-owned capital and loan	Dec. 2025	9,019,346	-	5,956	2,596,890	6,416,500
JIANGLING YADONG cement grinding plant construction	Self-owned capital and loan	Aug. 2025	2,154,705	28,384	6,146	1,110,270	1,009,905

7.4.2 Expected Benefit to Finance and Operation from the Major Capital Expenditure

1. The natural gas fueled combined cycle power plant expansion (Phase II) of CHIAHUI POWER will increase the stable profit every year.
2. After the completion of land purchasing, new plant and office, YA TUNG READY-MIXED CONCRETE and FU MING TRANSPORTATION will increase the capacity of production, storage and transportation capabilities, it will steadily increase the profit in the future.
3. After the completion of the new production line and plant construction of JIANGXI YADONG, HUANGGANG YADONG and JIANGLING YADONG, it will steadily increase the profit in the future.
4. JIANGXI YADONG and HUANGGANG YADONG obtained the new rights of mining will increase the limestone reserve to meet the future production demands.

7.5 Investment Strategies in the Most Recent Year, the Major Reasons for its

Gain or Loss and Improvement Plan and Investment Plans for Next Year

The majority of the Company's investments were for long-term strategic purposes. In 2023, the total gain through equity method by the company was NT \$2,492,783 thousand (on consolidated basis). In the future, the company will continue to focus on strategic purposes through prudent assessment.

7.6 Analysis and Evaluation of Risk Management

7.6.1 The Impact of Fluctuation of Foreign Exchange, Interest Rates, and Inflation on the Company's Profit and Loss and Its Countermeasures

※Foreign exchange impact:

The percentage of foreign exchange gains/losses over operating revenue and operating income in 2023 are as follows:

Unit:NT\$1,000

Item \ Year	2023
Foreign Exchange Gains (Losses) (A)	(29,285)
Operating Revenue (B)	80,182,799
% of Operating Revenue (A)/(B)	(0.0%)
Operating Income (C)	7,460,048
% of Operating Income (A)/(C)	(0.4%)

Foreign exchange rate fluctuates constantly because of the variation in market demand and supply. Thus, the risk of foreign exchange may occur to the Company by means of various trading. For the Company, most of the procurements of raw materials were disbursed in USD; foreign sales were collected in USD. Currently, the revenue mostly equals to the disbursement, which led to the effect of natural hedge, minimizing the impact of fluctuation of foreign exchange on the Company's profit and loss.

(Besides natural hedge, in order to minimize the risk of foreign exchange, the Company and subsidiaries had adopted such risk management policies against the uncertainty)

1. Monitoring the impact to foreign exchange rate from global macro-economic change and building up a necessary hedge mechanism.
2. Planning future's demand for currencies and establishing the foreign currency position from relatively lower level to reduce overall cost. Convert weak currencies to strong currencies.

※Interest rate impact:

The percentage of interest revenue/losses over operating revenue and operating income in 2023 are as follows:

Unit:NT\$1,000

Item \ Year	2023
Interest Revenue (Losses) (A)	(419,941)
Operating Revenue (B)	80,182,799
% of Operating Revenue (A)/(B)	(0.5%)
Operating Income (C)	7,460,048
% of Operating Income (A)/(C)	(5.6%)

If market interest rates had been 0.01% higher/lower, the group's pretax profit for the year ended December 31, 2023 would have increased/decreased by NT\$2,592 thousand, mainly due to the Group's exposure to interest rates on its floating-rate bank borrowings and bank deposits' interest revenue and expenses.

The Company primarily utilizes short-term bank loans and issues long-term debt instruments to finance its short, mid, and long term funding demands.

According to the terms and conditions of agreements entered with banks, short-term bank loan, subject to floating interest rate basis, can be utilized in revolving method within the duration of the agreements. Since the Company has been maintaining stable status operationally and financially, it is capable of obtaining relatively lower interest rate with aggressive negotiations with banks. Besides, the duration of utilizing short-term loan is less than one year. In a whole, the impact of the fluctuation of interest rates on the Company's short-term loans is reduced. In order to minimize the risk of interest rate, the Company and subsidiaries had adopted such risk management policies against the uncertainty:

The Company mainly issues long-term and fixed interest rate debt instruments to lock relatively lower funding cost, which can reduce interest expense and impact of interest fluctuation, spare banks' credit lines for temporary funding demand, replenish working capital, and improve financial structure to comply with the principle for long-term sustainable operation.

✖Inflation rate impact:

Taiwan inflation rate was about 2.5% in 2023. This inflation rate did not have substantial effect on the Company's operation and profit. In order to minimize the risk of inflation rate, the Company and subsidiaries maintained stable and long-term cooperative relationships with our major suppliers.

7.6.2 The Impact of Highly Risky Investments, Highly Leveraged Transaction, Loaning to Others, Endorsement and Guarantee for Others, and Derivatives

The Company has no highly risky and highly leveraged investments or loaning to others.

The Company provided endorsement and guarantee for its subsidiaries according to "Procedures for Endorsement and Guarantee". Its balance was NT\$54,807,325 thousand and NT\$ 54,474,250 thousand at the end of 2023 and the end of March 2024 respectively. Based on

conservative operating policy, the operations of its subsidiaries bring considerable income to the Company. Besides that, the Company supervises its subsidiaries regularly and controls related risks.

The financial transactions with “derivative” nature which the Company entered into were strictly for hedging purposes and not for any trading or speculative purposes. To control various types of financial trading risks, the Company has established internal policies and procedures based on sound financial and business practices, and in compliance with the relevant rules and regulations issued by the Taiwan Securities and Futures Bureau. The Company entered into USD/TWD Cross Currency Swap (CCS) transactions and all the contracts were written off in December 2023, so its balance was NT\$0 at the end of 2023. The Company has no other financial transactions with “derivative” nature at the end of March 2024.

7.6.3 The Prevention of Legal Risks

In view of current company’s operations, in addition to compliance with laws and regulations, there are many different areas involved in the legal norms, such as dealing with other companies, government agency, stakeholders, employees, and other foreign-related cases. Preventing legal risks shall be the first priority in today’s business operators.

In response to this situation, the Company asks those who majored in law to be in charge of the Secretarial Department. Besides, the Company teaches and requires every employee to comply with every regulation in daily operations. The Company also cooperates with the Group’s legal department to handle labor, general affairs, sales, factory management, taxation and other issues. Lawyers and accountants would be consulted if necessary. These could ensure legal risks reduced to maintain the Company's interests.

7.6.4 R&D project and estimated expenditures in the future:

		Unit: NT\$1,000
	Item	Amount
1	Environmental Impact Assessment and Monitoring for Mining Land	15,000
2	Structural Displacement Monitoring of Concrete Buildings in the Plant Area	650
3	Conversion of Ice Water Machine to ACTEC Control System	500
4	Development of Screw Conveyor Weighing Machine Control System	1,500
5	Conversion of Rotor Weighing Machine to ACTEC Control	500
6	Development of Cement Ship Loading and Unloading Control System for Asia Cement No. 9	3,000
Total		52,700

◎Effect on the Company’s finance and operation from any changes in major policies and laws at home and abroad in the most recent fiscal year: None.

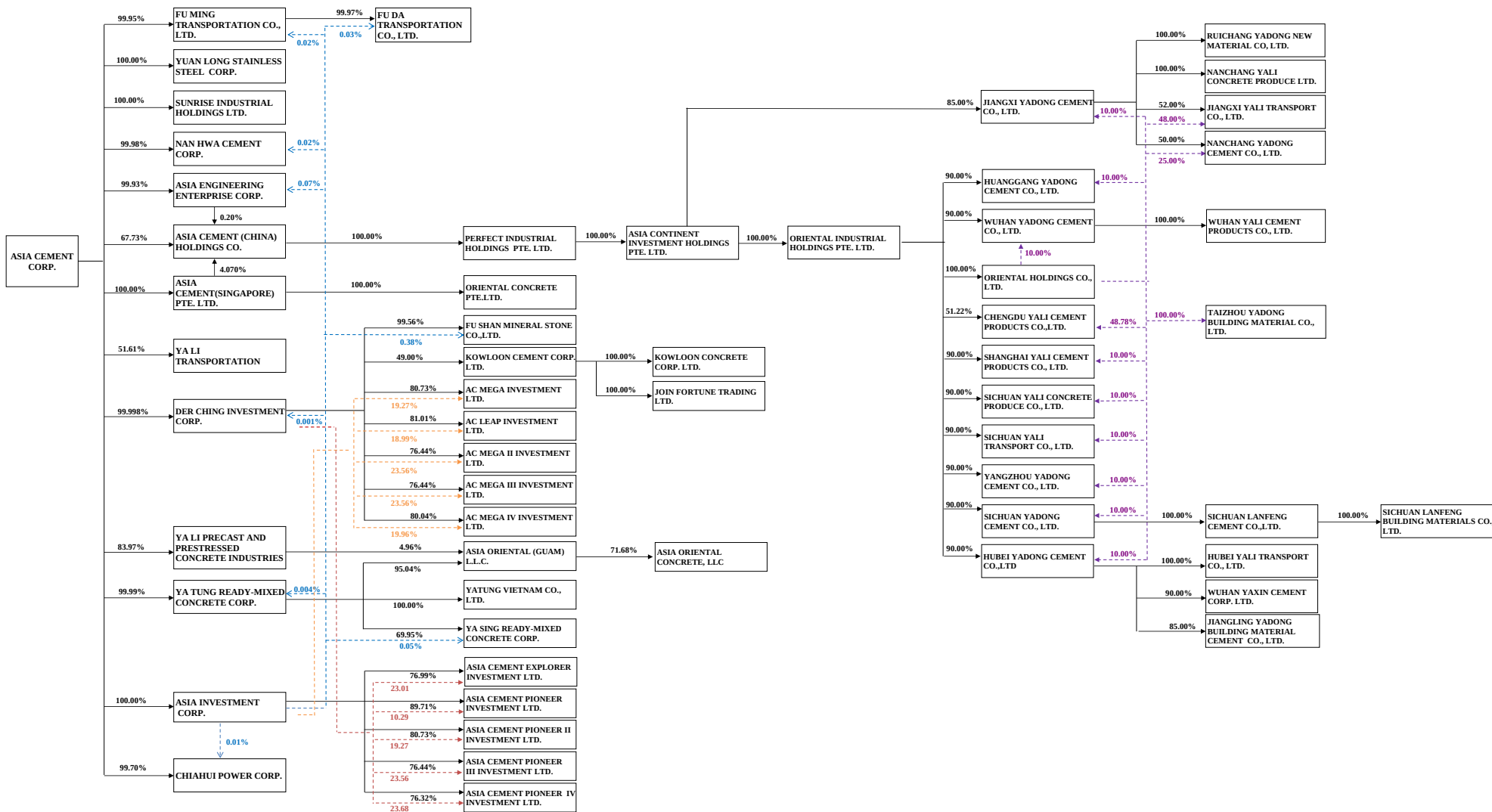
◎Effect on the Company's finance and operation due to the technological improvement (including information security risks) and the change of industrial environment in the most recent fiscal year: None.

- ◎Events influencing the Company's corporate image in the most recent fiscal year: None.
- ◎Merger or acquisition plan in the most recent fiscal year: None.
- ◎Plan of expanding capacity in the most recent fiscal year: None.
- ◎Supply and sale of the Company in the most recent fiscal year: Normal and steady.
- ◎Large volume shares transferred or changed by directors, supervisors, or shareholders with more than 10% shareholdings in the most recent fiscal year: None.
- ◎Change of the Company's management in the most recent fiscal year: None.
- ◎Litigation, non-litigation incidents or administrative disputes of directors, supervisors, president, shareholders with more than 10% shareholdings, or subsidiaries which could materially affect shareholders' equity or the prices of the Company's securities: None.
- ◎Other major risks: None.

7.7 Other Mentionable Issues : None.

VIII Special Disclosure

8.1 Organizational Chart of Affiliated Companies



Special Disclosure

8.2 Basic Information of Affiliated Companies

Currency: NT\$ (except otherwise specified)

Unit: \$1,000

As of December 31, 2023

Company Name	Establishing Date	Paid-in Capital	Main business or Production Item
FU MING TRANSPORTATION CO., LTD. Address: 23F., No.16-1, Xinzhan Rd., Banqiao Dist., New Taipei City	Feb. 1980	585,477	Transportation
YUAN LONG STAINLESS STEEL CORP. Address: No.28, Daye S. Rd., Xiaogang Dist., Kaohsiung City	Dec. 2005	2,000,000	Stainless steel
SUNRISE INDUSTRIAL HOLDINGS LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Apr. 1996	USD 90	Investment
NAN HWA CEMENT CORP. Address: No.90, Sec. 2, Linkong. Rd., Longchin Dist., Taichung City	Nov. 1969	261,440	Cement, Blast- Furnace Slag, Limestone Slag
ASIA ENGINEERING ENTERPRISE CORP. Address: No.125, Xinxing Rd., Xincheng Township, Hualien County	Nov. 1982	81,144	Engineering
ASIA CEMENT (CHINA) HOLDINGS CO. Address: Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, British West Indies	Apr. 2004	HKD 156,685	Investment
ASIA CEMENT (SINGAPORE) PTE. LTD. Address: 5 Little Road #09-01 Cemtex Industrial Building Singapore 536983	Apr. 1964	SGD 10,500	Cement
DER CHING INVESTMENT CORP. Address: 31F., No.207, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	Dec. 1988	7,752,321	Investment
YA LI TRANSPORTATION CORP. Address: No.125, Xinxing Rd., Xincheng Township, Hualien County	Oct. 1980	100,000	Transportation
YA LI PRECAST AND PRESTRESSED CONCRETE INDUSTRIES CORP. Address: No.3, Sec. 2, Jiayuan Rd., Shulin Dist., New Taipei City	Nov. 1990	193,776	Cement products
YA TUNG READY-MIXED CONCRETE CORP. Address: No.139, Sec. 1, Datong Rd., Xizhi Dist., New Taipei City	Jan. 1999	2,000,000	Ready-mixed concrete, Cement products
ASIA INVESTMENT CORP. Address: 31F., No.207, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	Oct. 1998	4,994,267	Investment
CHIAHUI POWER CORP. Address: No.688, Songzijingiao, Minxiong Township, Chiayi County	Apr. 1996	5,700,000	Power plant
FU DA TRANSPORTATION CO., LTD. Address: 23F., No.16-1, Xinzhan Rd., Banqiao Dist., New Taipei City	Feb. 1989	379,819	Transportation
PERFECT INDUSTRIAL HOLDINGS PTE. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	May. 1997	USD 9,720	Investment
ORIENTAL CONCRETE PTE. LTD. Address: 5 Little Road #09-01 Cemtex Industrial Building Singapore 536983	Oct. 1980	SGD 17,000	Ready-mixed concrete, Leasing

Company Name	Establishing Date	Paid-in Capital	Main business or Production Item
FU SHAN MINERAL STONE CO., LTD. Address: No.125, Xinxing Rd., Xincheng Township, Hualien County	Dec. 1970	13,000	Mining excavation, mineral processing and sales
KOWLOON CEMENT CORP. LTD. Address: 11/F Lippo Leighton Tower, 103 Leighton Road, Causeway Bay, Hong Kong	Sep. 1986	HKD 23,000	Cement
AC MEGA INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Nov. 2010	USD 46,700	Investment
AC LEAP INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Nov. 2010	USD 47,400	Investment
AC MEGA II INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 38,200	Investment
AC MEGA III INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 38,200	Investment
AC MEGA IV INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 45,100	Investment
ASIA ORIENTAL (GUAM) L.L.C Address: 136 Adrian Sanchez Street Tamuning, GU 96913	Aug. 2010	USD 10,000	Investment
YATUNG VIETNAM CO. LTD. Address: Supporting Industrial Zone, Vung Ang Economic Zone, Ky Phuong Ward, Ky Anh town, Ha Tinh Province, Viet Nam	Feb. 2010	VND 141,348,502	Ready-mixed concrete
YA SING READY-MIXED CONCRETE CORP. Address: 1F, No.274, Sec. 3, Dongda Rd., Hsinchu City	Apr. 2000	100,000	Ready-mixed concrete
ASIA CEMENT EXPLORER INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Aug. 2008	USD 39,115	Investment
ASIA CEMENT PIONEER INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Aug. 2008	USD 87,450	Investment
ASIA CEMENT PIONEER II INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 46,700	Investment

Company Name	Establishing Date	Paid-in Capital	Main business or Production Item
ASIA CEMENT PIONEER III INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 38,200	Investment
ASIA CEMENT PIONEER IV INVESTMENT. LTD. Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	Jun. 2011	USD 38,000	Investment
ASIA CONTINENT INVESTMENT HOLDINGS PTE. LTD. Address: 5 Little Road #09-01 Cemtex Industrial Building Singapore 536983	Apr. 1995	USD 1,180,116	Investment
ORIENTAL INDUSTRIAL HOLDINGS PTE. LTD Address: 5 Little Road #09-01 Cemtex Industrial Building Singapore 536983	May. 1994	USD 837,744	Investment
KOWLOON CONCRETE CORP. LTD. Address: 11/F Lippo Leighton Tower, 103 Leighton Road, Causeway Bay, Hong Kong	Mar. 1992	HKD 10	Ready-mixed concrete, Barges
JOIN FORTUNE TRADING LTD Address: 263 MAIN STREET, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS	Jul. 2012	USD 2,427	Investment
ASIA ORIENTAL CONCRETE,LLC Address: 136 Adrian Sanchez Street Tamuning, GU 96913	Mar. 2011	USD 11,600	Ready-mixed concrete, Cement products
JIANGXI YADONG CEMENT CO., LTD. Address: No.6, Yadong Road, Ma-Tou Town, Rui Chang City, Jiangxi Province, China	Oct. 1997	USD 356,104	Cement, Clinker, Blast-Furnace Slag, Cement products
HUANGGANG YADONG CEMENT CO., LTD. Address: 5 Tiyu Avenue,Huangzhou Zone , Huanggang City, Hubei Province, China	Aug. 2006	USD 86,170	Cement, Clinker, Blast-Furnace Slag, Cement products
WUHAN YADONG CEMENT CO., LTD. Address: Cihui Avenue, Dongxihu District, Wuhan City, Hubei Province, China	Nov. 1999	USD 36,140	Cement Grinding, Blast-Furnace Slag
ORIENTAL HOLDINGS CO., LTD. Address: Area A-4, Floor 8, No. 28, Bailianjing Road, Pilot Free Trade Zone, Shanghai, China	Jul. 2003	USD 204,191	Investment
CHENGDU YALI CEMENT PRODUCTS CO., LTD. Address: No.68 AnPeng Road, Tianpeng Town, Pengzhou, Chengdu City, Sichuan Province, China	Dec. 2004	USD 4,100	Ready-mixed concrete, Cement products
SHANGHAI YALI CEMENT PRODUCTS CO., LTD. Address: Room 908 9F Biulding 22-23 No.4100 Longwu Road Minhang District Shanghai China	Nov. 1995	USD 15,000	Ready-mixed concrete, Cement products
SICHUAN YALI CONCRETE PRODUCE CO., LTD. Address: No.268,Three Passage,Wenquan Road Wenjiang District,Chendu City,,Sichuan Province,China	Nov. 2005	USD 3,300	Ready-mixed concrete, Cement products
SICHUAN YALI TRANSPORT CO., LTD. Address: No.68 AnPeng Road, Tianpeng Town, Pengzhou, Chengdu City, Sichuan Province, China	May. 2006	USD 3,500	Transportation

Company Name	Establishing Date	Paid-in Capital	Main business or Production Item
YANGZHOU YADONG CEMENT CO., LTD. Address: No.7 Gudu Road BaliTown, Yangzhou Economic Development Zone Yangzhou City Jiangsu Province China	Jul. 2006	USD 35,530	Cement Grinding, Blast-Furnace Slag, Ready-mixed concrete, Cement products
SICHUAN YADONG CEMENT CO., LTD. Address: No.66 AnPeng Road, Tianpeng Town, Pengzhou, Chengdu City, Sichuan Province, China	Nov. 2004	USD 368,340	Cement, Clinker, Blast-Furnace Slag, Cement products
HUBEI YADONG CEMENT CO., LTD. Address: No.66 Ya Dong Avenue, Pingjiang West Road, Yangluo Economic Development Zone, Wuhan City, Hubei Province, China	Jun. 2005	USD 154,800	Cement, Clinker, Blast-Furnace Slag, Cement products
RUICHANG YADONG NEW MATERIAL CO., LTD. Address: No.6, Yadong Road, Ma-Tou Town, Rui Chang City, Jiangxi Province, China	Jan. 2019	RMB 2,000	construction material and product
NANCHANG YALI CONCRETE PRODUCE LTD. Address: No.560, Port Road, Bashuihu Industries Zone Nanchang ETDZ Jiangxi Province, China	Dec. 2003	RMB 60,000	Ready-mixed concrete, Cement products
JIANGXI YALI TRANSPORT CO., LTD. Address: No.8, Yadong Road, Ma-Tou Town, Rui Chang City, Jiangxi Province, China	Apr. 2005	RMB 12,500	Transportation
NANCHANG YADONG CEMENT CO., LTD. Address: Industrial 2nd Rd, Changdong Industrial Park, Nanchang Jiangxi Province, China	Jan. 2004	RMB 90,000	Cement Grinding, Blast-Furnace Slag
WUHAN YALI CEMENT PRODUCTS CO., LTD. Address: No.66 Ya Dong Avenue, Pingjiang Went Road, Yangluo Economic Development Zone, Wuhan City, Hubei Province, China	Dec. 2007	RMB 60,000	Ready-mixed concrete, Cement products
TAIZHOU YADONG BUILDING MATERIAL CO., LTD. Address: No. 1, Yucai Rd Yong anzhou Town, Gaogang District, Taizhou, Jiangsu Province, China	Sep. 2013	USD 16,000	Cement warehousing and wholesale
SICHUAN LANFENG BUILDING MATERIALS CO., LTD. Address: Middle, Qinggui Road, Guihua Town, Pengzhou, Chengdu City, Sichuan Province, China	Nov. 2010	RMB 20,000	Cement products, Construction
SICHUAN LANFENG CEMENT CO., LTD. Address: No.1, Group 7, Hongshiqiao Village, Guihua Town, Pengzhou, Chengdu City, Sichuan Province, China	Sep. 2008	RMB 600,000	Cement, Clinker, Blast-Furnace Slag, Cement products
HUBEI YALI TRANSPORT CO., LTD. Address: No.201 Yushidun Cihui office, Dongxihu District Wuhan City, Hubei Province, China	Oct. 2006	RMB 13,000	Transportation
WUHAN YAXIN CEMENT CO., LTD. Address: No. 12 Zhiwu Road Jiangjun mountain, Zhifang Street, Jiangxia District, Wuhan City, Hubei Province, China	Aug. 2003	RMB 90,000	Cement, Clinker, Blast-Furnace Slag, Cement products
JIANGLING YADONG BUILDING MATERIALS CEMENT CO., LTD. Address: No. 16 Tieniu Road, Yanjiang Industrial Park, Xionghe Town, Jiangling County, Jingzhou City, Hubei Province, China	Oct. 2022	RMB 80,000	Grinding cement, Blast-Furnace Slag, Cement products

8.3 Main Business of Affiliated Companies

Please Refer to Above List.

8.4 Information of the Directors, Supervisors, and Presidents of Affiliated Companies

As of December 31, 2023

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
FU MING TRANSPORTATION CO., LTD.	Chairman	Johnny Shih (ACC Representative)	58,520,371	99.95
	Director / President	W.T. Hsu (ACC Representative)	58,520,371	99.95
	Director	K.Y. Lee (ACC Representative)	58,520,371	99.95
	Director	G.Y. Tai (ACC Representative)	58,520,371	99.95
	Director	T.M. Chen (ACC Representative)	58,520,371	99.95
	Director	C.H. Chung (ACC Representative)	58,520,371	99.95
	Director	R.K. Tsai (ACC Representative)	58,520,371	99.95
	Supervisor	T.L. Yu (Asia Investment Corp. Representative)	9,900	0.02
	Supervisor	Humphrey Cheng (Asia Investment Corp. Representative)	9,900	0.02
YUAN LONG STAINLESS STEEL CORP.	Chairman	K.Y. Lee (ACC Representative)	200,000,000	100.00
	Director / President	F.H. Li (ACC Representative)	200,000,000	100.00
	Director	Peter Hsu (ACC Representative)	200,000,000	100.00
	Director	C.F. Cheng (ACC Representative)	200,000,000	100.00
	Director	C.M. Chen (ACC Representative)	200,000,000	100.00
	Supervisor	T.L. Yu (ACC Representative)	200,000,000	100.00
	Supervisor	T.M. Chen (ACC Representative)	200,000,000	100.00
SUNRISE INDUSTRIAL HOLDINGS LTD.	Director	Douglas Tong Hsu (ACC Representative)	90,000	100.00
	Director	Peter Hsu (ACC Representative)	90,000	100.00
	Director	K.Y. Lee (ACC Representative)	90,000	100.00
	Director	R.H. Shao (ACC Representative)	90,000	100.00
	Director	Doris Wu (ACC Representative)	90,000	100.00
NAN HWA CEMENT CORP.	Chairman	Z.P. Chang (ACC Representative)	26,139,000	99.98
	President	C.H. Chung	0	0.00
	Director	Peter Hsu (ACC Representative)	26,139,000	99.98
	Director	Doris Wu (ACC Representative)	26,139,000	99.98
	Director	T.M. Chen (ACC Representative)	26,139,000	99.98
	Director	C.H. Chen (ACC Representative)	26,139,000	99.98
	Supervisor	W.H. Yeh (Asia Investment Corp. Representative)	5,000	0.02
ASIA ENGINEERING ENTERPRISE CORP.	Chairman	Doris Wu (ACC Representative)	8,108,397	99.93
	Director / President	Z.P. Chang (ACC Representative)	8,108,397	99.93

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
	Director	M.C.Yang (ACC Representative)	8,108,397	99.93
	Director	Peter Hsu	0	0.00
	Director	C.H. Chen (ACC Representative)	8,108,397	99.93
	Supervisor	H.Y. Kao (Asia Investment Corp. Representative)	6,000	0.07
ASIA CEMENT (CHINA) HOLDINGS CO.	Chairman / Non-Executive Director	Douglas Tong Hsu	3,000,000	0.19
	Vice Chairman / Executive Director	Peter Hsu	200,000	0.01
	Executive Director	R.L. Chen	0	0.00
	Executive Director	K.Y. Lee	200,000	0.01
	Executive Director	Doris Wu	50,000	0.00
	Executive Director	C.K. Chang	713,000	0.05
	Executive Director	S.J. Lin	700,000	0.05
	Independent Non - Executive Director	D.L. Zhan	0	0.00
	Independent Non - Executive Director	K.C. Lee	0	0.00
	Independent Non - Executive Director	K.M. Wang	0	0.00
	Independent Non - Executive Director	Wei Wang	0	0.00
ASIA CEMENT (SINGAPORE) PTE. LTD.	Chairman / Managing Director	Douglas Tong Hsu (ACC Representative)	10,500,000	100.00
	Vice Managing Director	J.H. Lin (ACC Representative)	10,500,000	100.00
	Director	Peter Hsu (ACC Representative)	10,500,000	100.00
	Director	K.Y. Lee (ACC Representative)	10,500,000	100.00
	Director	Doris Wu (ACC Representative)	10,500,000	100.00
	Director	Gary Lee (ACC Representative)	10,500,000	100.00
DER CHING INVESTMENT CORP.	Chairman	Peter Hsu (ACC Representative)	775,225,091	99.99
	Director	Doris Wu (ACC Representative)	775,225,091	99.99
	Director	T.M. Chen (ACC Representative)	775,225,091	99.99
	Director	H.Y. Kao (ACC Representative)	775,225,091	99.99
	Director	H.T. Peng (ACC Representative)	775,225,091	99.99
	Supervisor	Karen Yang (Asia Investment Corp. Representative)	7,029	0.00
YA LI TRANSPORTATION CORP.	Chairman	Z.P. Chang (Yu Yuan Investment Corp. Representative)	4,839,183	48.39
	Director / President	K.M. Fu (Yu Yuan Investment Corp. Representative)	4,839,183	48.39
	Director	C.H. Chung (Yu Yuan Investment Corp. Representative)	4,839,183	48.39
	Director	C.H. Chen (Yu Yuan Investment Corp. Representative)	4,839,183	48.39
	Director	W.T. Hsu (Yu Yuan Investment Corp. Representative)	4,839,183	48.39
	Supervisor	Dana Lee (ACC Representative)	5,160,817	51.61
YA LI PRECAST AND	Chairman	C.F. Cheng (ACC	16,271,969	83.97

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
PRESTRESSED CONCRETE INDUSTRIES CORP.		Representative)		
	Director	Peter Hsu (ACC Representative)	16,271,969	83.97
	Director	Lin Kuo (ACC Representative)	16,271,969	83.97
	Director	T.L. Yu (ACC Representative)	16,271,969	83.97
	Director	C.H. Chen (ACC Representative)	16,271,969	83.97
	Supervisor	Dana Lee (FEGC Representative)	3,105,647	16.03
YA TUNG READY- MIXED CONCRETE CORP.	Chairman	K.Y. Lee (ACC Representative)	199,992,732	99.99
	President	C.R. Jin	0	0.00
	Director	Peter Hsu (ACC Representative)	199,992,732	99.99
	Director	C.H. Chen (ACC Representative)	199,992,732	99.99
	Director	T.L. Yu (ACC Representative)	199,992,732	99.99
	Director	C.M. Chen (ACC Representative)	199,992,732	99.99
	Supervisor	Doris Wu (Asia Investment Corp. Representative)	7,268	0.00
	Supervisor	H.Y. Kao (Asia Investment Corp. Representative)	7,268	0.00
ASIA INVESTMENT CORP.	Chairman	Peter Hsu (ACC Representative)	499,426,678	100.00
	Director	Doris Wu (ACC Representative)	499,426,678	100.00
	Director	H.T. Peng (ACC Representative)	499,426,678	100.00
	Director	H.Y. Kao (ACC Representative)	499,426,678	100.00
	Director	T.M. Chen (ACC Representative)	499,426,678	100.00
	Supervisor	Karen Yang (ACC Representative)	499,426,678	100.00
CHIAHUI POWER CORP.	Chairman	Douglas Tong Hsu (ACC Representative)	568,307,076	99.70
	President	G.T. Chen	0	0.00
	Director	Peter Hsu (ACC Representative)	568,307,076	99.70
	Director	K.Y. Lee (ACC Representative)	568,307,076	99.70
	Director	Doris Wu (ACC Representative)	568,307,076	99.70
	Director	T.L. Yu (ACC Representative)	568,307,076	99.70
	Independent Director	M.Z. Jiang	0	0
	Independent Director	Q.B.Su	0	0
	Supervisor	C.H. Chung (Asia Investment Corp. Representative)	45,568	0.01
	Supervisor	W.H. Yeh (Asia Investment Corp. Representative)	45,568	0.01
FU DA TRANSPORTATION CO., LTD.	Chairman	Johnny Shih (Fu Ming Transportation Co., Ltd. Representative)	37,972,227	99.97
	Director / President	W.T. Hsu (Fu Ming Transportation Co., Ltd. Representative)	37,972,227	99.97
	Director	K.Y. Lee (Fu Ming Transportation Co., Ltd. Representative)	37,972,227	99.97
	Director	T.M. Chen	37,972,227	99.97

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
		(Fu Ming Transportation Co., Ltd. Representative)		
	Director	Y.S. Yu (Fu Ming Transportation Co., Ltd. Representative)	37,972,227	99.97
	Director	Humphrey Cheng (Fu Ming Transportation Co., Ltd. Representative)	37,972,227	99.97
	Supervisor	T.L. Yu (Asia Investment Corp. Representative)	9,717	0.03
	Supervisor	C.M. Shi (Asia Investment Corp. Representative)	9,717	0.03
PERFECT INDUSTRIAL HOLDINGS PTE. LTD.	Director	Douglas Tong Hsu	0	0.00
	Director	Doris Wu	0	0.00
ORIENTAL CONCRETE PTE. LTD.	Chairman	Douglas Tong Hsu (Asia Cement (Singapore) Pte. Ltd. Representative)	17,000,000	100.00
	Director / Managing Director	J.H. Lin (Asia Cement (Singapore) Pte. Ltd. Representative)	17,000,000	100.00
	Director	Peter Hsu (Asia Cement (Singapore) Pte. Ltd. Representative)	17,000,000	100.00
	Director	K.Y. Lee (Asia Cement (Singapore) Pte. Ltd. Representative)	17,000,000	100.00
	Director	Gary Lee (Asia Cement (Singapore) Pte. Ltd. Representative)	17,000,000	100.00
FU SHAN MINERAL STONE CO., LTD.	Chairman	Doris Wu (Der Ching Investment Corp. Representative)	1,294,270	99.56
	Director / President	Z.P. Chang (Der Ching Investment Corp. Representative)	1,294,270	99.56
	Director	Peter Hsu (Der Ching Investment Corp. Representative)	1,294,270	99.56
	Director	C.M. Chen (Der Ching Investment Corp. Representative)	1,294,270	99.56
	Director	S.L. You (Der Ching Investment Corp. Representative)	1,294,270	99.56
	Supervisor	W.H. Yeh (Asia Investment Corp. Representative)	5,000	0.38
KOWLOON CEMENT CORP. LTD.	Chairman	Douglas Tong Hsu	0	0.00
	Director	Johnny Shih	0	0.00
	Director	K.Y. Lee	0	0.00
	Director	Peter Hsu	0	0.00
	Director	Doris Wu	0	0.00
	Director	Gary Lee	0	0.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
AC MEGA INVESTMENT LTD.	Director	C.M. Chen (Der Ching Investment Corp. Representative)	37,700,000	80.73
	Director	Doris Wu (Der Ching Investment Corp. Representative)	37,700,000	80.73
	Director	H.Y. Kao (Der Ching Investment Corp. Representative)	37,700,000	80.73
AC LEAP INVESTMENT LTD.	Director	C.M. Chen (Der Ching Investment Corp. Representative)	38,400,000	81.01
	Director	Doris Wu (Der Ching Investment Corp. Representative)	38,400,000	81.01
	Director	H.Y. Kao (Der Ching Investment Corp. Representative)	38,400,000	81.01
AC MEGA II INVESTMENT LTD.	Director	C.M. Chen (Der Ching Investment Corp. Representative)	29,200,000	76.44
	Director	Doris Wu (Der Ching Investment Corp. Representative)	29,200,000	76.44
	Director	H.Y. Kao Doris Wu (Der Ching Investment Corp. Representative)	29,200,000	76.44
AC MEGA III INVESTMENT LTD.	Director	C.M. Chen (Der Ching Investment Corp. Representative)	29,200,000	76.44
	Director	Doris Wu (Der Ching Investment Corp. Representative)	29,200,000	76.44
	Director	H.Y. Kao Doris Wu (Der Ching Investment Corp. Representative)	29,200,000	76.44
AC MEGA IV INVESTMENT LTD.	Director	C.M. Chen (Der Ching Investment Corp. Representative)	36,100,000	80.04
	Director	Doris Wu (Der Ching Investment Corp. Representative)	36,100,000	80.04
	Director	H.Y. Kao (Der Ching Investment Corp. Representative)	36,100,000	80.04
ASIA ORIENTAL (GUAM) L.L.C	Manager	C.R. Jin	0	0.00
YATUNG VIETNAM CO. LTD.	Manager	C.Y. Chen	0	0.00
YA SING READY-MIXED CONCRETE CORP.	Chairman	C.R. Jin (Ya Tung Ready-Mixed Concrete Corp. Representative)	6,995,000	69.95
	Director / President	Z.G. He (Ya Tung Ready-Mixed Concrete Corp. Representative)	6,995,000	69.95
	Director	C.H. Chung (Ya Tung Ready-Mixed Concrete Corp. Representative)	6,995,000	69.95

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
	Director	S.J. Yang (Ya Tung Ready-Mixed Concrete Corp. Representative)	6,995,000	69.95
	Director	W.S. Tsai (Ya Tung Ready-Mixed Concrete Corp. Representative)	6,995,000	69.95
	Director	J.F. Tsai (Nan Kung Enterprise Corp.Ltd. Representative)	1,000,000	10.00
	Director	T.Y. Huang (Chu Chiang Enterprise Corp.Ltd. Representative)	1,000,000	10.00
	Supervisor	M.D. Wu (Ho Hwei Enterprise Corp.Ltd. Representative)	1,000,000	10.00
	Supervisor	W.K. Chou (Asia Investment Corp. Representative)	5,000	0.05
	Supervisor	H.Y. Kao (Asia Investment Corp. Representative)	5,000	0.05
ASIA CEMENT EXPLORER INVESTMENT LTD.	Director	C.M. Chen (Asia Investment Corp. Representative)	30,115,000	76.99
	Director	Doris Wu (Asia Investment Corp. Representative)	30,115,000	76.99
	Director	H.Y. Kao (Asia Investment Corp. Representative)	30,115,000	76.99
ASIA CEMENT PIONEER INVESTMENT LTD.	Director	C.M. Chen (Asia Investment Corp. Representative)	78,450,000	89.71
	Director	Doris Wu (Asia Investment Corp. Representative)	78,450,000	89.71
	Director	H.Y. Kao (Asia Investment Corp. Representative)	78,450,000	89.71
ASIA CEMENT PIONEER II INVESTMENT LTD.	Director	C.M. Chen (Asia Investment Corp. Representative)	37,700,000	80.73
	Director	Doris Wu (Asia Investment Corp. Representative)	37,700,000	80.73
	Director	H.Y. Kao (Asia Investment Corp. Representative)	37,700,000	80.73
ASIA CEMENT PIONEER III INVESTMENT LTD.	Director	C.M. Chen (Asia Investment Corp. Representative)	29,200,000	76.44
	Director	Doris Wu (Asia Investment Corp. Representative)	29,200,000	76.44
	Director	H.Y. Kao	29,200,000	76.44

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
		(Asia Investment Corp. Representative)		
ASIA CEMENT PIONEER IV INVESTMENT LTD.	Director	C.M. Chen (Asia Investment Corp. Representative)	29,000,000	76.32
	Director	Doris Wu (Asia Investment Corp. Representative)	29,000,000	76.32
	Director	H.Y. Kao (Asia Investment Corp. Representative)	29,000,000	76.32
ASIA CONTINENT INVESTMENT HOLDINGS PTE. LTD.	Chairman	Douglas Tong Hsu	0	0.00
	Director	Peter Hsu	0	0.00
	Director	K.Y. Lee	0	0.00
	Director	Doris Wu	0	0.00
	Director	Soon Heng Leong	0	0.00
ORIENTAL INDUSTRIAL HOLDINGS PTE. LTD.	Chairman	Douglas Tong Hsu	0	0.00
	Director	Peter Hsu	0	0.00
	Director	Doris Wu	0	0.00
	Director	Soon Heng Leong	0	0.00
	Director	J.H. Lin	0	0.00
KOWLOON CONCRETE CORP. LTD.	Chairman	Douglas Tong Hsu	0	0.00
	Director	K.Y. Lee	0	0.00
	Director	Peter Hsu	0	0.00
	Director	Doris Wu	0	0.00
	Director	Gary Lee	0	0.00
JOIN FORTUNE TRADING LTD	Manager	Gary Lee	0	0.00
ASIA ORIENTAL CONCRETE,LLC	Manager	C.R. Jin	0	0.00
JIANGXI YADONG CEMENT CO., LTD.	Chairman	C.K. Chang (Asia Continent Investment Holdings Pte. Ltd. Representative)	*USD 302,689	85.00
	President	L. Tian	*USD 0	0.00
	Director	H. He (Oriental Holdings Co., Ltd. Representative)	*USD 35,610	10.00
	Director	T.J. Cheng (Jiangxi Provincial Investment Group Corp. Representative)	*USD 17,805	5.00
	Supervisor	C.H. He (Asia Continent Investment Holdings Pte. Ltd. Representative)	*USD 302,689	85.00
HUANGGANG YADONG CEMENT CO., LTD.	Chairman	L. Tian (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 77,553	90.00
	President	H. He	*USD 0	0.00
	Director	L.M. Ou Yang (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 77,553	90.00
	Director	S.S. Wu (Oriental Holdings Co., Ltd.	*USD 8,617	10.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
		Representative)		
	Supervisor	Michael Ting (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 77,553	90.00
WUHAN YADONG CEMENT CO., LTD.	Chairman	G.W. Ciou (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 32,526	90.00
	President	Z.Y Jing	*USD 0	0.00
	Director	H.Q. Zhang (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 32,526	90.00
	Director	G Chen (Oriental Holdings Co., Ltd. Representative)	*USD 3,614	10.00
	Supervisor	W.Y. Liu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 32,526	90.00
ORIENTAL HOLDINGS CO., LTD.	Chairman / President	Doris Wu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 204,191	100.00
	Director	Dana Lee (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 204,191	100.00
	Director	Karen Yang (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 204,191	100.00
	Supervisor	Y.P.Li (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 204,191	100.00
CHENGDU YALI CEMENT PRODUCTS CO., LTD.	Chairman	W.F. Hsu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,100	51.22
	President	Y.H. Lu	*USD 0	0.00
	Director	G.W. Ciou (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,100	51.22
	Director	L.J. Zeng (Oriental Holdings Co., Ltd. Representative)	*USD 2,000	48.78
	Supervisor	Y. Chen (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,100	51.22
SHANGHAI YALI CEMENT PRODUCTS CO., LTD.	Chairman	L. Tian (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 13,500	90.00
	President	C.J. Liang	*USD 0	0.00
	Director	Y.G. Zhang (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 13,500	90.00
	Director	X.W. Xiao (Oriental Holdings Co., Ltd. Representative)	*USD 1,500	10.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
	Supervisor	Z.Q. Shen (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 13,500	90.00
SICHUAN YALI CONCRETE PRODUCE CO., LTD.	Chairman	W.F. Hsu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,970	90.00
	President	Y.M. Zhang	*USD 0	0.00
	Director	Y.H. Lu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,970	90.00
	Director	X.T. Kao (Oriental Holdings Co., Ltd. Representative)	*USD 330	10.00
	Supervisor	Q.P. Zhou (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 2,970	90.00
SICHUAN YALI TRANSPORT CO., LTD.	Chairman	W.F. Hsu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 3,150	90.00
	President	L.C. Guo	*USD 0	0.00
	Director	G.C. Wang (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 3,150	90.00
	Director	C.H. Xiang (Oriental Holdings Co., Ltd. Representative)	*USD 350	10.00
	Supervisor	H.B. Feng (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 3,150	90.00
YANGZHOU YADONG CEMENT CO., LTD.	Chairman	L. Tian (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 31,977	90.00
	President	C.H. He	*USD 0	0.00
	Director	Y.T. Li (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 31,977	90.00
	Director	T.M. Jiang (Oriental Holdings Co., Ltd. Representative)	*USD 3,553	10.00
	Supervisor	J. Chen (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 31,977	90.00
SICHUAN YADONG CEMENT CO., LTD.	Chairman	W.F. Hsu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 331,506	90.00
	President	G.W. Ciou	*USD 0	0.00
	Director	C.L. Lu (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 331,506	90.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
	Director	H.C Wang (Oriental Holdings Co., Ltd. Representative)	*USD 36,834	10.00
	Supervisor	N.B. GAN (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 331,506	90.00
HUBEI YADONG CEMENT CO., LTD.	Chairman	G.W. Ciou (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 139,320	90.00
	President	W.F. Hsu	*USD 0	0.00
	Director	L.C Guo (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 139,320	90.00
	Director	Z.Y Jing (Oriental Holdings Co., Ltd. Representative)	*USD 15,480	10.00
	Supervisor	W.B. Du (Oriental Industrial Holdings Pte. Ltd. Representative)	*USD 139,320	90.00
RUICHANG YADONG NEW MATERIAL CO., LTD.	Chairman/President	L. Tian (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 2,000	100.00
	Director	W.T. Chang (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 2,000	100
	Director	W.Y. Wang (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 2,000	100
	Supervisor	S.F. Zhu (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 2,000	100
NANCHANG YALI CONCRETE PRODUCE LTD.	Chairman	L. Tian (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
NANCHANG YALI CONCRETE PRODUCE LTD.	President	Q.P. Zhou	*RMB 0	0.00
	Director	Y.M. Dai (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
	Director	J.X. Li (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
	Supervisor	S.P. Hu (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
JIANGXI YALI TRANSPORT CO., LTD.	Chairman	L. Tian (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 6,500	52.00
	President	X.W. Xiao	*RMB 0	0.00
	Director	S.H Wang (Oriental Holdings Co., Ltd. Representative)	*RMB 6,000	48.00
	Director	D.L. Hsu	*RMB	52.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
		(Jiangxi Yadong Cement Co., Ltd. Representative)	6,500	
	Supervisor	K.X. Li (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 6,500	52.00
NANCHANG YADONG CEMENT CO., LTD.	Chairman	L. Tian (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 45,000	50.00
	President	W.T. Zhang	*RMB 0	0.00
	Director	Y.G. Yao (Oriental Holdings Co., Ltd. Representative)	*RMB 22,500	25.00
	Director	T.Y. Jhang (Fangda Special Steel Technology Co., Ltd. Representative)	*RMB 22,500	25.00
	Supervisor	D.B. Wang (Jiangxi Yadong Cement Co., Ltd. Representative)	*RMB 45,000	50.00
WUHAN YALI CEMENT PRODUCTS CO., LTD.	Chairman	G.W. Ciou (Wuhan Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
	President	X.L. Yu	*RMB 0	0.00
	Director	A.C. Hsu (Wuhan Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
	Director	L.P. Jhu (Wuhan Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
	Supervisor	X.H. Shen (Wuhan Yadong Cement Co., Ltd. Representative)	*RMB 60,000	100.00
TAIZHOU YADONG BUILDING MATERIAL CO., LTD.	Chairman	L. Tian (Oriental Holdings Co., Ltd. Representative)	*USD 16,000	100.00
	President	C.H. He	*USD 0	0.00
	Director	G.J. Shen (Oriental Holdings Co., Ltd. Representative)	*USD 16,000	100.00
	Director	D.M. Yi (Oriental Holdings Co., Ltd. Representative)	*USD 16,000	100.00
	Supervisor	M. Zhang (Oriental Holdings Co., Ltd. Representative)	*USD 16,000	100.00
SICHUAN LANFENG BUILDING MATERIALS CO., LTD.	Chairman	W.F. Hsu (Sichuan Lanfeng Cement Co., Ltd. Representative)	*RMB 20,000	100.00
	President	Y.M. Zhang	*RMB 0	0.00
	Director	J.S. Lee (Sichuan Lanfeng Cement Co., Ltd. Representative)	*RMB 20,000	100.00

Company Name	Title	Name or Representative	Shareholding	
			Shares	%
	Director	C. Liu (Sichuan Lanfeng Cement Co., Ltd. Representative)	*RMB 20,000	100.00
	Supervisor	Y.P. Xie (Sichuan Lanfeng Cement Co., Ltd. Representative)	*RMB 20,000	100.00
SICHUAN LANFENG CEMENT CO., LTD.	Chairman	W.F. Hsu (Sichuan Yadong Cement Co., Ltd. Representative)	*RMB 600,000	100.00
	President	Y.M. Zhang	*RMB 0	0.00
	Director	J.S. Lee (Sichuan Yadong Cement Co., Ltd. Representative)	*RMB 600,000	100.00
	Director	C. Liu (Sichuan Yadong Cement Co., Ltd. Representative)	*RMB 600,000	100.00
	Supervisor	Y.P. Xie (Sichuan Yadong Cement Co., Ltd. Representative)	*RMB 600,000	100.00
HUBEI YALI TRANSPORT CO., LTD.	Chairman	G.W. Ciou (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 13,000	100.00
	President	H.Q. Zhang	*RMB 0	0.00
	Director	Z.H. Ye (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 13,000	100.00
	Director	B.Y. Zhao (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 13,000	100.00
	Supervisor	S.Y. Cheng (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 13,000	100.00
WUHAN YAXIN CEMENT CO., LTD.	Chairman	G.W. Ciou (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 81,000	90.00
	President	W.F. Hsu	*RMB 0	0.00
	Director	X.L. Yu (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 81,000	90.00
	Director	Z.F. Ke (M.G. Dai/J.H. Jhou/Z.J. Cheng Representative)	*RMB 9,000	10.00
	Supervisor	J.S. Shen (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 81,000	90.00

JIANGLING YADONG BUILDING MATERIALS CEMENT CO., Ltd.	Chairman	W.F. Hsu (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 8,000	85.00
	President	Z.Y. Jing	*RMB 0	0.00
	Director	J.B. Yu (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 8,000	85.00
	Director	S.We (Jiangling County Urban and Rural Investment Development Group Corp. Representative)	*RMB 0	15.00 (note)
	Supervisor	N.B. GAN (Hubei Yadong Cement Co., Ltd. Representative)	*RMB 8,000	85.00

The above companies marked with the “” sign are not incorporated companies. Therefore, the shareholding are shown in capital (Unit: INR, USD, VND and RMB \$1,000) instead of shown in numbers of shares.

Note: Jiangling County Urban and Rural Investment Development Group Corp. did not do capital injection yet as of December 31, 2023.

8.5 Operating Condition of Affiliated Companies

Unit: NT\$1,000

Book closure date: 31 December 2023

No.	Company Name	Capital	Total Assets	Total Liabilities	Net Value	Net Sales	Operating Income (Loss)	Income (Loss) After Income Tax	Earnings (Loss) per Share (After Income Tax)
1	FU MING TRANSPORTATION CO., LTD.	585,477	3,147,811	1,293,892	1,853,919	1,097,279	124,125	251,802	4.30
2	YUAN LONG STAINLESS STEEL CORP.	2,000,000	4,896,690	2,650,006	2,246,684	2,908,876	(135,439)	(118,161)	(0.59)
3	SUNRISE INDUSTRIAL HOLDINGS LTD.	2,909	141,677	78,215	63,462	0	(139)	3,820	42.44
4	NAN HWA CEMENT CORP.	261,440	760,069	419,599	340,470	622,496	78,067	60,853	2.33
5	ASIA ENGINEERING ENTERPRISE CORP.	81,144	388,245	210,225	178,020	63,211	22,355	21,472	2.65
6	ASIA CEMENT (CHINA) HOLDINGS CO.	634,911	86,938,405	13,305,359	73,633,046	32,836,865	1,551,384	246,663	0.16
7	ASIA CEMENT (SINGAPORE) PTE. LTD.	152,250	6,592,200	380,033	6,212,167	1,175,027	129,047	440,788	41.98
8	DER CHING INVESTMENT CORP.	7,752,321	31,308,113	14,713,636	16,594,477	270,930	264,886	929,879	1.20
9	YA LI TRANSPORTATION CORP.	100,000	579,501	49,105	530,396	421,197	17,062	46,592	4.66
10	YA LI PRECAST AND PRESTRESSED CONCRETE INDUSTRIES CORP.	193,776	351,531	84,489	267,042	406,065	77,225	63,465	3.28
11	YA TUNG READY-MIXED CONCRETE CORP.	2,000,000	8,082,836	3,271,449	4,811,387	13,998,218	2,041,316	1,678,375	8.39
12	ASIA INVESTMENT CORP.	4,994,267	20,500,839	13,485,512	7,015,327	268,232	266,854	441,433	0.88
13	CHIAHUI POWER CORP.	5,700,000	19,498,125	8,889,672	10,608,453	17,705,692	1,561,384	1,039,876	1.82
14	FU DA TRANSPORTATION CO., LTD.	379,819	1,216,589	519,183	697,406	721,387	82,806	107,900	2.84
15	PERFECT INDUSTRIAL HOLDINGS PTE. LTD.	297,952	91,478,401	939,309	90,539,092	0	(173)	1,241,767	127.76
16	ORIENTAL CONCRETE PTE. LTD.	394,400	290,768	364	290,404	11,319	4,090	6,702	0.39
17	FU SHAN MINERAL STONE CO.,LTD.	13,000	124,065	106,066	17,999	15,600	(212)	(1,740)	(1.34)
18	KOWLOON CEMENT CORP. LTD.	93,150	1,042,299	3,148	1,039,151	19,753	2,937	48,222	20.97
19	AC MEGA INVESTMENT LTD.	1,378,984	1,634,993	43,011	1,591,982	0	(226)	(26,317)	(0.56)
20	AC LEAP INVESTMENT LTD.	1,399,887	1,746,364	43,177	1,703,187	0	(226)	(31,563)	(0.67)
21	AC MEGA II INVESTMENT LTD.	1,115,632	1,338,512	39,939	1,298,573	0	(223)	(11,559)	(0.30)
22	AC MEGA III INVESTMENT LTD.	1,115,632	1,386,861	38,403	1,348,458	0	(223)	(13,685)	(0.36)

No.	Company Name	Capital	Total Assets	Total Liabilities	Net Value	Net Sales	Operating Income (Loss)	Income (Loss) After Income Tax	Earnings (Loss) per Share (After Income Tax)
23	AC MEGA IV INVESTMENT LTD.	1,331,270	1,783,838	41,475	1,742,363	0	(223)	(33,285)	(0.74)
24	ASIA ORIENTAL (GUAM) L.L.C	303,056	12,515	32,032	(19,517)	0	(1)	903	Note 1
25	YATUNG VIETNAM CO., LTD.	201,823	340,830	34,947	305,883	18,192	(27,288)	(9,981)	Note 1
26	YA SING READY-MIXED CONCRETE CORP.	100,000	551,362	259,542	291,820	1,129,177	170,015	138,881	13.89
27	ASIA CEMENT EXPLORER INVESTMENT LTD.	1,151,258	1,497,174	374,814	1,122,360	0	(226)	(19,758)	(0.51)
28	ASIA CEMENT PIONEER INVESTMENT LTD.	2,641,135	3,371,549	90,618	3,280,931	2,252	2,021	(101,392)	(1.16)
29	ASIA CEMENT PIONEER II INVESTMENT LTD.	1,376,626	1,771,144	35,331	1,735,813	0	(223)	(32,500)	(0.70)
30	ASIA CEMENT PIONEER III INVESTMENT LTD.	1,122,632	1,647,440	374,811	1,272,629	0	(223)	(27,342)	(0.72)
31	ASIA CEMENT PIONEER IV INVESTMENT LTD.	1,122,327	1,561,885	215,056	1,346,829	0	(223)	(22,692)	(0.60)
32	ASIA CONTINENT INVESTMENT HOLDINGS PTE. LTD.	36,176,457	81,948,245	38,313	81,909,932	0	(97,918)	797,085	2.40
33	ORIENTAL INDUSTRIAL HOLDINGS PTE. LTD.	25,690,232	57,781,693	853,102	56,928,591	0	(3,341)	443,908	0.60
34	KOWLOON CONCRETE CORP. LTD.	39	187,426	62	187,364	2,865	733	18,701	1,870.10
35	JOIN FORTUNE TRADING LTD.	73,369	6,403	(912)	7,315	0	(116)	1,452	0.60
36	ASIA ORINTAL CONCRETE,LLC	355,598	696	45,384	(44,688)	0	831	831	Note 1
37	JIANGXI YADONG CEMENT CO., LTD.	10,916,368	30,035,561	2,414,880	27,620,681	15,255,307	706,371	1,214,891	Note 1
38	HUANGGANG YADONG CEMENT CO., LTD.	2,641,541	6,865,369	393,551	6,471,818	3,153,008	364,374	364,781	Note 1
39	WUHAN YADONG CEMENT CO., LTD.	1,107,872	2,748,692	51,041	2,697,651	502,165	(22,704)	42,976	Note 1
40	ORIENTAL HOLDINGS CO., LTD.	6,259,475	14,859,885	9,696	14,850,189	0	(5,269)	(129,405)	Note 1
41	CHENGDU YA LI CEMENT PRODUCTS CO., LTD.	125,686	369,680	60,266	309,414	227,557	6,543	7,639	Note 1
42	SHANGHAI YALI CEMENT PRODUCTS CO., LTD.	459,825	258,042	139,103	118,939	40,755	7,163	56,346	Note 1
43	SICHUAN YALI CONCRETE PRODUCE CO., LTD.	101,162	295,848	237,345	58,503	180,264	28,001	9,052	Note 1
44	SICHUAN YALI TRANSPORT CO., LTD.	107,293	220,873	27,237	193,636	253,928	1,672	4,473	Note 1
45	YANGZHOU YADONG CEMENT CO., LTD.	1,089,172	1,710,461	247,923	1,462,538	1,941,416	(166,984)	(155,553)	Note 1
46	SICHUAN YADONG CEMENT CO., LTD.	11,291,463	25,545,431	765,755	24,779,676	6,043,778	789,657	1,212,953	Note 1

No.	Company Name	Capital	Total Assets	Total Liabilities	Net Value	Net Sales	Operating Income (Loss)	Income (Loss) After Income Tax	Earnings (Loss) per Share (After Income Tax)
47	HUBEI YADONG CEMENT CO., LTD.	4,745,394	9,112,244	377,019	8,735,225	3,964,404	(468,722)	(680,414)	Note 1
48	RUICHANG YADONG NEW MATERIAL CO., LTD.	8,656	532,812	108,705	424,107	1,047,002	519,191	(11,418)	Note 1
49	NANCHANG YALI CONCRETE PRODUCE LTD.	259,689	664,468	57,719	606,749	420,475	(35,330)	(41,395)	Note 1
50	JIANGXI YALI TRANSPORT CO., LTD.	54,102	176,928	31,973	144,955	319,594	(4,958)	(2,398)	Note 1
51	NANCHANG YADONG CEMENT CO., LTD.	389,534	619,269	20,047	599,222	568,303	(32,373)	(22,276)	Note 1
52	WUHAN YALI CEMENT PRODUCTS CO., LTD.	259,689	344,350	14,242	330,108	68,332	53,546	36,944	Note 1
53	TAIZHOU YADONG BUILDING MATERIAL CO., LTD.	490,480	859,059	369,680	489,379	744,440	1,657	(16,324)	Note 1
54	SICHUAN LANFENG BUILDING MATERIALS CO., LTD.	86,563	46,689	165,908	(119,219)	0	(1,654)	(7,343)	Note 1
55	SICHUAN LANFENG CEMENT CO., LTD.	2,596,890	6,673,299	393,763	6,279,536	4,125,459	416,872	436,233	Note 1
56	HUBEI YALI TRANSPORT CO., LTD.	56,266	65,970	5,391	60,579	63,501	(21,852)	(20,682)	Note 1
57	WUHAN YAXIN CEMENT CORP. LTD.	389,534	533,728	7,262	526,466	53,184	(260,520)	(260,576)	Note 1
58	JIANGLING YADONG BUILDING MATERIAL CEMENT CO., LTD.	346,252	352,277	1,509	350,768	0	(124)	4,619	Note 1

Note 1: The subsidiaries in China or overseas are limited liability companies; therefore it's not able to count earnings per share.

Note 2: The data in Balance Sheet are converted according to the exchange rate at the end of 2023 (USD:30.655 ; SGD:23.2 ; RMB:4.32815 ; HKD:3.899 ; INR:0.36918 ; VND:0.001284); the data in Income Statement are converted according to the 2023 average exchange rate (USD:31.15483 ; SGD:23.20333 ; RMB:4.41549 ; HKD:3.9795 ; INR:0.37741 ; VND:0.001309).

◎**Consolidated Financial Reports:** Please read section 6.4 for details.

◎**Relationship Report:** Not applicable.

◎**Private placement:** None.

◎**The shares held or disposed by subsidiaries in the most recent fiscal year and the current fiscal year up to the date of printing of the annual report:** None.

◎**In the most recent fiscal year and the current fiscal year up to the date of printing of the annual report, any event which has a material impact on shareholders' equity or securities prices:**
Please refer to the Note in consolidated financial report.

◎**Any other matters listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the company's securities, occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report:** None.



Asia Cement Corporation and Subsidiaries

**Consolidated Financial Statements for the
Years Ended December 31, 2023 and 2022 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2023 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

ASIA CEMENT CORPORATION

By

DOUGLAS TONG HSU
Chairman

March 5, 2024

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying consolidated financial statements of Asia Cement Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2023 are described as follows:

Estimated Impairment of Trade Receivables in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy in 2023, the property developers and the constructors, who were the indirect and ultimate customers of the Group's subsidiaries in mainland China, respectively, faced massive debt and cash flow issues. The management of the Group estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information; refer to Notes 5 and 10 to the consolidated financial statements for the details. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables in mainland China as of the balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 17 to the consolidated financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.

2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We sample-tested items from management's supporting documents, verified the valuation process used by management, recalculated the fair value of investment properties and assessed the reasonableness of management's calculation.

Other Matter

As of December 31, 2023 and 2022, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2023 and 2022, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,867,905 thousand and NT\$16,885,741 thousand, representing 4.7% and 5.2%, respectively, of the consolidated total assets. For the years ended December 31, 2023 and 2022, the share of profit or loss of CSCGL was NT\$(770,781) thousand and NT\$396,237 thousand, representing (5.5%) and 2.6%, respectively, of the consolidated profit before income tax.

We have also audited the parent company only financial statements of Asia Cement Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion with the Other Matter paragraph.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chen, Pei De.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 35)	\$ 33,229,516	10	\$ 43,486,332	13
Financial assets at fair value through profit or loss - current (Note 7)	39,719,980	12	26,710,158	8
Financial assets at fair value through other comprehensive income - current (Notes 8 and 36)	4,307,126	1	4,833,688	2
Financial assets at amortized cost - current (Notes 6, 9, 35 and 36)	21,684,983	7	11,238,921	4
Contract assets - current (Notes 28 and 35)	80,131	-	135,578	-
Notes receivable - third parties	2,360,615	1	2,557,075	1
Trade receivables				
Third parties (Notes 10 and 11)	9,883,837	3	10,819,177	3
Related parties (Notes 10 and 35)	654,691	-	616,113	-
Other receivables (Note 35)	1,163,181	-	851,355	-
Current tax assets (Note 30)	26,422	-	36,765	-
Inventories (Note 12)	7,610,592	2	8,667,817	3
Prepayments (Note 35)	1,229,356	-	1,036,876	-
Other current assets (Note 20)	390,479	-	459,897	-
Total current assets	<u>122,340,909</u>	<u>36</u>	<u>111,449,752</u>	<u>34</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 36)	12,777,129	4	11,494,100	4
Financial assets at amortized cost - non-current (Notes 6, 9, 35 and 36)	52,336	-	70,561	-
Investments accounted for using the equity method (Notes 14, 35 and 36)	94,087,422	28	91,718,368	28
Property, plant and equipment (Notes 15, 35 and 36)	39,341,493	12	39,795,675	12
Right-of-use assets (Notes 16 and 35)	4,581,995	1	4,974,040	2
Investment properties (Notes 17 and 36)	37,699,498	11	37,186,104	11
Intangible assets (Notes 18 and 19)	6,466,819	2	6,789,196	2
Deferred tax assets (Note 30)	807,958	-	789,858	-
Finance lease receivables - non-current (Note 11)	13,545,937	4	14,962,846	5
Other non-current assets (Notes 20, 26 and 35)	<u>5,025,355</u>	<u>2</u>	<u>5,012,627</u>	<u>2</u>
Total non-current assets	<u>214,385,942</u>	<u>64</u>	<u>212,793,375</u>	<u>66</u>
TOTAL	<u>\$ 336,726,851</u>	<u>100</u>	<u>\$ 324,243,127</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 21 and 35)	\$ 29,016,580	9	\$ 28,692,869	9
Short-term bills payable (Note 22)	30,328,957	9	27,059,806	8
Contract liabilities - current (Note 28)	672,297	-	836,904	-
Accounts payable and accrued expenses				
Third parties (Note 19)	9,814,956	3	10,393,404	3
Related parties (Note 35)	382,283	-	374,293	-
Dividends and bonuses payable	261,991	-	258,059	-
Other payables - others	30,972	-	31,503	-
Current tax liabilities (Note 30)	1,661,755	1	1,359,739	1
Provisions - current (Note 25)	211,383	-	24,932	-
Lease liabilities - current (Notes 16 and 35)	254,281	-	261,250	-
Deferred revenue - current (Note 24)	33,152	-	75,912	-
Current portion of long-term liabilities (Notes 23 and 35)	<u>10,219,160</u>	<u>3</u>	<u>1,593,990</u>	<u>1</u>
Total current liabilities	<u>82,887,767</u>	<u>25</u>	<u>70,962,661</u>	<u>22</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 23)	39,100,000	12	45,100,000	14
Long-term borrowings (Notes 23 and 35)	9,567,454	3	10,415,840	3
Provisions - non-current (Notes 20, 25 and 37)	1,077,111	-	1,040,794	-
Deferred tax liabilities (Note 30)	10,202,680	3	10,169,111	3
Lease liabilities - non-current (Notes 16 and 35)	1,100,494	-	1,302,028	1
Deferred revenue - non-current (Note 24)	587,005	-	620,157	-
Net defined benefit liabilities - non-current (Note 26)	56,737	-	111,146	-
Other non-current liabilities	<u>284,036</u>	<u>-</u>	<u>288,145</u>	<u>-</u>
Total non-current liabilities	<u>61,975,517</u>	<u>18</u>	<u>69,047,221</u>	<u>21</u>
Total liabilities	<u>144,863,284</u>	<u>43</u>	<u>140,009,882</u>	<u>43</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 27)				
Share capital	<u>35,465,629</u>	<u>10</u>	<u>35,459,276</u>	<u>11</u>
Capital surplus	<u>8,574,119</u>	<u>3</u>	<u>6,005,713</u>	<u>2</u>
Retained earnings				
Legal reserve	22,558,401	7	21,318,344	7
Special reserve	66,660,987	20	66,656,628	21
Unappropriated earnings	<u>28,691,020</u>	<u>8</u>	<u>27,220,222</u>	<u>8</u>
Total retained earnings	<u>117,910,408</u>	<u>35</u>	<u>115,195,194</u>	<u>36</u>
Other equity	<u>7,219,740</u>	<u>2</u>	<u>4,156,664</u>	<u>1</u>
Total equity attributable to owners of the Corporation	169,169,896	50	160,816,847	50
NON-CONTROLLING INTERESTS (Notes 27 and 32)	<u>22,693,671</u>	<u>7</u>	<u>23,416,398</u>	<u>7</u>
Total equity	<u>191,863,567</u>	<u>57</u>	<u>184,233,245</u>	<u>57</u>
TOTAL	<u>\$ 336,726,851</u>	<u>100</u>	<u>\$ 324,243,127</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 28 and 35)	\$ 80,182,799	100	\$ 90,340,503	100
OPERATING COSTS (Notes 12, 29 and 35)	<u>69,745,612</u>	<u>87</u>	<u>78,585,021</u>	<u>87</u>
GROSS PROFIT	10,437,187	13	11,755,482	13
OPERATING EXPENSES				
Administrative expenses (Notes 29 and 35)	3,271,753	4	3,324,394	3
Expected credit gain (Note 10)	<u>(294,614)</u>	<u>-</u>	<u>(140,185)</u>	<u>-</u>
Total operating expenses	<u>2,977,139</u>	<u>4</u>	<u>3,184,209</u>	<u>3</u>
OPERATING INCOME	<u>7,460,048</u>	<u>9</u>	<u>8,571,273</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 29)	1,330,819	1	931,594	1
Other gains and losses (Note 29)	3,072,659	4	1,732,061	2
Finance costs (Note 29)	(1,772,450)	(2)	(1,295,075)	(2)
Share of profit of associates and joint ventures	2,492,783	3	4,311,008	5
Interest income	<u>1,352,509</u>	<u>2</u>	<u>946,116</u>	<u>1</u>
Total non-operating income and expenses	<u>6,476,320</u>	<u>8</u>	<u>6,625,704</u>	<u>7</u>
PROFIT BEFORE INCOME TAX	13,936,368	17	15,196,977	17
INCOME TAX EXPENSE (Note 30)	<u>2,852,258</u>	<u>3</u>	<u>2,599,841</u>	<u>3</u>
NET INCOME FOR THE YEAR	<u>11,084,110</u>	<u>14</u>	<u>12,597,136</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	110,602	-	202,096	-
Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income	2,197,849	3	(189,012)	-
Share of other comprehensive income (loss) of associates and joint ventures	<u>2,078,024</u>	<u>2</u>	<u>(239,851)</u>	<u>-</u>
	<u>4,386,475</u>	<u>5</u>	<u>(226,767)</u>	<u>-</u>

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ (1,229,250)	(1)	\$ 1,618,546	2
Share of other comprehensive (loss) income of associates and joint ventures	<u>(460,054)</u>	<u>(1)</u>	<u>3,026,103</u>	<u>3</u>
	<u>(1,689,304)</u>	<u>(2)</u>	<u>4,644,649</u>	<u>5</u>
Other comprehensive income for the year, net of income tax	<u>2,697,171</u>	<u>3</u>	<u>4,417,882</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,781,281</u>	<u>17</u>	<u>\$ 17,015,018</u>	<u>19</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 10,882,826	14	\$ 12,016,396	13
Non-controlling interests	<u>201,284</u>	<u>-</u>	<u>580,740</u>	<u>1</u>
	<u>\$ 11,084,110</u>	<u>14</u>	<u>\$ 12,597,136</u>	<u>14</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 13,954,793	17	\$ 16,002,287	18
Non-controlling interests	<u>(173,512)</u>	<u>-</u>	<u>1,012,731</u>	<u>1</u>
	<u>\$ 13,781,281</u>	<u>17</u>	<u>\$ 17,015,018</u>	<u>19</u>
EARNINGS PER SHARE (Note 31)				
Basic	<u>\$ 3.28</u>		<u>\$ 3.63</u>	
Diluted	<u>\$ 3.28</u>		<u>\$ 3.62</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation							Other Equity						
	Share Capital Issued		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation	Cash Flow Hedges	Total Other Equity	Total	Non-controlling Interests	Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE AT JANUARY 1, 2022	3,545,572	\$ 35,455,721	\$ 5,986,339	\$ 19,783,405	\$ 66,476,869	\$ 28,739,477	\$ (7,411,875)	\$ 6,928,068	\$ 911,178	\$ 57,741	\$ 485,112	\$ 156,926,923	\$ 23,345,963	\$ 180,272,886
Appropriation of 2021 earnings														
Legal reserve	-	-	-	1,534,939	-	(1,534,939)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	411,137	(411,137)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(12,054,945)	-	-	-	-	-	(12,054,945)	-	(12,054,945)
Net profit for the year ended December 31, 2022	-	-	-	-	-	12,016,396	-	-	-	-	-	12,016,396	580,740	12,597,136
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	303,336	4,327,499	(646,338)	828	566	3,682,555	3,985,891	431,991	4,417,882
Convertible bonds converted to ordinary shares	356	3,555	8,350	-	-	-	-	-	-	-	-	11,905	-	11,905
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	11,293	-	-	-	-	-	-	-	-	11,293	-	11,293
Actual acquisition of interests in subsidiaries	-	-	(269)	-	-	(166)	-	-	-	-	-	(435)	(326)	(761)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(941,970)	(941,970)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	11,003	-	(11,003)	-	-	(11,003)	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	(80,181)	-	-	-	-	-	(80,181)	-	(80,181)
Special reserve reversed	-	-	-	-	(231,378)	231,378	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	3,545,928	35,459,276	6,005,713	21,318,344	66,656,628	27,220,222	(3,084,376)	6,270,727	912,006	58,307	4,156,664	160,816,847	23,416,398	184,233,245
Appropriation of 2022 earnings														
Legal reserve	-	-	-	1,240,057	-	(1,240,057)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	377,005	(377,005)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(8,155,633)	-	-	-	-	-	(8,155,633)	-	(8,155,633)
Net profit for the year ended December 31, 2023	-	-	-	-	-	10,882,826	-	-	-	-	-	10,882,826	201,284	11,084,110
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	176,149	(1,333,630)	2,944,346	1,285,314	(212)	2,895,818	3,071,967	(374,796)	2,697,171
Convertible bonds converted to ordinary shares	635	6,353	13,537	-	-	-	-	-	-	-	-	19,890	-	19,890
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	2,554,402	-	-	-	-	-	-	-	-	2,554,402	-	2,554,402
Actual acquisition of interests in subsidiaries	-	-	461	-	-	(80)	-	-	-	-	-	381	(1,170)	(789)
Changes in ownership interests in subsidiaries	-	-	6	-	-	(5)	-	-	-	-	-	1	(1)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(548,040)	(548,040)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(167,258)	-	167,258	-	-	167,258	-	-	-
Other changes in equity from investments in associates accounted for using the equity method	-	-	-	-	-	(20,785)	-	-	-	-	-	(20,785)	(4)	(20,789)
Special reserve reversed	-	-	-	-	(372,646)	372,646	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	<u>3,546,563</u>	<u>\$ 35,465,629</u>	<u>\$ 8,574,119</u>	<u>\$ 22,558,401</u>	<u>\$ 66,660,987</u>	<u>\$ 28,691,020</u>	<u>\$ (4,418,006)</u>	<u>\$ 9,382,331</u>	<u>\$ 2,197,320</u>	<u>\$ 58,095</u>	<u>\$ 7,219,740</u>	<u>\$ 169,169,896</u>	<u>\$ 22,693,671</u>	<u>\$ 191,863,567</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 13,936,368	\$ 15,196,977
Adjustments for:		
Depreciation expenses	4,455,429	4,478,360
Amortization expenses	300,269	290,975
Expected credit loss reversed on trade receivables	(294,614)	(140,185)
Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(2,552,018)	(1,242,903)
Finance costs	1,772,450	1,295,075
Interest income	(1,352,509)	(946,116)
Dividend income	(1,354,865)	(1,071,915)
Share of profit of associates and joint ventures	(2,492,783)	(4,311,008)
Loss on disposal of property, plant and equipment	87,993	6,968
Gain on disposal of financial assets	(80,224)	(177,373)
Impairment loss recognized on property, plant and equipment	-	387,333
(Reversal) write-downs of inventories	(136,129)	275,808
Unrealized loss (gain) on foreign exchange	40,438	(1,015,399)
Gain on changes in fair value of investment properties	(521,787)	(327,080)
Loss on disposal of subsidiaries	-	3,229
Day 1 gains for financial instruments	(847,560)	-
Gain on modification of lease	(6,624)	(167)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(9,583,342)	(996,300)
Contract assets	55,447	52,709
Notes receivable	1,008,546	3,132,592
Trade receivables	2,585,782	1,228,284
Other receivables	(58,629)	54,359
Inventories	1,149,995	5,354
Prepayments	(244,271)	277,388
Other current assets	52,280	(59,869)
Contract liabilities	(156,167)	(226,181)
Accounts payable and accrued expenses	(536,201)	(1,117,609)
Provisions	225,196	(44,183)
Net defined benefit liabilities	(4,756)	(15,466)
Deferred revenue	(75,912)	(75,912)
Cash generated from operations	5,371,802	14,917,745
Interest received	1,089,656	621,039
Dividends received	5,077,835	4,783,260
Interest paid	(1,720,826)	(1,294,044)
Income tax paid	(2,549,051)	(3,719,369)
Net cash generated from operating activities	7,269,416	15,308,631

(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (411,565)
Proceeds from sale of financial assets at fair value through other comprehensive income	619,487	39,172
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	26,282
(Payments for) proceeds from financial assets at amortized cost	(10,756,747)	4,363,549
Acquisition of associates and joint ventures	(59,609)	(189,913)
Increase in long-term prepayments for investments	(2,740)	(5,760)
Net cash outflow on disposal of subsidiaries	-	(420)
Proceeds from capital reduction of investments accounted for using equity method	567,841	-
Payments for property, plant and equipment	(4,081,969)	(2,666,315)
Proceeds from disposal of property, plant and equipment	33,149	11,237
Decrease (Increase) in refundable deposits	11,170	(103,004)
Payments for intangible assets	(33,324)	(7,261)
Proceeds from disposal of intangible assets	2	-
Payments for right-of-use assets	(633)	(500)
Payments for investment properties	(1,367)	(782)
Proceeds from sale of derivative instruments not held for trading	<u>48,500</u>	<u>-</u>
Net cash (used in) generated from investing activities	<u>(13,656,240)</u>	<u>1,054,720</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	417,214	4,564,715
Increase (decrease) in short-term bills payable	3,252,000	(796,900)
Proceeds from issuance of bonds	4,000,000	-
Proceeds from long-term borrowings	9,439,397	21,563,103
Repayments of long-term borrowings	(11,614,879)	(19,496,086)
(Decrease) increase in guarantee deposits received	(1,042)	1,995
Repayment of the principal portion of lease liabilities	(263,223)	(260,466)
(Decrease) increase in other non-current liabilities	(824)	4,565
Dividends paid	(8,155,562)	(12,054,870)
Acquisition of additional interests in subsidiaries	(789)	(761)
Dividends paid to non-controlling interests	<u>(548,040)</u>	<u>(941,970)</u>
Net cash used in financing activities	<u>(3,475,748)</u>	<u>(7,416,675)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(394,244)</u>	<u>1,089,038</u>
		(Continued)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (10,256,816)	\$ 10,035,714
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>43,486,332</u>	<u>33,450,618</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 33,229,516</u>	<u>\$ 43,486,332</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

ASIA CEMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Asia Cement Corporation (the “Corporation”) was incorporated in March 1957. It manufactures and sells cement, clinker, cement-related products and ready-mixed concrete, and engages in leasing activities. The Corporation is also required to undertake reforestation activities in designated areas. The Corporation’s shares have been listed on the Taiwan Stock Exchange since June 1962.

In June 1992 and September 1996, certain shares of the Corporation were sold by Far Eastern New Century Corporation (FENC) in the form of global depository shares (GDSs). Such GDSs have been quoted through the SEAQ system of the London Stock Exchange and traded through the portal system of the National Association of Securities Dealers, Inc.

On March 25, 2021, in order to reduce the related management costs, the Corporation’s board of directors resolved to terminate the GDSs program and to delist from the London Stock Exchange. In March 2022, the termination procedure was completed.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors and authorized for issue on March 5, 2024.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards will be effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- a. Statement of compliance

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

- b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments, investment properties which are measured at fair value, and net defined benefit assets (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, are described as follows:

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

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash 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:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- 3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

Ya Li Precast and Prestressed Concrete Industries Corp. and Asia Engineering Corp. engage in construction related businesses, which have operating cycles of over one year. The assets and liabilities of the aforementioned companies related to the construction contracts are classified as current or non-current according to the length of their operating cycles.

d. Basis of consolidation

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

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 Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Refer to Note 13, Tables 8 and 9 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

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

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Group (including subsidiaries, associates, joint ventures and branches in other countries that use currencies which are different from the currency of the Corporation) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Corporation and non-controlling interests as appropriate).

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Corporation are reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of equity of associates and joint ventures attributable to the Group.

Any excess of the cost of acquisition over the Group's share of net fair value of the identifiable assets and liabilities of an associate or a joint venture at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate and joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate and a joint venture. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate and joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate and the joint venture. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate and joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate and joint venture, profits and losses resulting from the transactions with the associate and joint venture are recognized in the Group's consolidated financial statements only to the extent of unrelated parties' interests in the associate and joint venture.

The Group's share of comprehensive income of associates or joint ventures is recognized using the treasury share method if there are reciprocal holdings between investors and investees. The reciprocally held shares of the Group are treated as treasury shares and are deducted from the outstanding shares in computing basic earnings per share.

h. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss. Major renewals and betterments are capitalized, while maintenance and repairs are expensed currently.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Items produced when testing whether an item of property, plant and equipment is functioning properly before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those items and the cost of those items are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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

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

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are initially measured at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

For a transfer from property, plant and equipment to investment property at the end of owner-occupation, any difference between the fair value and the carrying amount of the property at the date of transfer is recognized in other comprehensive income. The revaluation increment is accumulated in equity and transferred directly to retained earnings when the asset is derecognized.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit is tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

k. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

l. Impairment of property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

m. Financial instruments

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

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

Financial assets

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

1) Measurement category

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

a) Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 34.

b) Financial assets at amortized cost

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

- i. The financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows; and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables, notes receivable, other receivables and debt instruments at amortized cost, are measured at amortized cost, which is the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset.

Cash equivalents include time deposits, bonds sold under repurchase agreements and commercial papers with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

c) Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i. The financial asset is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of the financial assets; and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

d) Investments in equity instruments at FVTOCI

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

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

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

2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit loss (ECLs) on financial assets at amortized cost (including trade receivables) and investments in debt instruments at FVTOCI as well as finance lease receivables at the end of each reporting period.

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

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

Impairment loss on all financial instruments is recognized with a corresponding adjustment to their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of the financial asset.

3) Derecognition of financial assets

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

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

Financial liabilities

1) Subsequent measurement

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

2) Derecognition of financial liabilities

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

Convertible bonds

The component parts of convertible bonds issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the liability component are included in the carrying amount of the liability component. Transaction costs relating to the equity component are recognized directly in equity.

Derivative financial instruments

The Group enters into cross-currency swap contracts to manage its exposure to interest rate and foreign exchange rate risks.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the mixed contracts are not measured at FVTPL.

n. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

o. Revenue recognition

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

1) Revenue from the sale of goods

Revenue from sales of goods is recognized when the goods are delivered to the customers' specified locations, which is the time that the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. The advance receipts before the delivery of goods are recognized as contract liabilities and reclassified to revenue after the goods are transferred to the customers.

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the freight revenue received from goods shipping services. As the Group provides goods shipping services, the customer simultaneously receives and consumes the benefits provided by the Group's satisfaction of performance obligations. Consequently, the related revenue is recognized when the services are rendered.

3) Construction contract revenue

The Group recognizes construction contract revenue over time while the construction is in progress. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligations. Contract assets are recognized during the construction and are reclassified to trade receivables at the point at which the customer is invoiced. If the milestone payments exceed the revenue recognized to date, then the Group recognizes contract liabilities for the difference. Certain payments, which are retained by the customer as specified in the contract, are intended to ensure that the Group adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations.

When the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognized only to the extent of contract costs incurred in satisfying the performance obligation for which recovery is expected.

p. Leases

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

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, the lease payments comprise fixed payments, variable lease payments which depend on an index or a rate, and residual value guarantees. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group's net investment outstanding in respect of leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group negotiates with the lessor for rent concessions as a direct consequence of Covid-19 to change the lease payments originally due by June 30, 2022, which results in the revised consideration for the lease substantially the same as, or less than, the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

q. Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

r. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

s. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

3) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

t. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. If investment properties measured using the fair value model are non-depreciable assets, or are held under a business model whose objective is not to consume substantially all of the economic benefits embodied in the assets over time, the carrying amounts of such assets are presumed to be recovered entirely through sale.

3) Current tax and deferred tax for the year

Current tax and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current tax and deferred tax are also recognized in other comprehensive income, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of changes in climates and related governmental policies, and interest rate fluctuations on the cash flow projection, growth rates, discount rates, profitabilities, and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

Estimated impairment of trade receivables

The provision for impairment of trade receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 10.

Fair value measurements and valuation process of investment properties

If the Group's investment properties measured at fair value have no quoted prices in active markets, the Group determines whether to engage third party qualified appraisers for the application of appropriate valuation techniques for fair value measurements in accordance with related regulations or professional standards.

The engaged appraisers measure the fair value of investment properties through the income approach and land development analysis approach and would determine appropriate inputs by reference to the existing lease contract, rentals of similar properties in the vicinity of the Group's investment properties, domestic macroeconomic prospects, local land use, and market rates. If the actual changes of inputs in the future differ from expectations, the fair value might vary accordingly.

Information about the valuation techniques and inputs used in determining the fair value of investment properties is disclosed in Note 17.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Checking accounts and demand deposits	\$ 12,194,003	\$ 12,223,054
Petty cash	3,157	3,290
Cash on hand	517	1,196
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	20,329,827	28,735,711
Repurchase agreements collateralized by bonds	<u>702,012</u>	<u>2,523,081</u>
	<u>\$ 33,229,516</u>	<u>\$ 43,486,332</u>

The market rate intervals of time deposits and repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	December 31	
	2023	2022
Time deposits	1.20%-5.58%	0.78%-6.00%
Repurchase agreements collateralized by bonds	1.20%-5.58%	0.85%-1.03%

As of December 31, 2023 and 2022, the Group's bank deposits in the amounts of \$424,131 thousand and \$1,369,439 thousand, respectively, are restricted as collateral for bank loans and classified as financial assets at amortized cost in the balance sheets. Time deposits with original maturities of more than 3 months in the amounts of \$21,313,188 thousand and \$9,940,043 thousand, respectively, are classified as financial assets at amortized cost in the balance sheets as of December 31, 2023 and 2022. Refer to Note 9 for the details.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

	December 31	
	2023	2022
<u>Financial assets at FVTPL</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Bond options (Note 23)	\$ -	\$ 279
Cross-currency swap contracts	-	1,492
Non-derivative financial assets		
Beneficiary certificates	23,426,461	22,784,441
Listed shares	<u>16,293,519</u>	<u>3,923,946</u>
	<u>\$ 39,719,980</u>	<u>\$ 26,710,158</u>

In March 2023, the Group acquired 153,544 thousand ordinary shares of Far EasTone Telecommunications Co., Ltd. for a total purchase price of \$10,023,324 thousand (\$65.28 per share), and therefore a gain of \$847,560 thousand, which was accounted for as other gains and losses, was recognized as the difference between the fair value at initial recognition (NT\$70.80 per share) and the transaction price. Refer to Note 29 for the details.

The Group entered into cross-currency swap contracts to manage exposures to exchange rate fluctuations. The Group's financial hedging strategy is to avoid most of the cash flow risk exposure. As of December 31, 2022, outstanding cross-currency swap contracts not under hedge accounting were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
US\$100,000	2023.12.26	-	3.81%-3.87%

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31			
	2023		2022	
	Current	Non-current	Current	Non-current
Debt instruments				
Bills receivables	\$ 313,211	\$ -	\$ 1,135,113	\$ -
Equity instruments				
Domestic investments				
Listed shares	3,993,915	10,644,454	3,667,155	9,228,562
Unlisted shares	-	1,925,638	-	1,876,292
	<u>3,993,915</u>	<u>12,570,092</u>	<u>3,667,155</u>	<u>11,104,854</u>
Foreign investments				
Listed shares	-	-	31,420	-
Unlisted shares	-	207,037	-	389,246
	<u>-</u>	<u>207,037</u>	<u>31,420</u>	<u>389,246</u>
	<u>3,993,915</u>	<u>12,777,129</u>	<u>3,698,575</u>	<u>11,494,100</u>
	<u>\$ 4,307,126</u>	<u>\$ 12,777,129</u>	<u>\$ 4,833,688</u>	<u>\$ 11,494,100</u>

- These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term 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 long-term purposes.
- Asia Cement Pioneer Investment Ltd. (ACP) acquired the shares of Cementon Micronesia LLC for US\$3,900 thousand in September 2010. As of December 31, 2023, 50% of the investment consideration was not paid and accounted for as accounts payable and accrued expenses - third parties. The consideration will be paid once the counterparty asks for payment.
- The bills receivables at FVTOCI held by the Group are managed within a business model whose objective is both to collect the contractual cash flows and to sell. Accordingly, the management elected to designate these bills receivables in debt instruments as at FVTOCI. As of December 31, 2022, the Group evaluated the credit risk exposure as immaterial because all counterparties are reputable financial institutions with good credit ratings.
- Refer to Note 36 for information relating to financial assets at fair value through other comprehensive income pledged as collaterals.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Time deposits with original maturities of more than 3 months	\$ 21,313,188	\$ 9,940,043
Restricted assets	<u>424,131</u>	<u>1,369,439</u>
	<u>\$ 21,737,319</u>	<u>\$ 11,309,482</u>
Current	<u>\$ 21,684,983</u>	<u>\$ 11,238,921</u>
Non-current	<u>\$ 52,336</u>	<u>\$ 70,561</u>

Based on the Group's assessment, the credit risk of these financial assets is not expected to be high and has not increased since initial recognition.

Refer to Note 36 for information relating to financial assets at amortized cost pledged as collaterals.

10. TRADE RECEIVABLES

	December 31	
	2023	2022
<u>At amortized cost</u>		
Trade receivables - sales	\$ 10,002,512	\$ 11,302,213
Finance lease receivable - current (Note 11)	1,416,909	1,341,990
Construction receivable	102,758	108,528
Operating lease receivable	108,918	86,181
Less: Allowance for impairment loss - sales	(1,084,651)	(1,402,732)
Less: Allowance for impairment loss - construction	<u>(7,918)</u>	<u>(890)</u>
	<u>\$ 10,538,528</u>	<u>\$ 11,435,290</u>

Trade Receivables - Sales

The average credit period of receivables from sales of goods was 30-90 days. Specific customers with good credit records were given longer credit period occasionally. The average credit period for customers of concrete products was 180-365 days after construction of building was finished.

The Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. The Group obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix and by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As there are different loss patterns for various customer segments, the Group uses different provision matrixes based on a provision matrix through grouping of various debtors that have common risk characteristics, and determines the expected credit loss rate by reference to the past due days of accounts receivable and regional economic conditions.

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

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

December 31, 2023

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 366 Days	Total
Gross carrying amount	\$ 7,760,017	\$ 1,097,483	\$ 520,288	\$ 624,724	\$ 10,002,512
Loss allowance (lifetime ECLs)	<u>(145,427)</u>	<u>(98,833)</u>	<u>(233,263)</u>	<u>(607,128)</u>	<u>(1,084,651)</u>
Amortized cost	<u>\$ 7,614,590</u>	<u>\$ 998,650</u>	<u>\$ 287,025</u>	<u>\$ 17,596</u>	<u>\$ 8,917,861</u>

December 31, 2022

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 366 Days	Total
Gross carrying amount	\$ 8,648,485	\$ 1,227,496	\$ 667,337	\$ 758,895	\$ 11,302,213
Loss allowance (lifetime ECLs)	<u>(130,181)</u>	<u>(169,948)</u>	<u>(450,672)</u>	<u>(651,931)</u>	<u>(1,402,732)</u>
Amortized cost	<u>\$ 8,518,304</u>	<u>\$ 1,057,548</u>	<u>\$ 216,665</u>	<u>\$ 106,964</u>	<u>\$ 9,899,481</u>

The above aging schedule was based on the invoice date.

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

	<u>December 31</u>	
	2023	2022
Balance at January 1	\$ 1,403,622	\$ 1,527,298
Add: Amounts recovered from the prior year write-offs	638	13,989
Less: Amounts written off	(2,291)	(22,813)
Gain on reversal of impairment loss	(294,614)	(140,185)
Effect of foreign currency exchange differences	<u>(14,786)</u>	<u>25,333</u>
Balance at December 31	<u>\$ 1,092,569</u>	<u>\$ 1,403,622</u>

11. FINANCE LEASE RECEIVABLES

	<u>December 31</u>	
	2023	2022
<u>Undiscounted lease payments</u>		
Year 1	\$ 1,974,288	\$ 1,974,288
Year 2	1,974,288	1,974,288
Year 3	1,974,288	1,974,288
Year 4	1,974,288	1,974,288
Year 5	1,974,288	1,974,288
Year 5 onwards	<u>7,205,285</u>	<u>9,179,573</u>
	17,076,725	19,051,013
Unguaranteed residual value	486,573	486,573
Less: Unearned finance income	<u>(2,600,452)</u>	<u>(3,232,750)</u>
Net investment in leases presented as finance lease receivables	<u>\$ 14,962,846</u>	<u>\$ 16,304,836</u>
Current	\$ 1,416,909	\$ 1,341,990
Non-current	<u>13,545,937</u>	<u>14,962,846</u>
	<u>\$ 14,962,846</u>	<u>\$ 16,304,836</u>

Chiahui Power Corp. (CHP) entered into 25-year and 20-year Purchase and Sale Contracts of the Phase I and Phase II power plant, respectively, with Taiwan Power Company (TPC). According to the contracts, electricity generated by CHP is sold to TPC. CHP started its operations on December 15, 2003 and on July 31, 2021. Because the nature of the contracts is considered as conveyance of rights to use asset, the contracts are regarded as finance leases.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of December 31, 2023, no finance lease receivable was past due. The Group has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate.

12. INVENTORIES

	December 31	
	2023	2022
Finished goods	\$ 2,550,301	\$ 2,363,277
Work in progress	1,001,042	1,174,698
Raw materials	1,893,144	3,023,022
Supplies	1,903,168	1,989,426
Inventory in transit	<u>262,937</u>	<u>117,394</u>
	<u>\$ 7,610,592</u>	<u>\$ 8,667,817</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2023 and 2022 was \$51,890,831 thousand and \$61,764,326 thousand, respectively. The cost of goods sold included reversals of inventory write-downs of \$136,129 thousand and inventory write-downs of \$275,808 thousand, respectively. The reversals of previous write-downs resulted from the sale of these inventories or increased selling prices.

13. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Subsidiary	Proportion of Ownership and Voting Rights		Remark
		December 31		
		2023	2022	
The Corporation	Der Ching Investment Corp. (DCI)	99.99%	99.99%	Note 11
	Ya Tung Ready-Mixed Concrete Corp. (YTRMC)	99.99%	99.99%	Notes 4 and 11
	Nan Hwa Cement Corp. (NHC)	99.98%	99.98%	Note 11
	Chiahui Power Corp. (CHP)	99.70%	99.70%	-
	Asia Cement (Singapore) Pte. Ltd. (ACSPL)	100.00%	99.99%	Notes 4 and 11
	ACCCHC	67.73%	67.73%	Note 1
	Ya Li Precast and Prestressed Concrete Industries Corp. (YLPPC)	83.97%	83.94%	Note 11
	Asia Investment Corp. (AIC)	100.00%	100.00%	-
	Fu Ming Transport Corp. (FMT)	99.95%	99.95%	Note 4
	Asia Engineering Enterprise Corp. (AEE)	99.93%	99.76%	Notes 4 and 11
	Sunrise Industrial Holdings Ltd. (SIHL)	100.00%	100.00%	-
	Yuan Long Stainless Steel Corp. (YLSS)	100.00%	100.00%	-
	Yali Transportation Corp. (YLT)	51.61%	51.61%	Note 4
				(Continued)

Investor	Subsidiary	Proportion of Ownership and Voting Rights		Remark
		December 31		
		2023	2022	
DCI	Kowloon Cement Corp. Ltd. (KCC)	49.00%	49.00%	-
	Fu Shan Mineral Stone Co., Ltd. (FSMS)	99.56%	99.56%	-
	AC Mega Investment Ltd. (ACM)	80.73%	100.00%	Note 2
	AC Mega II Investment Ltd. (ACM II)	76.44%	100.00%	Note 2
	AC Mega III Investment Ltd. (ACM III)	76.44%	100.00%	Note 2
	AC Mega IV Investment Ltd. (ACM IV)	80.04%	100.00%	Note 2
	AC Leap Investment Ltd. (ACL)	81.01%	100.00%	Note 2
	Asia Cement Explorer Investment Ltd. (ACE)	23.01%	-	Note 9
	Asia Cement Pioneer Investment Ltd. (ACP)	10.29%	-	Note 9
	Asia Cement Pioneer II Investment Ltd. (ACP II)	19.27%	-	Note 9
	Asia Cement Pioneer III Investment Ltd. (ACP III)	23.56%	-	Note 9
	Asia Cement Pioneer IV Investment Ltd. (ACP IV)	23.68%	-	Note 9
YTRMC	Ya Sing Ready-Mixed Concrete Corp. (YSRMC)	69.95%	69.95%	-
	Ya Tung Vietnam Co., Ltd. (YTV)	100.00%	100.00%	-
	Asia Oriental (Guam) LLC (AOG)	95.04%	95.04%	-
AOG	Asia Oriental Concrete, LLC (AOC)	71.68%	71.68%	-
FMT	Fu Da Transportation Corp. (FDT)	99.97%	99.97%	Note 5
AEE	ACCHC	0.20%	0.20%	-
AIC	CHP	0.01%	0.01%	-
	DCI	0.00%	0.00%	-
AIC	NHC	0.02%	0.02%	-
	FMT	0.02%	0.02%	-
	FSMS	0.38%	0.38%	-
	FDT	0.03%	0.03%	-
	YSRMC	0.05%	0.05%	-
	AEE	0.07%	0.07%	-
	YTRMC	0.00%	0.00%	-
	ACE	76.99%	100.00%	Note 3
	ACP	89.71%	100.00%	Note 3
	ACP II	80.73%	100.00%	Note 3
	ACP III	76.44%	100.00%	Note 3
	ACP IV	76.32%	100.00%	Note 3
	ACM	19.27%	-	Note 8
	ACM II	23.56%	-	Note 8
	ACM III	23.56%	-	Note 8
	ACM IV	19.96%	-	Note 8
	ACL	18.99%	-	Note 8
YLPPC	Ya Li Precast Concrete India Pvt. Ltd. (YLPICIP)	-	-	Note 6
	AOG	4.96%	4.96%	-
ACSPL	Oriental Concrete Pte. Ltd. (OCPL)	100.00%	100.00%	-
	ACCHC	4.07%	4.07%	-
ACCHC	Perfect Industrial Holdings Pte. Ltd. (PIHPL)	100.00%	100.00%	-
PIHPL	Asia Continent Investment Holdings Pte. Ltd. (ACIHPL)	100.00%	100.00%	-
ACIHPL	Oriental Industrial Holdings Pte. Ltd. (OIHPL)	-	99.99%	Notes 10 and 12
	Jiangxi Yadong Cement Co., Ltd. (JYDC)	85.00%	85.00%	-
	OIHPL	100.00%	-	Note 12
OIHPL	Wuhan Yadong Cement Co., Ltd. (WYDC)	90.00%	90.00%	-
	Oriental Holdings Co., Ltd. (OHC)	100.00%	100.00%	-
	Shanghai Yali Cement Products Co., Ltd. (SHYLCP)	90.00%	90.00%	-
	Hubei Yadong Cement Co., Ltd. (HYDCCL)	90.00%	90.00%	-
	Sichuan Yali Concrete Produce Co., Ltd. (SYCPCL)	90.00%	90.00%	-
	Sichuan Yali Transport Co., Ltd. (SYTCL)	90.00%	90.00%	-
	Yangzhou Yadong Cement Co., Ltd. (YYDCCL)	90.00%	90.00%	-
	Sichuan Yadong Cement Co., Ltd. (SIYDCCL)	90.00%	90.00%	-
	Chengdu Yali Cement Products Co., Ltd. (CYCPCL)	51.22%	51.22%	-
	Huanggang Yadong Cement Co., Ltd. (HGYDC)	90.00%	90.00%	-

(Continued)

Investor	Subsidiary	Proportion of Ownership and Voting Rights		Remark
		December 31		
		2023	2022	
JYDC	Jiangxi Yali Transport Co., Ltd. (JYLTC)	52.00%	52.00%	-
	Nanchang Yadong Cement Co., Ltd. (NYDC)	50.00%	50.00%	-
	Nanchang Yali Concrete Produce Ltd. (NYLC)	100.00%	100.00%	-
	Ruichang Yadong New Material Co., Ltd. (RYNM)	100.00%	100.00%	-
OHC	JYDC	10.00%	10.00%	-
	WYDC	10.00%	10.00%	-
	NYDC	25.00%	25.00%	-
	JYLTC	48.00%	48.00%	-
	SHYLCP	10.00%	10.00%	-
	SYTCL	10.00%	10.00%	-
	SIYDCCL	10.00%	10.00%	-
	HGYDC	10.00%	10.00%	-
	YYDCCL	10.00%	10.00%	-
	CYCPCL	48.78%	48.78%	-
	HYDCCL	10.00%	10.00%	-
	SYCPCL	10.00%	10.00%	-
	Tai Zhou Oriental Construction Co., Ltd. (TZOCCL)	100.00%	100.00%	-
WYDC	Wuhan Yali Cement Products Co., Ltd. (WYCPCL)	100.00%	100.00%	-
SIYDCCL	Sichuan Lanfeng Cement Co., Ltd. (SLCL)	100.00%	100.00%	-
SLCL	Sichuan Lanfeng Construction Co., Ltd. (SLCCL)	100.00%	100.00%	-
HYDCCL	Hubei Yali Transport Co., Ltd. (HYTCL)	100.00%	100.00%	-
	Wuhan Yaxin Cement Co., Ltd. (WYXC)	90.00%	90.00%	-
	Jiangling Yadong Building Materials Cement Co., Ltd. (JYDCCL)	85.00%	85.00%	Note 7
KCC	Kowloon Concrete Corporation Limited (KCCL)	100.00%	100.00%	-
	Join Fortune Trading Ltd. (JFTL)	100.00%	100.00%	-
(Concluded)				

(Concluded)

Remarks:

- Note 1: For subsidiaries that have material non-controlling interests, see Table 9 for the information on the locations of incorporation and principal addresses of businesses.
- Note 2: In the third quarter of 2022, the Corporation's subsidiary, DCI, fully subscribed for the cash capital increase of its subsidiaries, ACL, ACM, ACM II, ACM III, and ACM IV, respectively, for US\$9,900 thousand.
- Note 3: In the third quarter of 2022, the Corporation's subsidiary, AIC, fully subscribed for the cash capital increase of its subsidiaries, ACE, ACP, ACP II, and ACP III, respectively, for US\$9,900 thousand. AIC also fully subscribed for the cash capital increase of its subsidiary, ACP IV, for US\$9,890 thousand.
- Note 4: For the year ended December 31, 2022, the Corporation acquired non-controlling interests in its subsidiaries, including ACSPL, YTRMC, AEE, FMT and YLT. Refer to Note 32.
- Note 5: For the year ended December 31, 2022, the Corporation's subsidiary, FMT, acquired non-controlling interests in its subsidiary, FDT. Refer to Note 32 to the consolidated financial statements for the year ended December 31, 2022.
- Note 6: In September 2022, the Group disposed of its sub-subsidiary, Ya Li Precast Concrete India Pvt. Ltd., and the loss recognized from the disposal was \$3,229 thousand.

Note 7: On October 17, 2022, HYDCCL incorporated JYDCCL with 85% ownership. As of December 31, 2023, the amount of the original investment on JYDCCL was RMB80,000 thousand. JYDCCL is mainly engaged in the production and sale of cement grinding, slag powder and doping powder; loading and unloading of cement, clinker and other general bulk cargoes; production and sale of alternative fuels and reuse of industrial by-products and waste materials; transportation and sale of angles, sand and gravel; and photovoltaic power generation projects.

Note 8: In the first quarter of 2023, the Corporation's subsidiary, AIC, fully subscribed for the cash capital increase of the Corporation's sub-subsidiaries, ACL, ACM, ACM II, ACM III, and ACM IV, respectively, for US\$9,000 thousand.

Note 9: In the first quarter of 2023, the Corporation's subsidiary, DCI, fully subscribed for the cash capital increase of the Corporation's sub-subsidiaries, ACE, ACP, ACP II, ACP III, and ACP IV, respectively, for US\$9,000 thousand.

Note 10: For the year ended December 31, 2023, the Corporation's sub-subsidiary, PIHPL, acquired non-controlling interests in its subsidiary, OIHPL. Refer to Note 32.

Note 11: For the year ended December 31, 2023, the Corporation acquired non-controlling interests in its subsidiary, including ACSPL, DCI, AEE, NHC, YTRMC and YLPPC. Refer to Note 32.

Note 12: For the year ended December 31, 2023, the Corporation's sub-subsidiary, ACIHPL, acquired ordinary shares of OIHPL, another directly 100% owned subsidiary of its parent, PIHPL, by issuing new shares.

b. Subsidiaries excluded from the consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests

			Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
			December 31	
Name of Subsidiary	Principal Place of Business		2023	2022
ACCHC	Refer to Tables 8 and 9		28.00%	28.00%
Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Year Ended December 31		Accumulated Non-controlling Interests	
	2023	2022	2023	2022
ACCHC	\$ 98,876	\$ 523,186	\$ 21,757,851	\$ 22,537,192
Others	<u>102,408</u>	<u>57,554</u>	<u>935,820</u>	<u>879,206</u>
	<u>\$ 201,284</u>	<u>\$ 580,740</u>	<u>\$ 22,693,671</u>	<u>\$ 23,416,398</u>

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

ACCHC and its subsidiaries:

	December 31	
	2023	2022
Current assets	\$ 47,262,302	\$ 49,293,505
Non-current assets	39,676,103	43,148,002
Current liabilities	9,597,962	9,663,945
Non-current liabilities	<u>3,707,397</u>	<u>6,859,379</u>
Equity	<u>\$ 73,633,046</u>	<u>\$ 75,918,183</u>
Equity attributable to:		
Owners of the Corporation	\$ 51,875,195	\$ 53,380,991
Non-controlling interests of ACCHC	20,173,687	20,759,274
Non-controlling interests of ACCHC's subsidiaries	<u>1,584,164</u>	<u>1,777,918</u>
	<u>\$ 73,633,046</u>	<u>\$ 75,918,183</u>
	For the Year Ended December 31	
	2023	2022
Revenue	<u>\$ 32,836,865</u>	<u>\$ 42,484,680</u>
Profit for the year	\$ 276,473	\$ 1,842,466
Other comprehensive (loss) income for the year	<u>(1,275,017)</u>	<u>1,221,735</u>
Total comprehensive (loss) income for the year	<u>\$ (998,544)</u>	<u>\$ 3,064,201</u>
Profit attributable to:		
Owners of the Corporation	\$ 177,597	\$ 1,319,280
Non-controlling interests of ACCHC	69,066	513,053
Non-controlling interests of ACCHC's subsidiaries	<u>29,810</u>	<u>10,133</u>
	<u>\$ 276,473</u>	<u>\$ 1,842,466</u>
Total comprehensive (loss) income attributable to:		
Owners of the Corporation	\$ (718,440)	\$ 2,179,010
Non-controlling interests of ACCHC	(279,394)	847,393
Non-controlling interests of ACCHC's subsidiaries	<u>(710)</u>	<u>37,798</u>
	<u>\$ (998,544)</u>	<u>\$ 3,064,201</u>
Dividends paid to non-controlling interest		
ACCHC	<u>\$ 306,194</u>	<u>\$ 875,341</u>
ACCHC's subsidiaries	<u>\$ 193,044</u>	<u>\$ 8,284</u>

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in associates	\$ 93,028,640	\$ 90,731,586
Investments in joint ventures	<u>1,058,782</u>	<u>986,782</u>
	<u>\$ 94,087,422</u>	<u>\$ 91,718,368</u>

a. Investments in associates

	December 31	
	2023	2022
<u>Material associates</u>		
Listed shares		
FENC	\$ 44,384,569	\$ 40,966,666
CSCGL	15,867,905	16,885,741
U-Ming Marine Transport Corp. (U-Ming)	<u>13,811,268</u>	<u>13,325,976</u>
	<u>74,063,742</u>	<u>71,178,383</u>
<u>Associates that are not individually material</u>		
Unlisted shares		
Far Eastern Construction Co., Ltd. (FEC)	5,420,207	5,219,385
Yuan Ding Co., Ltd. (YDC)	4,530,796	4,365,125
Yue Yuan Investment Corp. (YYI)	2,536,323	2,552,447
Yuan Ding Enterprise (Shanghai) (YDES)	2,486,235	2,899,141
Oriental Securities Corp. (OSC)	1,323,421	1,823,386
Yue Ding Enterprise Corp. (YDEC)	783,083	749,591
FEDS Development Ltd. (FEDSDL)	588,630	670,573
Yuan Ding Leasing Corp. (YDLC)	383,596	379,095
Drive Catalyst SPC - SP Tranche Three (Catalyst Tranche Three)	262,099	248,699
Drive Catalyst SPC - SP Tranche Two (Catalyst Tranche Two)	258,356	254,094
Drive Catalyst SPC - SP Tranche One (Catalyst Tranche One)	136,353	136,863
Everstrong Iron & Steel Foundry Ltd. (EISF)	115,208	106,588
Hubei Zhongjian Yadong Concrete Co., Ltd. (HZYCCL)	81,779	94,326
Pao-Good Industry Co., Ltd. (PGIC)	56,469	51,638
Opas Fund Segregated Portfolio Company (OFSPC)	1,761	1,687
Drive Catalyst SPC (Catalyst)	539	522
Perez-Mtec-ACC, LLC (PMA)	<u>43</u>	<u>43</u>
	<u>18,964,898</u>	<u>19,553,203</u>
	<u>\$ 93,028,640</u>	<u>\$ 90,731,586</u>

At the end of the reporting period, the percentages of owners' voting rights in associates held by the Group were as follows:

Name of Associate	December 31	
	2023	2022
FENC	25.72%	25.72%
CSCGL	17.46%	17.46%
U-Ming	41.41%	41.41%
FEC	33.76%	33.76%
YDC	49.99%	49.99%
YYI	29.92%	29.92%
YDES	40.00%	40.00%
OSC	18.93%	18.93%
YDEC	30.84%	30.84%
FEDSDL	25.00%	25.00%
YDLC	43.60%	43.60%
Catalyst Tranche Three	25.00%	25.00%
Catalyst Tranche Two	25.00%	25.00%
Catalyst Tranche One	25.00%	25.00%
EISF	48.73%	48.73%
HZYCCL	40.00%	40.00%
PGIC	31.00%	31.00%
OFSPC	33.00%	33.00%
Catalyst	33.00%	33.00%
PMA	33.33%	33.33%

The Group is the single largest shareholder with 41.41% and 25.72% of the voting rights of associates, U-Ming and FENC, respectively. Considering the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other shareholders and the voting patterns at previous shareholders' meetings, which indicate that other shareholders are not passive, the Group is not able to appoint more than half of the members of those charged with governance of U-Ming and FENC. Consequently, the Group considered and classified U-Ming and FENC as associates of the Group as it is merely able to exercise significant influence over U-Ming and FENC.

In January 2022, the Corporation's subsidiary DCI subscribed for 4,000 new shares of Catalyst Tranche Two for US\$4,000 thousand. After the subscription, DCI owned 25% of the shares of the associate.

As of December 31, 2023 and 2022, the information of associates was as follows:

- 1) Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	December 31	
	2023	2022
FENC	\$ 42,944,789	\$ 43,908,294
CSCGL	\$ 1,660,007	\$ 4,842,959
U-Ming	\$ 18,230,561	\$ 17,005,859

2) The summarized financial information in respect of the Group's material associates is set out below:

FENC:

	December 31	
	2023	2022
Current assets	\$ 31,246,560	\$ 28,757,361
Non-current assets	338,807,084	314,896,079
Current liabilities	23,020,673	40,264,848
Non-current liabilities	<u>121,845,358</u>	<u>94,380,114</u>
Equity	225,187,613	209,008,478
Proportion of the Group's ownership	25.72%	25.72%
Equity attributable to the Group	57,918,254	53,756,981
Cross shareholdings	<u>(13,533,685)</u>	<u>(12,790,315)</u>
Carrying amount	<u>\$ 44,384,569</u>	<u>\$ 40,966,666</u>
	For the Year Ended December 31	
	2023	2022
Operating revenue	<u>\$ 42,846,673</u>	<u>\$ 51,246,072</u>
Net profit for the year	\$ 8,229,199	\$ 8,160,292
Other comprehensive income	<u>5,314,942</u>	<u>3,124,133</u>
Total comprehensive income for the year	<u>\$ 13,544,141</u>	<u>\$ 11,284,425</u>
Dividends received from FENC	<u>\$ 1,858,199</u>	<u>\$ 2,064,665</u>

U-Ming:

	December 31	
	2023	2022
Current assets	\$ 2,728,912	\$ 2,539,272
Non-current assets	61,073,332	59,141,659
Current liabilities	13,783,807	12,443,399
Non-current liabilities	<u>16,320,438</u>	<u>16,532,223</u>
Equity	33,697,999	32,705,309
Proportion of the Group's ownership	41.41%	41.41%
Equity attributable to the Group	13,954,341	13,543,266
Unrealized gain or loss with associates	(13,304)	(87,524)
Other adjustments	<u>(129,769)</u>	<u>(129,766)</u>
Carrying amount	<u>\$ 13,811,268</u>	<u>\$ 13,325,976</u>

	For the Year Ended December 31	
	2023	2022
Operating revenue	\$ <u>1,873,771</u>	\$ <u>1,582,956</u>
Net profit for the year	\$ 2,738,915	\$ 4,404,312
Other comprehensive income	<u>788,491</u>	<u>4,974,081</u>
Total comprehensive income for the year	\$ <u>3,527,406</u>	\$ <u>9,378,393</u>
Dividends received from U-Ming	\$ <u>1,049,747</u>	\$ <u>1,049,747</u>
CSCGL and its subsidiaries:		

	December 31	
	2023	2022
Current assets	\$ 36,633,583	\$ 38,639,587
Non-current assets	96,701,864	99,843,512
Current liabilities	46,461,911	45,951,146
Non-current liabilities	7,074,231	6,974,571
Non-controlling interests	<u>318,898</u>	<u>1,194,175</u>
Equity attributable to CSCGL	79,480,407	84,363,207
Proportion of the Group's ownership	17.46%	17.46%
Equity attributable to the Group	13,882,186	14,744,378
Goodwill	1,856,015	1,856,015
Quarry right	<u>129,704</u>	<u>285,348</u>
Carrying amount	\$ <u>15,867,905</u>	\$ <u>16,885,741</u>

	For the Year Ended December 31	
	2023	2022
Operating revenue	\$ <u>79,992,726</u>	\$ <u>94,781,996</u>
Net (loss) profit for the year	\$ (4,637,360)	\$ 3,339,500
Other comprehensive income (loss)	<u>379,790</u>	<u>(225,366)</u>
Total comprehensive (loss) income for the year	\$ <u>(4,257,570)</u>	\$ <u>3,114,134</u>

3) Aggregate information of associates that are not individually material:

	For the Year Ended December 31	
	2023	2022
The Group's share of:		
Profit for the year	\$ 348,114	\$ 387,055
Other comprehensive income (loss)	<u>243,276</u>	<u>(72,828)</u>
Total comprehensive income for the year	\$ <u>591,390</u>	\$ <u>314,227</u>

4) The amounts of investments in associates pledged as collateral for bank borrowings are disclosed in Note 36.

- b. Investments in joint ventures that are not individually material:

	December 31	
	2023	2022
<u>Unlisted companies</u>		
Alliance Concrete Singapore Pte. Ltd. (Alliance)	\$ 645,239	\$ 608,026
Wuhan Asia Marine Transport Co., Ltd. (WAMTC)	232,612	231,860
Jiangxi Ruiya New Materials Co., Ltd. (JRNMC)	148,045	96,272
Hubei Xinlongyuan Mining Co., Ltd. (HXMC)	26,483	44,476
Profit Enterprises Int'l Ltd. (PEI)	<u>6,403</u>	<u>6,148</u>
	<u>\$ 1,058,782</u>	<u>\$ 986,782</u>

At the end of the reporting period, the percentages of owners' voting rights in joint ventures held by the Group were as follows:

Name of Joint Ventures	December 31	
	2023	2022
Alliance	50.00%	50.00%
WAMTC	50.00%	50.00%
JRNMC	45.00%	45.00%
HXMC	40.00%	40.00%
PEI	50.00%	50.00%

Aggregate information of joint ventures that are not individually material:

	For the Year Ended December 31	
	2023	2022
The Group's share of:		
Income for the year	\$ 249,013	\$ 297,037
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 249,013</u>	<u>\$ 297,037</u>

All the associates and joint ventures are accounted for using the equity method.

Refer to Table 8 "Information on Investees" and Table 9 "Information on Investments in Mainland China" for the nature of activities, principal place of business and country of incorporation of the associates and joint ventures.

15. PROPERTY, PLANT AND EQUIPMENT

Assets Used By the Group

	Land	Land Improvements	Buildings	Equipment	Other Equipment	Property Under Construction	Total
<u>Cost</u>							
Balance at January 1, 2023	\$ 7,096,960	\$ -	\$ 25,041,519	\$ 76,864,793	\$ 13,113,222	\$ 997,393	\$ 123,113,887
Additions	1,062,115	28,831	8,374	144,642	382,974	2,573,367	4,200,303
Disposals	(6,146)	-	(37,847)	(390,638)	(168,700)	-	(603,331)
Transferred to intangible assets	-	-	-	-	-	(46,356)	(46,356)
Transferred from inventories	-	-	-	-	4,389	-	4,389
Transferred from completed construction	-	-	81,601	1,102,340	425,820	(1,609,761)	-
Reclassification	-	-	-	(1,126)	1,126	-	-
Effect of foreign currency exchange differences	-	-	(316,750)	(931,765)	(57,124)	(7,980)	(1,313,619)
Balance at December 31, 2023	<u>8,152,929</u>	<u>28,831</u>	<u>24,776,897</u>	<u>76,788,246</u>	<u>13,701,707</u>	<u>1,906,663</u>	<u>125,355,273</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2023	18,173	-	12,296,017	60,023,575	10,980,447	-	83,318,212
Depreciation expense	-	120	639,350	2,793,840	613,284	-	4,046,594
Disposals	-	-	(11,847)	(309,007)	(161,335)	-	(482,189)
Effect of foreign currency exchange differences	-	-	(128,072)	(701,618)	(39,147)	-	(868,837)
Balance at December 31, 2023	<u>18,173</u>	<u>120</u>	<u>12,795,448</u>	<u>61,806,790</u>	<u>11,393,249</u>	<u>-</u>	<u>86,013,780</u>
Carrying amounts at December 31, 2023	<u>\$ 8,134,756</u>	<u>\$ 28,711</u>	<u>\$ 11,981,449</u>	<u>\$ 14,981,456</u>	<u>\$ 2,308,458</u>	<u>\$ 1,906,663</u>	<u>\$ 39,341,493</u>
<u>Cost</u>							
Balance at January 1, 2022	\$ 7,095,609	\$ -	\$ 24,475,268	\$ 74,618,836	\$ 12,490,146	\$ 1,019,579	\$ 119,699,438
Additions	1,355	-	1,703	83,393	307,092	1,969,389	2,362,932
Disposals	(4)	-	(234)	(67,304)	(159,206)	-	(226,748)
Transferred to intangible assets	-	-	-	-	-	(384)	(384)
Transferred to inventories	-	-	-	-	(60,683)	-	(60,683)
Transferred from supplies	-	-	-	-	18,112	-	18,112
Transferred from completed construction	-	-	207,746	1,334,405	460,367	(2,002,518)	-
Effect of foreign currency exchange differences	-	-	357,036	895,463	57,394	11,327	1,321,220
Balance at December 31, 2022	<u>7,096,960</u>	<u>-</u>	<u>25,041,519</u>	<u>76,864,793</u>	<u>13,113,222</u>	<u>997,393</u>	<u>123,113,887</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2022	18,173	-	11,223,051	56,542,660	10,483,822	-	78,267,706
Depreciation expense	-	-	648,406	2,821,806	596,951	-	4,067,163
Impairment losses	-	-	279,884	92,042	15,407	-	387,333
Disposals	-	-	(234)	(58,016)	(150,293)	-	(208,543)
Reclassification	-	-	-	5,616	(5,616)	-	-
Effect of foreign currency exchange differences	-	-	144,910	619,467	40,176	-	804,553
Balance at December 31, 2022	<u>18,173</u>	<u>-</u>	<u>12,296,017</u>	<u>60,023,575</u>	<u>10,980,447</u>	<u>-</u>	<u>83,318,212</u>
Carrying amounts at December 31, 2022	<u>\$ 7,078,787</u>	<u>\$ -</u>	<u>\$ 12,745,502</u>	<u>\$ 16,841,218</u>	<u>\$ 2,132,775</u>	<u>\$ 997,393</u>	<u>\$ 39,795,675</u>

The above items of property, plant and equipment are depreciated on a fixed-percentage-on-declining-balance basis or on a straight-line basis over the estimated useful life of the asset taken apart into major component elements:

Building	
Main buildings	15-60 years
Other facilities	2-30 years
Equipment	2-20 years
Other equipment	2-17 years

As of December 31, 2023, the titles of land with carrying amount of \$99,224 thousand were temporarily registered in the name of trustees who had either signed an agreement or had pledged the land to the Corporation or to the subsidiaries.

Refer to Note 36 for the carrying amount of property, plant and equipment pledged by the Group as collaterals for borrowings.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Land	\$ 3,416,265	\$ 3,628,890
Buildings	730,143	781,190
Equipment	<u>435,587</u>	<u>563,960</u>
	<u>\$ 4,581,995</u>	<u>\$ 4,974,040</u>
	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	<u>\$ 89,949</u>	<u>\$ 570,677</u>
Depreciation charge for right-of-use assets		
Land	\$ 152,431	\$ 156,955
Buildings	88,298	90,147
Equipment	<u>168,106</u>	<u>164,095</u>
	<u>\$ 408,835</u>	<u>\$ 411,197</u>

b. Lease liabilities

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Current	<u>\$ 254,281</u>	<u>\$ 261,250</u>
Non-current	<u>\$ 1,100,494</u>	<u>\$ 1,302,028</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2023	2022
Land	1.06%-7.50%	1.06%-4.75%
Buildings	1.32%-7.25%	1.32%-4.90%
Equipment	1.10%-3.00%	1.10%-3.00%

c. Material lease-in activities and terms

The Group leases harbors, land, buildings and equipment for the use in business operations and has obtained land use rights in mainland China, Hong Kong, Singapore and Vietnam. Certain lease contracts specify that lease payment will be adjusted on the basis of changes in market rental rates or announced land value prices. The Group does not have bargain purchase options to acquire the leasehold assets at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 17. Lease arrangements for the leasing out of assets under finance leases are set out in Note 11.

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	\$ 285,619	\$ 272,044
Expenses relating to low-value asset leases	\$ 947	\$ 881
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 39,708	\$ 44,941
Total cash outflow for leases	\$ 626,754	\$ 616,332

The Group has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for leases that qualify as short-term leases or low-value asset leases.

17. INVESTMENT PROPERTIES

	December 31	
	2023	2022
Measured at fair value		
Leased investment properties	\$ 26,192,615	\$ 30,770,168
Undeveloped investment properties	<u>11,506,883</u>	<u>6,415,936</u>
	<u>\$ 37,699,498</u>	<u>\$ 37,186,104</u>
	Leased Investment Property	Undeveloped Investment Property
		Total
Balance at January 1, 2023	\$ 30,770,168	\$ 6,415,936
Changes in fair value of investment properties	345,328	176,459
Effect of foreign currency exchange differences	(3,154)	(6,606)
Additions	1,367	-
Reclassifications	<u>(4,921,094)</u>	<u>4,921,094</u>
Balance at December 31, 2023	<u>\$ 26,192,615</u>	<u>\$ 11,506,883</u>
Balance at January 1, 2022	\$ 30,525,678	\$ 6,317,952
Changes in fair value of investment properties	226,204	100,876
Effect of foreign currency exchange differences	1,917	5,594
Additions	579	203
Write-off accounts receivable	-	7,101
Reclassifications	<u>15,790</u>	<u>(15,790)</u>
Balance at December 31, 2022	<u>\$ 30,770,168</u>	<u>\$ 6,415,936</u>

The investment properties for lease were as follows:

- a. On January 1, 1998, the Corporation granted FEDSDL the right to construct a shopping center on a parcel of land it owned with an area of 6,976 square meters located in Lin-Ya, Kaohsiung. As consideration for the right to construct and the continued use of the land for fifty years, FEDSDL shall pay the following: (a) land use rights in the amount of \$1,073,000 thousand and (b) annual rental at 5% of the reference price of such land announced by the local government. The proceeds of the land use rights were recorded as deferred revenue and recognized as rental revenue on a periodic basis.
- b. The Corporation and Far Eastern Resources Development Co. (FERD) equally owned a parcel of land located at Tun Hwa South Road, Taipei City. Under an agreement entered into with YDC, the Corporation and FERD had agreed on the following: (a) construction of a twin tower building (Taipei Metro) by YDC on the said land, (b) continued use of the land without additional compensation for 30 years starting from the date of the completion of the building. In view of the foregoing agreement, the Corporation recorded the 12% of the building construction cost or \$1,402,753 thousand as building acquired and as long-term deferred revenue and recognized as revenue on a periodic basis.
- c. Others mainly included the following:
 - 1) Pao-Ching Building held by the Corporation - leased to Sofiva Genomics;
 - 2) Land and building in Chiayi City held by the Corporation;
 - 3) Buildings in Sichuan held by SIYDCCL

The lease terms of the abovementioned land and buildings are 1-10 years, and the rents are paid monthly. In addition, the old building of Asia Cement Building, which was originally leased to Far Eastern Department Store Ltd. and located on Yanping South Road, Taipei, was approved for demolition and reconstruction in 2023.

The Group's undeveloped investment properties included a parcel of land located in Lin-Ya, Kaohsiung and Yanping South Road, Taipei, as well as stores, apartments, and office buildings acquired by SIYDCCL, HYDCCL and SHYLCP as collaterals for overdue balances from customers.

The fair value of investment properties was valued by independent qualified professional appraisers. According to local requirements, entities are required to have an independent appraisal for the investment properties with individual carrying amount of \$300 million or higher. The fair values of investment properties as of December 31, 2023 and 2022 were determined by qualified professional appraisers, Mr. Chang from Savills (Taiwan) Limited on February 17, 2024 and 2023, respectively, and Mr. Tsai and Ms. Hu from DTZ real estate appraisers firm on February 29, 2024 and February 17, 2023, respectively.

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	Completed Investment Property	Investment Property under Construction	Total
Balance at January 1, 2023	\$ 30,770,168	\$ 6,415,936	\$ 37,186,104
Recognized in profit or loss (gain or loss from changes in fair value of investment property)	345,328	176,459	521,787
Recognized in other comprehensive income			
Exchange differences on translating the financial statements of foreign operations	(3,154)	(6,606)	(9,760)
Purchases	1,367	-	1,367
Transfers into Level 3	<u>(4,921,094)</u>	<u>4,921,094</u>	<u>-</u>
Balance at December 31, 2023	<u>\$ 26,192,615</u>	<u>\$ 11,506,883</u>	<u>\$ 37,699,498</u>
Balance at January 1, 2022	\$ 30,525,678	\$ 6,317,952	\$ 36,843,630
Recognized in profit or loss (gain or loss from changes in fair value of investment property)	226,204	100,876	327,080
Recognized in other comprehensive income			
Exchange differences on translating the financial statements of foreign operations	1,917	5,594	7,511
Purchases	579	203	782
Transfers into Level 3	-	7,101	7,101
Reclassified	<u>15,790</u>	<u>(15,790)</u>	<u>-</u>
Balance at December 31, 2022	<u>\$ 30,770,168</u>	<u>\$ 6,415,936</u>	<u>\$ 37,186,104</u>

The fair value measurement of undeveloped land located in Lin-Ya, Kaohsiung and Yanping South Road, Taipei, was measured by land development analysis.

The increase in estimated total selling price, the increase in rate of return, or the decrease in overall capital interest rate would result in an increase in the fair value. The significant assumptions used were as follows:

	December 31	
	2023	2022
Estimated total selling price	<u>\$ 42,225,686</u>	<u>\$ 22,928,412</u>
Rate of return	16%-22%	22%
Overall capital interest rate	6.41%-6.67%	6.12%

The total selling price is estimated on the basis of the most effective use of the land or property available for sale after development is completed, taking into account the related regulations, domestic macroeconomic prospects, local land use, and market rates.

The fair value of investment properties, except for undeveloped land, was measured using the income approach. The significant assumptions used were stated below. The increase in estimated future net cash inflows or the decrease in discount rates would result in increase in the fair value.

	December 31	
	2023	2022
Expected future cash inflows	\$ 32,057,830	\$ 35,706,577
Expected future cash outflows	<u>1,505,727</u>	<u>1,355,025</u>
Expected future cash inflows, net	<u>\$ 30,552,103</u>	<u>\$ 34,351,552</u>
Discount rate	2.47%-6.50%	2.35%-6.00%

The above fair value measurement has taken into consideration the uncertainty on the volatility in the markets due to the evolution of the COVID-19 pandemic. The market rentals in the area where the investment properties are located were between \$1 thousand and \$5 thousand per ping (i.e., per 3.3 square meters).

The rental income generated for the years ended December 31, 2023 and 2022 was \$331,444 thousand and \$363,593 thousand, respectively.

The expected future cash inflows to be generated by investment properties include rental income, interest income on rental deposits and disposal value. The rental income was extrapolated using the Group's current rental contract, regional and market quotation, taking into account the annual rental growth rate; the income analysis covers a 10-year period, the interest income on rental deposits was extrapolated using the interest rate for one-year central bank-announced demand deposit interest rate; the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows to be incurred by investment properties include expenditure such as land value taxes, house taxes, insurance premium, management costs, maintenance costs and others. These expenditures were extrapolated on the basis of the current level of expenditure, taking into account the future adjustment to the government-announced land value, and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the interest rate for two-year time deposits as posted by Chunghwa Post Co., Ltd., plus 0.75%, or estimated income capitalization rate, whichever is higher, as well as any asset-specific risk premiums. As of December 31, 2023 and 2022, the risk premiums were 0.13%-4.16% and 0.13%-3.78%, respectively.

Refer to Note 36 for the carrying amount of investment properties pledged by the Group as collaterals for borrowings.

18. INTANGIBLE ASSETS - GOODWILL

	2023	2022
<u>Cost</u>		
Balance at January 1	\$ 2,460,693	\$ 2,422,661
Effect of foreign currency exchange differences	<u>(41,075)</u>	<u>38,032</u>
Balance at December 31	<u>\$ 2,419,618</u>	<u>\$ 2,460,693</u>

The goodwill comprised of the following:

- a. In April 2014, SYDCCL acquired 100% ownership of SLCL. The investment cost in excess of the fair value of net identifiable assets of the investee was the amount of goodwill, which was RMB554,241 thousand.
- b. On December 31, 2014, the Corporation acquired control power over YLT. The investment cost in excess of the fair value of net identifiable assets of the investee was the amount of goodwill, which was \$20,780 thousand.

As of December 31, 2023 and 2022, the Group assessed that the recoverable amounts of the cash-generating units including the goodwill listed above were still higher than the related carrying amounts; thus, no impairment loss was recognized.

19. INTANGIBLE ASSETS - OTHERS

	Quarry Right	Computer Software	Others	Total
<u>Cost</u>				
Balance at January 1, 2023	\$ 6,980,335	\$ 248,671	\$ 416,803	\$ 7,645,809
Additions	11,785	21,539	-	33,324
Disposals	-	(9,531)	-	(9,531)
Transferred from property, plant and equipment	38,639	7,717	-	46,356
Effect of foreign currency exchange differences	(116,723)	(1,578)	(1,524)	(119,825)
Balance at December 31, 2023	<u>6,914,036</u>	<u>266,818</u>	<u>415,279</u>	<u>7,596,133</u>
<u>Accumulated amortization and impairment</u>				
Balance at January 1, 2023	3,006,335	220,469	90,502	3,317,306
Amortization expense	284,535	15,734	-	300,269
Disposals	-	(9,528)	-	(9,528)
Effect of foreign currency exchange differences	(56,239)	(1,352)	(1,524)	(59,115)
Balance at December 31, 2023	<u>3,234,631</u>	<u>225,323</u>	<u>88,978</u>	<u>3,548,932</u>
Carrying amounts at December 31, 2023	<u>\$ 3,679,405</u>	<u>\$ 41,495</u>	<u>\$ 326,301</u>	<u>\$ 4,047,201</u>

(Continued)

	Quarry Right	Computer Software	Others	Total
<u>Cost</u>				
Balance at January 1, 2022	\$ 6,873,182	\$ 239,533	\$ 415,392	\$ 7,528,107
Additions	-	7,261	-	7,261
Transferred from unfinished construction	-	384	-	384
Effect of foreign currency exchange differences	<u>107,153</u>	<u>1,493</u>	<u>1,411</u>	<u>110,057</u>
Balance at December 31, 2022	<u>6,980,335</u>	<u>248,671</u>	<u>416,803</u>	<u>7,645,809</u>
<u>Accumulated amortization and impairment</u>				
Balance at January 1, 2022	\$ 2,686,316	\$ 206,324	\$ 89,091	\$ 2,981,731
Amortization expense	278,017	12,958	-	290,975
Effect of foreign currency exchange differences	<u>42,002</u>	<u>1,187</u>	<u>1,411</u>	<u>44,600</u>
Balance at December 31, 2022	<u>3,006,335</u>	<u>220,469</u>	<u>90,502</u>	<u>3,317,306</u>
Carrying amounts at December 31, 2022	<u>\$ 3,974,000</u>	<u>\$ 28,202</u>	<u>\$ 326,301</u>	<u>\$ 4,328,503</u>
				(Concluded)

The above items of other intangible assets with finite useful lives are amortized on a straight-line basis. Quarry rights are amortized over 5 to 30 years and the computer software and others are amortized over 3 to 6 years. The other items with indefinite useful lives will not be amortized until their useful lives are determined to be finite. Instead, they will be tested for impairment annually and whenever there is an indication that they may be impaired.

According to the Plan for the Reform of the Mineral Resource Royalty System issued by the State Council of the People's Republic of China, proceeds from prospecting and mining rights shall be changed into proceeds from assignment of mining rights and shall be determined according to valuation and benchmark market prices under similar conditions, whichever is higher. The proceeds from the transfer of mining rights shall be determined at one time and paid in the form of monetary funds. The specific measures for payment shall be developed separately by the Ministry of Finance in conjunction with the Ministry of Land and Resources. The Group finalized the independent valuation report in accordance with the aforementioned reform plans related to the mine reserves and the estimated amount of the provision of the mine reserve fund, which was capitalized into the cost of quarry. In addition, the Group was required to accrue the cost of production of the mine, which represented the quantity of the mine excavated times the agreed amount of unit cost for the current and past years, and such amount was charged on the cost of sales of the Group. As of December 31, 2023 and 2022, the fund payables of the mine reserve were both RMB299,724 thousand and were accounted for as accounts payable and accrued expenses - third parties, respectively.

20. OTHER NON-CURRENT ASSETS

	December 31	
	2023	2022
Prepaid investments	\$ 1,597,189	\$ 1,594,449
Net defined benefit assets	3,168,291	3,029,652
Refundable deposits	247,053	245,926
Prepayments for land and equipment	12,285	141,983
Others	<u>537</u>	<u>617</u>
	<u>\$ 5,025,355</u>	<u>\$ 5,012,627</u>
Refundable deposits		
Current (accounted for as other current assets)	<u>\$ 162,249</u>	<u>\$ 174,549</u>
Non-current	<u>\$ 247,053</u>	<u>\$ 245,926</u>

The prepaid investments comprised of the following:

- a. On March 23, 2017, the Corporation acquired 155 thousand issued shares of China Shanshui Investment Company Limited (CSI) in the amount of HK\$577,662 thousand from six shareholders of CSI under a share purchase agreement. The Corporation already obtained the physical share certificates of the acquired shares of CSI. Pursuant to the Articles of Association of CSI, the share ownership can only be recorded on the register of shareholders if the board of directors of CSI approves the share transfer. The Corporation has submitted all necessary documents to CSI for registration of the share transfer, among which the registration of shares of CSI acquired from two of the six shareholders were completed and the related prepaid investments in the balance sheets were therefore reclassified to financial assets at FVTOCI - non-current.

In addition, Chan Hongqing, a PRC individual, claimed that the shares of CSI which the Corporation acquired from the other four shareholders were pledged as collaterals under a loan contract signed with him on August 17, 2015 and thus applied for arbitration with China International Economic and Trade Arbitration Commission in Beijing. Later, according to an order of the High Court of Hong Kong announced on June 27, 2017, it requested the appointment of interim receivers in respect of the shares of CSI held by the four shareholders until the end of the arbitral proceedings. On May 17, 2018, the High Court of Hong Kong set aside the order before the final award of the arbitration. The arbitral proceeding was therefore withdrawn on June 12, 2018. On March 16, 2021, the proceeding has been rejected by the Court of Appeal of the High Court of Hong Kong.

On October 2, 2018, Chan Hongqing applied to the High Court of Hong Kong for interlocutory relief in another proceeding against the Corporation to prohibit the Corporation and the four CSI shareholders from transferring and registering their CSI shares. The application for interlocutory relief was heard in the High Court of Hong Kong on April 3, 2019 and was dismissed by the High Court of Hong Kong on March 16, 2021. On March 30, 2021, Chan Hongqing filed an appeal against the order made by the High Court of Hong Kong. However, the appeal had been rejected by the High Court of Hong Kong on September 23, 2021. Later, Chan Hongqing filed another appeal to Court of Appeal of Hong Kong on October 7, 2021. However, on July 22, 2022, the appeal has also been rejected by the Court of Appeal of the High Court of Hong Kong. In view of this order, the registration of share transfer will no longer be restricted to the abovementioned application for interlocutory relief.

On March 20, 2023, the Corporation filed an application to the High Court of Hong Kong to strike out Chen Hongqing's claim and dismiss his action. On November 10, 2023, the High Court of Hong Kong rendered a judgment accepting the Corporation's application and ruling to strike out Chan Hongqing's claim and dismiss his action. On December 8, 2023, Chan Hongqing appealed to the Hong Kong Court of Appeal against the decision of the High Court of Hong Kong to dismiss his claim action. The hearing of the application for appeal will be heard in the Hong Kong Court of Appeal on April 30, 2024.

- b. Chu Feng Power Corporation, Preparatory Office (Chu Feng) was founded in October 2016 by DCI, the Corporation's subsidiary, for the development of offshore wind power in Taiwan. As of December 31, 2023 and 2022, the accumulated prepaid investments were \$302,283 thousand and \$299,543 thousand, respectively. In March 2018, Chu Feng submitted an application to the Bureau of Energy, Ministry of Economic Affairs, ROC, for the offshore wind power project's selection but finally failed to win the tender offer. Later, on March 25, 2020, DCI's board of directors resolved to enter into a joint venture agreement with Innogy Renewables Beteiligungs GmbH Company ("Innogy"), which was under restructuring and was renamed RWE Renewables Beteiligungs GmbH in August 2020 to further develop Chu Feng offshore wind project. As of December 31, 2023 and 2022, DCI has received an advance receipt for investment from Innogy in the amount of \$150,000 thousand, which was accounted for as other non-current liabilities. In addition, the Group recognized the amounts paid within the preparatory period as other receivables or prepaid investments and also recognized full amounts of provisions based on the preparatory loss of Chu Feng; refer to Note 25.

21. SHORT-TERM BORROWINGS

	December 31	
	2023	2022
Unsecured	\$ 27,552,580	\$ 25,012,869
Secured	<u>1,464,000</u>	<u>3,680,000</u>
	<u>\$ 29,016,580</u>	<u>\$ 28,692,869</u>
Interest rate	1.73%-6.42%	1.40%-5.30%
Final repayment date:		
Unsecured	2024.12.2	2023.12.20
Secured	2024.2.22	2023.2.24

22. SHORT-TERM BILLS PAYABLE

	December 31	
	2023	2022
Commercial paper	\$ 30,350,000	\$ 27,098,000
Less: Unamortized discounts on bills payable	<u>21,043</u>	<u>38,194</u>
	<u>\$ 30,328,957</u>	<u>\$ 27,059,806</u>
Interest rate (%)	1.34%-2.05%	0.95%-2.05%

23. LONG-TERM LIABILITIES

	December 31	
	2023	2022
Bank loans	\$ 9,786,614	\$ 11,989,701
Bonds		
Domestic bonds		
1 st unsecured bonds issued in 2019	6,500,000	6,500,000
2 nd unsecured bonds issued in 2019	3,500,000	3,500,000
1 st unsecured bonds issued in 2020	7,700,000	7,700,000
2 nd unsecured bonds issued in 2020-A	2,800,000	2,800,000
2 nd unsecured bonds issued in 2020-B	2,700,000	2,700,000
3 rd unsecured bonds issued in 2020-A	4,000,000	4,000,000
3 rd unsecured bonds issued in 2020-B	2,200,000	2,200,000
4 th unsecured bonds issued in 2020-A	4,100,000	4,100,000
4 th unsecured bonds issued in 2020-B	5,300,000	5,300,000
1 st unsecured bonds issued in 2021	6,300,000	6,300,000
1 st unsecured bonds issued in 2023	4,000,000	-
	<u>49,100,000</u>	<u>45,100,000</u>
Overseas bonds		
3 rd Euro convertible bonds issued in 2018	-	20,129
	58,886,614	57,109,830
Less: Current portion	<u>10,219,160</u>	<u>1,593,990</u>
	<u>\$ 48,667,454</u>	<u>\$ 55,515,840</u>

- Bank loans are repayable in installments at varying amounts or in one lump-sum payment prior to April 3, 2039. The Group has signed long-term revolving credit facilities with banks. As of December 31, 2023 and 2022, interest rate intervals were 1.65%-4.05% and 1.19%-5.09%, respectively.
- Domestic bonds are repayable in installments at varying amounts or in one lump-sum on maturity prior to April 27, 2028. As of December 31, 2023 and 2022, interest rates were 0.57%-1.60% and 0.57%-0.88%, respectively.
- In order to repay the debt, save interest expenses, and strengthen the Corporation's financial structure, on September 21, 2018, the Corporation issued US\$215,000 thousand (equivalent to NT\$6,620,710 thousand), which is the third zero coupon Euro convertible bond due on 2023.

The terms of the zero coupon Euro convertible bonds included the following:

1) Final redemption

Unless previously redeemed, repurchased and canceled, or converted, the Bonds will be redeemed on the maturity date at the settlement equivalent of 100.6% of the unpaid principal amount thereof.

- The bonds are convertible into the Corporation's ordinary shares ("Shares") at any time on or after December 21, 2018 and prior to the close of business on August 22, 2023. The initial conversion price was NT\$42.24 per Share, determined on the basis of a fixed exchange rate of NT\$30.794=US\$1.00.

3) Redemption at the option of the Corporation

At any time on or after September 21, 2021, the Corporation may redeem the bonds in whole, or from time to time in part, at the early redemption amount, if the closing price of the Shares, translated into U.S. dollars at the prevailing rate, during a period of 30 consecutive trading days, is at least 130% of the quotient of the early redemption amount divided by the number of Shares to be issued upon conversion of US\$200,000 principal amount of the bonds on the applicable trading day based on the conversion price then in effect, translated into U.S. dollars at a fixed exchange rate of NT\$30.794=US\$1.00. Notwithstanding the foregoing, at any time, the Corporation may redeem the bonds in whole, but not in part, at the early redemption amount in U.S. dollars if at least 90% in principal amount of the bonds has already been redeemed, repurchased and cancelled, or converted.

4) Redemption at the option of the bondholders

Unless previously redeemed, repurchased and cancelled or converted, each holder will have the right to require the Corporation to redeem in whole or in part of the bonds held by such holder on September 21, 2021 at a redemption price equal to the settlement equivalent of 101.81% of the principal amount in U.S. dollars. Any U.S. dollar denominated amount payable in respect of the bonds will be converted into NT dollars using a fixed exchange rate and then converted back to a U.S. dollar amount using the applicable prevailing rate at the time of redemption.

5) The conversion price shall be subject to adjustment when there is occurrence of, including (but not limited to), the following:

- a) Declaration of dividend in Shares or free distribution or bonus issue of Shares.
- b) Subdivision, consolidation and reclassification of Shares.
- c) Rights issues to shareholders.
- d) Employee share bonus.
- e) Warrants issued to holders of Shares.
- f) Issues of rights or warrants for equity-related securities to holders of Shares.
- g) Capital distributions, other distributions to shareholders.
- h) Issue of convertible or exchangeable securities other than to holders of Shares or on exercise of warrants.
- i) Other issues of Shares.
- j) Issue of equity related securities.
- k) Capital reduction.
- l) Tender or exchange offer.
- m) Any other event or circumstance which would have an effect analogous to any of the events in a) to l) above. After the issuance of the bonds, the conversion price shall be adjusted in accordance with the relevant anti-dilution provisions of the trust deed. As of December 31, 2023, the 3rd Euro convertible bonds were fully converted into 185,116 thousand ordinary shares of the Corporation.

- d. On January 22, 2019, CHP signed the syndicated loan agreement with 10 banks, including Bank of Taiwan. CHP may borrow up to \$10,500,000 thousand under this loan agreement.

As of December 31, 2023, CHP's credit lines used were as follows:

Loan Item	Category	Amount (In Thousands)	Interest Rate	Contract Period
A	Loan	NT\$ 4,400,000	2.266%	20 years
C	Loan	NT\$ 1,800,000	2.048%	60 days
D	Contract bonding	NT\$ 165,000	0.450%	1,096 days
D	Contract bonding	NT\$ 760,000	0.450%	365 days
D	Contract bonding	US\$ 2,202	0.450%	365 days

The financial commitment that should be maintained by CHP under the payment terms are as follows:

- 1) Debt ratio as of year-end (total debt divided by total equity);
 - a) Under 200% from 2019 to 2023.
 - b) Under 150% from 2024 to 2039.
- 2) Interest coverage ratio should be at least 150% from 2019 to 2039.

The above financial ratios are based on audited financial statements. Debt ratio and interest coverage ratio should be reviewed at least on annual basis.

24. DEFERRED REVENUE

	December 31	
	2023	2022
Land use right	\$ 518,412	\$ 586,497
Others	<u>101,745</u>	<u>109,572</u>
	<u>\$ 620,157</u>	<u>\$ 696,069</u>
Current	\$ 33,152	\$ 75,912
Non-current	<u>587,005</u>	<u>620,157</u>
	<u>\$ 620,157</u>	<u>\$ 696,069</u>

- a. The deferred revenue on land use rights in Lin-Ya, Kaohsiung granted to FEDSDL (Note 17) is amortized to income over 50 years on a straight-line basis.
- b. The deferred revenue on land use rights of Taipei Metro granted to YDC (Note 17) is amortized to income over 30 years on a straight-line basis.

25. PROVISIONS

	December 31	
	2023	2022
Preparatory costs provisions (Note 20)	\$ 370,526	\$ 356,710
Decommissioning of electric factory provisions	487,296	449,329
Accrued reward provisions	61,894	73,378
Compensation of traffic accident provisions	170,395	174,377
Other provisions	<u>198,383</u>	<u>11,932</u>
	<u>\$ 1,288,494</u>	<u>\$ 1,065,726</u>
Current	\$ 211,383	\$ 24,932
Non-current	<u>1,077,111</u>	<u>1,040,794</u>
	<u>\$ 1,288,494</u>	<u>\$ 1,065,726</u>

26. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Corporation and the subsidiaries in the ROC adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at specific rate of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plan adopted by the Corporation and domestic subsidiaries in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months or last month before retirement. The Corporation and domestic subsidiaries contribute amounts equal to 2%-15% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2023	2022
Present value of defined benefit obligation	\$ 940,624	\$ 1,083,806
Fair value of plan assets	<u>(4,052,178)</u>	<u>(4,002,312)</u>
Surplus	<u>(3,111,554)</u>	<u>(2,918,506)</u>
Net defined benefit asset	<u>\$ (3,111,554)</u>	<u>\$ (2,918,506)</u>

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

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2023	\$ 1,083,806	\$ (4,002,312)	\$ (2,918,506)
Service cost			
Current service cost	8,287	-	8,287
Past service cost	(807)	-	(807)
Net interest expense (income)	<u>13,456</u>	<u>(49,981)</u>	<u>(36,525)</u>
Recognized in profit or loss	<u>20,936</u>	<u>(49,981)</u>	<u>(29,045)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(84,045)	(84,045)
Actuarial loss - changes in financial assumptions	646	-	646
Actuarial gain - experience adjustments	<u>(54,528)</u>	<u>-</u>	<u>(54,528)</u>
Recognized in other comprehensive income	<u>(53,882)</u>	<u>(84,045)</u>	<u>(137,927)</u>
Contributions from the employer	-	(16,414)	(16,414)
Benefits paid	(116,601)	100,574	(16,027)
Others	<u>6,365</u>	<u>-</u>	<u>6,365</u>
Balance at December 31, 2023	<u>\$ 940,624</u>	<u>\$ (4,052,178)</u>	<u>\$ (3,111,554)</u>
Balance at January 1, 2022	\$ 1,181,570	\$ (3,806,396)	\$ (2,624,826)
Service cost			
Current service cost	11,582	-	11,582
Net interest expense (income)	<u>7,368</u>	<u>(23,112)</u>	<u>(15,744)</u>
Recognized in profit or loss	<u>18,950</u>	<u>(23,112)</u>	<u>(4,162)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(210,785)	(210,785)
Actuarial gain - changes in financial assumptions	(33,157)	-	(33,157)
Actuarial gain - experience adjustments	<u>(7,918)</u>	<u>-</u>	<u>(7,918)</u>
Recognized in other comprehensive income	<u>(41,075)</u>	<u>(210,785)</u>	<u>(251,860)</u>
Contributions from the employer	-	(24,106)	(24,106)
Benefits paid	<u>(75,639)</u>	<u>62,087</u>	<u>(13,552)</u>
Balance at December 31, 2022	<u>\$ 1,083,806</u>	<u>\$ (4,002,312)</u>	<u>\$ (2,918,506)</u>

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

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

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

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

	December 31	
	2023	2022
Discount rates	1.15%-1.25%	1.15%-1.30%
Expected rates of salary increase	2.00%-3.00%	2.00%-3.00%

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

	December 31	
	2023	2022
Discount rate		
0.25% increase	\$ (17,242)	\$ (19,069)
0.25% decrease	\$ 17,747	\$ 19,624
Expected rate of salary increase/decrease		
1.00% increase	\$ 72,210	\$ 80,019
1.00% decrease	\$ (66,308)	\$ (73,518)

The major categories of plan assets at the end of the reporting period are disclosed based on the information announced by the Bureau:

	December 31	
	2023	2022
Equity instruments	72.36	74.22
Deposited in financial institutions	19.88	17.76
Others	<u>7.76</u>	<u>8.02</u>
	<u>100.00</u>	<u>100.00</u>

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

	December 31	
	2023	2022
Expected contributions to the plan for the next year	\$ 16,844	\$ 8,161
Average duration of the defined benefit obligation	1.5-9.0 years	2.4-9.0 years

27. EQUITY

a. Share capital

	December 31	
	2023	2022
Number of shares authorized (in thousands)	<u>4,000,000</u>	<u>4,000,000</u>
Shares authorized	<u>\$ 40,000,000</u>	<u>\$ 40,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>3,546,563</u>	<u>3,545,928</u>
Shares issued	<u>\$ 35,465,629</u>	<u>\$ 35,459,276</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

The total of 350,000 thousand and 10,000 thousand shares of the Corporation's authorized shares are reserved for the issuance of convertible bonds and employee share option, respectively.

The changes in the number of issued shares of the Corporation was due to the conversion of the convertible bond.

b. Capital surplus

	December 31	
	2023	2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Donation	\$ 41,790	\$ 41,790
Conversion of bonds	4,704,190	4,690,084
The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition or disposal	56,192	55,731
Changes in ownership interests in subsidiaries	6	-
Change of capital surplus of associates and joint ventures accounted for using the equity method (2)	<u>1,759,766</u>	<u>979,309</u>
	<u>6,561,944</u>	<u>5,766,914</u>
<u>May be used to offset a deficit only</u>		
Change of capital surplus of associates and joint ventures accounted for using the equity method (3)	<u>1,735,502</u>	<u>164,675</u>
<u>May not be used for any purpose</u>		
Share warrants	-	570
Change of capital surplus of associates and joint ventures accounted for using the equity method	<u>276,673</u>	<u>73,554</u>
	<u>276,673</u>	<u>74,124</u>
	<u>\$ 8,574,119</u>	<u>\$ 6,005,713</u>

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

- 2) Such capital surplus from the effect of changes in associate's ownership interest in its subsidiary that resulted from actual acquisition and disposal of equity may be used to offset a deficit or distributed as cash dividends or share dividends under Article 241-1 of Company Act.
- 3) Such capital surplus from the effect of changes in associate's ownership interest in its subsidiary that resulted from equity transactions other than actual acquisition and disposal may be used to offset a deficit under Article 239-1 of Company Act.

c. Retained earnings and dividends policy

The amendments to the Corporation's Articles of Incorporation (the "Articles") had been approved by the Corporation's shareholders in its meeting held on June 29, 2022, which stipulate that profits distribution or loss appropriation may be made after the end of each quarter. If the distribution of the profits is paid in cash, it shall be dealt with by the resolution of the board of directors and shall be reported to the shareholders' meeting.

Under the dividends policy as set forth in the amended Articles, when the Corporation distributes profits of the first three quarters, it shall first estimate and retain the taxation, employee compensation and directors' remuneration, make up for losses and set aside statutory surplus reserves in accordance with the law. However, when the legal reserve has reached the paid-in capital, it may no longer be listed.

Apart from paying all its income taxes in the case where there are net incomes at the end of the year, the Corporation shall first utilize the sum of said profit and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit for offsetting accumulated losses in past years. Where there is still balance, the Corporation shall set aside 10% of the remaining profit as legal reserve provided that the amount of accumulated legal reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a special capital reserve as required by law. Subject to certain business conditions under which the Corporation may retain a portion of the remaining balance, the Corporation may distribute to the shareholders the remainder together with undistributed profits from previous years in proportion to the number of the shares held by each shareholder as shareholders' dividends. However, in the case of an increase in the Corporation's share capital, the shareholders' dividend to be distributed to the shareholders of increased shares for the year shall be decided by the shareholders' meeting. For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 29(g).

The distribution of shareholders' dividend shall take into consideration the changes in the outlook of the Corporation's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Shareholders' dividend shall be distributed with the aim of maintaining stable shareholders' dividend distributions. Save for the purposes of improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required, when distributing shareholders' dividend, the dividend payout ratio each fiscal year shall be no less than 50% of the final surplus which is the sum of after-tax profit of the fiscal year to withhold previous loss, if any, legal reserve and special reserve as required by law; the cash dividend shall not be less than 10% of the total shareholders' dividend distributed in the same year.

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

Pursuant to existing regulations, the Corporation is required to set aside additional special reserve equivalent to the net debit balance of the other equity interests and the net increase arising from the fair value measurement of investment properties. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses, the cumulative net increases in fair value decrease or on disposal of investment properties and is thereafter distributed.

The appropriation of earnings and dividends per share for 2022 and 2021, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2022	2021
Legal reserve	\$ 1,240,057	\$ 1,534,939
Special reserve	\$ 377,005	\$ 411,137
Cash dividends	\$ 8,155,633	\$ 12,054,945
Cash dividends per share (NT\$)	\$ 2.30 (Note)	\$ 3.40 (Note)

Note: The number of outstanding ordinary shares increased according to the conversion of the Corporation's 3rd Euro convertible bond into ordinary shares in 2023 and 2022. Therefore, the cash dividends were adjusted to \$2.29958798 and \$3.39965914 per ordinary share for 2022 and 2021.

The above 2021 appropriations of earnings and cash dividends had been resolved by the shareholders in their meeting on June 29, 2022. The above 2022 appropriation for cash dividends had been resolved by the Corporation's board of directors on March 7, 2023; the other proposed appropriations for 2022 had also been resolved by the shareholders in their meeting on June 27, 2023.

The appropriation of earnings for 2023 had been proposed by the Corporation's board of directors on March 5, 2024. The proposed appropriation of earnings and dividend per share were as follows:

	For the Year Ended December 31, 2023
Legal reserve	\$ 1,112,989
Special reserve	\$ 1,025,861
Cash dividends	\$ 7,447,782
Cash dividends per share (NT\$)	\$ 2.1

Assuming that the shares reciprocally held by associates were not treated as treasury shares and not deducted from weighted average number of shares outstanding, the basic EPS would be NT\$3.07 for the year ended December 31, 2023.

The appropriations of earnings for 2023 are subject to the resolution of the shareholders' meeting to be held on June 25, 2024.

d. Special reserve recognized at the date of transition

In the first-time adoption of IFRS Accounting Standards, the amounts of adjusted unrealized revaluation increments, cumulative translation adjustments and unappropriated earnings recognized from the investment properties of associates which used fair value as deemed cost were \$10,715,430 thousand, \$3,163,258 thousand and \$52,494 thousand, respectively; the Corporation appropriated the amounts to special reserve.

In addition, on the initial application of the fair value model to investment properties, the Corporation appropriated to special reserve the amount of the net increase in fair value of investment properties and transferred it to retained earnings. Additional special reserve should be appropriated for subsequent net increases in fair value. The amount appropriated may be reversed to the extent that the cumulative net increases in fair value decrease or on the disposal of investment properties.

The Group and its associates used and disposed of some of the related assets; accordingly, special reserve reversed to unappropriated earnings amounted to \$1,152,176 thousand as of December 31, 2023.

e. Other equity items

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ (3,084,376)	\$ (7,411,875)
Exchange differences on translating the financial statements of foreign operations	(848,613)	1,205,470
Share of exchange difference of associates and joint ventures accounted for using the equity method	(485,017)	3,120,743
Disposal of subsidiary	<u>-</u>	<u>1,286</u>
Balance at December 31	<u>\$ (4,418,006)</u>	<u>\$ (3,084,376)</u>

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 6,270,727	\$ 6,928,068
Unrealized valuation gain (loss) - equity instruments	2,194,977	(190,303)
Share from associates and joint ventures accounted for using the equity method		
Equity instruments	724,424	(343,436)
Debt instruments	24,945	(112,599)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	<u>167,258</u>	<u>(11,003)</u>
Balance at December 31	<u>\$ 9,382,331</u>	<u>\$ 6,270,727</u>

3) Cash flow hedges

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 58,307	\$ 57,741
Share from associates and joint ventures accounted for using the equity method	<u>(212)</u>	<u>566</u>
Balance at December 31	<u>\$ 58,095</u>	<u>\$ 58,307</u>

4) Gain on property revaluation

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 912,006	\$ 911,178
Share from associates and joint ventures accounted for using the equity method	<u>1,285,314</u>	<u>828</u>
Balance at December 31	<u>\$ 2,197,320</u>	<u>\$ 912,006</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 23,416,398	\$ 23,345,963
Attributable to non-controlling interests:	201,284	580,740
Share in profit for the year		
Other comprehensive income (loss) during the year		
Exchange difference on translating the financial statements of foreign operations	(380,637)	411,544
Unrealized gain (loss) on financial assets at FVTOCI	2,872	1,291
Remeasurement on defined benefit plans	(186)	743
Related income tax	44	(122)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	3,111	18,289
Changes in ownership interests in subsidiaries	(1)	-
Share of other changes in equity of associates and joint ventures accounted for using the equity method	(4)	-
Disposal of subsidiary	-	246
Acquisition of non-controlling interests in subsidiaries (Note 32)	(1,170)	(326)
Cash dividends from subsidiaries	<u>(548,040)</u>	<u>(941,970)</u>
Balance at December 31	<u>\$ 22,693,671</u>	<u>\$ 23,416,398</u>

28. OPERATING REVENUE

a. Revenue from contracts with customers

	For the Year Ended December 31	
	2023	2022
Operating revenue		
Sales of goods	\$ 59,434,907	\$ 69,747,891
Electric power revenue	17,073,394	16,175,188
Transportation revenue	1,795,680	1,985,797
Rental revenue	992,954	1,160,498
Engineering revenue	423,612	465,916
		(Continued)

	For the Year Ended December 31	
	2023	2022
Income from investments		
Sale of investments	\$ 2,461,434	\$ 958,974
Cost of investments sold	<u>(2,381,210)</u>	<u>(781,601)</u>
Gain on sale of investments, net	80,224	177,373
Dividends	<u>461,190</u>	<u>660,455</u>
Total income from investments	541,414	837,828
Less: Sales returns and discounts	<u>(79,162)</u>	<u>(32,615)</u>
Total operating revenue, net	<u>\$ 80,182,799</u>	<u>\$ 90,340,503</u>

(Concluded)

b. Contract balances

	For the Year Ended December 31	
	2023	2022
Contract assets	<u>\$ 80,131</u>	<u>\$ 135,578</u>
Contract liabilities	<u>\$ 672,297</u>	<u>\$ 836,904</u>

The changes in the balance of contract assets and contract liabilities primarily resulted from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

29. NET PROFIT

Net profit was as follows:

a. Other income

	For the Year Ended December 31	
	2023	2022
Dividends	\$ 893,675	\$ 411,460
Government grants	130,899	135,719
Others	<u>306,245</u>	<u>384,415</u>
	<u>\$ 1,330,819</u>	<u>\$ 931,594</u>

b. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net gain on financial assets and liabilities designated as at FVTPL	\$ 2,552,018	\$ 1,242,903
Day 1 gains for financial instruments (Note 7)	847,560	-
Gain on changes in fair value of investment properties (Note 17)	521,787	327,080
Bank charges	(79,705)	(85,658)
Net foreign exchange (losses) gains	(29,285)	604,300
Preparatory costs (Note 20)	(13,817)	(38,567)
Miscellaneous expenses	<u>(725,899)</u>	<u>(317,997)</u>
	<u>\$ 3,072,659</u>	<u>\$ 1,732,061</u>

c. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	\$ 1,737,464	\$ 1,254,261
Amortization of discount on bonds payable	99	339
Interest on lease liabilities	36,624	37,500
Other interest expense	1,516	3,868
Less: Amounts included in the cost of qualifying assets (capitalized interest)	<u>(3,253)</u>	<u>(893)</u>
	<u>\$ 1,772,450</u>	<u>\$ 1,295,075</u>

Information about capitalized interest was as follows:

	For the Year Ended December 31	
	2023	2022
Capitalized interest	<u>\$ 3,253</u>	<u>\$ 893</u>
Capitalization rate	0.882%-1.060%	0.675%-0.979%

d. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
An analysis of depreciation by function		
Operating costs	\$ 4,192,803	\$ 4,231,391
Operating expenses	260,515	244,729
Non-operating expenses	<u>2,111</u>	<u>2,240</u>
	<u>\$ 4,455,429</u>	<u>\$ 4,478,360</u>

(Continued)

	For the Year Ended December 31	
	2023	2022
An analysis of amortization by function		
Operating costs	\$ 288,046	\$ 282,105
Operating expenses	<u>12,223</u>	<u>8,870</u>
	<u>\$ 300,269</u>	<u>\$ 290,975</u>
		(Concluded)

e. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2023	2022
Direct operating expenses of investment properties generating rental income	\$ 116,345	\$ 121,534
Direct operating expenses of investment properties not generating rental income	<u>45,237</u>	<u>45,317</u>
	<u>\$ 161,582</u>	<u>\$ 166,851</u>

f. Employee benefits expense

	For the Year Ended December 31, 2023			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Post-employment benefits (Note 26)				
Defined contribution plans	\$ 183,919	\$ 53,531	\$ 518	\$ 237,968
Defined benefit plans	(17,951)	(11,094)	-	(29,045)
Short-term benefits				
Salary	2,967,219	1,115,729	13,250	4,096,198
Remuneration of directors	-	150,615	-	150,615
Labor and health insurance	190,739	70,330	692	261,761
Other employees - related expenses	170,024	88,565	-	258,589
Termination benefits	<u>-</u>	<u>-</u>	<u>732</u>	<u>732</u>
	<u>\$ 3,493,950</u>	<u>\$ 1,467,676</u>	<u>\$ 15,192</u>	<u>\$ 4,976,818</u>
	For the Year Ended December 31, 2022			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Post-employment benefits (Note 26)				
Defined contribution plans	\$ 195,470	\$ 59,707	\$ 519	\$ 255,696
Defined benefit plans	(2,898)	(1,264)	-	(4,162)
Short-term benefits				
Salary	3,020,199	1,071,562	12,038	4,103,799
Remuneration of directors	-	166,181	-	166,181
Labor and health insurance	193,538	67,408	642	261,588
Other employees - related expenses	171,244	97,756	-	269,000
Termination benefits	<u>-</u>	<u>-</u>	<u>334</u>	<u>334</u>
	<u>\$ 3,577,553</u>	<u>\$ 1,461,350</u>	<u>\$ 13,533</u>	<u>\$ 5,052,436</u>

g. Employees' compensation and remuneration of directors

According to the Corporation's Articles, the Corporation accrued employees' compensation and remuneration of directors at the rates between 0.1% and 4% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022, which have been approved by the Corporation's board of directors on March 5, 2024 and March 7, 2023, respectively, were as follows:

	For the Year Ended December 31			
	2023		2022	
	Cash	Shares	Cash	Shares
Employees' compensation	\$ 148,126	-	\$ 148,126	-
Remuneration of directors	130,714	-	130,714	-

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

There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

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

30. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	\$ 2,008,783	\$ 2,531,762
Income tax on unappropriated earnings	147,405	80,587
Withholding tax on dividend	637,795	174,756
Adjustments for prior years	<u>74,641</u>	<u>(111,399)</u>
	<u>2,868,624</u>	<u>2,675,706</u>
Deferred tax		
In respect of the current year	<u>(16,366)</u>	<u>(75,865)</u>
Income tax expense recognized in profit or loss	<u>\$ 2,852,258</u>	<u>\$ 2,599,841</u>

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

	For the Year Ended December 31	
	2023	2022
Profit before tax from continuing operations	\$ <u>13,936,368</u>	\$ <u>15,196,977</u>
Income tax expense calculated at the statutory rate	\$ 2,787,274	\$ 3,039,394
Nondeductible expenses in determining taxable income	356,319	236,049
Tax-exempt income	(1,425,198)	(1,107,987)
Unrecognized temporary differences	246,269	424,808
Tax on changes in fair value of investment properties	6,114	93,002
Unrecognized (utilized) loss carryforwards in the current year	128,515	(67,915)
Effect of different tax rate of the Group operating in other jurisdictions	(62,082)	(35,960)
Income tax on unappropriated earnings	147,405	80,587
Additional income tax under the Alternative Minimum Tax Act	-	1,084
Withholding tax on dividend	637,795	174,756
Adjustments for prior years' tax	74,641	(111,399)
Tax credit - income from sources in Mainland China	<u>(44,794)</u>	<u>(126,578)</u>
Income tax expense recognized in profit or loss	\$ <u>2,852,258</u>	\$ <u>2,599,841</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2023	2022
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement on defined benefit plans	\$ <u>27,324</u>	\$ <u>49,757</u>

c. Current tax assets and liabilities

	December 31	
	2023	2022
Current tax assets		
Tax refund receivable	\$ <u>26,422</u>	\$ <u>36,765</u>
Current tax liabilities		
Income tax payable	\$ <u>1,661,755</u>	\$ <u>1,359,739</u>

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 344,261	\$ (67,719)	\$ -	\$ (4,456)	\$ 272,086
Defined benefit obligation	23,232	(27)	(9,687)	-	13,518
Investment properties	24,012	19,184	-	(783)	42,413
Property, plant and equipment	394	896	-	(57)	1,233
Intangible assets	256,120	(11,475)	-	(4,085)	240,560
Proposed dividend of overseas stocks	-	83,378	-	-	83,378
Others	113,853	14,946	-	(756)	128,043
	761,872	39,183	(9,687)	(10,137)	781,231
Tax losses	27,986	(1,763)	-	504	26,727
	<u>\$ 789,858</u>	<u>\$ 37,420</u>	<u>\$ (9,687)</u>	<u>\$ (9,633)</u>	<u>\$ 807,958</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Land value increment tax	\$ 3,449,871	\$ -	\$ -	\$ -	\$ 3,449,871
Investment properties	3,266,285	25,298	-	-	3,291,583
Unappropriated earnings of subsidiaries and associates	2,302,720	70,362	-	(4,378)	2,368,704
Finance leases	476,839	(63,864)	-	-	412,975
Defined benefit obligation	563,560	9,835	17,637	-	591,032
Associates	47,823	(3,103)	-	(744)	43,976
Property, plant and equipment	44,925	(541)	-	-	44,384
Others	17,088	(16,933)	-	-	155
	<u>\$ 10,169,111</u>	<u>\$ 21,054</u>	<u>\$ 17,637</u>	<u>\$ (5,122)</u>	<u>\$ 10,202,680</u>

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 348,923	\$ (10,207)	\$ -	\$ 5,545	\$ 344,261
Defined benefit obligation	25,841	(2,198)	(411)	-	23,232
Other financial assets and liabilities	9,717	(9,717)	-	-	-
Investment properties	23,027	622	-	363	24,012
Property, plant and equipment	1,434	(702)	-	(338)	394
Intangible assets	263,390	(11,462)	-	4,192	256,120
Others	<u>184,624</u>	<u>(73,216)</u>	<u>-</u>	<u>2,445</u>	<u>113,853</u>
	856,956	(106,880)	(411)	12,207	761,872
Tax losses	<u>34,395</u>	<u>(9,600)</u>	<u>-</u>	<u>3,191</u>	<u>27,986</u>
	<u>\$ 891,351</u>	<u>\$ (116,480)</u>	<u>\$ (411)</u>	<u>\$ 15,398</u>	<u>\$ 789,858</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Land value increment tax	\$ 3,449,871	\$ -	\$ -	\$ -	\$ 3,449,871
Investment properties	3,172,662	93,623	-	-	3,266,285
Unappropriated earnings of subsidiaries and associates	2,527,376	(237,341)	-	12,685	2,302,720
Finance leases	528,720	(51,881)	-	-	476,839
Defined benefit obligation	508,970	5,244	49,346	-	563,560
Associates	50,122	(3,099)	-	800	47,823
Property, plant and equipment	58,588	(14,463)	-	800	44,925
Allowance for impairment loss	1,516	(1,516)	-	-	-
Others	<u>-</u>	<u>17,088</u>	<u>-</u>	<u>-</u>	<u>17,088</u>
	<u>\$ 10,297,825</u>	<u>\$ (192,345)</u>	<u>\$ 49,346</u>	<u>\$ 14,285</u>	<u>\$ 10,169,111</u>

- e. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Loss carryforwards		
Expire in 2023	\$ -	\$ 52,901
Expire in 2024	17,001	17,292
Expire in 2025	19,667	20,004
Expire in 2026	7,336	7,462
Expire in 2027	927,799	1,018,774
Expire in 2028	918,156	-
Expire in 2029	3,064	3,064
Expire in 2030	35,761	35,461
Expire in 2031	5,692	5,692
Expire in 2033	356,019	-
No expiration	<u>65,791</u>	<u>155,763</u>
	<u>\$ 2,356,286</u>	<u>\$ 1,316,413</u>

f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2023 comprised the following:

Unused Amount	Expiry Year
\$ 17,001	2024
19,667	2025
7,336	2026
927,799	2027
918,156	2028
3,064	2029
35,761	2030
5,692	2031
356,019	2033
<u>223,005</u>	No expiration
<u>\$ 2,513,500</u>	

g. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized

As of December 31, 2023 and 2022, the taxable temporary differences associated with investments in subsidiaries and associates for which no deferred tax liabilities have been recognized were \$9,695,351 thousand and \$10,071,253 thousand, respectively.

h. The latest years of income tax returns which had been assessed and cleared by the tax authorities were as follows:

Company	Year
The Corporation	2021
DCI	2021
YTRMC	2021
YSRMC	2021
FMT	2021
AEE	2021
AIC	2021
FDT	2021
YLPPC	2021
FSMS	2021
NHC	2021
CHP	2021
YLSS	2021
YLT	2021

31. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic earnings per share	<u>\$ 3.28</u>	<u>\$ 3.63</u>
Diluted earnings per share	<u>\$ 3.28</u>	<u>\$ 3.62</u>

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

Net Profit for the Year

	For the Year Ended December 31	
	2023	2022
Profit for the period attributable to owners of the Corporation	\$ 10,882,826	\$ 12,016,396
Effect of potentially dilutive ordinary shares:		
Convertible bonds	<u>-</u>	<u>363</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 10,882,826</u>	<u>\$ 12,016,759</u>

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares in computation of basic earnings per share	3,316,177	3,313,166
Effect of potentially dilutive ordinary shares:		
Convertible bonds	-	721
Employees' compensation	<u>4,166</u>	<u>4,348</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>3,320,343</u>	<u>3,318,235</u>

The weighted average number of ordinary shares used in the computation of basic earnings per share is the weighted average outstanding shares after subtracting the shares of the Corporation held by the associates treated as treasury shares.

When an entity pays employee compensation that may be settled in shares or cash at the entity's option, the entity shall presume that the employee compensation will be settled in shares, and the resulting potential shares shall be included in diluted earnings per share if the effect is dilutive. The number of shares is estimated by dividing the entire amount of the compensation by the closing price of the shares at the balance sheet date. 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.

32. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the years ended December 31, 2023 and 2022, the Group acquired additional non-controlling interests in subsidiaries, and increased its continuing interest in these subsidiaries; refer to Note 13.

The above transactions were accounted for as equity transactions, since it did not have effect on the Group's control over these subsidiaries.

	For the year ended December 31, 2023							Total
	ACSPL	OIHPL	YTRMC	YLPPC	AEE	DCI	NHC	
Consideration paid	\$ (170)	\$ (36)	\$ (13)	\$ (87)	\$ (294)	\$ (187)	\$ (2)	\$ (789)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	<u>617</u>	<u>-</u>	<u>-</u>	<u>79</u>	<u>308</u>	<u>166</u>	<u>-</u>	<u>1,170</u>
Differences recognized from equity transactions	<u>\$ 447</u>	<u>\$ (36)</u>	<u>\$ (13)</u>	<u>\$ (8)</u>	<u>\$ 14</u>	<u>\$ (21)</u>	<u>\$ (2)</u>	<u>\$ 381</u>
Line items adjusted for equity transactions								
Capital surplus - difference between consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	\$ 447	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ -	\$ 461
Retained earnings	<u>-</u>	<u>(36)</u>	<u>(13)</u>	<u>(8)</u>	<u>-</u>	<u>(21)</u>	<u>(2)</u>	<u>(80)</u>
	<u>\$ 447</u>	<u>\$ (36)</u>	<u>\$ (13)</u>	<u>\$ (8)</u>	<u>\$ 14</u>	<u>\$ (21)</u>	<u>\$ (2)</u>	<u>\$ 381</u>

	For the year ended December 31, 2022					Total
	ACSPL	AEE	FMT	YLT	FDT	
Consideration paid	\$ (60)	\$ (23)	\$ (103)	\$ (3)	\$ (572)	\$ (761)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	<u>-</u>	<u>36</u>	<u>-</u>	<u>-</u>	<u>290</u>	<u>326</u>
Differences recognized from equity transactions	<u>\$ (60)</u>	<u>\$ 13</u>	<u>\$ (103)</u>	<u>\$ (3)</u>	<u>\$ (282)</u>	<u>\$ (435)</u>
Line items adjusted for equity transactions						
Capital surplus - difference between consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	\$ -	\$ 13	\$ -	\$ -	\$ (282)	\$ (269)
Retained earnings	<u>(60)</u>	<u>-</u>	<u>(103)</u>	<u>(3)</u>	<u>-</u>	<u>(166)</u>
	<u>\$ (60)</u>	<u>\$ 13</u>	<u>\$ (103)</u>	<u>\$ (3)</u>	<u>\$ (282)</u>	<u>\$ (435)</u>

33. CAPITAL MANAGEMENT

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

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

The Group is not subject to any externally imposed capital requirements.

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

34. FINANCIAL INSTRUMENTS

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

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Bonds payable (included current portion)	\$ 49,100,000	\$ 48,448,474	\$ -	\$ -	\$ 48,448,474

December 31, 2022

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Bonds payable (included current portion)	\$ 45,120,129	\$ 44,619,721	\$ -	\$ -	\$44,619,721

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 16,293,519	\$ -	\$ -	\$ 16,293,519
Beneficiary certificates	<u>2,335,160</u>	<u>1,346,329</u>	<u>19,744,972</u>	<u>23,426,461</u>
	<u>\$ 18,628,679</u>	<u>\$ 1,346,329</u>	<u>\$ 19,744,972</u>	<u>\$ 39,719,980</u>

Financial assets at FVTOCI

Equity instruments				
Domestic listed shares	\$ 14,638,369	\$ -	\$ -	\$ 14,638,369
Domestic unlisted shares	-	-	1,925,638	1,925,638
Overseas unlisted shares	-	-	207,037	207,037
Debt instruments				
Bills receivables	<u>-</u>	<u>-</u>	<u>313,211</u>	<u>313,211</u>
	<u>\$ 14,638,369</u>	<u>\$ -</u>	<u>\$ 2,445,886</u>	<u>\$ 17,084,255</u>

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares	\$ 3,923,946	\$ -	\$ -	\$ 3,923,946
Beneficiary certificates	1,969,717	1,165,183	19,649,541	22,784,441
Convertible options	-	-	279	279
Cross-currency swap contracts	<u>-</u>	<u>-</u>	<u>1,492</u>	<u>1,492</u>
	<u>\$ 5,893,663</u>	<u>\$ 1,165,183</u>	<u>\$ 19,651,312</u>	<u>\$ 26,710,158</u>

Financial assets at FVTOCI

Equity instruments				
Domestic listed shares	\$ 12,895,717	\$ -	\$ -	\$ 12,895,717
Domestic unlisted shares	-	-	1,876,292	1,876,292
Overseas listed shares	31,420	-	-	31,420
Overseas unlisted shares	-	-	389,246	389,246
Debt instruments				
Bills receivables	<u>-</u>	<u>-</u>	<u>1,135,113</u>	<u>1,135,113</u>
	<u>\$ 12,927,137</u>	<u>\$ -</u>	<u>\$ 3,400,651</u>	<u>\$ 16,327,788</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023 and 2022.

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

	Financial Assets at FVTPL		Financial Assets at FVTOCI		Total
	Derivatives	Non-Derivatives	Equity Instruments	Debt Instruments	
Balance at January 1, 2023	\$ 1,771	\$ 19,649,541	\$ 2,265,538	\$ 1,135,113	\$ 23,051,963
Recognized in profit or loss					
Net gain on financial instruments at FVTPL	47,067	95,431	-	-	142,498
Recognized in other comprehensive income					
Unrealized gain on financial instruments at FVTOCI	-	-	(132,863)	-	(132,863)
Convertible bonds converted to ordinary shares	(338)	-	-	-	(338)
Changes in bills receivables	-	-	-	(821,902)	(821,902)
Settlement	<u>(48,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,500)</u>
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 19,744,972</u>	<u>\$ 2,132,675</u>	<u>\$ 313,211</u>	<u>\$ 22,190,858</u>

	Financial Assets at FVTPL		Financial Assets at FVTOCI		Total
	Derivatives	Non-Derivatives	Equity Instruments	Debt Instruments	
Balance at January 1, 2022	\$ 466	\$ 16,373,974	\$ 2,215,073	\$ 3,297,623	\$ 21,887,136
Recognized in profit or loss					
Net gain on financial instruments at FVTPL	1,463	3,275,567	-	-	3,277,030
Recognized in other comprehensive income					
Unrealized gain on financial instruments at FVTOCI	-	-	69,355	-	69,355
Convertible bonds converted to ordinary shares	(158)	-	-	-	(158)
Issuance of common stock for cash	-	-	7,392	-	7,392
Capital reduction of investments	-	-	(26,282)	-	(26,282)
Changes in bills receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,162,510)</u>	<u>(2,162,510)</u>
Balance at December 31, 2022	<u>\$ 1,771</u>	<u>\$ 19,649,541</u>	<u>\$ 2,265,538</u>	<u>\$ 1,135,113</u>	<u>\$ 23,051,963</u>

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

Financial Instruments	Valuation Techniques and Inputs
Mutual funds	The Group uses net asset value as the basis to determine the fair value as the Group has determined that the net asset value of the mutual fund represents fair value at the end of the reporting period.

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

- a) The fair values of convertible bond options are determined using the information available from the counterparty for valuation based on the option pricing model. The option pricing model incorporates the present value techniques and reflects both the time value and the intrinsic value of options.

- b) The fair value of cross currency swap contracts is determined using the information available from the counterparty for valuation. The counterparty measures the fair value of a cross currency swap contracts using the discounted cash flows model. Future cash flows are estimated based on observable forward exchange rates at balance sheet dates and contract forward rates and discounted at rates that reflect the credit risk of various counterparties.
- c) The fair values of unlisted shares are determined by using the asset approach or the market approach. In the asset approach, the fair values are estimated by using the net asset value measured at fair value based on the unlisted investees' latest financial statements, while taking into account the liquidity discount and non-controlling interest discount. In the market approach, the fair values are estimated based on the market transaction prices of comparable companies with similar industrial and business characteristics and liquidity discount are considered.
- d) The fair values of beneficiary certificates are determined by using the asset approach. In the asset approach, the fair values are estimated by using the net asset values measured at fair value based on the funds' latest financial statements.
- e) The fair values of bills receivables are determined by using the income approach and calculated by the present value of the expected return from holding the debt instrument by using discounted cash flow model.

c. Categories of financial instruments

	December 31	
	2023	2022
<u>Financial assets</u>		
Financial assets at FVTPL	\$ 39,719,980	\$ 26,710,158
Financial assets at amortized cost (1)	82,575,096	84,602,380
Financial assets at FVTOCI		
Investments in Equity Instruments	16,771,044	15,192,675
Investments in Debt Investments	313,211	1,135,113

Financial liabilities

Financial liabilities at amortized cost (2)	128,460,362	123,661,705

- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables, other receivables and finance lease receivables.
- 2) The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables and accrued expenses, long-term borrowings including current portion, and bonds payable.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, bonds payable, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, 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 exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group mitigates the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Corporation's board of directors, which provides written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into cross-currency swap contracts to mitigate its exposure to foreign currency risk and interest risk.

a) Foreign currency risk

Several subsidiaries of the Corporation have foreign currency sales and purchases and foreign currency financing activities, which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 38.

Sensitivity analysis

The Group was mainly exposed to the RMB and USD.

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity rate of 5% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items less notional amounts of cross-currency swaps. The analysis assumed a 5% change in foreign currency rates at the end of the reporting period. A positive number below indicates an increase in pre-tax profit assuming the New Taiwan dollars weakened by 5% against the relevant currency. For a 5% strengthening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances shown below would be negative.

	RMB Impact		USD Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2023	2022	2023	2022
Increase (decrease) in pre-tax profit	\$ 83,404	\$ 89,539	\$ 366,775	\$ 312,560

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using cross currency swap contracts.

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

	December 31	
	2023	2022
Fair value interest rate risk		
Financial assets	\$ 24,721,052	\$ 14,386,895
Financial liabilities	112,453,524	103,887,939
Cash flow interest rate risk		
Financial assets	29,595,741	39,913,293
Financial liabilities	7,133,402	10,537,844

Sensitivity analysis

The sensitivity analysis below is based on the Group's exposure to changes in interest rates of non-derivative instruments at the end of the reporting period.

If interest rates had been 0.01% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$2,592 thousand and \$2,286 thousand, respectively, mainly due to the Group's exposure to changes in interest rates of its variable-rate bank borrowings and bank deposits.

c) Other price risk

The Group is exposed to price risk through its investments in equity securities and beneficiary certificates of funds.

Sensitivity analysis

The sensitivity analysis below is based on the exposure to investment position price risks at the end of the reporting period.

If investment position prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$199,750 thousand and \$267,084 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through profit or loss, and the pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by \$146,384 thousand and \$129,271 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group is equal to the carrying amount of the financial assets as stated in the balance sheets. The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. The Group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The counterparties in trade receivables consist of a large number of clients in different industries and regions. The Group evaluates clients' financial condition continuously.

Credit risk represents the potential negative impact on the financial assets of the Group if counterparties or third parties breach the contracts. The Group evaluates credit risk exposure on contracts with positive carrying amounts. The Group evaluated the credit risk exposure as immaterial because all counterparties are reputable financial institutions and companies with good credit ratings.

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 rate tables for non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had 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 tables included both interest and principal cash flows.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 4,401,977	\$ 2,644,661	\$ 2,614,506	\$ 433,135	\$ 133,932
Lease liabilities	22,747	45,494	204,726	456,840	1,018,629
Variable interest rate liabilities	410,000	510,000	199,160	2,028,522	3,985,720
Fixed interest rate liabilities	<u>41,739,811</u>	<u>11,737,010</u>	<u>14,968,716</u>	<u>42,653,212</u>	<u>-</u>
	<u>\$ 46,574,535</u>	<u>\$ 14,937,165</u>	<u>\$ 17,987,108</u>	<u>\$ 45,571,709</u>	<u>\$ 5,138,281</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 272,967</u>	<u>\$ 456,840</u>	<u>\$ 336,447</u>	<u>\$ 250,178</u>	<u>\$ 188,689</u>	<u>\$ 243,315</u>

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 5,087,310	\$ 3,025,020	\$ 1,226,724	\$ 1,334,334	\$ 125,812
Lease liabilities	24,306	48,611	218,751	581,536	1,103,757
Variable interest rate liabilities	1,840,000	-	2,009,160	3,103,804	3,584,880
Fixed interest rate liabilities	<u>20,899,451</u>	<u>31,043,927</u>	<u>1,554,127</u>	<u>48,827,156</u>	<u>-</u>
	<u>\$ 27,851,067</u>	<u>\$ 34,117,558</u>	<u>\$ 5,008,762</u>	<u>\$ 53,846,830</u>	<u>\$ 4,814,449</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 291,668</u>	<u>\$ 581,536</u>	<u>\$ 357,490</u>	<u>\$ 262,429</u>	<u>\$ 211,098</u>	<u>\$ 272,740</u>

The amounts above of variable interest rate non-derivative financial assets and liabilities are subject to change if actual variable interest rates differ from those estimates of interest rates at the end of the reporting period.

b) Liquidity and interest rate tables for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Cross-currency swap contracts	<u>\$ -</u>	<u>\$ (19,227)</u>	<u>\$ (101,665)</u>	<u>\$ -</u>	<u>\$ -</u>

e. Transfers of financial assets

The Group transferred a portion of its banker's acceptance bills in mainland China to some of its suppliers in order to settle the trade payables to these suppliers. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request that the Group pays the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amounts of the transferred but unsettled bills receivable, and as of December 31, 2023 and 2022, the face amounts of these unsettled bills receivable were \$1,422,888 thousand and \$2,682,640 thousand, respectively. The unsettled bills receivable will be due in 12 months respectively after December 31, 2023 and 2022. Taking into consideration the credit risk of these

derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

During the years ended December 31, 2023 and 2022, the Group did not recognize gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period and cumulatively.

f. Offsetting financial assets and financial liabilities. None.

g. Reclassifications. None.

35. TRANSACTIONS WITH RELATED PARTIES

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

Transactions with related parties are conducted under normal terms.

Balances and transactions between the Group and single related party are disclosed separately except when the amount is less than 10% of the total balances or transactions; otherwise, the amounts are lumped together as others.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
FENC	Associate
U-Ming	Associate
EISF	Associate
YDC	Associate
YDES	Associate
OSC	Associate
HZYCCL	Associate
FEDSDL	Associate
Opas Fund Segregated Portfolio Company	Associate
Drive Catalyst SPC	Associate
Alliance Concrete Singapore Pte. Ltd.	Joint venture
HXMC	Joint venture
WAMTC	Joint venture
U-Ming Transport (Singapore) Private Limited	Other
CHC Resources Corporation	Other
Far Eastern Department Store Ltd.	Other
Chu Feng	Other
Air Liquide Far Eastern Co.	Other
Oriental Petrochemical (Taiwan) Corporation	Other
Far Eastern Memorial Hospital	Other
Ya Tung Department Store Ltd.	Other
Yuan Ze University	Other
Far Eastern Leasing Corporation	Other
Ho Hwei Enterprise Corp. Ltd.	Other

(Continued)

Related Party Name	Related Party Category
Far Eastern Apparel Co., Ltd.	Other
Oriental Union Chemical Corp.	Other
NanKung Enterprise Ltd.	Other
New Century InfoComm Tech Co., Ltd.	Other
Ding & Ding Management Consultants Co., Ltd.	Other
Far Eastern Fibertech Co., Ltd.	Other
Far Eastern International Bank (FEIB)	Other
Far Eastern Polytex (Vietnam) Ltd.	Other
FERD	Other
Far Eastern General Construction Inc.	Other
Far EasTone Telecommunications Co., Ltd.	Other
Far Eastern International Leasing Corporation	Other
YDT Technology International Corporation	Other
Oriental Green Materials Limited	Other
Far Eastern Ai Mai Co., Ltd.	Other
Malaysia Garment Manufacturers Pte. Ltd.	Other
Yuan Cheng Human Resources Consultant Corporation	Other
Asia-U Power Corporation Preparatory Office	Other
Ding Ding Hotel Co., Ltd.	Other
Prime EcoPower Co., Ltd.	Other
Douglas Tong Hsu	Related party in substance
Peter Hsu	Related party in substance
Raymond Hsu	Related party in substance
Alice Hsu	Related party in substance
Kun Yen Lee	Related party in substance
Richard Yang	Related party in substance
Frederica Yang	Related party in substance
Ruey Huey, Chiang Shao	Related party in substance
	(Concluded)

Note: Other related party relationships mainly include associates' subsidiaries, legal person in which the chairman is the same as the Corporation's chairman and the director is also the Corporation's chairman.

b. Operating Transactions

	For the Year Ended December 31	
	2023	2022
Operating revenue		
Associates	\$ 698,646	\$ 784,392
Others	1,354,463	1,375,399
Joint ventures	<u>973,190</u>	<u>926,319</u>
	<u>\$ 3,026,299</u>	<u>\$ 3,086,110</u>
Operating cost		
Associates	\$ 576,899	\$ 717,151
Others	1,077,227	1,177,394
Joint ventures	<u>592,169</u>	<u>573,005</u>
	<u>\$ 2,246,295</u>	<u>\$ 2,467,550</u>

Receivables from related parties (including notes receivable, trade receivables, other receivables and contract assets):

	December 31	
	2023	2022
Associates	\$ 115,726	\$ 105,083
Others	563,458	504,706
Joint ventures	<u>214,030</u>	<u>184,501</u>
	<u>\$ 893,214</u>	<u>\$ 794,290</u>

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2023 and 2022, no impairment losses were recognized for trade receivables from related parties.

Accounts payable and accrued expenses to related parties:

	December 31	
	2023	2022
Associates	\$ 117,156	\$ 192,858
Others	167,677	95,295
Joint ventures	<u>97,450</u>	<u>86,140</u>
	<u>\$ 382,283</u>	<u>\$ 374,293</u>

The outstanding trade payables to related parties are unsecured.

Prepayments to related parties:

	December 31	
	2023	2022
Associates	\$ 15,000	\$ 15,000
Others	<u>1,650</u>	<u>6,865</u>
	<u>\$ 16,650</u>	<u>\$ 21,865</u>

c. Transactions with FEIB

	December 31	
	2023	2022
Bank deposits (Note)	<u>\$ 4,986,616</u>	<u>\$ 4,138,867</u>
Bank loans	<u>\$ 1,464,000</u>	<u>\$ 1,230,000</u>
Cross-currency swap contracts	<u>\$ -</u>	<u>\$ 697</u>

As of December 31, 2022, the notional principal of the above outstanding cross-currency swap contracts was US\$45,000 thousand.

Note: The balances included amounts recognized as financial assets measured at amortized cost, and other non-current assets (refundable deposits).

d. Remuneration of key management personnel

The amounts of the compensation of directors and other key management personnel were as follows:

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	\$ 192,362	\$ 203,355
Post-employment benefits	<u>558</u>	<u>864</u>
	<u>\$ 192,920</u>	<u>\$ 204,219</u>

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

e. Other transactions with related parties

1) Acquisitions of property, plant, and equipment

	For the Year Ended December 31	
	2023	2022
Associates	\$ 520	\$ -
Others	<u>1,423,014</u>	<u>5,760</u>
	<u>\$ 1,423,534</u>	<u>\$ 5,760</u>

2) Acquisitions of intangible assets

	For the Year Ended December 31	
	2023	2022
Others	<u>\$ 10,420</u>	<u>\$ 1,707</u>

3) Lease agreement

Acquisitions of right-of-use assets

	For the Year Ended December 31	
	2023	2022
Others	<u>\$ 4,518</u>	<u>\$ -</u>

Lease liabilities

	December 31	
	2023	2022
Others	<u>\$ 66,745</u>	<u>\$ 128,919</u>

Operating expense - rental

	December 31	
	2023	2022
Associates	\$ 50,638	\$ 50,692
Others	<u>11,689</u>	<u>9,647</u>
	<u>\$ 62,327</u>	<u>\$ 60,339</u>

The Group leased the right-of-use of assets from its related parties. The rental is based on similar properties and fixed lease payments are paid monthly.

Lease expenses included expenses relating to short-term leases, low-value asset leases and variable lease payments that do not depend on an index or a rate.

- 4) The nature of the Group's transaction with OFSPC is the acquisition or disposal of OPAS Fund Segregated Portfolio's overseas fund through OFSPC's platform. The portfolio's decision is made and managed by the investment committee which is composed of the Group and other investors. The Group's investment activities through OFSPC's platform for the years ended December 31, 2022 the acquisition of \$653,440 thousand.
- 5) For the year ended December 31, 2023, the Group acquired additional non-controlling interests in subsidiaries, including OIHPL, ACSPL, YLPPC, YTRMC, DCI, AEE, NHC and YYI, from a related party in substance with a total amount of \$707 thousand; refer to Note 32 for the details.
- 6) For the year ended December 31, 2022, the Group acquired additional non-controlling interests in subsidiaries, including ACSPL, YTRMC, AEE, FMT, and YLT, from related parties in substance with a total amount of \$189 thousand; refer to Note 32 for the details.
- 7) For the year ended December 31, 2022, the Group subscribed for new shares of Drive Catalyst SPC-SP Tranche Two, Ding Ding Hotel Co., Ltd. and Far Eastern International Bank with a total amount of \$522,085 thousand.

36. ASSETS PLEDGED AS COLLATERAL

The following assets are provided as collaterals for short-term and long-term bank borrowings or for purchases from suppliers:

	December 31	
	2023	2022
Investment properties	\$ 14,547,709	\$ 14,423,416
Investments accounted for using the equity method	9,879,707	9,358,969
Property, plant and equipment	11,064,203	11,405,719
Financial assets at fair value through other comprehensive income	123,750	107,500
Financial assets at amortized cost	<u>424,131</u>	<u>1,369,439</u>
	<u>\$ 36,039,500</u>	<u>\$ 36,665,043</u>

37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2023, the Corporation and its subsidiaries had the following significant commitments and contingencies:

- a. Unused letters of credit of US\$8,603 thousand and RMB1,014 thousand.
- b. Guarantee notes issued for related parties: Refer to Table 2.
- c. CHP entered into agreements on the following transactions:
 - 1) Purchase of natural gas from Chinese Petroleum Corporation.
 - 2) Power Plant (base load unit) Purchase and Sale Contract, Power Plant (medium-load unit) Purchase and Sale Contract and Electricity Purchase and Sale Contract for Gas Recirculation with Taiwan Power Company.
 - 3) Contractual Service Agreement with General Electric Global Services GmbH.
- d. The estimated payments for the construction of plants and the acquisition of land use rights and equipment of JYDC, HGYDC, YYDCCL, TZOCCL, HYDCCL, JYDCCL, SIYDCCL, and SLCL in the future amount to RMB77,910 thousand. In addition, FMT has entered into a contract for the appointed construction company with Far Eastern General Construction Inc., and the total contract amount is expected to be \$459,000 thousand.
- e. On March 13, 2013, the No. 1114 Commissioners' Meeting of Fair Trade Commission resolved that independent power producers violated Article 14, Paragraph 1 of Fair Trade Act due to the rejection of power purchase rate adjustment with TPC and fined CHP \$400,000 thousand. Accordingly, CHP recognized penalty expenses, which is included in other losses in the consolidated financial statements for the year ended December 31, 2013. The penalty is payable in 60 monthly installments and covered by a long-term note payable. CHP had filed an appeal on April 17, 2013. On September 12, 2013, the Petitions and Appeals Committee of the Executive Yuan rescinded the imposition of penalty (the "Penalty Disposition") and advised the Fair Trade Commission to impose more appropriate disposition with refund of penalty paid by CHP. However, CHP's appeal against the imposition of illegal concerted action among independent power producers (the "Act Disposition") was dismissed.

Regarding the Penalty Disposition, the Fair Trade Commission resolved a penalty of \$370,000 thousand on November 13, 2013. CHP thus adjusted the penalty expenses in other gains and losses for the year ended December 31, 2013. The disposition was revoked again by the Petitions and Appeals Committee on May 9, 2014. Then the Fair Trade Commission imposed a penalty of \$364,000 thousand on July 9, 2014. CHP recognized a reversal gain of \$6,000 thousand in other income for the year ended December 31, 2014 and issued a long-term note payable in 60 installments for the penalty in accordance with the disposition. In addition, CHP also filed an appeal to defend its interest on August 11, 2014. CHP had paid a \$364,000 thousand penalty in installments before June 30, 2019. Accordingly, the Penalty Disposition will have no impact on CHP's financial condition.

On December 11, 2014, a letter from the Petitions and Appeals Committee indicates that the filing of an appeal against the Penalty Disposition is suspended until the administrative court makes the final judgment on the Act Disposition. Therefore, after the Supreme Administrative Court made a judgment on the Act Disposition, the Petition and Appeals Committee restarted the trial procedure of appeal against the Penalty Disposition. The oral-argument had been made on March 8, 2023, accordingly. On April 14, 2023, CHP received the administrative appeal decision from the Petitions and Appeals Committee, which upheld the third decision for the Penalty Disposition. CHP then filed an appeal to the Taipei High Administrative Court on June 9, 2023.

Regarding the Act Disposition, on November 7, 2013, CHP filed administrative litigation at the Taipei High Administrative Court against the dispositions of the Fair Trade Commission. The Taipei High Administrative Court ruled in favor of CHP on October 29, 2014. Nevertheless, the Fair Trade Commission filed an appeal with the Supreme Administrative Court. The Supreme Administrative Court dismissed the judgment made by the Taipei High Administrative Court on July 2, 2015. The case was remanded to the Taipei High Administrative Court on May 25, 2017, and the Taipei High Administrative Court still revoked the administrative disciplinary action and the judgment of the appeal. The Fair Trade Commission filed an appeal with the Supreme Administrative Court and the case was remanded to the Taipei High Administrative Court on September 27, 2018. On May 16, 2020, the Taipei High Administrative Court revoked the administrative disciplinary action and the judgment of the appeal once again. On June 9, 2022, the judgment made by the Taipei High Administrative Court was reversed by the Supreme Administrative Court and the appeal filed by CHP was dismissed accordingly. CHP obtained the judgment on June 21, 2022. On July 20, 2022, CHP filed for a retrial against the judgment made by the Taipei High Administrative Court for identification evidence and the Supreme Administrative Court for erroneous application of the law, respectively. On November 16, 2022, the Taipei High Administrative Court dismissed CHP's retrial for identification evidence. CHP filed an appeal on December 5, 2022. At present, the retrials concerning identification evidence and erroneous application of the law both belong to the Supreme Administrative Court. In addition to the above-mentioned two retrial cases, on December 19, 2022, CHP filed a constitutional lawsuit against the judgment made by the Supreme Administrative Court. However, on May 4, 2023, the Constitutional Court ruled that the claim of the CHP was not admissible.

- f. On March 15, 2013, Letter No. 102035 from the Fair Trade Commission indicated concerted action among CHP and other independent power producers due to the rejection of power purchase rate adjustment with TPC. Accordingly, in August 2015, TPC filed at the Taipei District Court a civil mediation which requests CHP to compensate \$2,350,000 thousand plus interest from November 1, 2007 to the settlement date for the damage caused. Later, in September 2015, TPC filed at the Taipei District Court a civil litigation appeal which requests CHP to compensate \$2,349,000 thousand plus interest from November 1, 2007 to the settlement date as well as an apology published in major newspapers. TPC also filed at the Taipei High Administrative Court an administrative litigation which requests CHP to compensate the damage caused which amounted to \$1,400,000 thousand plus interest from November 1, 2007 to the settlement date with a 5% annual interest rate.

CHP and TPC did not reach an agreement in the civil mediation council meeting held on October 7, 2015. Later, on November 10, 2015, TPC included the damage compensation claimed in the civil mediation in the administrative litigation appeal and the total compensation claimed in the statement of the administrative litigation amounted to \$3,750,000 thousand plus interest from November 1, 2007 to the settlement date with a 5% annual interest rate. On November 27, 2015, the administrative court ruled that the litigation proceedings are suspended until the administrative court makes the final judgment on the Act Disposition. However, on July 12, 2016, Taipei High Administrative Court notified that the power purchase and sales contracts between independent power producers and TPC are subject to the performance of obligation under the Civil Code. Therefore, the abovementioned ruling for suspension was revoked and the administrative litigation for compensation would be transferred to the Taipei District Court. TPC filed counter appeal against the ruling; however, the appeal was dismissed by the Supreme Administrative Court on December 30, 2016. This case has been transferred to the Taipei District Court on January 25, 2017. On April 12, 2019, the appeal was dismissed by the Taipei District Court, and TPC filed an appeal to the Taiwan High Court on May 17, 2019. On April 13, 2021, CHP has been notified that TPC has revoked its appeal. Later, CHP responded to the Taiwan High Court and agreed with the withdrawal on April 20, 2021.

In light of the civil proceedings, on March 1, 2016, TPC added a posterior statement which requests the capital expenditure it paid to CHP from October 9, 2007 to November 30, 2012 according to the power purchase and sales contracts to be recalculated relying on CHP's capital ratio. Accordingly, CHP would compensate at least \$2,349,000 thousand to TPC. The Taipei District Court dismissed the appeal on November 1, 2018, and TPC filed an appeal subsequently. On November 30, 2021, except for maintaining the original declaration request, the amount was reduced to \$766,888 thousand plus interest. This case is currently being heard by the Taiwan High Court.

CHP considered the payment of the indemnity is not possible unless TPC can provide proof that the damage was caused by CHP and their appeal is filed within the statute of limitation. As of the date the consolidated financial statements were authorized for issue, the amount of the compensation cannot be reasonably estimated. Therefore, CHP could not assess the possible impact on its financial position and did not recognize any contingent liabilities.

- g. On December 4, 2015 and December 17, 2015, CSCGL, China Shanshui Cement Group (Hong Kong) Company Limited and China Pioneer Cement (Hong Kong) Company Limited (collectively referred as "Shanshui Cement Group") commenced legal proceedings against the former directors of CSCGL in respect of the alleged dishonest breaches of fiduciary duty or alleged conspiracy to cause damages to CSCGL during their tenures. The proceedings arose from disputes between CSCGL's present and former board of directors over the changes in management and the takeover of the headquarters of CSCGL. On April 7, 2016, the Corporation was added as the 10th defendant. The Corporation engaged lawyers to take legal actions in connection with the unqualified claim to defend its reputation and interests. The case was tried by the High Court of Hong Kong from April 19 to June 17, 2021, and the case is currently waiting for a judgment from the High Court of Hong Kong. As of the auditors' audit report date, the Corporation considered that it is premature to evaluate at this stage the possible outcome of the proceedings given that no judgment has been handed down by the court and, therefore, did not recognize any contingent liabilities.
- h. Tianrui Group Company Limited and Tianrui (International) Holding Company Limited (collectively referred as "Tianrui Group"), CSI and former directors of CSCGL, in breach of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Codes on Takeovers and Mergers and share Buy-backs issued by the Hong Kong Securities and Futures Commission and the fiduciary duties, have engaged in unfair prejudicial conducts in favor of Tianrui directly and indirectly through CSCGL which are detrimental to the interests of the shareholders including the Corporation. The Corporation filed a writ of summons to the High Court of Hong Kong in June 2017 and has been seeking legal advice in relation to the legal proceedings. As the respondents' applications to strike out the petition for technical reasons, the Corporation amended the applications accordingly. As of the auditors' audit report date, no further decision has been rendered yet.
- i. On August 30, 2018, Tianrui (International) Holding Company Limited ("Tianrui") presented a petition to the Grand Court of the Cayman Islands (the "Grand Court") seeking to wind up CSCGL, and Tianrui further filed an application for the appointment of joint provisional liquidators (JPLs) over CSCGL, which was accepted by the Grand Court on September 4, 2018. On August 12, 2019, CSCGL made applications to the Grand Court for the above-mentioned winding-up petition to be struck out and/or stayed. However, the Grand Court dismissed CSCGL's applications according to the announcement dated April 7, 2020 at the news website of the Hong Kong Exchanges and Clearing Limited. Pursuant to the Grand Court's decision, the winding up petition filed by Tianrui is considered a dispute between CSCGL's shareholders and thus needs to be amended. The amendments shall include but are not limited to adding the Corporation as a defendant. Later, Tianrui filed an application with the Grand Court to amend its winding-up petition and change the defendants to the Corporation and China National Building Material Co., Ltd. (CNBM). By an order of the Grand Court announced on January 27, 2021, the Grand Court granted Tianrui's amendments to the winding-up petition against CSCGL and change the defendants to the Corporation and CNBM. On March 19, 2021, the Corporation received the legal documents from Tianrui and appointed legal counsel in relation to the false accusation in order to preserve the Corporation's reputation and interests. Since no further verdict has been rendered yet, the Corporation considered that it is premature to evaluate at this stage the possible

outcome of the proceedings. Therefore, the Corporation assessed that the winding-up petition did not have any material impact on its investments in CSCGL.

38. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>			
Monetary items			
USD	\$ 288,185	30.655	\$ 8,834,311
RMB	385,415	4.328	1,668,076
Non-monetary items			
USD	692,482	30.655	21,228,036
HKD	188,962	3.899	736,763
<u>Financial liabilities</u>			
Monetary items			
USD	48,893	30.655	1,498,815

December 31, 2022

	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>			
Monetary items			
USD	\$ 248,208	30.660	\$ 7,610,057
RMB	406,810	4.402	1,790,778
Non-monetary items			
USD	683,383	30.660	20,952,523
HKD	458,111	3.908	1,790,298
<u>Financial liabilities</u>			
Monetary items			
USD	144,320	30.660	4,424,851

For the years ended December 31, 2023 and 2022, the total amounts of realized and unrealized net foreign exchange (losses) gains were \$(29,285) thousand and \$604,300 thousand, respectively. It is impractical to disclose net foreign exchange losses by each significant foreign currency because of the variety of the foreign currency transactions and functional currencies of the Group.

39. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: (Table 5)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None.
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)
- 9) Information on investees (Table 8)
- 10) Trading in derivative instruments (Note 7)

b. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
- 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 (Table 10):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year
 - c) The amount of property transactions and the amount of the resultant gains or losses
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

- f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services
- c. Intercompany relationships and significant intercompany transactions (Table 10)
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 11)

40. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments were as follows: Cement, electric power, investment, engineering, transportation, stainless steel and leasing.

- a. Segment revenue and results

	Segment Revenue		Segment Profit	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2023	2022	2023	2022
Cement	\$ 56,447,066	\$ 64,586,624	\$ 5,375,742	\$ 5,464,624
Electric power	17,705,692	16,877,447	1,561,384	1,970,726
Investment	541,414	837,828	166,914	565,415
Engineering	423,612	465,916	77,365	64,966
Transportation	1,795,482	1,981,203	234,863	305,170
Stainless steel	2,908,877	5,133,246	(143,725)	(10,777)
Leasing	<u>360,656</u>	<u>458,239</u>	<u>187,505</u>	<u>211,149</u>
	<u>\$ 80,182,799</u>	<u>\$ 90,340,503</u>	7,460,048	8,571,273
Non-operating income and expenses			<u>6,476,320</u>	<u>6,625,704</u>
Profit before income tax			<u>\$ 13,936,368</u>	<u>\$ 15,196,977</u>

Segment revenue reported above represents revenue generated from external customers.

- b. Segment assets and liabilities, and other segment information

The Group does not report segment assets and liabilities or other segment information to the chief operating decision maker. Therefore, no information is disclosed here.

c. Geographical information

The Group operates principally in Taiwan and China.

The Groups' revenue from external customers and information about its non-current assets by geographical location are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2023	2022	2023	2022
China	\$ 32,820,060	\$ 42,475,493	\$ 36,091,556	\$ 39,043,997
Taiwan	44,498,171	44,459,159	53,041,085	50,859,236
Others	<u>2,864,568</u>	<u>3,405,851</u>	<u>567,175</u>	<u>578,830</u>
	<u>\$ 80,182,799</u>	<u>\$ 90,340,503</u>	<u>\$ 89,699,816</u>	<u>\$ 90,482,063</u>

Revenue is categorized according to customers' location. Non-current assets exclude those classified as financial instruments, deferred tax assets and post-employment benefit assets.

d. Information of major customers

	Revenue			
	For the Year Ended December 31			
	2023		2022	
	Amount	%	Amount	%
Taiwan Power Company	<u>\$ 17,705,692</u>	<u>22</u>	<u>\$ 16,877,447</u>	<u>19</u>

TABLE 1

ASIA CEMENT CORPORATION AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance (Note 2)	Actual Borrowing Amount	Interest Rate (Note 3)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)
													Item	Value		
1	OIHPL	ACCHC	Other receivables	Y	\$ 198,456	\$ 190,439	\$ 190,439	3.36%	Necessary for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	20% of net worth \$11,385,714	50% of net worth \$28,464,285
2	JYDC	HGYDC	Other receivables	Y	902,074	865,630	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$5,524,136	50% of net worth \$13,810,340
		SHYLC	Other receivables	Y	135,311	129,845	106,040	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		TZOCCL	Other receivables	Y	45,104	43,282	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		ACCHC	Other receivables	Y	2,661,234	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
3	HYDCCL	WYCPCL	Other receivables	Y	88,708	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,747,045	50% of net worth \$4,367,613
		ACCHC	Other receivables	Y	1,939,459	1,428,290	1,428,290	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
4	WYDC	ACCHC	Other receivables	Y	541,244	302,971	302,971	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$539,530	50% of net worth \$1,348,825
5	HGYDC	ACCHC	Other receivables	Y	1,127,593	1,082,038	1,082,038	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,294,364	50% of net worth \$3,235,909
6	SLCL	SLCCL	Other receivables	Y	202,967	194,767	164,470	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,255,907	50% of net worth \$3,139,768
7	SIYDCCL	SYCPCL	Other receivables	Y	360,830	346,252	216,408	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$4,955,935	50% of net worth \$12,389,838
		ACCHC	Other receivables	Y	2,661,234	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		HGYDC	Other receivables	Y	902,074	865,630	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above

Note 1: The net value was calculated based on audited financial statements as of December 31, 2023.

Note 2: The ending balance is the financing credit lines to the respective borrowers approved by the board of directors of lenders.

Note 3: The interest rate was for the year ended December 31, 2023.

Note 4: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2023.

TABLE 2

ASIA CEMENT CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	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 3)										
0	The Corporation	AIC	b	50% of net worth (\$84,584,948)	\$ 26,398,125	\$ 25,836,325	\$ 14,457,820	None	15.27	100% of net worth (\$169,169,896)	Y	-	-
		DCI	b	Same as above	27,133,850	26,657,725	13,117,472	None	15.76	Same as above	Y	-	-
		NHC	b	Same as above	1,191,875	1,183,275	340,000	None	0.70	Same as above	Y	-	-
		FSMS	b	Same as above	30,000	30,000	30,000	None	0.02	Same as above	Y	-	-
		AEE	b	Same as above	650,000	650,000	200,000	None	0.38	Same as above	Y	-	-
		YLPPC	b	Same as above	450,000	450,000	-	None	0.27	Same as above	Y	-	-
1	DCI	ACL	d	50% of net worth (\$8,297,239)	307,000	245,240	42,917	None	1.48	100% of net worth (\$16,594,477)	Y	-	-
		FSMS	d	Same as above	100,000	100,000	60,000	None	0.60	Same as above	Y	-	-
		ACM	d	Same as above	313,700	-	-	None	-	Same as above	Y	-	-
2	AIC	ACP	d	50% of net worth (\$3,507,663)	304,300	245,240	30,655	None	3.50	100% of net worth (\$7,015,327)	Y	-	-
		ACP II	d	Same as above	313,700	-	-	None	-	Same as above	Y	-	-
3	JYDC	JRYNM	a	50% of net worth (\$13,810,340)	893,053	856,974	21,641	None	3.10	100% of net worth (\$27,620,681)	Y	-	-

Note 1: The net value was calculated based on audited financial statements as of December 31, 2023.

Note 2: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2023.

Note 3: The relationship between guarantor and guarantee are as follows:

- A company with which the Corporation engages business.
- A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
- A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
- A company in which the Corporation directly and indirectly holds more than 90% of the voting shares.
- The Corporation fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
- Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

TABLE 3

ASIA CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Corporation	Far EasTone	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through profit or loss - current	153,543,573	\$ 12,252,777	4.71	\$ 12,252,777	
	Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund	-	Financial assets at fair value through profit or loss - current	10,000,000	424,500	-	424,500	
	China Conch Venture Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	11,443,000	289,113	0.63	289,113	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	2,217	158,679	-	158,679	
	Opas Fund Segregated Portfolio Tranche A	Related party in substance	Financial assets at fair value through profit or loss - current	3,825	146,988	-	146,988	
	China Conch Environment Protection Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	11,443,000	69,601	0.63	69,601	
	Far EasTone	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	31,034,372	2,476,543	0.95	2,476,543	
	Far Eastern Department Store Ltd.	The investor and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	80,052,950	1,981,311	5.65	1,981,311	
	CHC Resources Corporation	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	22,801,185	1,313,348	9.17	1,313,348	
	Oriental Union Chemical Corp.	The investor and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	63,766,522	1,284,895	7.20	1,284,895	
	Far Eastern International Bank	The chairman of the investor is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	93,302,771	1,180,280	2.29	1,180,280	
	Taiwan Stock Exchange Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	13,407,259	714,875	1.16	714,875	
	China Shanshui Investment Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	49,928	87,483	4.99	87,483	
	Kaohsiung Rapid Transit	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	15,873,243	60,994	5.70	60,994	
	Pan Asia Engineers & Constructors Corp.	The investor is the corporate supervisor of the investee	Financial assets at fair value through other comprehensive income - noncurrent	1,551,395	30,935	1.36	30,935	
	L' Hotel de Chine Hotel	-	Financial assets at fair value through other comprehensive income - noncurrent	598,121	30,044	0.20	30,044	
	Ding Ding Hotel Corp.	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - noncurrent	555,638	16,021	0.53	16,021	
	China Trade & Development Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	250,003	3,902	0.38	3,902	
	Linkou Recreation Corporation	-	Financial assets at fair value through other comprehensive income - noncurrent	5	-	0.50	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
DCI	Chang An Fund	-	Financial assets at fair value through profit or loss - current	145,000	\$ 4,860,625	-	\$ 4,860,625	
	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	8,000,000	299,200	-	299,200	
	Yuanta Taiwan High Dividend Low Volatility ETF	-	Financial assets at fair value through profit or loss - current	5,550,000	279,720	-	279,720	
	Taiwan Semiconductor Manufacturing Corp.	-	Financial assets at fair value through profit or loss - current	400,000	237,200	-	237,200	
	ASE Technology Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,700,000	229,500	0.04	229,500	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	4,250,000	150,153	-	150,153	
	ASMedia Technology Inc.	-	Financial assets at fair value through profit or loss - current	70,000	127,050	0.10	127,050	
	Taiwan Hon Chuan Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	960,000	120,000	0.59	120,000	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	230,000	108,445	0.04	108,445	
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	1,360,000	107,712	0.02	107,712	
	LOTES Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100,000	107,000	0.09	107,000	
	ASPEED Technology Inc.	-	Financial assets at fair value through profit or loss - current	34,000	106,080	0.09	106,080	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	590,000	103,840	0.06	103,840	
	TXC Corporation	-	Financial assets at fair value through profit or loss - current	1,020,000	100,572	0.34	100,572	
	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	180,000	93,600	0.26	93,600	
	Yuanta Global 5G Key Technology ETF	-	Financial assets at fair value through profit or loss - current	2,800,000	93,520	-	93,520	
	Taiwan Cement Co., Ltd.	-	Financial assets at fair value through profit or loss - current	2,355,665	82,095	0.03	82,095	
	Anhui Conch Cement Company Limited	-	Financial assets at fair value through profit or loss - current	880,000	61,897	0.02	61,897	
	Polaris Taiwan Top 50 Tracker Fund	-	Financial assets at fair value through profit or loss - current	400,000	54,180	-	54,180	
	MediaTek Inc.	-	Financial assets at fair value through profit or loss - current	40,000	40,600	-	40,600	
	China Resources Cement Holdings Limited	-	Financial assets at fair value through profit or loss - current	5,376,000	35,634	0.08	35,634	
	Chunghwa Picture Tubes, Ltd.	-	Financial assets at fair value through profit or loss - current	275,223	-	-	-	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - current	40,093,072	507,177	0.99	507,177	
	Tripod Technology Corporation	-	Financial assets at fair value through other comprehensive income - current	1,360,000	265,200	0.26	265,200	
	Mega Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	5,288,309	207,302	0.04	207,302	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
DCI	Far EasTone	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	215,000	\$ 17,157	0.01	\$ 17,157	Note 3
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - current	41,246	831	-	831	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	119,750,963	1,514,850	2.94	1,514,850	
	Far Eastern International Leasing Corporation	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	45,258,938	602,813	10.14	602,813	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	13,630,966	337,366	0.96	337,366	
	CHC Resources Corporation	The major shareholder of the investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	4,812,514	277,201	1.94	277,201	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	10,506,792	211,712	1.19	211,712	
	Ding Ding Hotel Corp.	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - noncurrent	213,442	6,154	0.21	6,154	
	Picvue Electronics Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	161,700	-	0.06	-	
FMT	Everest Textile Co., Ltd.	The chairman of the investor's major shareholder is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	18,314,020	136,256	2.64	136,256	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	2,256,782	45,474	0.25	45,474	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	1,185,713	29,346	0.08	29,346	
	Yi Tong Fiber Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	2,628,227	15,408	5.94	15,408	
FDT	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - current	350,146	4,429	0.01	4,429	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	3,254,125	65,571	0.37	65,571	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	935,029	23,142	0.07	23,142	
	Ding & Ding Management Consultants Co., Ltd.	The investor is the corporate supervisor of the investee	Financial assets at fair value through other comprehensive income - noncurrent	2,053,530	8,376	16.00	8,376	
AEE	Ding & Ding Management Consultants Co., Ltd.	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	646,873	900	5.04	900	
YLPPC	Yamay International Development Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	15	-	-	-	
AIC	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	122,000	4,085,066	-	4,085,066	
	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	8,000,000	299,200	-	299,200	
	Yuanta Taiwan High Dividend Low Volatility ETF	-	Financial assets at fair value through profit or loss - current	5,550,000	279,720	-	279,720	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AIC	Taiwan Semiconductor Manufacturing Corp.	-	Financial assets at fair value through profit or loss - current	400,000	\$ 237,200	-	\$ 237,200	
	ASE Technology Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,700,000	229,500	0.04	229,500	
	Hon Hai Precision Industry Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,720,000	179,740	0.01	179,740	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	4,250,000	150,153	-	150,153	
	ASMedia Technology Inc.	-	Financial assets at fair value through profit or loss - current	70,000	127,050	0.10	127,050	
	Taiwan Hon Chuan Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	960,000	120,000	0.59	120,000	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	230,000	108,445	0.04	108,445	
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	1,360,000	107,712	0.02	107,712	
	LOTES Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100,000	107,000	0.09	107,000	
	ASPEED Technology Inc.	-	Financial assets at fair value through profit or loss - current	34,000	106,080	0.09	106,080	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	590,000	103,840	0.06	103,840	
	TXC Corporation	-	Financial assets at fair value through profit or loss - current	1,020,000	100,572	0.34	100,572	
	China Mobile Communications Corporation	-	Financial assets at fair value through profit or loss - current	378,000	95,504	-	95,504	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	1,330	95,208	-	95,208	
	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	180,000	93,600	0.26	93,600	
	Yuanta Global 5G Key Technology ETF	-	Financial assets at fair value through profit or loss - current	2,800,000	93,520	-	93,520	
	China Construction Bank Corporation, A share	-	Financial assets at fair value through profit or loss - current	2,500,000	70,441	-	70,441	
	Hsing Ta Cement Co., Ltd.	-	Financial assets at fair value through profit or loss - current	3,679,650	67,154	1.08	67,154	
	Anhui Conch Cement Company Limited	-	Financial assets at fair value through profit or loss - current	880,000	61,897	0.02	61,897	
	MediaTek Inc.	-	Financial assets at fair value through profit or loss - current	40,000	40,600	-	40,600	
	China Resources Cement Holdings Limited	-	Financial assets at fair value through profit or loss - current	5,376,000	35,634	0.08	35,634	
	Tripod Technology Corporation	-	Financial assets at fair value through other comprehensive income - current	1,360,000	265,200	0.26	265,200	
	Far EasTone	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	1,426,303	113,819	0.04	113,819	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AIC	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	159,863,267	\$ 2,022,270	3.93	\$ 2,022,270	
	Ding Shen Investment Co., Ltd.	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	40,328,640	435,146	18.00	435,146	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	11,361,972	281,209	0.80	281,209	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	1,552,156	31,276	0.18	31,276	
	Hsin Nan Construction Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	2,696	-	-	-	
ACE	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
	Cementon Micronesia L.L.C.	-	Financial assets at fair value through other comprehensive income - noncurrent	100	119,555	10.00	119,555	
ACP II	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP III	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP IV	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	5,000	167,746	-	167,746	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ACM	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	\$ 337,052	-	\$ 337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACM II	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACM III	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACM IV	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACL	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
FSMS	Stone Industry Resource System Corp	-	Financial assets at fair value through other comprehensive income - noncurrent	10,000	70	0.15	70	
YLT	Polaris Taiwan Top 50 Tracker Fund	-	Financial assets at fair value through profit or loss - current	350,000	47,408	-	47,408	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	3,573,284	45,202	0.09	45,202	
KCC	CSOP FTSE China A50 ETF	-	Financial assets at fair value through profit or loss - current	300,000	13,253	-	13,253	
KCCL	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	1,606	109,488	-	109,488	
	Allianz US High Yield Fund	-	Financial assets at fair value through profit or loss - current	97,741	17,172	-	17,172	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ACSPL	Opas Fund Segregated Portfolio Tranche B	Related party in substance	Financial assets at fair value through profit or loss - current	6,660	\$ 235,540	-	\$ 235,540	
	United Emerging Markets Bond Funds	-	Financial assets at fair value through profit or loss - current	3,232,758	68,175	-	68,175	
	United Growth Fund	-	Financial assets at fair value through profit or loss - current	745,068	65,288	-	65,288	
	DBS Group	-	Financial assets at fair value through profit or loss - current	34,396	26,661	-	26,661	
	Guocoland Ltd.	-	Financial assets at fair value through profit or loss - current	26,666	916	-	916	
	Hong Leong Asia	-	Financial assets at fair value through profit or loss - current	20,000	283	-	283	
	INTRACO	-	Financial assets at fair value through profit or loss - current	46,875	283	-	283	
	Engro Corp Ltd.	-	Financial assets at fair value through profit or loss - current	2,000	35	-	35	
OCPL	Hiap Hoe Ltd.	-	Financial assets at fair value through profit or loss - current	44,260	657	-	657	
ACCHC	Opas Fund Segregated Portfolio Tranche B	Related party in substance	Financial assets at fair value through profit or loss - current	7,308	265,135	-	265,135	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	2,428	173,807	-	173,807	
	Opas Fund Segregated Portfolio Tranche A	Related party in substance	Financial assets at fair value through profit or loss - current	4,202	161,485	-	161,485	

Note 1: Marketable securities in this table are shares, bonds, beneficiary certificates and securities derived from these items under IFRS 9 “Financial Instruments: Recognition and Measurement”.

Note 2: The carrying amounts of financial instruments measured at fair values are adjusted for fair value less accumulated impairment loss; the carrying amounts of financial instruments not measured at fair values are the original cost or amortized cost less accumulated impairment loss.

Note 3: 5,000 thousand shares (\$123,750 thousand) of the securities are pledged as collaterals for bank loans of DCI.

(Concluded)

TABLE 4

ASIA CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount
The Corporation	Far EasTone Telecommunications Co., Ltd.	Financial assets at fair value through profit or loss - current	NTT Docomo, Inc.	-	-	\$ -	153,543,573	\$ 10,023,324	-	\$ -	\$ -	\$ -	153,543,573	\$ 12,252,777 (Note)

Note: The amount includes related adjustment items such as unrealized gains and losses of financial assets and first day gains on financial instruments.

TABLE 5

ASIA CEMENT CORPORATION AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
FMT	Land	March 7, 2023	\$ 1,052,000	Based on contract terms	Oriental Union Chemical Corp.	Other related parties	Far Eastern International Bank Co., Ltd.	Other related parties	October 2004	\$ 150,840	Market value and valuation report	For operation	-

TABLE 6

ASIA CEMENT CORPORATION AND SUBSIDIARIES

**TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Corporation	YTRMC	A subsidiary of the Corporation	Sales	\$ (2,736,304)	(25)	Purchase 45 days after monthly closing	\$ -	-	\$ 536,436	41	
	ACSPL	A subsidiary of the Corporation	Sales	(592,588)	(5)	Average 30 days	-	-	81,486	6	
	U-Ming	An investee accounted for by equity method	Sales freight expense	476,193	5	Purchase 30 days after monthly closing	-	-	(62,662)	(3)	
	NHC	A subsidiary of the Corporation	Purchase	350,600	4	Purchase 45 days after monthly closing	-	-	(32,667)	(2)	
	U-Ming Singapore	A subsidiary of an investee accounted for by equity method	Freight-in	340,914	4	Average 10 days	-	-	-	-	
	YSRMC	A sub-subsidiary of the Corporation	Sales	(301,318)	(3)	Purchase 45 days after monthly closing	-	-	63,297	5	
	YLT	A subsidiary of the Corporation	Sales freight expense	149,428	2	Average 30 days	-	-	(25,041)	(1)	
	CHC Resources Corporation	Other related party	Sales	(142,845)	(1)	Purchase 45 days after monthly closing	-	-	14,641	1	
YTRMC	The Corporation	Parent company	Purchase	2,736,304	24	Purchase 45 days after monthly closing	-	-	(536,436)	(20)	
	CHC Resources Corporation	Other related party	Purchase	532,182	5	Purchase 45 days after monthly closing	-	-	(83,513)	(3)	
	Far Eastern General Construction Inc.	Other related party	Sales	(199,133)	(1)	Average 90 days	-	-	108,279	2	
ACSPL	Alliance Concrete Singapore Pte. Ltd.	An investee accounted for by equity method	Sales	(962,081)	(82)	Average 60 days	-	-	188,939	67	
	The Corporation	Parent company	Purchase	592,588	59	Average 30 days	-	-	(81,486)	(45)	
FMT	FENC	An investee accounted for by equity method	Sales	(321,073)	(29)	Purchase 30 days after monthly closing	-	-	39,663	19	
	Air Liquide Far Eastern Co.	Other related party	Sales	(219,844)	(20)	Purchase 90 days after monthly closing	-	-	94,843	45	
NHC	The Corporation	Parent company	Sales	(350,600)	(56)	Purchase 45 days after monthly closing	-	-	32,667	35	
	CHC Resources Corporation	Other related party	Sales	(103,056)	(17)	Purchase 45 days after monthly closing	-	-	9,773	10	
YSRMC	The Corporation	Parent company	Purchase	301,318	31	Purchase 45 days after monthly closing	-	-	(63,297)	(31)	
YLT	CHC Resources Corporation	Other related party	Sales	(256,194)	(61)	Purchase 30 days after monthly closing	-	-	27,830	51	
	The Corporation	Parent company	Sales	(149,428)	(35)	Average 30 days	-	-	25,041	46	
FDT	Oriental Union Chemical Corp	Other related party	Sales	(137,976)	(19)	Purchase 75 days after monthly closing	-	-	10,981	10	
	Oriental Petrochemical (Taiwan) Co., Ltd.	Other related party	Sales	(123,940)	(17)	Purchase 110 days after monthly closing	-	-	39,383	36	
JYDC	YYDCCL	The same ultimate parent company	Sales	(1,332,837)	(9)	Within 50 days	-	-	96,759	30	
	TZOCCL	The same ultimate parent company	Sales	(587,637)	(4)	Within 50 days	-	-	31,530	10	
	NYDC	A subsidiary of the Corporation	Purchase	568,303	4	Within 50 days	-	-	(14,396)	(3)	
	RYNM	A subsidiary of the Corporation	Sales	(520,001)	(3)	Within 50 days	-	-	58,282	18	
	HGYDC	The same ultimate parent company	Purchase	431,600	3	Within 50 days	-	-	(36,983)	(8)	
	WAMTC	An investee accounted for by equity method	Sales freight expense	299,361	2	Within 90 days	-	-	(69,529)	(15)	
	NYDC	A subsidiary of the Corporation	Sales	(286,641)	(2)	Within 50 days	-	-	5,949	2	
	WYDC	The same ultimate parent company	Sales	(246,442)	(2)	Within 50 days	-	-	12,856	4	
	JYLTC	A subsidiary of the Corporation	Sales freight expense	229,585	2	Within 50 days	-	-	(15,426)	(3)	
YYDCCL	JYDC	The same ultimate parent company	Purchase	1,332,837	68	Within 50 days	-	-	(96,759)	(85)	
TZOCCL	JYDC	The same ultimate parent company	Purchase	587,637	91	Within 50 days	-	-	(31,530)	(93)	
SIYDCCL	SLCL	The same ultimate parent company	Sales	(522,681)	(9)	Within 90 days	-	-	36,435	5	
SLCL	SIYDCCL	The same ultimate parent company	Purchase	522,681	15	Within 90 days	-	-	(36,435)	(18)	
	SYTCL	The same ultimate parent company	Sales freight expense	185,661	5	Within 90 days	-	-	(18,233)	(9)	

(Continued)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
NYDC	JYDC	Parent company	Sales	\$ (568,303)	(100)	Within 50 days	\$ -	-	\$ 14,396	100	
			Purchase	286,641	51	Within 50 days	-	-	(5,949)	(51)	
HGYDC	JYDC	The same ultimate parent company	Sales	(431,600)	(14)	Within 50 days	-	-	36,983	15	
	HYDCCL	The same ultimate parent company	Sales	(423,067)	(13)	Within 50 days	-	-	65,527	27	
HYDCCL	HGYDC	The same ultimate parent company	Purchase	423,067	10	Within 50 days	-	-	(65,527)	(33)	
	WAMTC	An investee accounted for by equity method	Sales freight expense	116,296	3	Within 90 days	-	-	(17,414)	(9)	
RYNM	JYDC	Parent company	Purchase	520,001	99	Within 50 days	-	-	(58,282)	(100)	
JYLTC	JYDC	Parent company	Sales	(229,585)	(72)	Within 50 days	-	-	15,426	64	
WYDC	JYDC	The same ultimate parent company	Purchase	246,442	50	Within 50 days	-	-	(12,856)	(49)	
SYTCL	SLCL	The same ultimate parent company	Sales	(185,661)	(73)	Within 90 days	-	-	18,233	48	

(Concluded)

TABLE 7

ASIA CEMENT CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
The Corporation	YTRMC	A subsidiary of the Corporation	\$ 619,470	5.14 times	\$ -	-	\$ 270,589	\$ -
ACSPL	Alliance Concrete Singapore Pte. Ltd.	An investee accounted for by equity method	188,939	5.52 times	-	-	90,309	-
YTRMC	Far Eastern General Construction Inc.	Other related party	108,279	3.04 times	-	-	32,199	-
HYDCCL	ACCHC	Parent company	1,444,737	Note	-	-	-	-
HGYDC	ACCHC	Parent company	1,094,968	Note	-	-	-	-
WYDC	ACCHC	Parent company	306,459	Note	-	-	-	-
SIYDCCL	SYCPCL	The same ultimate parent company	216,658	Note	-	-	-	-
OIHPL	ACCHC	Parent company	194,710	Note	-	-	-	-
SLCL	SLCCL	A subsidiary of the Corporation	164,633	Note	-	-	-	-
JYDC	SHYLCP	The same ultimate parent company	106,151	Note	-	-	-	-

Note: The accounts receivable from financing.

TABLE 8

ASIA CEMENT CORPORATION AND SUBSIDIARIES

**NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
The Corporation	ACCHC	Cayman	Investment	\$ 13,660,637	\$ 13,660,637	1,061,209,202	67.73	\$ 48,798,708	\$ 246,663	\$ 167,065	A subsidiary of the Corporation
	FENC	Taiwan	Textile	3,459,787	3,459,787	1,272,277,085	23.77	40,923,992	8,229,199	1,347,844	A subsidiary of the Corporation
	DCI	Taiwan	Investment	2,556,220	2,556,033	775,225,091	99.99	16,594,311	929,879	929,860	
	U-Ming	Taiwan	Marine transportation	510,236	510,236	331,701,152	39.25	13,226,464	2,738,915	1,149,273	A subsidiary of the Corporation
	CHP	Taiwan	Power plant	8,502,050	8,502,050	568,307,076	99.70	10,902,935	1,039,876	1,036,804	
	AIC	Taiwan	Investment	1,212,679	1,212,679	499,426,678	100.00	7,015,327	441,433	441,433	A subsidiary of the Corporation
	CSCGL	Cayman	Investment	4,821,008	4,821,008	331,878,315	7.62	6,926,148	(3,523,119)	(336,389)	A subsidiary of the Corporation
	ACSPL	Singapore	Cement	188,508	188,338	10,500,000	100.00	6,212,167	440,788	440,759	
	YTRMC	Taiwan	Ready-mixed concrete, cement - related products	1,042,274	1,042,261	199,992,732	99.99	4,811,387	1,678,375	1,678,334	A subsidiary of the Corporation
	YDC	Taiwan	Investment	2,232,220	2,232,220	178,707,648	35.50	3,210,877	290,787	98,164	A subsidiary of the Corporation
	YYI	Taiwan	Investment	911,059	911,058	155,000,830	29.92	2,536,323	131,971	39,487	
	YLSS	Taiwan	Stainless steel	2,661,240	2,661,240	200,000,000	100.00	2,379,045	(118,161)	(126,448)	A subsidiary of the Corporation
	FMT	Taiwan	Transportation	70,279	70,279	58,520,371	99.95	1,852,992	251,802	251,676	A subsidiary of the Corporation
	OSC	Taiwan	Broker	90,157	154,207	79,929,133	18.93	1,323,421	212,373	40,409	A subsidiary of the Corporation
	FEDSDL	Taiwan	Retails	500,000	500,000	53,250,000	25.00	588,630	163,838	40,960	
	YDLC	Taiwan	Leasing	309,049	309,049	34,640,189	43.60	383,596	20,946	9,132	A subsidiary of the Corporation
	NHC	Taiwan	Cement, granulated blast-furnace slag	411,108	411,106	26,139,000	99.98	340,402	60,853	60,841	
	YLT	Taiwan	Transportation	25,015	25,015	5,160,817	51.61	294,518	46,592	24,046	A subsidiary of the Corporation
	YLPPC	Taiwan	Cement - related products	145,166	145,079	16,271,969	83.97	224,235	63,465	53,273	A subsidiary of the Corporation
	AEE	Taiwan	Engineering	8,223	7,929	8,108,397	99.93	177,896	21,472	21,415	A subsidiary of the Corporation
	EISF	Taiwan	Iron and steel	31,463	31,463	3,199,823	40.40	95,514	39,204	15,839	A subsidiary of the Corporation
	SIHL	B.V.I.	Investment	2,898	2,898	90,000	100.00	63,462	3,820	3,820	
DCI	FEC	Taiwan	Construction	140,138	140,138	145,125,985	33.76	5,420,207	1,190,353	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	1,263,385	1,263,385	82,812,887	1.55	2,630,146	8,229,199	Not applicable	
	ACM IV	B.V.I.	Investment	1,058,465	1,058,465	36,100,000	80.04	1,394,587	(33,285)	Not applicable	A sub-subsidiary of the Corporation
	ACL	B.V.I.	Investment	1,127,257	1,127,257	38,400,000	81.01	1,379,752	(31,563)	Not applicable	A sub-subsidiary of the Corporation
	YDC	Taiwan	Investment	289,987	289,987	72,989,438	14.50	1,319,920	290,787	Not applicable	A sub-subsidiary of the Corporation
	ACM	B.V.I.	Investment	1,106,342	1,106,342	37,700,000	80.73	1,285,207	(26,317)	Not applicable	
	CSCGL	Cayman	Investment	872,619	872,619	56,297,000	1.29	1,173,991	(3,523,119)	Not applicable	A sub-subsidiary of the Corporation
	ACM III	B.V.I.	Investment	842,828	842,828	29,200,000	76.44	1,030,761	(13,685)	Not applicable	
	ACM II	B.V.I.	Investment	842,828	842,828	29,200,000	76.44	992,629	(11,559)	Not applicable	A sub-subsidiary of the Corporation

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
DCI	KCC	Hong Kong	Cement	\$ 36,024	\$ 36,024	1,127,000	49.00	\$ 509,184	\$ 48,222	Not applicable	A sub-subsidiary of the Corporation
	ACP	B.V.I.	Investment	272,804	-	9,000,000	10.29	337,608	(101,392)	Not applicable	A sub-subsidiary of the Corporation
	ACP II	B.V.I.	Investment	272,804	-	9,000,000	19.27	334,491	(32,500)	Not applicable	A sub-subsidiary of the Corporation
	ACP IV	B.V.I.	Investment	272,804	-	9,000,000	23.68	318,929	(22,692)	Not applicable	A sub-subsidiary of the Corporation
	ACP III	B.V.I.	Investment	272,804	-	9,000,000	23.56	299,831	(27,342)	Not applicable	A sub-subsidiary of the Corporation
	Catalyst Tranche Three	Cayman	Investment	236,880	236,880	8,000	25.00	262,099	11,333	Not applicable	A sub-subsidiary of the Corporation
	Catalyst Tranche Two	Cayman	Investment	223,440	223,440	8,000	25.00	258,356	15,102	Not applicable	
	ACE	B.V.I.	Investment	272,804	-	9,000,000	23.01	258,255	(19,758)	Not applicable	
	Catalyst Tranche One	Cayman	Investment	123,120	123,120	4,000	25.00	136,353	7,123	Not applicable	A sub-subsidiary of the Corporation
	FSMS	Taiwan	Mining excavation, mineral processing and sales	112,096	112,096	1,294,270	99.56	123,915	(1,740)	Not applicable	
	U-Ming	Taiwan	Marine transportation	27,619	27,619	468,486	0.06	35,077	2,738,915	Not applicable	
NHC	CSCGL	Cayman	Investment	282,957	282,957	9,250,000	0.21	192,214	(3,523,119)	Not applicable	A sub-subsidiary of the Corporation
	PGIC	Taiwan	Granulated blast-furnace slag	36,771	36,771	3,287,550	31.00	56,469	22,322	Not applicable	
	FENC	Taiwan	Textile	15,240	15,240	1,739,978	0.03	42,689	8,229,199	Not applicable	
	U-Ming	Taiwan	Marine transportation	1,027	1,027	64,143	0.01	1,627	2,738,915	Not applicable	
YTRMC	YTV	Vietnam	Ready-mixed concrete	201,823	201,823	(Note)	100.00	305,883	(9,981)	Not applicable	A sub-subsidiary of the Corporation
	YSRMC	Taiwan	Ready-mixed concrete	69,955	69,955	6,995,000	69.95	204,128	138,881	Not applicable	A sub-subsidiary of the Corporation
	AOG	Guam	Investment	236,240	236,240	(Note)	95.04	(18,549)	903	Not applicable	A sub-subsidiary of the Corporation
FMT	FDT	Taiwan	Transportation	31,463	31,463	37,972,227	99.97	697,197	107,900	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	28,773	28,773	3,155,299	0.06	83,044	8,229,199	Not applicable	
FDT	YDEC	Taiwan	Retail	160,424	160,424	36,588,627	26.95	684,376	134,398	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	31,322	31,322	1,020,000	0.02	32,649	8,229,199	Not applicable	
	U-Ming	Taiwan	Marine transportation	1,891	1,891	50,000	0.01	2,490	2,738,915	Not applicable	
AEE	CSCGL	Cayman	Investment	266,942	266,942	8,368,000	0.19	173,895	(3,523,119)	Not applicable	A subsidiary of the Corporation
	ACCHC	Cayman	Investment	50,541	50,541	3,161,500	0.20	106,059	246,663	Not applicable	
	U-Ming	Taiwan	Marine transportation	38,931	38,931	3,485,997	0.41	63,554	2,738,915	Not applicable	
YLPPC	YDEC	Taiwan	Retail	20,776	20,776	5,282,199	3.89	98,707	134,398	Not applicable	A sub-subsidiary of the Corporation
	AOG	Guam	Investment	66,816	66,816	(Note)	4.96	(968)	903	Not applicable	
AIC	ACP	B.V.I.	Investment	2,368,331	2,368,331	78,450,000	89.71	2,943,324	(101,392)	Not applicable	A sub-subsidiary of the Corporation
	ACP II	B.V.I.	Investment	1,103,822	1,103,822	37,700,000	80.73	1,401,322	(32,500)	Not applicable	A sub-subsidiary of the Corporation
	ACP IV	B.V.I.	Investment	849,522	849,522	29,000,000	76.32	1,027,900	(22,692)	Not applicable	A sub-subsidiary of the Corporation
	ACP III	B.V.I.	Investment	849,828	849,828	29,200,000	76.44	972,798	(27,342)	Not applicable	A sub-subsidiary of the Corporation
	ACE	B.V.I.	Investment	878,454	878,454	30,115,000	76.99	864,106	(19,758)	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	405,473	405,473	15,430,293	0.29	672,051	8,229,199	Not applicable	A sub-subsidiary of the Corporation
	CSCGL	Cayman	Investment	556,895	556,895	31,528,000	0.72	656,621	(3,523,119)	Not applicable	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
AIC	ACM IV	B.V.I.	Investment	\$ 272,804	\$ -	9,000,000	19.96	\$ 347,776	\$ (33,285)	Not applicable	A sub-subsidiary of the Corporation
	ACL	B.V.I.	Investment	272,804	-	9,000,000	18.99	323,435	(31,563)	Not applicable	A sub-subsidiary of the Corporation
	ACM III	B.V.I.	Investment	272,804	-	9,000,000	23.56	317,697	(13,685)	Not applicable	A sub-subsidiary of the Corporation
	ACM	B.V.I.	Investment	272,804	-	9,000,000	19.27	306,775	(26,317)	Not applicable	A sub-subsidiary of the Corporation
	ACM II	B.V.I.	Investment	272,804	-	9,000,000	23.56	305,944	(11,559)	Not applicable	A sub-subsidiary of the Corporation
	U-Ming	Taiwan	Marine transportation	77,446	77,446	7,796,914	0.92	135,508	2,738,915	Not applicable	A subsidiary of the Corporation
	EISF	Taiwan	Iron and steel	15,649	15,649	660,000	8.33	19,694	39,204	Not applicable	
	CHP	Taiwan	Power plant	376	376	45,568	0.01	850	1,039,876	Not applicable	
	FMT	Taiwan	Transportation	176	176	9,900	0.02	272	251,802	Not applicable	A subsidiary of the Corporation
	FDT	Taiwan	Transportation	110	110	9,717	0.03	199	107,900	Not applicable	A sub-subsidiary of the Corporation
	FSMS	Taiwan	Mining excavation, mineral processing and sales	119	119	5,000	0.38	125	(1,740)	Not applicable	A sub-subsidiary of the Corporation
	AEE	Taiwan	Engineering	116	116	6,000	0.07	120	21,472	Not applicable	A subsidiary of the Corporation
	NHC	Taiwan	Cement, granulated blast-furnace slag	78	78	5,000	0.02	80	60,853	Not applicable	A subsidiary of the Corporation
	DCI	Taiwan	Investment	76	76	7,029	-	76	929,879	Not applicable	A subsidiary of the Corporation
	YTRMC	Taiwan	Ready-mixed concrete, cement - related products	53	53	7,268	-	53	1,678,375	Not applicable	A subsidiary of the Corporation
	YSRMC	Taiwan	Ready-mixed concrete	37	37	5,000	0.05	44	138,881	Not applicable	A sub-subsidiary of the Corporation
YLT	U-Ming	Taiwan	Marine transportation	58,840	58,840	6,348,103	0.75	359,851	2,738,915	Not applicable	
ACE	CSCGL	Cayman	Investment	266,882	266,882	7,480,000	0.17	155,498	(3,523,119)	Not applicable	
	Opas Fund Segregated Portfolio Company	Cayman	Investment	1,531	1,531	33	33.00	1,761	226	Not applicable	
	Drive Catalyst SPC	Cayman	Investment	494	494	33	33.00	539	53	Not applicable	
ACP	CSCGL	Cayman	Investment	1,959,250	1,959,250	107,536,000	2.47	2,244,557	(3,523,119)	Not applicable	
ACP II	CSCGL	Cayman	Investment	544,689	544,689	36,865,000	0.85	770,598	(3,523,119)	Not applicable	
ACP III	CSCGL	Cayman	Investment	290,967	290,967	14,790,000	0.34	308,806	(3,523,119)	Not applicable	
ACP IV	CSCGL	Cayman	Investment	292,032	292,032	18,514,000	0.43	388,089	(3,523,119)	Not applicable	
ACL	CSCGL	Cayman	Investment	567,556	567,556	35,569,000	0.82	743,467	(3,523,119)	Not applicable	
ACM	CSCGL	Cayman	Investment	554,533	554,533	30,251,000	0.70	633,214	(3,523,119)	Not applicable	
ACM II	CSCGL	Cayman	Investment	293,393	293,393	16,058,000	0.37	335,577	(3,523,119)	Not applicable	
ACM III	CSCGL	Cayman	Investment	292,743	292,743	18,477,000	0.42	384,133	(3,523,119)	Not applicable	
ACM IV	CSCGL	Cayman	Investment	504,078	504,078	37,410,000	0.86	781,098	(3,523,119)	Not applicable	
KCC	KCCL	Hong Kong	Ready-mixed concrete	39	39	10,000	100.00	187,364	18,701	Not applicable	A sub-subsidiary of the Corporation
	JFTL	B.V.I.	Investment	73,369	73,538	2,427,307	100.00	7,314	1,452	Not applicable	A sub-subsidiary of the Corporation

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
JFTL	Profit Enterprises Int’l Ltd.	Hong Kong	Barge transportation	\$ 4,755	\$ 4,766	6,100,000	50.00	\$ 6,403	\$ 3,136	Not applicable	
AOG	Perez-Mtec-ACC, LLC	Guam	Ready-mixed concrete	9,197	9,198	-	33.33	43	-	Not applicable	
	AOC	Guam	Ready-mixed concrete	243,707	243,747	-	71.68	(32,032)	831	Not applicable	A sub-subsidiary of the Corporation
ACSPL	ACCHC	Cayman	Investment	613,100	613,200	63,790,798	4.07	2,932,389	246,663	Not applicable	A subsidiary of the Corporation
	Alliance Concrete Singapore Pte. Ltd.	Singapore	Ready-mixed concrete	162,400	159,530	6,000,000	50.00	645,238	516,297	Not applicable	
	OCPL	Singapore	Ready-mixed concrete, leasing	394,400	387,430	17,000,000	100.00	290,404	6,702	Not applicable	A sub-subsidiary of the Corporation
ACCHC	PIHPL	B.V.I.	Investment	26,995,192	26,999,595	9,719,535	100.00	81,929,376	1,241,767	Not applicable	A sub-subsidiary of the Corporation

Note: This is not a company limited by shares.

(Concluded)

TABLE 9

ASIA CEMENT CORPORATION AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
SHYLCF	It manufactures and sells ready-mixed concrete and cement - related products	US\$15,000 (equivalent to NT\$459,825 thousand)	(2)	US\$12,000 (equivalent to NT\$367,860 thousand)	\$ -	\$ -	US\$12,000 (equivalent to NT\$367,860 thousand)	RMB12,761 (equivalent to NT\$56,346 thousand)	72.00	RMB9,188 (equivalent to NT\$40,570 thousand)	RMB19,786 (equivalent to NT\$85,637 thousand)	US\$800 (equivalent to NT\$24,524 thousand)
JYDC	It manufactures and sells cement, clinker and ready-mixed concrete (including cement - related products).	US\$356,104 (equivalent to NT\$10,916,368 thousand)	(2)	US\$143,817 (equivalent to NT\$4,408,710 thousand)	-	-	US\$143,817 (equivalent to NT\$4,408,710 thousand)	RMB275,143 (equivalent to NT\$1,214,891 thousand)	68.40	RMB188,198 (equivalent to NT\$830,986 thousand)	RMB4,365,039 (equivalent to NT\$18,892,544 thousand)	US\$50,781 (equivalent to NT\$1,556,692 thousand) RMB1,286,535 (equivalent to NT\$5,568,316 thousand)
WYDC	It manufactures and sells cement, slag powder and slag cement.	US\$36,140 (equivalent to NT\$1,107,872 thousand)	(2)	US\$26,550 (equivalent to NT\$813,890 thousand)	-	-	US\$26,550 (equivalent to NT\$813,890 thousand)	RMB9,733 (equivalent to NT\$42,976 thousand)	72.00	RMB7,008 (equivalent to NT\$30,944 thousand)	RMB448,762 (equivalent to NT\$1,942,309 thousand)	US\$4,469 (equivalent to NT\$136,997 thousand) RMB3,533 (equivalent to NT\$15,291 thousand)
SHYFCF	It manufactures and sells ready-mixed concrete and cement - related products	N/A	N/A	US\$1,270 (equivalent to NT\$38,932 thousand)	-	-	US\$1,270 (equivalent to NT\$38,932 thousand)	N/A	N/A	N/A	N/A	-
OHC	Investment	US\$204,191 (equivalent to NT\$6,259,475 thousand)	(2)	US\$55,000 (equivalent to NT\$1,686,025 thousand)	-	-	US\$55,000 (equivalent to NT\$1,686,025 thousand)	RMB(29,307) (equivalent to NT\$(129,405) thousand)	72.00	RMB(21,101) (equivalent to NT\$(93,171) thousand)	RMB2,470,371 (equivalent to NT\$10,692,136 thousand)	US\$809 (equivalent to NT\$24,800 thousand)
NYLC	It manufactures and sells ready-mixed concrete and cement - related products	RMB60,000 (equivalent to NT\$259,689 thousand)	(2)	-	-	-	-	RMB(9,375) (equivalent to NT\$(41,395) thousand)	68.40	RMB(6,412) (equivalent to NT\$(28,312) thousand)	RMB96,582 (equivalent to NT\$418,021 thousand)	-
NYDC	It manufactures and sells cement, slag powder and slag cement.	RMB90,000 (equivalent to NT\$389,534 thousand)	(2)	-	-	-	-	RMB(5,045) (equivalent to NT\$(22,276) thousand)	52.20	RMB(2,634) (equivalent to NT\$(11,630) thousand)	RMB72,270 (equivalent to NT\$312,795 thousand)	-
SIYDCCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$368,340 (equivalent to NT\$11,291,463 thousand)	(2)	US\$94,594 (equivalent to NT\$2,899,779 thousand)	-	-	US\$94,594 (equivalent to NT\$2,899,779 thousand)	RMB274,704 (equivalent to NT\$1,212,953 thousand)	72.00	RMB197,787 (equivalent to NT\$873,327 thousand)	RMB4,122,169 (equivalent to NT\$17,841,366 thousand)	US\$27,009 (equivalent to NT\$827,961 thousand) RMB679,103 (equivalent to NT\$2,939,260 thousand)
CYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	US\$4,100 (equivalent to NT\$125,686 thousand)	(2)	US\$2,100 (equivalent to NT\$64,376 thousand)	-	-	US\$2,100 (equivalent to NT\$64,376 thousand)	RMB1,730 (equivalent to NT\$7,639 thousand)	72.00	RMB1,246 (equivalent to NT\$5,502 thousand)	RMB51,472 (equivalent to NT\$222,779 thousand)	US\$77 (equivalent to NT\$2,360 thousand) RMB2,129 (equivalent to NT\$9,215 thousand)
JYLTC	Transportation	RMB12,500 (equivalent to NT\$54,102 thousand)	(2)	-	-	-	-	RMB(543) (equivalent to NT\$(2,398) thousand)	70.12	RMB(381) (equivalent to NT\$(1,682) thousand)	RMB23,487 (equivalent to NT\$101,655 thousand)	-
HYDCCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$154,800 (equivalent to NT\$4,745,394 thousand)	(2)	US\$57,600 (equivalent to NT\$1,765,728 thousand)	-	-	US\$57,600 (equivalent to NT\$1,765,728 thousand)	RMB(154,097) (equivalent to NT\$(680,414) thousand)	72.00	RMB(110,950) (equivalent to NT\$(489,899) thousand)	RMB1,453,129 (equivalent to NT\$6,289,360 thousand)	US\$12,990 (equivalent to NT\$398,208 thousand) RMB233,831 (equivalent to NT\$1,012,056 thousand)

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
CYSPC	Slag powder	N/A	N/A	US\$980 (equivalent to NT\$30,042 thousand)	\$ -	\$ -	US\$980 (equivalent to NT\$30,042 thousand)	N/A	N/A	N/A	N/A	-
SYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	US\$3,300 (equivalent to NT\$101,162 thousand)	(2)	US\$2,970 (equivalent to NT\$91,045 thousand)	-	-	US\$2,970 (equivalent to NT\$91,045 thousand)	RMB2,050 (equivalent to NT\$9,052 thousand)	72.00	RMB1,476 (equivalent to NT\$6,517 thousand)	RMB9,732 (equivalent to NT\$42,122 thousand)	-
SYTCL	Transportation	US\$3,500 (equivalent to NT\$107,293 thousand)	(2)	US\$3,150 (equivalent to NT\$96,563 thousand)	-	-	US\$3,150 (equivalent to NT\$96,563 thousand)	RMB1,013 (equivalent to NT\$4,473 thousand)	72.00	RMB729 (equivalent to NT\$3,219 thousand)	RMB32,212 (equivalent to NT\$139,418 thousand)	US\$992 (equivalent to NT\$30,410 thousand)
YYDCCL	Cement, slag powder and ready-mixed concrete (including cement - related products)	US\$35,530 (equivalent to NT\$1,089,172 thousand)	(2)	US\$15,849 (equivalent to NT\$485,851 thousand)	-	-	US\$15,849 (equivalent to NT\$485,851 thousand)	RMB(35,229) (equivalent to NT\$(155,553) thousand)	72.00	RMB(25,365) (equivalent to NT\$(111,999) thousand)	RMB243,297 (equivalent to NT\$1,053,026 thousand)	US\$1,016 (equivalent to NT\$31,145 thousand) RMB41,990 (equivalent to NT\$181,739 thousand)
HGYDC	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$86,170 (equivalent to NT\$2,641,541 thousand)	(2)	US\$15,350 (equivalent to NT\$470,554 thousand)	-	-	US\$15,350 (equivalent to NT\$470,554 thousand)	RMB82,614 (equivalent to NT\$364,781 thousand)	72.00	RMB59,482 (equivalent to NT\$262,642 thousand)	RMB1,076,605 (equivalent to NT\$4,659,708 thousand)	US\$1,837 (equivalent to NT\$56,313 thousand) RMB170,105 (equivalent to NT\$736,240 thousand)
HYTCL	Transportation	RMB13,000 (equivalent to NT\$56,266 thousand)	(2)	-	-	-	-	RMB(4,684) (equivalent to NT\$(20,682) thousand)	72.00	RMB(3,372) (equivalent to NT\$(14,889) thousand)	RMB10,077 (equivalent to NT\$43,615 thousand)	-
WYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	RMB60,000 (equivalent to NT\$259,689 thousand)	(2)	-	-	-	-	RMB8,367 (equivalent to NT\$36,944 thousand)	72.00	RMB6,024 (equivalent to NT\$26,599 thousand)	RMB54,914 (equivalent to NT\$237,676 thousand)	-
WYXC	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	RMB90,000 (equivalent to NT\$389,534 thousand)	(2)	-	-	-	-	RMB(59,014) (equivalent to NT\$(260,576) thousand)	64.79	RMB(38,700) (equivalent to NT\$(170,879) thousand)	RMB88,694 (equivalent to NT\$383,881 thousand)	-
HZYCCL	It manufactures and sells ready-mixed concrete and cement - related products	RMB30,000 (equivalent to NT\$129,845 thousand)	(2)	-	-	-	-	RMB(6,330) (equivalent to NT\$(27,950) thousand)	28.80	RMB(1,823) (equivalent to NT\$(8,049) thousand)	RMB13,604 (equivalent to NT\$58,880 thousand)	-
HXMC	Production and sales of limestone	RMB10,000 (equivalent to NT\$43,282 thousand)	(2)	-	-	-	-	RMB(9,281) (equivalent to NT\$(40,980) thousand)	28.80	RMB(2,869) (equivalent to NT\$(12,668) thousand)	RMB4,406 (equivalent to NT\$19,070 thousand)	-
WAMTC	Marine transportation	RMB35,500 (equivalent to NT\$153,649 thousand)	(2)	-	-	-	-	RMB5,071 (equivalent to NT\$22,391 thousand)	34.20	RMB1,766 (equivalent to NT\$7,798 thousand)	RMB36,761 (equivalent to NT\$159,107 thousand)	-
TZOCCL	Cement - related products	US\$16,000 (equivalent to NT\$490,480 thousand)	(2)	-	-	-	-	RMB(3,697) (equivalent to NT\$(16,324) thousand)	72.00	RMB(2,529) (equivalent to NT\$(11,167) thousand)	RMB77,339 (equivalent to NT\$334,735 thousand)	-
SLCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	RMB600,000 (equivalent to NT\$2,596,890 thousand)	(2)	-	-	-	-	RMB98,796 (equivalent to NT\$436,233 thousand)	72.00	RMB69,132 (equivalent to NT\$305,252 thousand)	RMB1,466,517 (equivalent to NT\$6,347,306 thousand)	-
SLCCL	Cement - related products	RMB20,000 (equivalent to NT\$86,563 thousand)	(2)	-	-	-	-	RMB(1,663) (equivalent to NT\$(7,343) thousand)	72.00	RMB(1,197) (equivalent to NT\$(5,285) thousand)	RMB(19,832) (equivalent to NT\$(85,836) thousand)	-
YDES	Real estate leasing and management	RMB1,763,425 (equivalent to NT\$7,632,368 thousand)	(2)	-	-	-	-	RMB(210,309) (equivalent to NT\$(928,617) thousand)	28.80	RMB(60,569) (equivalent to NT\$(267,442) thousand)	RMB413,592 (equivalent to NT\$1,790,088 thousand)	-

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
RYNM	Building materials, products and construction waste	RMB2,000 (equivalent to NT\$8,656 thousand)	(2)	-	\$ -	\$ -	-	RMB(2,586) (equivalent to NT\$(11,418) thousand)	30.78	RMB(796) (equivalent to NT\$(3,515) thousand)	RMB23,396 (equivalent to NT\$101,261 thousand)	-
JRYNM	Mineral resource mining, port management, waterway general goods transportation and construction	RMB10,000 (equivalent to NT\$43,282 thousand)	(2)	-	-	-	-	N/A	N/A	N/A	N/A	-
JYDCCL	It manufactures and sells cement grinding, slag powder, doping powder and other building material products	RMB80,000 (equivalent to NT\$346,252 thousand)	(2)	-	-	-	-	RMB1,046 (equivalent to NT\$4,619 thousand)	61.19	RMB640 (equivalent to NT\$2,826 thousand)	RMB49,503 (equivalent to NT\$214,256 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
US\$648,051 (Note 3) (Equivalent to NT\$19,866,003 thousand)	US\$2,284,279 (Equivalent to NT\$70,024,573 thousand)	(Note 4)

- Note 1: The accrual is based on the financial statements audited by independent auditors.
- Note 2: The investor companies were incorporated in Mainland China by a company (2) (ACCHC) which was incorporated in the area other than Taiwan and Mainland China in order to invest in Mainland China.
- Note 3: As of December 31, 2023, accumulated investments in China Shanshui Cement Group Ltd, which is listed at HKEx, and China Shanshui Investment Company Limited were US\$150,620 thousand and US\$66,201 thousand, respectively, which were included in Accumulated Outward Remittance for Investment in Mainland China.
- Note 4: The Corporation obtained certificate No. 11251043680 from Industrial Development Administration, Ministry of Economic Affairs, according to the “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”, the accumulation of fund is not limited.
- Note 5: The foreign currency amounts of original investment amount and carrying amount are expressed in New Taiwan dollars at exchange rate as of December 31, 2023. The foreign currency amount of net income is expressed in New Taiwan dollars at average exchange rate for the year ended December 31, 2023.

(Concluded)

TABLE 10

ASIA CEMENT CORPORATION AND SUBSIDIARIES

**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)**

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
0	The Corporation	YTRMC	1	Sales	\$ 2,821,589	Based on regular terms	4
			1	Accounts receivable	619,470	Based on regular terms	-
		ACSPL	1	Sales	592,588	Based on regular terms	1
		YSRMC	1	Sales	301,318	Based on regular terms	-
1	NHC	The Corporation	2	Sales	350,600	Based on regular terms	-
2	YLT	The Corporation	2	Sales	149,428	Based on regular terms	-
3	ACCHC	PIHPL	1	Dividends receivable	849,987	Based on regular terms	-
4	PIHPL	OIHPL	1	Dividends receivable	849,989	Based on regular terms	-
5	OIHPL	ACCHC	2	Other receivables	194,710	Based on regular terms	-
6	HYDCCL	ACCHC	2	Other receivables	1,444,737	Based on regular terms	-
7	JYDC	YYDCCL	3	Sales	1,332,837	Based on regular terms	2
		TZOCCL	3	Sales	587,637	Based on regular terms	1
		RYNM	1	Sales	520,001	Based on regular terms	1
		NYDC	1	Sales	286,641	Based on regular terms	-
		WYDC	3	Sales	246,442	Based on regular terms	-
		SHYLCP	3	Other receivables	106,151	Based on regular terms	-
8	HGYDC	ACCHC	2	Other receivables	1,094,968	Based on regular terms	-
		JYDC	3	Sales	431,600	Based on regular terms	1
		HYDCCL	3	Sales	423,067	Based on regular terms	1
9	SIYDCCL	SLCL	1	Sales	522,681	Based on regular terms	1
		SYCPCL	3	Other receivables	216,658	Based on regular terms	-
10	NYDC	JYDC	2	Sales	568,303	Based on regular terms	1
11	WYDC	ACCHC	2	Other receivables	306,459	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
12	JY LTC	JYDC	2	Sales	\$ 229,585	Based on regular terms	-
13	SYTCL	SLCL	3	Sales	185,661	Based on regular terms	-
14	SLCL	SLCCL	1	Other receivables	164,633	Based on regular terms	-

Note: 1. Parent to subsidiary.
2. Subsidiary to parent.
3. Between subsidiaries.

(Concluded)

TABLE 11**ASIA CEMENT CORPORATION****INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
FENC	750,511,324	21.16
Far Eastern Medical Foundation	182,775,987	5.15

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

Asia Cement Corporation

**Financial Statements for the
Years Ended December 31, 2023 and 2022 and
Independent Auditors' Report**

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

Opinion

We have audited the accompanying financial statements of Asia Cement Corporation (the "Corporation"), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Corporation's financial statements for the year ended December 31, 2022 are described as follows:

Estimated Impairment of Trade Receivables in Subsidiaries Accounted for
Using the Equity Method in Mainland China

With the impact of the recession in the PRC property market and the downward pressure on the economy in 2023, the property developers and the constructors who were the indirect and ultimate customers of the Corporation's subsidiaries accounted for using the equity method in mainland China respectively faced massive debt and cash flow issues. The management of the Corporation estimates the amount of lifetime expected credit losses (ECLs) of trade receivables based on a provision matrix through the grouping of various debtors that have common risk characteristics, after considering the aging and repayment history of the respective trade receivables. Estimated loss rates are based on historically observed default rates over the expected life of the debtors and are adjusted for forward-looking information. Because the ECLs on the respective trade receivables involve significant judgments and uncertainties, we considered the estimated impairment of trade receivables in subsidiaries accounted for using the equity method in mainland China as one of the key audit matters.

The corresponding audit procedures that we performed for the estimated impairment of the above trade receivables were as follows:

1. We obtained an understanding of the relevant key controls over the assessment and monitoring of credit risks and the determination of the allowance for ECLs.
2. We evaluated the model used by management in determining the allowance for ECLs.
3. We challenged management's basis and judgment in determining the credit loss allowance on trade receivables of subsidiaries accounted for using the equity method in mainland China as of the balance sheet date, including their identification and provision of credit-impaired trade receivables and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).
4. We tested the integrity of the information used by management to develop the provision matrix, including the aging analysis of trade receivables of subsidiaries accounted for using the equity method in mainland China as of balance sheet date, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.

Fair Value Measurement of Investment Properties

Investment properties of Asia Cement Corporation are subsequently measured using the fair value model and valued by an independent qualified professional appraiser, a member of the ROC certified real estate appraisers; refer to Notes 5 and 15 to the financial statements for the details. Because the valuation of investment properties involves significant judgments and uncertainties, we considered the fair value measurement of investment properties as one of the key audit matters.

The corresponding audit procedures that we performed for the fair value measurement of investment properties were as follows:

1. We assessed the professional competence and independence of the appraiser engaged by management, obtained an understanding of the appraiser's scope of work and process of engagement and confirmed that no circumstances affect the appraiser's independence or limit the scope of his work.
2. We obtained an understanding of and assessed the reasonableness of management's assumptions and methods used in the valuation.
3. We sample-tested items from management's supporting documents, verified the valuation process used by management, recalculated the fair value of investment properties and assessed the reasonableness of management's calculation.

Other Matter

As of December 31, 2023 and 2022, the financial statements of China Shanshui Cement Group Limited (CSCGL), an associate accounted for using the equity method, were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the accompanying financial statements for CSCGL, is based solely on the reports of other auditors. As of December 31, 2023 and 2022, the aggregate carrying amount of the equity-method investments in CSCGL was NT\$15,867,704 thousand and NT\$16,885,170 thousand, representing 6.2% and 7.1%, respectively, of the total assets. For the years ended December 31, 2023 and 2022, the share of profit or loss of CSCGL was NT\$(770,763) thousand and NT\$396,223 thousand, representing (6.8%) and 3.1%, respectively, of the profit before income tax.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chen, Pei De.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2024

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally applied in the Republic of China.

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

ASIA CEMENT CORPORATION

BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 31)	\$ 3,917,101	2	\$ 5,085,265	2
Financial assets at fair value through profit or loss - current (Note 7)	13,341,659	5	1,442,750	1
Financial assets at fair value through other comprehensive income - current (Note 8)	2,476,543	1	2,045,165	1
Financial assets at amortized cost - current (Notes 6, 9 and 31)	4,978,295	2	4,856,236	2
Note receivable - third parties	102,785	-	78,916	-
Trade receivables				
Third parties (Note 10)	403,751	-	373,671	-
Related parties (Notes 10 and 31)	801,575	-	703,131	-
Other receivables (Note 31)	226,616	-	158,416	-
Inventories (Note 11)	1,675,436	1	1,641,979	1
Prepayments (Note 31)	166,754	-	128,060	-
Other current assets	<u>2,388</u>	-	<u>1,357</u>	-
Total current assets	<u>28,092,903</u>	<u>11</u>	<u>16,514,946</u>	<u>7</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	6,704,087	3	6,058,267	3
Investments accounted for using the equity method (Notes 12, 31 and 32)	165,320,651	65	161,409,598	68
Property, plant and equipment (Notes 13, 31 and 32)	5,148,625	2	4,356,609	2
Right-of-use assets (Note 14)	398,019	-	464,730	-
Investment properties (Notes 15 and 32)	44,149,087	17	43,308,034	18
Intangible assets (Note 16)	6,277	-	2,095	-
Deferred tax assets (Note 26)	161,548	-	3,902	-
Other non-current assets (Notes 17, 22 and 31)	<u>4,570,221</u>	<u>2</u>	<u>4,429,211</u>	<u>2</u>
Total non-current assets	<u>226,458,515</u>	<u>89</u>	<u>220,032,446</u>	<u>93</u>
TOTAL	<u>\$ 254,551,418</u>	<u>100</u>	<u>\$ 236,547,392</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ -	-	\$ 500,000	-
Short-term bills payable (Note 19)	20,312,517	8	16,423,990	7
Contract liabilities - current (Note 24)	104,713	-	140,872	-
Accounts payable and accrued expenses				
Third parties	1,994,710	1	1,654,486	1
Related parties (Note 31)	256,297	-	280,650	-
Dividends and bonuses payable	256,906	-	255,000	-
Current tax liabilities (Note 26)	505,931	-	463,599	-
Lease liabilities - current (Note 14)	91,789	-	83,397	-
Deferred revenue - current (Note 21)	33,152	-	75,912	-
Current portion of long-term liabilities (Note 20)	<u>10,000,000</u>	<u>4</u>	<u>20,129</u>	-
Total current liabilities	<u>33,556,015</u>	<u>13</u>	<u>19,898,035</u>	<u>8</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 20)	39,100,000	16	45,100,000	19
Long-term borrowings (Note 20)	2,060,000	1	-	-
Provisions - non-current	133,756	-	73,316	-
Deferred tax liabilities (Note 26)	9,877,033	4	9,917,476	4
Lease liabilities - non-current (Note 14)	38,581	-	93,086	-
Deferred revenue - non-current (Note 21)	587,006	-	620,157	1
Other non-current liabilities	<u>29,131</u>	-	<u>28,475</u>	-
Total non-current liabilities	<u>51,825,507</u>	<u>21</u>	<u>55,832,510</u>	<u>24</u>
Total liabilities	<u>85,381,522</u>	<u>34</u>	<u>75,730,545</u>	<u>32</u>
EQUITY (Note 23)				
Share capital	<u>35,465,629</u>	<u>14</u>	<u>35,459,276</u>	<u>15</u>
Capital surplus	<u>8,574,119</u>	<u>3</u>	<u>6,005,713</u>	<u>2</u>
Retained earnings				
Legal reserve	22,558,401	9	21,318,344	9
Special reserve	66,660,987	26	66,656,628	28
Unappropriated earnings	<u>28,691,020</u>	<u>11</u>	<u>27,220,222</u>	<u>12</u>
Total retained earnings	<u>117,910,408</u>	<u>46</u>	<u>115,195,194</u>	<u>49</u>
Other equity	<u>7,219,740</u>	<u>3</u>	<u>4,156,664</u>	<u>2</u>
Total equity	<u>169,169,896</u>	<u>66</u>	<u>160,816,847</u>	<u>68</u>
TOTAL	<u>\$ 254,551,418</u>	<u>100</u>	<u>\$ 236,547,392</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)	\$ 11,140,246	100	\$ 10,742,667	100
OPERATING COSTS (Notes 11, 25 and 31)	<u>9,291,434</u>	<u>83</u>	<u>9,041,271</u>	<u>84</u>
GROSS PROFIT	1,848,812	17	1,701,396	16
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>(4,089)</u>	<u>-</u>	<u>2,952</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>1,844,723</u>	<u>17</u>	<u>1,704,348</u>	<u>16</u>
OPERATING EXPENSES				
Administrative expenses (Notes 25 and 31)	610,194	6	608,041	6
Expected credit loss (gain) (Note 10)	<u>2,582</u>	<u>-</u>	<u>(440)</u>	<u>-</u>
Total operating expenses	<u>612,776</u>	<u>6</u>	<u>607,601</u>	<u>6</u>
OPERATING INCOME	<u>1,231,947</u>	<u>11</u>	<u>1,096,747</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 25)	1,020,343	9	663,851	6
Other gains and losses (Note 25)	2,271,171	20	401,857	4
Finance costs (Note 25)	(641,785)	(6)	(466,565)	(5)
Share of profit of subsidiaries and associates	7,024,008	63	10,820,856	101
Interest income	<u>378,648</u>	<u>4</u>	<u>197,913</u>	<u>2</u>
Total non-operating income and expenses	<u>10,052,385</u>	<u>90</u>	<u>11,617,912</u>	<u>108</u>
PROFIT BEFORE INCOME TAX	11,284,332	101	12,714,659	118
INCOME TAX EXPENSE (Note 26)	<u>401,506</u>	<u>3</u>	<u>698,263</u>	<u>6</u>
NET INCOME FOR THE YEAR	<u>10,882,826</u>	<u>98</u>	<u>12,016,396</u>	<u>112</u>

(Continued)

ASIA CEMENT CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME, NET				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ 1,077,198	10	\$ (83,273)	(1)
Remeasurement of defined benefit plans	70,454	-	190,182	2
Share of other comprehensive income (loss) of subsidiaries and associates	<u>3,233,211</u>	<u>29</u>	<u>(336,484)</u>	<u>(3)</u>
	<u>4,380,863</u>	<u>39</u>	<u>(229,575)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive (loss) income of subsidiaries and associates	<u>(1,308,896)</u>	<u>(12)</u>	<u>4,215,466</u>	<u>39</u>
Other comprehensive income for the year, net of income tax	<u>3,071,967</u>	<u>27</u>	<u>3,985,891</u>	<u>37</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,954,793</u>	<u>125</u>	<u>\$ 16,002,287</u>	<u>149</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 3.28</u>		<u>\$ 3.63</u>	
Diluted	<u>\$ 3.28</u>		<u>\$ 3.62</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

ASIA CEMENT CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

							Other Equity					
	Share Capital Issued		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation	Cash Flow Hedges	Total	Total Equity
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2022	3,545,572	\$ 35,455,721	\$ 5,986,339	\$ 19,783,405	\$ 66,476,869	\$ 28,739,477	\$ (7,411,875)	\$ 6,928,068	\$ 911,178	\$ 57,741	\$ 485,112	\$ 156,926,923
Appropriation of 2021 earnings												
Legal reserve	-	-	-	1,534,939	-	(1,534,939)	-	-	-	-	-	-
Special reserve	-	-	-	-	411,137	(411,137)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(12,054,945)	-	-	-	-	-	(12,054,945)
Net profit for the year ended December 31, 2022	-	-	-	-	-	12,016,396	-	-	-	-	-	12,016,396
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	303,336	4,327,499	(646,338)	828	566	3,682,555	3,985,891
Convertible bonds converted to ordinary shares	356	3,555	8,350	-	-	-	-	-	-	-	-	11,905
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	11,293	-	-	-	-	-	-	-	-	11,293
Actual acquisition of interests in subsidiaries	-	-	(269)	-	-	(166)	-	-	-	-	-	(435)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	11,003	-	(11,003)	-	-	(11,003)	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	(80,181)	-	-	-	-	-	(80,181)
Special reserve reversed	-	-	-	-	(231,378)	231,378	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	3,545,928	35,459,276	6,005,713	21,318,344	66,656,628	27,220,222	(3,084,376)	6,270,727	912,006	58,307	4,156,664	160,816,847
Appropriation of 2022 earnings												
Legal reserve	-	-	-	1,240,057	-	(1,240,057)	-	-	-	-	-	-
Special reserve	-	-	-	-	377,005	(377,005)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(8,155,633)	-	-	-	-	-	(8,155,633)
Net profit for the year ended December 31, 2023	-	-	-	-	-	10,882,826	-	-	-	-	-	10,882,826
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	176,149	(1,333,630)	2,944,346	1,285,314	(212)	2,895,818	3,071,967
Convertible bonds converted to ordinary shares	635	6,353	13,537	-	-	-	-	-	-	-	-	19,890
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	2,554,402	-	-	-	-	-	-	-	-	2,554,402
Actual acquisition of interests in subsidiaries	-	-	461	-	-	(80)	-	-	-	-	-	381
Changes in ownership interests in subsidiaries	-	-	6	-	-	(5)	-	-	-	-	-	1
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	(167,258)	-	167,258	-	-	167,258	-
Other changes in equity from investments in subsidiaries and associates accounted for using the equity method	-	-	-	-	-	(20,785)	-	-	-	-	-	(20,785)
Special reserve reversed	-	-	-	-	(372,646)	372,646	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	<u>3,546,563</u>	<u>\$ 35,465,629</u>	<u>\$ 8,574,119</u>	<u>\$ 22,558,401</u>	<u>\$ 66,660,987</u>	<u>\$ 28,691,020</u>	<u>\$ (4,418,006)</u>	<u>\$ 9,382,331</u>	<u>\$ 2,197,320</u>	<u>\$ 58,095</u>	<u>\$ 7,219,740</u>	<u>\$ 169,169,896</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

ASIA CEMENT CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 11,284,332	\$ 12,714,659
Adjustments for:		
Depreciation expenses	486,824	470,936
Amortization expenses	1,334	1,214
Expected credit loss recognized (reversed) on trade receivables	2,582	(440)
Net (gain) loss on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	(1,072,577)	739,665
Finance costs	641,785	466,565
Interest income	(378,648)	(197,913)
Dividend income	(848,823)	(381,245)
Share of profit of subsidiaries and associates	(7,024,008)	(10,820,856)
Gain on disposal of property, plant and equipment	(2,975)	(3,773)
Unrealized (realized) on transactions with subsidiaries and associates	4,089	(2,952)
Unrealized loss (gain) on foreign exchange	52,061	(902,914)
Gain on changes in fair value of investment properties	(839,686)	(409,484)
Day 1 gains for financial instruments	(847,560)	-
Gain on modification of lease	(343)	-
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(10,027,610)	(276,300)
Notes receivable	(23,869)	7,131
Trade receivables	(132,025)	(161,716)
Other receivables	(69,503)	(13,343)
Inventories	(34,345)	(284,594)
Prepayments	(31,103)	(25,216)
Other current assets	(1,031)	2,613
Net defined benefit assets	(49,177)	(26,217)
Contract liabilities	(36,159)	53,822
Accounts payable and accrued expenses	200,520	(174,990)
Provisions	60,440	(17,527)
Deferred revenue	(75,911)	(75,912)
Cash (used in) generated from operations	(8,761,386)	681,213
Interest received	379,950	159,063
Dividends received	7,848,917	8,512,577
Interest paid	(591,197)	(489,904)
Income tax paid	(574,877)	(357,956)
Net cash (used in) generated from operating activities	(1,698,593)	8,504,993
		(Continued)

ASIA CEMENT CORPORATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (95,788)
Purchase of financial assets at amortized cost	(151,131)	-
Proceeds from sale of financial assets at amortized cost	-	1,615,106
Proceeds from capital reduction of investments accounted for using equity method	567,841	-
Payments for property, plant and equipment	(1,108,193)	(460,378)
Proceeds from disposal of property, plant and equipment	11,768	3,825
Increase in refundable deposits	(3,766)	(29,402)
Payments for intangible assets	(4,766)	-
Payments for investment properties	(1,367)	(579)
Proceeds from the sale of derivatives held for non-trading purposes	<u>48,500</u>	<u>-</u>
Net cash (used in) generated from investing activities	<u>(641,114)</u>	<u>1,032,784</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term bank borrowings	(500,000)	500,000
Increase in short-term bills payable	3,880,000	2,430,000
Proceeds from issuance of bonds	4,000,000	-
Proceeds from long-term borrowings	2,460,000	1,100,000
Repayments of long-term borrowings	(400,000)	(2,050,000)
Increase (decrease) in guarantee deposits received	656	(315)
Repayment of the principal portion of lease liabilities	(90,727)	(89,567)
Dividends paid	(8,155,562)	(12,054,870)
Acquisition of additional interests in subsidiaries	<u>(754)</u>	<u>(189)</u>
Net cash generated from (used in) financing activities	<u>1,193,613</u>	<u>(10,164,941)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(22,070)</u>	<u>441,034</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,168,164)	(186,130)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>5,085,265</u>	<u>5,271,395</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,917,101</u>	<u>\$ 5,085,265</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2024)

(Concluded)

ASIA CEMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Asia Cement Corporation (the “Corporation”) was incorporated in March 1957. It manufactures and sells cement, clinker, cement-related products and ready-mixed concrete, and engages in leasing activities. The Corporation is also required to undertake reforestation activities in designated areas. The Corporation’s shares have been listed on the Taiwan Stock Exchange since June 1962.

In June 1992 and September 1996, certain shares of the Corporation were sold by Far Eastern New Century Corporation (FENC) in the form of global depositary shares (GDSs). Such GDSs have been quoted through the SEAQ system of the London Stock Exchange and traded through the portal system of the National Association of Securities Dealers, Inc.

On March 25, 2021, in order to reduce the related management costs, the Corporation’s board of directors resolved to terminate the GDSs program and to delist from the London Stock Exchange. In March 2022, the termination procedure was completed.

The financial statements are presented in the Corporation’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Corporation’s board of directors and authorized for issue on March 5, 2024.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards will be effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

Except for the above impact, as of the date the financial statements were authorized for issue, the Corporation has assessed that the application of other standards and interpretations will not have a material impact on the Corporation's financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the financial statements were authorized for issue, the Corporation is continuously assessing the possible impact of the application of the above standards and interpretations on the Corporation's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- a. Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

- b. Basis of preparation

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

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

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

When preparing its parent company only financial statements, the Corporation used equity method to account for its investment in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same as the amounts attributable to the owner of the Corporation in its consolidated financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and consolidated basis were made to investments accounted for using the equity method, share of profit or loss of subsidiaries and associates, share of other comprehensive income or loss of subsidiaries and associates and related equity items, as appropriate, in the parent company only financial statements.

The properties were leased out to subsidiaries for their operations, and are classified as property plant and equipment in the consolidated financial statements. Under IFRS Accounting Standards, these properties are classified as investment properties in parent company only financial statements. In 2014, the subsequent fair value model.

In order for the amounts of the net profit for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Corporation in its consolidated financial statements, the investment properties leased out to entities were measured at fair value model with the decrease in total equity and net profit for the year recorded in “investments accounted for using the equity method” and “share of profit or loss of subsidiaries and associates”.

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash 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:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the parent company only financial statements are authorized for issue; and
- 3) Liabilities for which the Corporation does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

d. Foreign currencies

In preparing the parent company only financial statements, transactions in currencies other than the Corporation's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

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

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purpose of presenting the parent company only financial statements, the assets and liabilities of the Corporation's foreign operations (including subsidiaries and associates in other countries or those that use currencies which are different from the currency of the Corporation) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

f. Investment in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Corporation's share of profit or loss and other comprehensive income (loss) of the subsidiary. The Corporation also recognizes the changes in the Corporation's share of equity of subsidiaries.

Changes in the Corporation's ownership interest in a subsidiary that do not result in the Corporation losing control of the subsidiary are equity transactions. The Corporation recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

Any excess of the cost of acquisition over the Corporation's share of net fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation's share of net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

The Corporation assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the entire financial statements of the invested company. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Corporation recognizes the reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Corporation loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Corporation had directly disposed of the related assets or liabilities.

Profits or losses resulting from downstream transactions are eliminated in full only in the parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized only in the parent company only financial statements only to the extent of interests in the subsidiaries that are not related to the Corporation.

g. Investment in associates

An associate is an entity over which the Corporation has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Corporation uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Corporation's share of profit or loss and other comprehensive income of the associate. The Corporation also recognizes the changes in the Corporation's share of equity of associates.

Any excess of the cost of acquisition over the Corporation's share of net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation's share of net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Corporation subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Corporation's proportionate interest in the associate. The Corporation records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Corporation's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the

adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is deducted from the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Corporation transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the parent company only financial statements only to the extent of unrelated parties' interests in the associate.

The Corporation's share of comprehensive income of associates is recognized using the treasury share method if there are reciprocal holdings between investors and investees. The reciprocally held shares of the Corporation are treated as treasury shares and are deducted from the outstanding shares in computing basic earnings per share.

h. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss. Major renewals and betterments are capitalized, while maintenance and repairs are expensed currently.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Items produced when testing whether an item of property, plant and equipment is functioning properly before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those items and the cost of those items are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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

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

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are initially measured at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

For a transfer from property, plant and equipment to investment property at the end of owner-occupation, any difference between the fair value and the carrying amount of the property at the date of transfer is recognized in other comprehensive income. The revaluation increment is accumulated in equity and transferred directly to retained earnings when the asset is derecognized.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

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

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

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

l. Financial instruments

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

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

Financial assets

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

1) Measurement category

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

a) Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 30.

b) Financial assets at amortized cost

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

- i. The financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows; and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables, notes receivable, other receivables and debt instruments at amortized cost, are measured at amortized cost, which is the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset.

Cash equivalents include time deposits, bonds sold under repurchase agreements and commercial papers with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

c) Investments in equity instruments at FVTOCI

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

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

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

2) Impairment of financial assets

The Corporation recognizes a loss allowance for expected credit losses (ECLs) on financial assets at amortized cost (including trade receivables) as well as finance lease receivables at the end of each reporting period.

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

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

Impairment loss on all financial instruments is recognized with a corresponding adjustment to their carrying amounts through a loss allowance account.

3) Derecognition of financial assets

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

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

Financial liabilities

1) Subsequent measurement

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

2) Derecognition of financial liabilities

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

Convertible bonds

The component parts of convertible bonds issued by the Corporation are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the liability component are included in the carrying amount of the liability component. Transaction costs relating to the equity component are recognized directly in equity.

Derivative financial instruments

The Corporation enters into cross-currency swap contracts to manage its exposure to interest rate and foreign exchange rate risks.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the mixed contracts are not measured at FVTPL.

m. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows

n. Revenue recognition

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

Revenue from the sale of goods mainly comes from sales of cement and clinker; sales are recognized as revenue when the goods are delivered to the customers' specified locations, which is that the time the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. The advance receipts before the delivery of goods are recognized as contract liabilities and reclassified to revenue after the goods are transferred to the customers.

o. Leases

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

For a contract that contains a lease component and non-lease components, the Corporation allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Corporation as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, the lease payments comprise fixed payments, variable lease payments which depend on an index or a rate, and residual value guarantees. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Corporation's net investment outstanding in respect of leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

When a lease includes both land and building elements, the Corporation assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Corporation as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Corporation uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Corporation remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Corporation accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the balance sheets.

The Corporation negotiates with the lessor for rent concessions as a direct consequence of Covid-19 to change the lease payments originally due by June 30, 2022, which results in the revised consideration for the lease substantially the same as, or less than, the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Corporation elects to apply the practical expedient to all of these rent concession and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Corporation recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

3) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Corporation can no longer withdraw the offer of the termination benefit and when the Corporation recognizes any related restructuring costs.

q. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. If investment properties measured using the fair value model are non-depreciable assets, or are held under a business model whose objective is not to consume substantially all of the economic benefits embodied in the assets over time, the carrying amounts of such assets are presumed to be recovered entirely through sale.

3) Current tax and deferred tax for the year

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Corporation considers the possible impact of changes in climates and related governmental policies, and interest rate fluctuations on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

Fair value measurements and valuation process of investment properties

If the Corporation's investment properties measured at fair value have no quoted prices in active markets, the Corporation determines whether to engage third party qualified appraisers for the application of appropriate valuation techniques for fair value measurements in accordance with related regulations or professional standards. The engaged appraisers measure the fair value of investment properties through the income approach and land development analysis approach, and would determine appropriate inputs by reference to the existing lease contract, rentals of similar properties in the vicinity of the Corporation's investment properties, domestic macroeconomic prospects, local land use, and market rates. If the actual changes of inputs in the future differ from expectations, the fair value might vary accordingly.

Information about the valuation techniques and inputs used in determining the fair value of investment properties is disclosed in Note 15.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Checking accounts and demand deposits	\$ 1,363,630	\$ 2,037,880
Petty cash	790	790
Cash on hand	346	347
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	2,241,388	576,167
Repurchase agreements collateralized by bonds	<u>310,947</u>	<u>2,470,081</u>
	<u>\$ 3,971,101</u>	<u>\$ 5,085,265</u>

The market rate intervals of time deposits and repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	December 31	
	2023	2022
Time deposits	2.72%-5.58%	0.88%-4.18%
Repurchase agreements collateralized by bonds	5.58%	1.02%-1.03%

As of December 31, 2023 and 2022, time deposits with original maturities of more than 3 months amounted to \$4,978,295 thousand and \$4,856,236 thousand, respectively.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	2022
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Bond options (Note 20)	\$ -	\$ 279
Cross-currency swap contracts	-	1,492
Non-derivative financial assets		
Beneficiary certificates	730,167	540,781
Domestic and overseas listed shares	<u>12,611,492</u>	<u>900,198</u>
	<u>\$ 13,341,659</u>	<u>\$ 1,442,750</u>

In March 2023, the Corporation acquired 153,544 thousand ordinary shares of Far EasTone Telecommunications Co., Ltd. for a total purchase price of \$10,023,324 thousand (\$65.28 per share), and therefore a gain of \$847,560 thousand, which was accounted for as other gains and losses, was recognized as the difference between the fair value at initial recognition (NT\$70.80 per share) and the transaction price. Refer to Note 25 for the details.

The Corporation entered into cross-currency swap contracts to manage exposures to exchange rate fluctuations. The Corporation's financial hedging strategy is to avoid most of the cash flow risk exposure. As of December 31, 2022, outstanding cross-currency swap contracts not under hedge accounting were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
US\$100,000	2023.12.26	-	3.81%-3.87%

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31			
	2023		2022	
	Current	Non-current	Current	Non-current
Domestic investments				
Listed shares	\$ 2,476,543	\$ 5,759,834	\$ 2,045,165	\$ 4,982,381
Unlisted shares	<u>-</u>	<u>856,770</u>	<u>-</u>	<u>806,214</u>
	<u>2,476,543</u>	<u>6,616,604</u>	<u>2,045,165</u>	<u>5,788,595</u>
Overseas investments				
Unlisted shares	<u>-</u>	<u>87,483</u>	<u>-</u>	<u>269,672</u>
	<u>\$ 2,476,543</u>	<u>\$ 6,704,087</u>	<u>\$ 2,045,165</u>	<u>\$ 6,058,267</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term 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 Corporation's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Time deposits with original maturities of more than 3 months	<u>\$ 4,978,295</u>	<u>\$ 4,856,236</u>

Based on the Corporation's assessment, the credit risk of these financial assets is not expected to be high and has not increased since initial recognition.

10. TRADE RECEIVABLES

	December 31	
	2023	2022
<u>At amortized cost</u>		
Trade receivables - sales	\$ 1,107,497	\$ 998,820
Operating lease receivable	105,715	83,286
Less: Allowance for impairment loss - sales	<u>(7,886)</u>	<u>(5,304)</u>
	<u>\$ 1,205,326</u>	<u>\$ 1,076,802</u>

Trade Receivables - Sales

The average credit period of receivables from sales of goods was 30-60 days. Specific customers with good credit records were given longer credit period occasionally.

The Corporation reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. The Corporation obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Corporation measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

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

The following table details the loss allowance of trade receivables based on the Corporation's provision matrix:

December 31, 2023

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 366 Days	Total
Gross carrying amount	\$ 1,107,497	\$ -	\$ -	\$ -	\$ 1,107,497
Loss allowance (lifetime ECLs)	<u>(7,886)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,886)</u>
Amortized cost	<u>\$ 1,099,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,099,611</u>

December 31, 2022

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 366 Days	Total
Gross carrying amount	\$ 993,241	\$ 5,579	\$ -	\$ -	\$ 998,820
Loss allowance (lifetime ECLs)	<u>(5,248)</u>	<u>(56)</u>	<u>-</u>	<u>-</u>	<u>(5,304)</u>
Amortized cost	<u>\$ 987,993</u>	<u>\$ 5,523</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 993,516</u>

The above aging schedule was based on the invoice date.

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

	December 31	
	2023	2022
Balance at January 1	\$ 5,304	\$ 5,744
Add: Net remeasurement of loss allowance	2,582	-
Less: Reversal of impairment losses recognized on receivables	<u>-</u>	<u>(440)</u>
Balance at December 31	<u>\$ 7,886</u>	<u>\$ 5,304</u>

11. INVENTORIES

	December 31	
	2023	2022
Finished goods	\$ 209,571	\$ 220,088
Work in progress	461,419	335,634
Raw materials	548,618	696,916
Supplies	<u>455,828</u>	<u>389,341</u>
	<u>\$ 1,675,436</u>	<u>\$ 1,641,979</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2023 and 2022 was \$9,127,411 thousand and \$8,803,183 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in subsidiaries	\$ 99,649,374	\$ 98,082,673
Investments in associates	<u>69,214,965</u>	<u>66,507,024</u>
	168,864,339	164,589,697
Less: Effect of investment properties at fair value method	<u>3,543,688</u>	<u>3,180,099</u>
	<u>\$ 165,320,651</u>	<u>\$ 161,409,598</u>

a. Investments in subsidiaries

	December 31	
	2023	2022
Listed shares		
Asia Cement (China) Holdings Corp. (ACCHC)	<u>\$ 48,798,708</u>	<u>\$ 50,215,202</u>
Unlisted shares		
Der Ching Investment Corp. (DCI)	16,594,311	15,612,641
Chiahui Power Corp. (CHP)	10,902,935	11,228,967
Asia Investment Corp. (AIC)	7,002,990	6,072,401
Asia Cement (Singapore) Pte. Ltd. (ACSPL)	6,210,676	5,770,251
Ya Tung Ready-Mixed Concrete Corp. (YTRMC)	4,807,572	4,096,544
Yuan Long Stainless Steel Corp. (YLSS)	2,379,045	2,505,493
Fu Ming Transport Corp. (FMT)	1,852,992	1,555,689
Nan Hwa Cement Corp. (NHC)	340,402	322,911
Yali Transport Corp. (YLT)	294,518	280,364
Ya Li Precast and Prestressed Concrete Industries Corp. (YLPPC)	223,867	169,177
Asia Engineering Corp. (AEE)	177,896	193,391
Sunrise Industrial Holdings Ltd. (SIHL)	<u>63,462</u>	<u>59,642</u>
	<u>50,850,666</u>	<u>47,867,471</u>
	<u>\$ 99,649,374</u>	<u>\$ 98,082,673</u>

At the end of the reporting period, the percentages of owners' voting rights in subsidiaries held by the Corporation were as follows:

Name of Subsidiary	December 31	
	2023	2022
ACCHC	67.73%	67.73%
DCI	99.99%	99.99%
CHP	99.70%	99.70%
AIC	100.00%	100.00%
ACSPL	100.00%	99.99%
YTRMC	99.99%	99.99%
YLSS	100.00%	100.00%
FMT	99.95%	99.95%
NHC	99.98%	99.98%
YLT	51.61%	51.61%
YLPPC	83.97%	83.94%
AEE	99.93%	99.76%
SIHL	100.00%	100.00%

For the year ended December 31, 2023, the Corporation acquired non-controlling interests in its subsidiaries, including DCI, NHC, AEE, YLPPC, YTRMC and ACSPL. Refer to Note 28 for the details.

For the year ended December 31, 2022, the Corporation acquired non-controlling interests in its subsidiaries, including ACSPL, YTRMC, AEE, FMT and YLT. Refer to Note 28 for the details.

Fair values (Level 1) of investments in subsidiaries with available published price quotation are summarized as follows:

Name of Subsidiary	December 31	
	2023	2022
ACCHC	\$ 10,095,877	\$ 15,261,716

b. Investment in associates

	December 31	
	2023	2022
<u>Material associates</u>		
Listed shares		
Far Eastern New Century Corporation (FENC)	\$ 40,923,992	\$ 37,765,199
U-Ming Marine Transport Corp. (U-Ming)	13,226,464	12,762,614
CSCGL	<u>6,926,148</u>	<u>7,370,358</u>
	<u>61,076,604</u>	<u>57,898,171</u>
<u>Associates that are not individually material</u>		
Unlisted shares		
Yuan Ding Leasing Corp. (YDC)	3,210,877	3,094,985
Yue Yuan Investment Corp. (YYI)	2,536,323	2,552,446
Oriental Securities Corp. (OSC)	1,323,421	1,823,386

(Continued)

	December 31	
	2023	2022
FEDS Development Ltd. (FEDSDL)	\$ 588,630	\$ 670,573
Yuan Ding Leasing Corp. (YDLC)	383,596	379,095
Everstrong Iron & Steel Foundry Ltd. (EISF)	<u>95,514</u>	<u>88,368</u>
	<u>8,138,361</u>	<u>8,608,853</u>
	<u>\$ 69,214,965</u>	<u>\$ 66,507,024</u>
		(Concluded)

At the end of the reporting period, the percentages of owners' voting rights in associates held by the Corporation were as follows:

	December 31	
Name of Associate	2023	2022
FENC	23.77%	23.77%
U-Ming	39.25%	39.25%
CSCGL	7.62%	7.62%
YDC	35.50%	35.50%
YYI	29.92%	29.92%
OSC	18.93%	18.93%
FEDSDL	25.00%	25.00%
YDLC	43.60%	43.60%
EISF	40.40%	40.40%

The Corporation is the single largest shareholder with 39.25% and 23.77% of the voting rights of associates U-Ming and FENC, respectively. Considering the size of the Corporation's holding of voting rights relative to the size and dispersion of holdings of the other shareholders and the voting patterns at previous shareholders' meetings, which indicate that other shareholders are not passive, the Corporation is not able to appoint more than half of the members of those charged with governance of U-Ming and FENC. Consequently, the Corporation considered and classified U-Ming and FENC as associates of the Corporation as it is merely able exercise significant influence over U-Ming and FENC.

As of December 31, 2023 and 2022, the information of associates was as follows:

- 1) Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

	December 31	
Name of Associate	2023	2022
FENC	<u>\$ 39,695,045</u>	<u>\$ 40,585,639</u>
U-Ming	<u>\$ 17,281,630</u>	<u>\$ 16,120,676</u>
CSCGL	<u>\$ 724,636</u>	<u>\$ 2,114,078</u>

- 2) The summarized financial information in respect of the Corporation's material associates is set out below:

FENC:

	December 31	
	2023	2022
Current assets	\$ 31,246,560	\$ 28,757,361
Non-current assets	338,807,084	314,896,079
Current liabilities	23,020,673	40,264,848
Non-current liabilities	<u>121,845,358</u>	<u>94,380,114</u>
Equity	225,187,613	209,008,478
Proportion of the Corporation's ownership	23.77%	23.77%
Equity attributable to the Corporation	53,527,096	49,681,315
Cross shareholdings	<u>(12,603,104)</u>	<u>(11,916,116)</u>
Carrying amount	<u>\$ 40,923,992</u>	<u>\$ 37,765,199</u>
	For the Year Ended December 31	
	2023	2022
Operating revenue	<u>\$ 42,846,673</u>	<u>\$ 51,246,072</u>
Net profit for the year	\$ 8,229,199	\$ 8,160,292
Other comprehensive income	<u>5,314,942</u>	<u>3,124,133</u>
Total comprehensive income for the year	<u>\$ 13,544,141</u>	<u>\$ 11,284,425</u>
Dividends received from FENC	<u>\$ 1,717,574</u>	<u>\$ 1,908,416</u>

U-Ming:

	December 31	
	2023	2022
Current assets	\$ 2,728,912	\$ 2,539,272
Non-current assets	61,073,332	59,141,659
Current liabilities	13,783,807	12,443,399
Non-current liabilities	<u>16,320,438</u>	<u>16,532,223</u>
Equity	33,697,999	32,705,309
Proportion of the Corporation's ownership	39.25%	39.25%
Equity attributable to the Corporation	13,226,464	12,836,833
Unrealized gain or loss with associates	<u>-</u>	<u>(74,219)</u>
Carrying amount	<u>\$ 13,226,464</u>	<u>\$ 12,762,614</u>

	For the Year Ended December 31	
	2023	2022
Operating revenue	\$ <u>1,873,771</u>	\$ <u>1,582,956</u>
Net profit for the year	\$ 2,738,915	\$ 4,404,312
Other comprehensive income	<u>788,491</u>	<u>4,974,081</u>
Total comprehensive income for the year	\$ <u>3,527,406</u>	\$ <u>9,378,393</u>
Dividends received from U-Ming	\$ <u>995,103</u>	\$ <u>995,103</u>

CSCGL and its subsidiaries:

	December 31	
	2023	2022
Current assets	\$ 36,633,583	\$ 38,639,587
Non-current assets	96,701,864	99,843,512
Current liabilities	46,461,911	45,951,146
Non-current liabilities	7,074,231	6,974,571
Non-controlling interests	<u>318,898</u>	<u>1,194,175</u>
Equity attributable to CSCGL	79,480,407	84,363,207
Proportion of the Corporation's ownership	7.62%	7.62%
Equity attributable to the Corporation	6,058,549	6,434,832
Goodwill	810,993	810,993
Quarry right	<u>56,606</u>	<u>124,533</u>
Carrying amount	\$ <u>6,926,148</u>	\$ <u>7,370,358</u>

	For the Year Ended December 31	
	2023	2022
Operating revenue	\$ <u>79,992,726</u>	\$ <u>94,781,996</u>
Net (loss) profit for the year	\$ (4,637,360)	\$ 3,339,500
Other comprehensive income (loss)	<u>379,790</u>	<u>(225,366)</u>
Total comprehensive (loss) income for the year	\$ <u>(4,257,570)</u>	\$ <u>3,114,134</u>

3) Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2023	2022
The Corporation's share of:		
Profit for the year	\$ 243,991	\$ 193,207
Other comprehensive income (loss)	<u>201,385</u>	<u>(137,910)</u>
Total comprehensive income for the year	\$ <u>445,376</u>	\$ <u>55,297</u>

4) The amounts of investments in associates pledged as collateral for bank borrowings are disclosed in Note 32.

All the subsidiaries and associates are accounted for using the equity method.

The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2023 and 2022 were based on the subsidiaries' and associates' financial statements which have been audited for the same years.

Refer to Table 8 "Information on Investees" and Table 9 "Information on Investments in Mainland China" for the nature of activities, principal place of business and country of incorporation of the subsidiaries and associates.

13. PROPERTY, PLANT AND EQUIPMENT

Assets Used By the Corporation

	Land	Buildings	Equipment	Other Equipment	Property Under Construction	Total
<u>Cost</u>						
Balance at January 1, 2023	\$ 2,779,385	\$ 4,206,525	\$ 16,981,907	\$ 6,478,238	\$ 291,259	\$ 30,737,314
Additions	1,065	3,452	60,786	271,749	839,662	1,176,714
Disposals	(6,146)	(3,763)	(9,309)	(47,172)	-	(66,390)
Transferred to intangible assets	-	-	-	-	(750)	(750)
Transferred from completed construction	-	2,214	109,885	164,835	(276,934)	-
Balance at December 31, 2023	<u>2,774,304</u>	<u>4,208,428</u>	<u>17,143,269</u>	<u>6,867,650</u>	<u>853,237</u>	<u>31,846,888</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2023	-	3,830,584	16,720,429	5,829,692	-	26,380,705
Disposals	-	(1,145)	(9,309)	(47,143)	-	(57,597)
Depreciation expense	-	35,357	112,562	227,236	-	375,155
Balance at December 31, 2023	-	<u>3,864,796</u>	<u>16,823,682</u>	<u>6,009,785</u>	-	<u>26,698,263</u>
Carrying amounts at December 31, 2023	<u>\$ 2,774,304</u>	<u>\$ 343,632</u>	<u>\$ 319,587</u>	<u>\$ 857,865</u>	<u>\$ 853,237</u>	<u>\$ 5,148,625</u>
<u>Cost</u>						
Balance at January 1, 2022	\$ 2,779,389	\$ 4,204,687	\$ 16,766,051	\$ 6,125,356	\$ 571,476	\$ 30,446,959
Additions	-	686	59,789	120,179	160,626	341,280
Disposals	(4)	-	(11,472)	(39,449)	-	(50,925)
Transferred from completed construction	-	1,152	167,539	272,152	(440,843)	-
Balance at December 31, 2022	<u>2,779,385</u>	<u>4,206,525</u>	<u>16,981,907</u>	<u>6,478,238</u>	<u>291,259</u>	<u>30,737,314</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2022	-	3,792,400	16,607,639	5,671,842	-	26,071,881
Disposals	-	-	(11,472)	(39,401)	-	(50,873)
Reclassification	-	-	5,616	(5,616)	-	-
Depreciation expense	-	38,184	118,646	202,867	-	359,697
Balance at December 31, 2022	-	<u>3,830,584</u>	<u>16,720,429</u>	<u>5,829,692</u>	-	<u>26,380,705</u>
Carrying amounts at December 31, 2022	<u>\$ 2,779,385</u>	<u>\$ 375,941</u>	<u>\$ 261,478</u>	<u>\$ 648,546</u>	<u>\$ 291,259</u>	<u>\$ 4,356,609</u>

No impairment assessment was performed for the years ended December 31, 2023 and 2022 as there was no indication of impairment.

As of December 31, 2023, the titles of land with carrying amount of \$23,326 thousand were temporarily registered in the name of trustees who had either signed an agreement or had pledged the land to the Corporation or to the subsidiaries.

The above items of property, plant and equipment are depreciated on a fixed-percentage-on-declining-balance basis or on a straight-line basis over the estimated useful life of the asset taken apart into major component elements:

Building	
Main buildings	15-55 years
Other facilities	5-15 years
Equipment	2-20 years
Other equipment	3-15 years

Refer to Note 32 for the carrying amounts of property, plant and equipment pledged by the Corporation as collaterals for borrowings.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Land	\$ 18,807	\$ 21,393
Buildings	288,270	328,291
Equipment	<u>90,942</u>	<u>115,046</u>
	<u>\$ 398,019</u>	<u>\$ 464,730</u>
	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	<u>\$ 45,285</u>	<u>\$ 201,421</u>
Depreciation charge for right-of-use assets		
Land	\$ 5,077	\$ 5,033
Buildings	40,022	40,022
Equipment	<u>66,570</u>	<u>66,184</u>
	<u>\$ 111,669</u>	<u>\$ 111,239</u>

b. Lease liabilities

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Current	<u>\$ 91,789</u>	<u>\$ 83,397</u>
Non-current	<u>\$ 38,581</u>	<u>\$ 93,086</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2023	2022
Land	1.30%-1.73%	1.30%-1.32%
Buildings	1.32%	1.30%-1.32%
Equipment	1.32%-1.73%	1.30%-1.32%

c. Material lease-in activities and terms

The Corporation leases harbors, land, buildings and equipment for the use in business operations. Certain lease contracts specify that lease payment will be adjusted on the basis of changes in market rental rates or announced land value prices. The Corporation does not have bargain purchase options to acquire the leasehold assets at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 15.

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	<u>\$ 95,458</u>	<u>\$ 89,274</u>
Expenses relating to low-value asset leases	<u>\$ 51</u>	<u>\$ 51</u>
Total cash outflow for leases	<u>\$ 187,927</u>	<u>\$ 181,679</u>

The Corporation has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for leases that qualify as short-term leases or low-value asset leases.

15. INVESTMENT PROPERTIES

	December 31	
	2023	2022
Measured at fair value		
Leased investment properties	\$ 37,993,326	\$ 37,243,066
Undeveloped investment properties	<u>6,155,761</u>	<u>6,064,968</u>
	<u>\$ 44,149,087</u>	<u>\$ 43,308,034</u>

The movements of investment property were as follows:

	Completed Investment Property	Investment Property under Construction	Total
Balance at January 1, 2023	\$ 37,243,066	\$ 6,064,968	\$ 43,308,034
Changes in fair value of investment properties	748,893	90,793	839,686
Additions	1,367	-	1,367
Reclassification	<u>(4,971,500)</u>	<u>4,971,500</u>	<u>-</u>
Balance at December 31, 2023	<u>\$ 33,021,826</u>	<u>\$ 11,127,261</u>	<u>\$ 44,149,087</u>
Balance at January 1, 2022	\$ 36,932,429	\$ 5,965,542	\$ 42,897,971
Changes in fair value of investment properties	310,058	99,426	409,484
Additions	<u>579</u>	<u>-</u>	<u>579</u>
Balance at December 31, 2022	<u>\$ 37,243,066</u>	<u>\$ 6,064,968</u>	<u>\$ 43,308,034</u>

The investment properties for lease were as follows:

- a. On January 1, 1998, the Corporation granted FEDSDL the right to construct a shopping center on a parcel of land it owned with an area of 6,976 square meters located in Lin-Ya, Kaohsiung. As consideration for the right to construct and the continued use of the land for fifty years, FEDSDL shall pay the following: (a) land use rights in the amount of \$1,073,000 thousand and (b) annual rental at 5% of the reference price of such land announced by the local government. The proceeds of the land use rights were recorded as deferred revenue and recognized as rental revenue on a periodic basis.
- b. The Corporation and Far Eastern Resources Development Co. (FERD) equally owned a parcel of land located at Tun Hwa South Road, Taipei City. Under an agreement entered into with YDC, the Corporation and FERD had agreed on the following: (a) construction of a twin tower building (Taipei Metro) by YDC on the said land, (b) continued use of the land without additional compensation for 30 years starting from the date of the completion of the building. In view of the foregoing agreement, the Corporation recorded the 12% of the building construction cost or \$1,402,753 thousand as building acquired and as long-term deferred revenue, and recognized as revenue on a periodic basis.
- c. Others mainly included the following:
 - 1) Land in Shu-Lin - leased to YLPPC;
 - 2) Land in Taichung Guan-Lien Industrial Zone - leased to NHC;
 - 3) Land and buildings in Lin-Ko, Taichung and Hsi-Chih - leased to YTRMC;
 - 4) Pao-Ching Building - leased to Sofiva Genomics;
 - 5) Land and building in Chayi City;
 - 6) Land and building in Hwalien - leased to YLT;

The lease terms of the abovementioned land and buildings are 1-10 years and the rents are paid monthly. In addition, the old building of Asia Cement Building, which was originally leased to Far Eastern Department Store Ltd. and located on Yanping South Road, Taipei, was approved for demolition and reconstruction in 2023.

The Corporation's undeveloped investment properties included a parcel of land located in Lin-Ya, Kaohsiung, and Yanping South Road, Taipei.

The fair value of investment properties was valued by independent qualified professional appraisers. According to local requirements, entities are required to have an independent appraisal for the investment properties with individual carrying amount of \$300 million or higher. The fair values of investment properties as of December 31, 2023 and 2022 were determined by qualified professional appraisers, Mr. Chang from Savills (Taiwan) Limited on February 17, 2024 and 2023, respectively, and Mr. Tsai and Ms. Hu from DTZ real estate appraisers firm on February 29, 2024 and February 17, 2023, respectively.

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	Completed Investment Property	Investment Property under Construction	Total
Balance at January 1, 2023	\$ 37,243,066	\$ 6,064,968	\$ 43,308,034
Recognized in profit or loss (gain or loss from changes in fair value of investment property)	748,893	90,793	839,686
Purchases	1,367	-	1,367
Transfers into Level 3	<u>(4,971,500)</u>	<u>4,971,500</u>	<u>-</u>
Balance at December 31, 2023	<u>\$ 33,021,826</u>	<u>\$ 11,127,261</u>	<u>\$ 44,149,087</u>
Balance at January 1, 2022	\$ 36,932,429	\$ 5,965,542	\$ 42,897,971
Recognized in profit or loss (gain or loss from changes in fair value of investment property)	310,058	99,426	409,484
Purchases	<u>579</u>	<u>-</u>	<u>579</u>
Balance at December 31, 2022	<u>\$ 37,243,066</u>	<u>\$ 6,064,968</u>	<u>\$ 43,308,034</u>

The fair value measurement of undeveloped land located in Lin-Ya, Kaohsiung and Yanping South Road, Taipei, was measured by land development analysis.

The increase in estimated total selling price, the increase in rate of return, or the decrease in overall capital interest rate would result in an increase in the fair value. The significant assumptions used were as follows:

	December 31	
	2023	2022
Estimated total selling price	<u>\$ 42,225,686</u>	<u>\$ 22,928,412</u>
Rate of return	16%-22%	22%
Overall capital interest rate	6.41%-6.67%	6.12%

The total selling price is estimated on the basis of the most effective use of the land or property available for sale after development is completed, taking into account the related regulations, domestic macroeconomic prospects, local land use, and market rates.

The fair value of investment properties, except for undeveloped land, was measured using the income approach. The significant assumptions used were stated below. The increase in estimated future net cash inflows, or the decrease in discount rates would result in increase in the fair value.

	December 31	
	2023	2022
Expected future cash inflows	\$ 42,252,224	\$ 45,659,776
Expected future cash outflows	<u>1,484,916</u>	<u>1,411,215</u>
Expected future cash inflows, net	<u>\$ 40,767,308</u>	<u>\$ 44,248,561</u>
Discount rate	2.47%-4.90%	2.35%-4.90%

The above fair value measurement has taken into consideration the uncertainty on the volatility in the markets due to the evolution of the COVID-19 pandemic.

The market rentals in the area where the investment properties are located were between \$1 thousand and \$5 thousand per ping (i.e., per 3.3 square meters).

The rental income generated for the years ended December 31, 2023 and 2022 was \$417,422 thousand and \$439,944 thousand, respectively.

The expected future cash inflows to be generated by investment properties include rental income, interest income on rental deposits and disposal value. The rental income was extrapolated using the Corporation's current rental contract, regional and market quotation, taking into account the annual rental growth rate; the income analysis covers a 10-year period, the interest income on rental deposits was extrapolated using the interest rate for one-year central bank-announced demand deposit interest rate; the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows to be incurred by investment properties include expenditure such as land value taxes, house taxes, insurance premium, management costs, maintenance costs and others. These expenditures were extrapolated on the basis of the current level of expenditure, taking into account the future adjustment to the government-announced land value, and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the interest rate for two-year time deposits as posted by Chunghwa Post Co., Ltd., plus 0.75%, or estimated income capitalization rate, whichever is higher, as well as any asset-specific risk premiums. As of December 31, 2023 and 2022, the risk premiums were 0.13%-2.55% and 0.13%-2.68%, respectively.

Refer to Note 32 for the carrying amount of investment properties pledged by the Corporation as collaterals for borrowings.

16. INTANGIBLE ASSETS

	December 31	
	2023	2022
Computer software	<u>\$ 6,277</u>	<u>\$ 2,095</u>

**Computer
Software**

Cost

Balance at January 1, 2023	\$ 109,716
Additions	4,766
Transferred from completed construction	750
Disposals	<u>(26)</u>
Balance at December 31, 2023	<u>115,206</u>

Accumulated amortization and impairment

Balance at January 1, 2023	107,621
Amortization expense	1,334
Disposals	<u>(26)</u>
Balance at December 31, 2023	<u>108,929</u>

Carrying amounts at December 31, 2023	<u>\$ 6,277</u>

Cost

Balance at January 1, 2022	\$ 109,716
Balance at December 31, 2022	<u>109,716</u>

Accumulated amortization and impairment

Balance at January 1, 2022	106,407
Amortization expense	<u>1,214</u>
Balance at December 31, 2022	<u>107,621</u>

Carrying amounts at December 31, 2022	<u>\$ 2,095</u>

The above items of intangible assets are amortized on a straight-line basis over the estimated useful life of the asset. The estimated useful life of computer software is from 2 to 5 years.

17. OTHER ASSETS - NON-CURRENT

	December 31	
	2023	2022
Net defined benefit assets (Note 22)	\$ 3,136,743	\$ 2,999,498
Prepaid investments	1,294,905	1,294,905
Refundable deposits	138,442	134,677
Others	<u>131</u>	<u>131</u>
	<u>\$ 4,570,221</u>	<u>\$ 4,429,211</u>

On March 23, 2017, the Corporation acquired 155 thousand issued shares of China Shanshui Investment Company Limited (CSI) in the amount of HK\$577,662 thousand from six shareholders of CSI under a share purchase agreement. The Corporation already obtained the physical share certificates of the acquired shares of CSI. Pursuant to the Articles of Association of CSI, the share ownership can only be recorded on the register of shareholders if the board of directors of CSI approves the share transfer. The Corporation has submitted all necessary documents to CSI for registration of the share transfer, among which the registration of shares of CSI acquired from two of the six shareholders were completed and the related prepaid investments in the balance sheets were therefore reclassified to financial assets at FVTOCI - non-current.

In addition, Chan Hongqing, a PRC individual, claimed that the shares of CSI which the Corporation acquired from the other four shareholders were pledged as collaterals under a loan contract signed with him on August 17, 2015 and thus applied for arbitration with China International Economic and Trade Arbitration Commission in Beijing. Later, according to an order of the High Court of Hong Kong announced on June 27, 2017, it requested the appointment of interim receivers in respect of the shares of CSI held by the four shareholders until the end of the arbitral proceedings. On May 17, 2018, the High Court of Hong Kong set aside the order before the final award of the arbitration. The arbitral proceeding was therefore withdrawn on June 12, 2018. On March 16, 2021, the proceeding has been rejected by the Court of Appeal of the High Court of Hong Kong.

On October 2, 2018, Chan Hongqing applied to the High Court of Hong Kong for interlocutory relief in another proceeding against the Corporation to prohibit the Corporation and the four CSI shareholders from transferring and registering their CSI shares. The application for interlocutory relief was heard in the High Court of Hong Kong on April 3, 2019 and was dismissed by the High Court of Hong Kong on March 16, 2021. On March 30, 2021, Chan Hongqing filed an appeal against the order made by the High Court of Hong Kong. However, the appeal had been rejected by the High Court of Hong Kong on September 23, 2021. Later, Chan Hongqing filed another appeal to Court of Appeal of Hong Kong on October 7, 2021. However, on July 22, 2022, the appeal has also been rejected by the Court of Appeal of the High Court of Hong Kong. In view of this order, the registration of share transfer will no longer be restricted to the abovementioned application for interlocutory relief.

On March 20, 2023, the Corporation filed an application to the High Court of Hong Kong to strike out Chan Hongqing's claim and dismiss his action. On November 10, 2023, the High Court of Hong Kong rendered a judgment accepting the Corporation's application and ruling to strike out Chan Hongqing's claim and dismiss his action. On December 8, 2023, Chan Hongqing appealed to the Hong Kong Court of Appeal against the decision of the High Court of Hong Kong to dismiss his claim action. The hearing of the application for appeal will be heard in the Hong Kong Court of Appeal on April 30, 2024.

18. SHORT-TERM BORROWINGS

	December 31, 2022
Unsecured	<u>\$ 500,000</u>
Interest rate	1.43%
Final repayment date: Unsecured	2023.01.10

19. SHORT-TERM BILLS PAYABLE

	December 31	
	2023	2022
Commercial paper	\$ 20,330,000	\$ 16,450,000
Less: Unamortized discounts on bills payable	<u>17,483</u>	<u>26,010</u>
	<u>\$ 20,312,517</u>	<u>\$ 16,423,990</u>
Interest rate	1.43%-1.62%	1.43%-1.61%

20. LONG-TERM LIABILITIES

	December 31	
	2023	2022
Bank loans	\$ <u>2,060,000</u>	\$ <u>-</u>
Bonds		
Domestic bonds		
1 st unsecured bonds issued in 2019	6,500,000	6,500,000
2 nd unsecured bonds issued in 2019	3,500,000	3,500,000
1 st unsecured bonds issued in 2020	7,700,000	7,700,000
2 nd unsecured bonds issued in 2020-A	2,800,000	2,800,000
2 nd unsecured bonds issued in 2020-B	2,700,000	2,700,000
3 rd unsecured bonds issued in 2020-A	4,000,000	4,000,000
3 rd unsecured bonds issued in 2020-B	2,200,000	2,200,000
4 th unsecured bonds issued in 2020-A	4,100,000	4,100,000
4 th unsecured bonds issued in 2020-B	5,300,000	5,300,000
1 st unsecured bonds issued in 2021	6,300,000	6,300,000
1 st unsecured bonds issued in 2023	<u>4,000,000</u>	<u>-</u>
	<u>49,100,000</u>	<u>45,100,000</u>
Overseas bonds		
3 rd Euro convertible bonds issued in 2018	<u>-</u>	<u>20,129</u>
	51,160,000	45,120,129
Less: Current portion	<u>10,000,000</u>	<u>20,129</u>
	<u>\$ 41,160,000</u>	<u>\$ 45,100,000</u>

- Bank loans are repayable in installments at varying amounts or in one lump-sum payment prior to December 18, 2025. The Corporation has signed long-term revolving credit facilities with banks. As of December 31, 2023, interest rate intervals were 1.65%-1.66%.
- Domestic bonds are repayable in installments at varying amounts or in one lump-sum on maturity prior to April 27, 2028. As of December 31, 2023 and 2022, interest rates were 0.57%-1.60% and 0.57%-0.88%, respectively.
- In order to repay the debt, save interest expenses, and strengthen the Corporation's financial structure, on September 21, 2018, the Corporation issued US\$215,000 thousand (equivalent to NT\$6,620,710 thousand), which is the third zero coupon Euro convertible bond due in 2023.

The terms of the zero coupon Euro convertible bonds included the following:

1) Final redemption

Unless previously redeemed, repurchased and canceled, or converted, the Bonds will be redeemed on the maturity date at the settlement equivalent of 100.6% of the unpaid principal amount thereof.

2) The bonds are convertible into the Corporation's ordinary shares ("Shares") at any time on or after December 21, 2018 and prior to the close of business on August 22, 2023. The initial conversion price was NT\$42.24 per Share, determined on the basis of a fixed exchange rate of NT\$30.794=US\$1.00.

3) Redemption at the option of the Corporation

At any time on or after September 21, 2021, the Corporation may redeem the bonds in whole, or from time to time in part, at the early redemption amount, if the closing price of the Shares, translated into U.S. dollars at the prevailing rate, during a period of 30 consecutive trading days, is at least 130% of the quotient of the early redemption amount divided by the number of Shares to be issued upon conversion of US\$200,000 principal amount of the bonds on the applicable trading day based on the conversion price then in effect, translated into U.S. dollars at a fixed exchange rate of NT\$30.794=US\$1.00. Notwithstanding the foregoing, at any time, the Corporation may redeem the bonds in whole, but not in part, at the early redemption amount in U.S. dollars if at least 90% in principal amount of the bonds has already been redeemed, repurchased and cancelled, or converted.

4) Redemption at the option of the bondholders

Unless previously redeemed, repurchased and cancelled or converted, each holder will have the right to require the Corporation to redeem in whole or in part of the bonds held by such holder on September 21, 2021 at a redemption price equal to the settlement equivalent of 101.81% of the principal amount in U.S. dollars. Any U.S. dollar denominated amount payable in respect of the bonds will be converted into NT dollars using a fixed exchange rate and then converted back to a U.S. dollar amount using the applicable prevailing rate at the time of redemption.

5) The conversion price shall be subject to adjustment when there is occurrence of, including (but not limited to), the following:

- a) Declaration of dividend in Shares or free distribution or bonus issue of Shares.
- b) Subdivision, consolidation and reclassification of Shares.
- c) Rights issues to shareholders.
- d) Employee share bonus.
- e) Warrants issued to holders of Shares.
- f) Issues of rights or warrants for equity-related securities to holders of Shares.
- g) Capital distributions, other distributions to shareholders.
- h) Issue of convertible or exchangeable securities other than to holders of Shares or on exercise of warrants.
- i) Other issues of Shares.
- j) Issue of equity related securities.

- k) Capital reduction.
- l) Tender or exchange offer.
- m) Any other event or circumstance which would have an effect analogous to any of the events in a) to l) above. After the issuance of the bonds, the conversion price shall be adjusted in accordance with the relevant anti-dilution provisions of the trust deed. As of December 31, 2023, the third euro convertible bonds were fully converted into 185,116 thousand ordinary shares of the Corporation.

21. DEFERRED REVENUE

	December 31	
	2023	2022
Land use right	\$ 518,412	\$ 586,497
Others	<u>101,746</u>	<u>109,572</u>
	<u>\$ 620,158</u>	<u>\$ 696,069</u>
Current	\$ 33,152	\$ 75,912
Non-current	<u>587,006</u>	<u>620,157</u>
	<u>\$ 620,158</u>	<u>\$ 696,069</u>

- a. The deferred revenue on land use rights in Lin-Ya, Kaohsiung granted to FEDSDL (Note 15) is amortized to income over 50 years on a straight-line basis.
- b. The deferred revenue on land use rights of Taipei Metro granted to YDC (Note 15) is amortized to income over 30 years on a straight-line basis.

22. RETIREMENT BENEFIT PLANS

- a. Defined contribution plans

The Corporation adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at specified rate of monthly salaries and wages.

- b. Defined benefit plans

The defined benefit plan adopted by the Corporation in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Corporation contributes amounts equal to 8% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Corporation assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Corporation has no right to influence the investment policy and strategy.

The amounts included in the balance sheets in respect of the Corporation's defined benefit plans were as follows:

	December 31	
	2023	2022
Present value of defined benefit obligation	\$ 529,862	\$ 609,989
Fair value of plan assets	<u>(3,666,605)</u>	<u>(3,609,487)</u>
Surplus	<u>(3,136,743)</u>	<u>(2,999,498)</u>
Net defined benefit asset	<u>\$ (3,136,743)</u>	<u>\$ (2,999,498)</u>

Movements in net defined benefit assets were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2023	<u>\$ 609,989</u>	<u>\$ (3,609,487)</u>	<u>\$ (2,999,498)</u>
Service cost			
Current service cost	2,777	-	2,777
Net interest expense (income)	<u>7,625</u>	<u>(45,119)</u>	<u>(37,494)</u>
Recognized in profit or loss	<u>10,402</u>	<u>(45,119)</u>	<u>(34,717)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(80,535)	(80,535)
Actuarial gain - experience adjustments	<u>(7,533)</u>	<u>-</u>	<u>(7,533)</u>
Recognized in other comprehensive income	<u>(7,533)</u>	<u>(80,535)</u>	<u>(88,068)</u>
Benefits paid	<u>(82,996)</u>	<u>68,536</u>	<u>(14,460)</u>
Balance at December 31, 2023	<u>\$ 529,862</u>	<u>\$ (3,666,605)</u>	<u>\$ (3,136,743)</u>
Balance at January 1, 2022	<u>\$ 709,990</u>	<u>\$ (3,445,544)</u>	<u>\$ (2,735,554)</u>
Service cost			
Current service cost	3,748	-	3,748
Net interest expense (income)	<u>4,260</u>	<u>(20,673)</u>	<u>(16,413)</u>
Recognized in profit or loss	<u>8,008</u>	<u>(20,673)</u>	<u>(12,665)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(182,658)	(182,658)
Actuarial gain - changes in financial assumptions	(30,850)	-	(30,850)
Actuarial gain - experience adjustments	<u>(24,219)</u>	<u>-</u>	<u>(24,219)</u>
Recognized in other comprehensive income	<u>(55,069)</u>	<u>(182,658)</u>	<u>(237,727)</u>
Benefits paid	<u>(52,940)</u>	<u>39,388</u>	<u>(13,552)</u>
Balance at December 31, 2022	<u>\$ 609,989</u>	<u>\$ (3,609,487)</u>	<u>\$ (2,999,498)</u>

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

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

- 2) Interest risk: A decrease in the corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2023	2022
Discount rates	1.25%	1.25%
Expected rates of salary increase	2.00%	2.00%

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

	December 31	
	2023	2022
Discount rate		
0.25% increase	<u>\$ (9,483)</u>	<u>\$ (11,272)</u>
0.25% decrease	<u>\$ 9,747</u>	<u>\$ 11,596</u>
Expected rate of salary increase/decrease		
1.00% increase	<u>\$ 39,728</u>	<u>\$ 47,327</u>
1.00% decrease	<u>\$ (36,355)</u>	<u>\$ (43,158)</u>

The major categories of plan assets at the end of the reporting period are disclosed based on the information announced by the Bureau:

	December 31	
	2023	2022
Equity instruments	75.10	77.18
Deposited in financial institutions	20.33	17.97
Others	<u>4.57</u>	<u>4.85</u>
	<u>100.00</u>	<u>100.00</u>

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

	December 31	
	2023	2022
Expected contributions to the plan for the next year	<u>\$ -</u>	<u>\$ -</u>
Average duration of the defined benefit obligation	7.9 years	8.2 years

23. EQUITY

a. Share capital

	December 31	
	2023	2022
Number of shares authorized (in thousands)	<u>4,000,000</u>	<u>4,000,000</u>
Shares authorized	<u>\$ 40,000,000</u>	<u>\$ 40,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>3,546,563</u>	<u>3,545,928</u>
Shares issued	<u>\$ 35,465,629</u>	<u>\$ 35,459,276</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

The total of 350,000 thousand and 10,000 thousand shares of the Corporation's authorized shares are reserved for the issuance of convertible bonds and employee share option, respectively.

The changes in the number of issued shares of the Corporation was due to the conversion of the convertible bond.

b. Capital surplus

	December 31	
	2023	2022
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Donation	\$ 41,790	\$ 41,790
Conversion of bonds	4,704,190	4,690,084
The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition or disposal	56,192	55,731
Changes in ownership interests in subsidiaries	6	-
Change of capital surplus of subsidiaries and associates accounted for using the equity method (2)	<u>1,759,766</u>	<u>979,309</u>
	<u>6,561,944</u>	<u>5,766,914</u>
<u>May be used to offset a deficit only</u>		
Change of capital surplus of subsidiaries and associates accounted for using the equity method (3)	<u>1,735,502</u>	<u>164,675</u>
<u>May not be used for any purpose</u>		
Share warrants	-	570
Change of capital surplus of subsidiaries and associates accounted for using the equity method	<u>276,673</u>	<u>73,554</u>
	<u>276,673</u>	<u>74,124</u>
	<u>\$ 8,574,119</u>	<u>\$ 6,005,713</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and to once a year).
- 2) Such capital surplus from the effect of changes in associate's ownership interest in its subsidiary that resulted from actual acquisition and disposal of equity may be used to offset a deficit or distributed as cash dividends or share dividends under Article 241-1 of Company Act.
- 3) Such capital surplus from the effect of changes in associate's ownership interest in its subsidiary that resulted from equity transactions other than actual acquisition and disposal may be used to offset a deficit under Article 239-1 of Company Act.

c. Retained earnings and dividends policy

The amendments to the Corporation's Articles of Incorporation (the "Articles") had been approved by the Corporation's shareholders in its meeting held on June 29, 2022, which stipulate that profits distribution or loss appropriation may be made after the end of each quarter. If the distribution of profits is paid in cash, it shall be dealt with by the resolution of the board of directors, and shall be reported to the shareholders' meeting.

Under the dividends policy as set forth in the amended Articles, when the Corporation distributes profits of the first three quarters, it shall first estimate and retain the taxation, employee compensation and directors' remuneration, make up for losses and set aside statutory surplus reserves in accordance with the law. However, when the legal reserve has reached the paid-in capital, it may no longer be listed.

Apart from paying all its income taxes in the case where there are net incomes at the end of the year, the Corporation shall first utilize the sum of said profit and the amount of profit (or loss) items adjusted to the current year's undistributed earnings other than the said profit for offsetting accumulated losses in past years. Where there is still balance, the Corporation shall set aside 10% of the remaining profit as legal reserve provided that the amount of accumulated legal reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a special capital reserve as required by law. Subject to certain business conditions under which the Corporation may retain a portion of the remaining balance, the Corporation may distribute to the shareholders the remainder together with undistributed profits from previous years in proportion to the number of the shares held by each shareholder as shareholders' dividends. However, in the case of an increase in the Corporation's share capital, the shareholders' dividend to be distributed to the shareholders of increased shares for the year shall be decided by the shareholders' meeting. For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 25(g).

The distribution of shareholders' dividend shall take into consideration the changes in the outlook of the Corporation's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Shareholders' dividend shall be distributed with the aim of maintaining stable shareholders' dividend distributions. Save for the purposes of improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required, when distributing shareholders' dividend, the dividend payout ratio each fiscal year shall be no less than 50% of the final surplus which is the sum of after-tax profit of the fiscal year to withhold previous loss, if any, legal reserve and special reserve as required by law; the cash dividend shall not be less than 10% of the total shareholders' dividend distributed in the same year.

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

Pursuant to existing regulations, the Corporation is required to set aside additional special reserve equivalent to the net debit balance of the other equity interests and the net increase arising from the fair value measurement of investment properties. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses, the cumulative net increases in fair value decrease or on disposal of investment properties and is thereafter distributed.

The appropriation of earnings and dividends per share for 2022 and 2021 respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2022	2021
Legal reserve	\$ 1,240,057	\$ 1,534,939
Special reserve	377,005	\$ 411,137
Cash dividends	8,155,633	\$ 12,054,945
Cash dividends per share (NT\$)	\$ 2.30 (Note)	\$ 3.40 (Note)

Note: The number of outstanding ordinary shares increased according to the conversion of the Corporation's 3rd Euro convertible bond into ordinary shares in 2023 and 2022. Therefore, the cash dividends were adjusted to NT\$2.29958798 and NT\$3.39965914 per ordinary share for 2022 and 2021.

The above 2021 appropriations of earnings and cash dividends had been resolved by the shareholders in their meeting on June 29, 2022. The above 2022 appropriation for cash dividends had been resolved by the Corporation's board of directors on March 7, 2023; the other proposed appropriations for 2022 had also been resolved by the shareholders in their meeting on June 27, 2023.

The appropriation of earnings for 2023 had been proposed by the Corporation's board of directors on March 5, 2024. The proposed appropriation of earnings and dividend per share were as follows:

	For the Year Ended December 31, 2023
Legal reserve	\$ 1,112,989
Special reserve	\$ 1,025,861
Cash dividends	\$ 7,447,782
Cash dividends per share (NT\$)	\$ 2.1

Assuming that the shares reciprocally held by associates were not treated as treasury shares and not deducted from weighted average number of shares outstanding, the basic EPS would be NT\$3.07 for the year ended December 31, 2023.

The appropriations of earnings for 2023 are subject to the resolution of the shareholders' meeting to be held on June 25, 2024.

d. Special reserve recognized at the date of transition

In the first-time adoption of IFRS Accounting Standards, the amounts of adjusted unrealized revaluation increments, cumulative translation adjustments and unappropriated earnings recognized from the investment properties of associates which used fair value as deemed cost were \$10,715,430 thousand, \$3,163,258 thousand and \$52,494 thousand, respectively; the Corporation appropriated the amounts to special reserve.

In addition, on the initial application of the fair value model to investment properties, the Corporation appropriated to special reserve the amount of the net increase in fair value of investment properties and transferred it to retained earnings. Additional special reserve should be appropriated for subsequent net increases in fair value. The amount appropriated may be reversed to the extent that the cumulative net increases in fair value decrease or on the disposal of investment properties.

The Corporation and its associates used and disposed of some of the related assets; accordingly, special reserve reversed to unappropriated earnings amounted to \$1,152,176 thousand as of December 31, 2023.

e. Other equity items

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

	<u>For the Year Ended December 31</u>	
	2023	2022
Balance at January 1	\$ (3,084,376)	\$ (7,411,875)
Share of exchange difference of subsidiaries and associates accounted for using the equity method	<u>(1,333,630)</u>	<u>4,327,499</u>
Balance at December 31	<u>\$ (4,418,006)</u>	<u>\$ (3,084,376)</u>

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

	<u>For the Year Ended December 31</u>	
	2023	2022
Balance at January 1	\$ 6,270,727	\$ 6,928,068
Recognized for the year		
Unrealized valuation (loss) gain of equity instruments	1,077,198	(83,273)
Share from subsidiaries and associates accounted for using the equity method		
Equity instruments	1,842,203	(450,466)
Debt instruments	24,945	(112,599)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	<u>167,258</u>	<u>(11,003)</u>
Balance at December 31	<u>\$ 9,382,331</u>	<u>\$ 6,270,727</u>

3) Cash flow hedges

	<u>For the Year Ended December 31</u>	
	2023	2022
Balance at January 1	\$ 58,307	\$ 57,741
Share from subsidiaries and associates accounted for using the equity method	<u>(212)</u>	<u>566</u>
Balance at December 31	<u>\$ 58,095</u>	<u>\$ 58,307</u>

4) Gains on property revaluation

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 912,006	\$ 911,178
Share from subsidiaries and associates accounted for using the equity method	<u>1,285,314</u>	<u>828</u>
Balance at December 31	<u>\$ 2,197,320</u>	<u>\$ 912,006</u>

24. OPERATING REVENUE AND COSTS

a. Detail of client revenues contract

	For the Year Ended December 31	
	2023	2022
Operating revenues		
Sales of goods	\$ 10,721,116	\$ 10,234,132
Rental revenue	<u>419,130</u>	<u>508,535</u>
Total operating revenue, net	<u>11,140,246</u>	<u>10,742,667</u>
Operating costs		
Cost of goods sold	9,127,411	8,803,183
Rental cost	<u>164,023</u>	<u>238,088</u>
Total operating cost	<u>9,291,434</u>	<u>9,041,271</u>
Gross profit	<u>\$ 1,848,812</u>	<u>\$ 1,701,396</u>

b. Contract balances

	For the Year Ended December 31	
	2023	2022
Contract liabilities	<u>\$ 104,713</u>	<u>\$ 140,872</u>

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

25. NET PROFIT

Net profit was as follows:

a. Other income

	For the Year Ended December 31	
	2023	2022
Dividends	\$ 848,823	\$ 381,245
Government grants	20,000	145
Others	<u>151,520</u>	<u>282,461</u>
	<u>\$ 1,020,343</u>	<u>\$ 663,851</u>

b. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net gain (loss) on financial assets and liabilities designated as at FVTPL	\$ 1,072,577	\$ (739,665)
Day 1 gains for financial instruments (Note 7)	847,560	-
Gain on changes in fair value of investment properties (Note 15)	839,686	409,484
Net foreign exchange gains (losses)	(67,133)	1,002,615
Bank charges	(32,045)	(31,196)
Gain on disposal of property, plant and equipment	2,975	3,773
Miscellaneous expenses	<u>(392,449)</u>	<u>(243,154)</u>
	<u>\$ 2,271,171</u>	<u>\$ 401,857</u>

c. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	\$ 642,733	\$ 464,105
Amortization of discount on bonds payable	99	339
Interest on lease liabilities	1,691	2,787
Less: Amounts included in the cost of qualifying assets (capitalized interest)	<u>(2,738)</u>	<u>(666)</u>
	<u>\$ 641,785</u>	<u>\$ 466,565</u>

Information about capitalized interest was as follows:

	For the Year Ended December 31	
	2023	2022
Capitalized interest	\$ 2,738	\$ 666
Capitalization rate	0.882%-1.060%	0.675%-0.979%

d. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
An analysis of depreciation by function		
Operating costs	\$ 481,514	\$ 464,183
Operating expenses	4,652	5,966
Non-operating expenses	<u>658</u>	<u>787</u>
	<u>\$ 486,824</u>	<u>\$ 470,936</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 1,334</u>	<u>\$ 1,214</u>

e. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2023	2022
Direct operating expenses of investment properties generating rental income	\$ 122,433	\$ 128,245
Direct operating expenses of investment properties not generating rental income	<u>41,570</u>	<u>41,563</u>
	<u>\$ 164,003</u>	<u>\$ 169,808</u>

f. Employee benefits expense

	For the Year Ended December 31, 2023			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Post-employment benefits (Note 22)				
Defined contribution plans	\$ 10,742	\$ 3,716	\$ 519	\$ 14,977
Defined benefit plans	(20,213)	(14,504)	-	(34,717)
Short-term benefits				
Salary	376,603	171,035	13,250	560,888
Remuneration of directors	-	132,119	-	132,119
Labor and health insurance	31,902	12,174	692	44,768
Other employees-related expenses	<u>19,871</u>	<u>7,275</u>	<u>-</u>	<u>27,146</u>
	<u>\$ 418,905</u>	<u>\$ 311,815</u>	<u>\$ 14,461</u>	<u>\$ 745,181</u>
	For the Year Ended December 31, 2022			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Post-employment benefits (Note 22)				
Defined contribution plans	\$ 10,683	\$ 3,986	\$ 518	\$ 15,187
Defined benefit plans	(7,446)	(5,219)	-	(12,665)
Short-term benefits				
Salary	391,079	172,456	12,038	575,573
Remuneration of directors	-	132,059	-	132,059
Labor and health insurance	32,538	12,290	642	45,470
Other employees-related expenses	<u>15,527</u>	<u>5,366</u>	<u>-</u>	<u>20,893</u>
	<u>\$ 442,381</u>	<u>\$ 320,938</u>	<u>\$ 13,198</u>	<u>\$ 776,517</u>

- 1) For the years of 2023 and 2022, the Corporation had an average of 484 and 497 employees, respectively, which included 12 and 11 non-employee directors, respectively.
- 2) The Corporation's average labor cost were \$1,299 thousand and \$1,326 thousand, respectively, for the years ended 2023 and 2022. Average salary and bonus were \$1,188 thousand and \$1,184 thousand, respectively, for the years ended 2023 and 2022. The Corporation's average salary and bonus increase by 0.3% year over year.
- 3) The Corporation did not have supervisors for the years ended December 31, 2023 and 2022.

4) The Corporation's compensation policies of directors, managers and employees are as follows:

Directors

- a) Executive directors may be paid according to the Articles, and shall be approved by the board of directors with reference to industry and peer standards. Every year, the annual performance evaluation is made based on individual performance and company performance, which is similar to senior managers.
- b) Attendance fee paid to independent directors serving as members of the remuneration committee and audit committee is in the same standards of affiliated companies. Additional fee is paid to independent directors serving as convener of the remuneration committee and audit committee.
- c) The Articles stipulates that the remuneration for directors shall not be more than 2.5% of profit of the current year. The directors' remuneration shall be distributed according to the following principles after the board of directors has considered the Corporation's operating performance and passed the distribution ratio amount:
 - i. The remuneration of directors is allocated first to the legal person. The legal person is then redistributed based on the director's role and performance to the directors.
 - ii. For a director who is a natural person, his contribution and professional field to the board of directors, remuneration committee and audit committee would be the reference standard of payment.
- d) Performance evaluation and remuneration are reviewed by the remuneration committee and the board of directors at any time depending on actual operating conditions, industrial operating risks, trends, and laws.

Managers and employees

- a) Based on the Corporation's remuneration policy, bonus and compensation are distributed mainly in consideration of the Corporation's overall operating performance and financial status as well as employees' (including managers') individual annual performance in order to plan a fair and reasonable remuneration system and incentive variable rewards. The Corporation also participates in salary surveys organized by professional consulting companies every year to review employee salaries in a timely manner and to grasp the market salary dynamics, and make appropriate salary adjustments or promotions based on individual performance results to actively retain outstanding talents.
- b) The remuneration of managers comprises fixed salary, performance bonus and employees' compensation. The Articles stipulates that if a profit is made in the year, 0.1% to 4% shall be set aside for employees' compensation. The actual ratio and amount of the profit distributable as employees' compensation shall also be determined by the remuneration committee and the board of directors, and a report of such distribution shall be submitted to the shareholders' meeting. The performance evaluation of managers will affect their employee compensation.

g. Employees' compensation and remuneration of directors

According to the Articles, the Corporation accrued employees' compensation and remuneration of directors at the rates between 0.1% and 4% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 which have been approved by the Corporation's board of directors on March 5, 2024 and March 7, 2023, respectively, were as follows:

	For the Year Ended December 31			
	2023		2022	
	Cash	Share	Cash	Share
Employees' compensation	\$ 148,126	\$ -	\$ 148,126	\$ -
Remuneration of directors	130,714	-	130,714	-

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

There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the financial statements for the years ended December 31, 2022 and 2021.

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

26. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	\$ 392,604	\$ 615,920
Income tax on unappropriated earnings	135,728	67,499
Adjustments for prior years	88,877	39,884
	<u>617,209</u>	<u>723,303</u>
Deferred tax		
In respect of the current year	<u>(215,703)</u>	<u>(25,040)</u>
Income tax expense recognized in profit or loss	<u>\$ 401,506</u>	<u>\$ 698,263</u>

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

	For the Year Ended December 31	
	2023	2022
Profit before tax from continuing operations	<u>\$ 11,284,332</u>	<u>\$ 12,714,659</u>
Income tax expense calculated at the statutory rate	\$ 2,256,866	\$ 2,542,932
Nondeductible expenses in determining taxable income	6,314	5,495
Tax-exempt income	(1,773,471)	(2,034,524)
Unrecognized temporary differences	(336,106)	71,132
Tax on changes in fair value of investment properties	68,092	132,423
Income tax on unappropriated earnings	135,728	67,499
Adjustments for prior years' tax	88,877	39,884
Tax credit - income from sources in Mainland China	<u>(44,794)</u>	<u>(126,578)</u>
Income tax expense recognized in profit or loss	<u>\$ 401,506</u>	<u>\$ 698,263</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2023	2022
<u>Deferred tax</u>		
In respect of the current year:		
Remeasurement on defined benefit plans	<u>\$ 17,614</u>	<u>\$ 47,545</u>

c. Current tax assets and liabilities

	December 31	
	2023	2022
Current tax liabilities		
Income tax payable	<u>\$ 505,931</u>	<u>\$ 463,599</u>

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Temporary differences				
Other financial assets and liabilities	\$ -	\$ 36,253	\$ -	\$ 36,253
Property, plant and equipment	2,776	(424)	-	2,352
				(Continued)

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Proposed dividend of overseas stocks	\$ -	\$ 83,378	\$ -	\$ 83,378
Others	<u>1,126</u>	<u>38,439</u>	<u>-</u>	<u>39,565</u>
	<u>\$ 3,902</u>	<u>\$ 157,646</u>	<u>\$ -</u>	<u>\$ 161,548</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investment properties	\$ 3,891,492	\$ 68,092	\$ -	\$ 3,959,584
Land value increment tax	3,427,438	-	-	3,427,438
Unappropriated earnings of subsidiaries and associates	1,976,347	(118,511)	-	1,857,836
Defined benefit obligation	560,188	9,835	17,614	587,637
Property, plant and equipment	44,923	(541)	-	44,382
Other financial assets and liabilities	16,524	(16,524)	-	-
Allowance for impairment loss	-	156	-	156
Others	<u>564</u>	<u>(564)</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,917,476</u>	<u>\$ (58,057)</u>	<u>\$ 17,614</u>	<u>\$ 9,877,033</u> (Concluded)

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
<u>Deferred tax assets</u>				
Temporary differences				
Other financial assets and liabilities	\$ 9,717	\$ (9,717)	\$ -	\$ -
Property, plant and equipment	3,233	(457)	-	2,776
Others	<u>30,881</u>	<u>(29,755)</u>	<u>-</u>	<u>1,126</u>
	<u>\$ 43,831</u>	<u>\$ (39,929)</u>	<u>\$ -</u>	<u>\$ 3,902</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investment properties	\$ 3,754,043	\$ 137,449	\$ -	\$ 3,891,492
Land value increment tax	3,427,438	-	-	3,427,438
Unappropriated earnings of subsidiaries and associates	2,198,982	(222,635)	-	1,976,347
Defined benefit obligation	507,399	5,244	47,545	560,188
Property, plant and equipment	45,522	(599)	-	44,923
Other financial assets and liabilities	-	16,524	-	16,524
Allowance for impairment loss	1,516	(1,516)	-	-
Others	<u>-</u>	<u>564</u>	<u>-</u>	<u>564</u>
	<u>\$ 9,934,900</u>	<u>\$ (64,969)</u>	<u>\$ 47,545</u>	<u>\$ 9,917,476</u>

- e. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized:

As of December 31, 2023 and 2022, the taxable temporary differences associated with investments in subsidiaries and associates for which no deferred tax liabilities have been recognized were \$8,624,184 thousand and \$8,862,790 thousand, respectively.

- f. The income tax returns through 2021 have been assessed by the tax authorities.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic earnings per share	<u>\$ 3.28</u>	<u>\$ 3.63</u>
Diluted earnings per share	<u>\$ 3.28</u>	<u>\$ 3.62</u>

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

Net Profit for the Year

	For the Year Ended December 31	
	2023	2022
Profit for the period attributable to owners of the Corporation	\$ 10,882,826	\$ 12,016,396
Effect of potentially dilutive ordinary shares:		
Convertible bonds	<u>-</u>	<u>363</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 10,882,826</u>	<u>\$ 12,016,759</u>

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares in computation of basic earnings per share	3,316,177	3,313,166
Effect of potentially dilutive ordinary shares:		
Convertible bonds	<u>-</u>	<u>721</u>
Employees' compensation	<u>4,166</u>	<u>4,348</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>3,320,343</u>	<u>3,318,235</u>

The weighted average number of ordinary shares used in the computation of basic earnings per share is the weighted average outstanding shares after subtracting the shares of the Corporation held by the associates treated as treasury shares.

When an entity pays employee compensation that may be settled in shares or cash at the entity's option, the entity shall presume that the employee compensation will be settled in shares, and the resulting potential shares shall be included in diluted earnings per share if the effect is dilutive. The number of shares is estimated by dividing the entire amount of the compensation by the closing price of the shares at the balance sheet date. 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. ACQUISITION OR DISPOSAL OF SUBSIDIARIES - WITHOUT LOSS OF CONTROL

As of December 31, 2023 and 2022, the Corporation acquired additional non-controlling interests in subsidiaries, and increased its continuing interest in these subsidiaries; refer to Note 12 for the details.

The above transactions were accounted for as equity transactions, since it did not have effect on the Corporation's control over these subsidiaries; refer to Note 32 to the consolidated financial statements for the year ended December 31, 2023.

29. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

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

The Corporation is not subject to any externally imposed capital requirements.

Key management personnel of the Corporation review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Corporation may adjust the amount of dividends paid to shareholders and the amount of new debt issued or existing debt redeemed.

30. FINANCIAL INSTRUMENTS

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

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Bonds payable (included current portion)	\$ 49,100,000	\$ 48,448,474	\$ -	\$ -	\$ 48,448,474

December 31, 2022

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Bonds payable (included current portion)	\$ 45,120,129	\$ 44,619,721	\$ -	\$ -	\$ 44,619,721

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic and Overseas listed shares	\$ 12,611,492	\$ -	\$ -	\$ 12,611,492
Beneficiary certificates	<u>424,500</u>	<u>305,667</u>	<u>-</u>	<u>730,167</u>
	<u>\$ 13,035,992</u>	<u>\$ 305,667</u>	<u>\$ -</u>	<u>\$ 13,341,659</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 8,236,377	\$ -	\$ -	\$ 8,236,377
Domestic unlisted shares	-	-	856,770	856,770
Overseas unlisted shares	<u>-</u>	<u>-</u>	<u>87,483</u>	<u>87,483</u>
	<u>\$ 8,236,377</u>	<u>\$ -</u>	<u>\$ 944,253</u>	<u>\$ 9,180,630</u>

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Overseas listed shares	\$ 900,198	\$ -	\$ -	\$ 900,198
Beneficiary certificates	280,900	259,881	-	540,781
Bond options	-	-	279	279
Cross-currency swap contracts	<u>-</u>	<u>-</u>	<u>1,492</u>	<u>1,492</u>
	<u>\$ 1,181,098</u>	<u>\$ 259,881</u>	<u>\$ 1,771</u>	<u>\$ 1,442,750</u>

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 7,027,546	\$ -	\$ -	\$ 7,027,546
Domestic unlisted shares	-	-	806,214	806,214
Overseas unlisted shares	-	-	269,672	269,672
	<u>\$ 7,027,546</u>	<u>\$ -</u>	<u>\$ 1,075,886</u>	<u>\$ 8,103,432</u>
				(Concluded)

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023 and 2022.

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

	Financial Instruments at FVTPL Derivatives	Financial Assets at FVTOCI Equity Instruments	Total
Balance at January 1, 2023	\$ 1,771	\$ 1,075,886	\$ 1,077,657
Recognized in profit or loss			
Net gain on financial instruments at FVTPL	47,067	-	47,067
Recognized in other comprehensive income			
Unrealized loss on financial instruments at FVTOCI	-	(131,633)	(131,633)
Convertible bonds converted to ordinary shares	(338)	-	(338)
Settlement	<u>(48,500)</u>	<u>-</u>	<u>(48,500)</u>
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 944,253</u>	<u>\$ 944,253</u>
	Financial Instruments at FVTPL Derivatives	Financial Assets at FVTOCI Equity Instruments	Total
Balance at January 1, 2022	\$ 466	\$ 1,018,653	\$ 1,019,119
Recognized in profit or loss			
Net gain on financial instruments at FVTPL	1,463	-	1,463
Recognized in other comprehensive income			
Unrealized gain on financial instruments at FVTOCI	-	51,893	51,893
Convertible bonds converted to ordinary shares	(158)	-	(158)
Purchase	<u>-</u>	<u>5,340</u>	<u>5,340</u>
Balance at December 31, 2022	<u>\$ 1,771</u>	<u>\$ 1,075,886</u>	<u>\$ 1,077,657</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Mutual funds	The Corporation uses net asset value as the basis to determine the fair value as the Corporation has determined that the net asset value of the mutual fund represents fair value at the end of the reporting period.

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

- a) The fair values of convertible bond options are determined using the information available from the counterparty for valuation based on the option pricing model. The option pricing model incorporates the present value techniques and reflects both the time value and the intrinsic value of options.
- b) The fair value of cross currency swap contracts is determined using the information available from the counterparty for valuation. The counterparty measures the fair value of a cross currency swap contracts using the discounted cash flows model. Future cash flows are estimated based on observable forward exchange rates at balance sheet dates and contract forward rates and discounted at rates that reflect the credit risk of various counterparties.
- c) The fair values of unlisted shares are determined by using the asset approach or the market approach. In the asset approach, the fair values are estimated by using the net asset value measured at fair value based on the unlisted investees' latest financial statements, while taking into account the liquidity discount and non-controlling interest discount. In the market approach, the fair values are estimated based on the market transaction prices of comparable companies with similar industrial and business characteristics and liquidity discount are considered.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
<u>Financial assets</u>		
Financial assets at FVTPL	\$ 13,341,659	\$ 1,442,750
Financial assets at amortized cost (1)	10,430,123	11,255,635
Financial assets at FVTOCI	9,180,630	8,103,432
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (2)	73,723,524	63,979,255

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables and other receivables.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables and accrued expenses, long-term borrowings including current portion, bonds payable.

d. Financial risk management objectives and policies

The Corporation's major financial instruments include equity and debt investments, trade receivables, trade payables, bonds payable, borrowings and lease liabilities. The Corporation's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Corporation through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporation mitigates the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Corporation's policies approved by the board of directors, which provides written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

1) Market risk

The Corporation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Corporation enters into cross-currency swap contracts to mitigate its exposure to foreign currency risk and interest risk.

a) Foreign currency risk

The Corporation have foreign currency sales and purchases and foreign currency financing activities, which expose the Corporation to foreign currency risk.

The carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities and derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 34.

Sensitivity analysis

The Corporation was mainly exposed to the RMB and USD.

The following table details the Corporation's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity rate of 5% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items less notional amounts of cross-currency swap. The analysis assumed a 5% change in foreign currency rates at the end of the reporting period. A positive number below indicates an increase in pre-tax profit assuming the New Taiwan dollars weakened by 5% against the relevant currency. For a 5% strengthening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances shown below would be negative.

	RMB Impact		USD Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2023	2022	2023	2022
Increase (decrease) in pre-tax profit	\$ 80,832	\$ 89,269	\$ 326,021	\$ 406,256

b) Interest rate risk

The Corporation is exposed to interest rate risk because the Corporation borrows funds at both fixed and floating interest rates. The risk is managed by the Corporation by maintaining an appropriate mix of fixed and floating rate borrowings and using cross-currency swap contracts.

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

	December 31	
	2023	2022
Fair value interest rate risk		
Financial assets	\$ 7,565,360	\$ 7,937,214
Financial liabilities	71,602,887	62,220,602
Cash flow interest rate risk		
Financial assets	1,049,594	1,845,219

Sensitivity analysis

The sensitivity analysis below is based on the Corporation's exposure to changes in interest rates of non-derivative instruments at the end of the reporting period.

If interest rates had been 0.01% higher/lower and all other variables were held constant, the Corporation's pre-tax profit for the years ended December 31, 2023 and 2022 would have decreased/increased by \$145 thousand and \$192 thousand, respectively, mainly due to the Corporation's exposure to changes in interest rates of its variable-rate bank borrowings and bank deposits.

c) Other price risk

The Corporation is exposed to price risk through its investments in listed equity securities and beneficiary certificates of funds.

Sensitivity analysis

The sensitivity analysis below is based on the exposure to investment position price risks at the end of the reporting period.

If investment position prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$133,417 thousand and \$14,410 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through profit or loss, and the pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by \$82,364 thousand and \$70,275 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation. As at the end of the reporting period, the Corporation's maximum exposure to credit risk which would cause a financial loss to the Corporation due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Corporation is equal to the carrying amount of the financial assets as stated in the balance sheets. The Corporation adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Corporation only transacts with entities that are rated the equivalent of investment grade and above. The Corporation uses publicly available financial information and its own trading records to rate its major customers. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored.

The counterparties in trade receivables consist of a large number of clients in different industries and regions. The Corporation evaluates clients' financial condition continuously.

Credit risk represents the potential negative impact on the financial assets of the Corporation if counterparties or third parties breach the contracts. The Corporation evaluates credit risk exposure on contracts with positive carrying amounts. The Corporation evaluated the credit risk exposure as immaterial because all counterparties are reputable financial institutions and companies with good credit ratings.

3) Liquidity risk

The Corporation manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Corporation'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 rate tables for non-derivative financial liabilities

The following tables detail the Corporation's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Corporation can be required to pay. The tables included both interest and principal cash flows.

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 1,014,198	\$ 439,370	\$ 603,919	\$ 182,435	\$ 11,085
Lease liabilities	7,741	15,482	69,669	30,664	9,310
Variable interest rate liabilities	-	-	-	-	-
Fixed interest rate liabilities	<u>17,469,079</u>	<u>2,843,438</u>	<u>10,000,000</u>	<u>41,160,000</u>	<u>-</u>
	<u>\$ 18,491,018</u>	<u>\$ 3,298,290</u>	<u>\$ 10,673,588</u>	<u>\$ 41,373,099</u>	<u>\$ 20,395</u>

Additional information about the maturity analysis for lease liabilities

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 92,892</u>	<u>\$ 30,664</u>	<u>\$ 5,819</u>	<u>\$ 3,491</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 911,689	\$ 564,411	\$ 458,063	\$ 195	\$ 778
Lease liabilities	7,086	14,171	63,768	84,325	10,474
Variable interest rate liabilities	-	-	-	-	-
Fixed interest rate liabilities	<u>6,350,000</u>	<u>10,573,990</u>	<u>20,129</u>	<u>45,100,000</u>	<u>-</u>
	<u>\$ 7,268,775</u>	<u>\$ 11,152,572</u>	<u>\$ 541,960</u>	<u>\$ 45,184,520</u>	<u>\$ 11,252</u>

Additional information about the maturity analysis for lease liabilities

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 85,025</u>	<u>\$ 84,325</u>	<u>\$ 5,819</u>	<u>\$ 4,655</u>	<u>\$ -</u>	<u>\$ -</u>

The amounts above of variable interest rate non-derivative financial assets and liabilities are subject to change if actual variable interest rates differ from those estimates of interest rates at the end of the reporting period.

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Corporation's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Cross-currency swap contracts	<u>\$ -</u>	<u>\$ (19,227)</u>	<u>\$ (101,665)</u>	<u>\$ -</u>	<u>\$ -</u>

e. Transfers of financial assets. None.

f. Offsetting financial assets and financial liabilities. None.

g. Reclassifications. None.

31. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Corporation and other related parties are disclosed below.

Transactions with related parties are conducted under normal terms.

Balances and transactions between the Corporation and single related party are disclosed separately except when the amount is less than 10% of the total balances or transactions; otherwise, the amounts are lumped together as others.

a. Related party name and category

Related Party Name	Related Party Category
FENC	Associate
U-Ming	Associate
EISF	Associate
OSC	Associate
FEDSDL	Associate
YDC	Associate
Opas Fund Segregated Portfolio Company	Associate
FMT	Subsidiary
DCI	Subsidiary
YLPPC	Subsidiary
ACSPL	Subsidiary
NHC	Subsidiary
AEE	Subsidiary
AIC	Subsidiary
YTRMC	Subsidiary
ACCHC	Subsidiary
YLT	Subsidiary
Asia-U Power Corporation	Subsidiary
Ya Sing Ready-Mixed Concrete Corp. (YSRMC)	Sub-subsidiary
Fu Shan Mineral Stone Co., Ltd. (FSMS)	Sub-subsidiary
Fu Da Transportation Corp. (FDT)	Sub-subsidiary
AC Leap Investment Ltd.	Sub-subsidiary
AC Mega Investment Ltd.	Sub-subsidiary
AC Mega II Investment Ltd.	Sub-subsidiary
AC Mega III Investment Ltd.	Sub-subsidiary
AC Mega IV Investment Ltd.	Sub-subsidiary
Asia Cement Explorer Investment Ltd.	Sub-subsidiary
Asia Cement Pioneer Investment Ltd.	Sub-subsidiary
Asia Cement Pioneer II Investment Ltd.	Sub-subsidiary
Asia Cement Pioneer III Investment Ltd.	Sub-subsidiary
Asia Cement Pioneer IV Investment Ltd.	Sub-subsidiary
Far EasTone Telecommunications Co., Ltd.	Other
Far Eastern Department Store Ltd.	Other
Chu Feng Power Corporation, Preparatory Office	Other
Oriental Union Chemical Corp.	Other
New Century InfoComm Tech Co., Ltd.	Other
CHC Resources Corporation	Other
Far Eastern Resources Development Co.	Other
Far Eastern General Construction Inc.	Other
Far Eastern International Leasing Corporation	Other
U-Ming Transport (Singapore) Private Limited	Other
Ding & Ding Management Consultants Co., Ltd.	Other
Ya Tung Department Store Ltd.	Other
Far Eastern Apparel Co., Ltd.	Other

(Continued)

Related Party Name	Related Party Category
Far Eastern International Bank (FEIB)	Other
Yuan Ze University	Other
Chubei New Century Shopping Mall Co., Ltd.	Other
Oriental Institute of Technology	Other
YDT Technology International Co., Ltd.	Other
Far Eastern Ai Mai Co., Ltd.	Other
Far Eastern Memorial Hospital	Other
Yuan Cheng Human Resources Consultant Corporation	Other
U-Ming Marine Transport (Hong Kong) Ltd.	Other
Ding Ding Hotel Co., Ltd.	Other
Prime EcoPower Co., Ltd.	Other
Douglas Tong Hsu	Related party in substance
Peter Hsu	Related party in substance
Alice Hsu	Related party in substance
Raymond Hsu	Related party in substance
Hsu Shih Hsu	Related party in substance
Tsai Hsiung Chang	Related party in substance
Kun Yen Lee	Related party in substance
Richard Yang	Related party in substance
Frederica Yang	Related party in substance
Chen Fong Cheng	Related party in substance
Ruey Huey, Chiang Shao	Related party in substance
	(Concluded)

Note: Other related party relationships mainly include associates' subsidiaries, legal person in which the chairman is the same as the Corporation's chairman and the director is also the Corporation's chairman.

b. Operating transactions

	For the Year Ended December 31	
	2023	2022
Operating revenues		
Subsidiaries	\$ 3,742,123	\$ 3,476,894
Associates	250,493	254,044
Others	<u>194,790</u>	<u>221,643</u>
	<u>\$ 4,187,406</u>	<u>\$ 3,952,581</u>
Operating cost		
Subsidiaries	\$ 625,975	\$ 560,986
Associates	576,646	716,974
Others	<u>377,754</u>	<u>538,913</u>
	<u>\$ 1,580,375</u>	<u>\$ 1,816,873</u>

Receivables from related parties (including notes receivable, trade receivables and other receivables):

	December 31	
	2023	2022
Subsidiaries		
YTRMC	\$ 619,470	\$ 600,517
Others	<u>175,642</u>	<u>105,074</u>
	795,112	705,591
Associates	22,681	11,169
Others	<u>151,000</u>	<u>91,711</u>
	<u>\$ 968,793</u>	<u>\$ 808,471</u>

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2023 and 2022, no impairment losses were recognized for trade receivables from related parties.

Accounts payable and accrued expenses to related parties:

	December 31	
	2023	2022
Subsidiaries	\$ 82,552	\$ 85,298
Associates	116,891	191,474
Others	<u>56,854</u>	<u>3,878</u>
	<u>\$ 256,297</u>	<u>\$ 280,650</u>

The outstanding trade payables to related parties are unsecured.

Prepayments:

	December 31	
	2023	2022
Associates	<u>\$ 15,000</u>	<u>\$ 15,000</u>

c. Transactions with FEIB

	December 31	
	2023	2022
Bank deposits (Note)	<u>\$ 2,296,489</u>	<u>\$ 1,115,930</u>
Cross-currency swap contracts	<u>\$ -</u>	<u>\$ 697</u>

As of December 31, 2022, the notional principal of the above outstanding cross-currency swap contracts was US\$45,000 thousand.

Note: The balances included amounts recognized as financial assets measured at amortized cost, and other non-current assets (refundable deposits).

d. Remuneration of key management personnel

The amounts of the remuneration of directors and other key management personnel for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	\$ 178,017	\$ 188,666
Post-employment benefits	<u>558</u>	<u>864</u>
	<u>\$ 178,575</u>	<u>\$ 189,530</u>

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

e. Other transactions with related parties

1) Acquisitions of property, plant and equipment

	For the Year Ended December 31	
	2023	2022
Associates	\$ 520	\$ -
Others	<u>146,890</u>	<u>2,064</u>
	<u>\$ 147,410</u>	<u>\$ 2,064</u>

2) Lease agreement

Operating expense - rental

	For the Year Ended December 31	
	2023	2022
Associates	\$ 44,676	\$ 44,799
Others	<u>3,846</u>	<u>4,344</u>
	<u>\$ 48,522</u>	<u>\$ 49,143</u>

The Corporation leased the right-of-use of assets from its related parties. The rental is based on similar properties and fixed lease payments are paid monthly.

Lease expenses included expenses relating to short-term leases, low-value asset leases and variable lease payments that do not depend on an index or a rate.

3) The nature of the Corporation's transaction with OFSPC is the acquisition or disposal of OPAS Fund Segregated Portfolio's overseas fund through OFSPC's platform. The portfolio's decision is made and managed by the investment committee which is composed of the Corporation and other investors. The Corporation's investment activities through OFSPC's platform for the years ended December 31, 2022 included the acquisition of \$276,300 thousand.

- 4) For the year ended December 31, 2023, the Corporation acquired additional non-controlling interests in subsidiaries, including ACSPL, YLPPC, YTRMC, DCI, AEE, YYI and NHC, from a related party in substance with a total amount of \$671 thousand; refer to Note 12 for the details.
- 5) For the year ended December 31, 2022, the Corporation acquired additional non-controlling interests in subsidiaries including ACSPL, YTRMC, AEE, FMT and YLT, from a related party in substance with a total amount of \$189 thousand; refer to Note 12 for the details.
- 6) For the year ended December 31, 2022, the Corporation subscribed for new shares of Ding Ding Hotel Co., Ltd. and Far Eastern International Bank with an amount of \$5,340 thousand and \$90,448 thousand, respectively.

32. ASSETS PLEDGED AS COLLATERAL

The following assets are provided as collaterals for short-term and long-term bank borrowings:

	December 31	
	2023	2022
Investment properties	\$ 14,547,709	\$ 14,423,417
Investments accounted for using the equity method	8,010,070	7,482,485
Property, plant and equipment, net	<u>302,293</u>	<u>309,421</u>
	<u>\$ 22,860,072</u>	<u>\$ 22,215,323</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2023, the Corporation had the following significant commitments and contingencies:

- a. Unused letters of credit of RMB1,014 thousand and US\$2,138 thousand.
- b. Guarantee notes issued for related parties: Refer to Table 2.
- c. On December 4, 2015 and December 17, 2015, CSCGL, China Shanshui Cement Group (Hong Kong) Company Limited and China Pioneer Cement (Hong Kong) Company Limited (collectively referred as “Shanshui Cement Group”) commenced legal proceedings against the former directors of CSCGL in respect of the alleged dishonest breaches of fiduciary duty or alleged conspiracy to cause damages to CSCGL during their tenures. The proceedings arose from disputes between CSCGL’s present and former board of directors over the changes in management and the takeover of the headquarters of CSCGL. On April 7, 2016, the Corporation was added as the 10th defendant. The Corporation engaged lawyers to take legal actions in connection with the unqualified claim to defend its reputation and interests. The case was tried by the High Court of Hong Kong from April 19 to June 17, 2021, and the case is currently waiting for a judgment from the High Court of Hong Kong. As of the auditors’ audit report date, the Corporation considered that it is premature to evaluate at this stage the possible outcome of the proceedings given that no judgment has been handed down by the court and, therefore, did not recognize any contingent liabilities.

- d. Tianrui Group Company Limited and Tianrui (International) Holding Company Limited (collectively referred as “Tianrui Group”), CSI and former directors of CSCGL, in breach of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Codes on Takeovers and Mergers and share Buy-backs issued by the Hong Kong Securities and Futures Commission and the fiduciary duties, have engaged in unfair prejudicial conducts in favor of Tianrui directly and indirectly through CSCGL which are detrimental to the interests of the shareholders including the Corporation. The Corporation filed a writ of summons to the High Court of Hong Kong in June 2017 and has been seeking legal advice in relation to the legal proceedings. As the respondents’ applications to strike out the petition for technical reasons, the Corporation amended the applications accordingly. As of the auditors’ audit report date, no further decision has been rendered yet.
- e. On August 30, 2018, Tianrui (International) Holding Company Limited (“Tianrui”) presented a petition to the Grand Court of the Cayman Islands (the “Grand Court”) seeking to wind up CSCGL, and Tianrui further filed an application for the appointment of joint provisional liquidators (JPLs) over CSCGL, which was accepted by the Grand Court on September 4, 2018. On August 12, 2019, CSCGL made applications to the Grand Court for the above-mentioned winding-up petition to be struck out and/or stayed. However, the Grand Court dismissed CSCGL’s applications according to the announcement dated April 7, 2020 at the news website of the Hong Kong Exchanges and Clearing Limited. Pursuant to the Grand Court’s decision, the winding up petition filed by Tianrui is considered a dispute between CSCGL’s shareholders and thus needs to be amended. The amendments shall include but are not limited to adding the Corporation as a defendant. Later, Tianrui filed an application with the Grand Court to amend its winding-up petition and change the defendants to the Corporation and China National Building Material Co., Ltd. (CNBM). By an order of the Grand Court announced on January 27, 2021, the Grand Court granted Tianrui’s amendments to the winding-up petition against CSCGL and change the defendants to the Corporation and CNBM. On March 19, 2021, the Corporation received the legal documents from Tianrui and appointed legal counsel in relation to the false accusation in order to preserve the Corporation’s reputation and interests. Since no further verdict has been rendered yet, the Corporation considered that it is premature to evaluate at this stage the possible outcome of the proceedings. Therefore, the Corporation assessed that the winding-up petition did not have any material impact on its investments in CSCGL.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>			
Monetary items			
RMB	\$ 373,529	4.328	\$ 1,616,634
USD	212,703	30.655	6,520,410
Non-monetary items			
HKD	114,439	3.899	446,198
USD	9,971	30.655	305,661

December 31, 2022

	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>			
Monetary items			
RMB	\$ 405,585	4.402	\$ 1,785,385
USD	165,007	30.660	5,059,114
Non-monetary items			
HKD	299,353	3.908	1,169,872
USD	8,534	30.660	261,652

For the years ended December 31, 2023 and 2022, the total amounts of realized and unrealized net foreign exchange (losses) gains were \$(67,133) thousand and \$1,002,615 thousand, respectively. It is impractical to disclose net foreign exchange losses by each significant foreign currency because of the variety of the foreign currency transactions and functional currencies of the entities.

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 5)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None.
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)
- 9) Information on investees (Table 8)
- 10) Trading in derivative instruments: None.

b. Information on investments in mainland China

Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)

c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

TABLE 1

ASIA CEMENT CORPORATION

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance (Note 2)	Actual Borrowing Amount	Interest Rate (Note 3)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 1)
													Item	Value		
1	OIHPL	ACCHC	Other receivables	Y	\$ 198,456	\$ 190,439	\$ 190,439	3.36%	Necessary for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	20% of net worth \$11,385,714	50% of net worth \$28,464,285
2	JYDC	HGYDC	Other receivables	Y	902,074	865,630	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$5,524,136	50% of net worth \$13,810,340
		SHYLCP	Other receivables	Y	135,311	129,845	106,040	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		TZOCCL	Other receivables	Y	45,104	43,282	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		ACCHC	Other receivables	Y	2,661,234	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
3	HYDCCL	WYCPCL	Other receivables	Y	88,708	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,747,045	50% of net worth \$4,367,613
		ACCHC	Other receivables	Y	1,939,459	1,428,290	1,428,290	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
4	WYDC	ACCHC	Other receivables	Y	541,244	302,971	302,971	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$539,530	50% of net worth \$1,348,825
5	HGYDC	ACCHC	Other receivables	Y	1,127,593	1,082,038	1,082,038	2.61%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,294,364	50% of net worth \$3,235,909
6	SLCL	SLCCL	Other receivables	Y	202,967	194,767	164,470	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$1,255,907	50% of net worth \$3,139,768
7	SIYDCCL	SYCPCL	Other receivables	Y	360,830	346,252	216,408	3.45%	Necessary for short-term financing	-	Operating capital	-	-	-	20% of net worth \$4,955,935	50% of net worth \$12,389,838
		ACCHC	Other receivables	Y	2,661,234	-	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above
		HGYDC	Other receivables	Y	902,074	865,630	-	-	Necessary for short-term financing	-	Operating capital	-	-	-	Same as above	Same as above

Note 1: The net value was calculated based on audited financial statements as of December 31, 2023.

Note 2: The ending balance is the financing credit lines to the respective borrowers approved by the board of directors of lenders.

Note 3: The interest rate was for the year ended December 31, 2023.

Note 4: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2023.

TABLE 2

ASIA CEMENT CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	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 3)										
0	The Corporation	AIC	b	50% of net worth (\$84,584,948)	\$ 26,398,125	\$ 25,836,325	\$ 14,457,820	None	15.27	100% of net worth (\$169,169,896)	Y	-	-
		DCI	b	Same as above	27,133,850	26,657,725	13,117,472	None	15.76	Same as above	Y	-	-
		NHC	b	Same as above	1,191,875	1,183,275	340,000	None	0.70	Same as above	Y	-	-
		FSMS	b	Same as above	30,000	30,000	30,000	None	0.02	Same as above	Y	-	-
		AEE	b	Same as above	650,000	650,000	200,000	None	0.38	Same as above	Y	-	-
		YLPPC	b	Same as above	450,000	450,000	-	None	0.27	Same as above	Y	-	-
1	DCI	ACL	d	50% of net worth (\$8,297,239)	307,000	245,240	42,917	None	1.48	100% of net worth (\$16,594,477)	Y	-	-
		FSMS	d	Same as above	100,000	100,000	60,000	None	0.60	Same as above	Y	-	-
		ACM	d	Same as above	313,700	-	-	None	-	Same as above	Y	-	-
2	AIC	ACP	d	50% of net worth (\$3,507,663)	304,300	245,240	30,655	None	3.50	100% of net worth (\$7,015,327)	Y	-	-
		ACP II	d	Same as above	313,700	-	-	None	-	Same as above	Y	-	-
3	JYDC	JRYNM	a	50% of net worth (\$13,810,340)	893,053	856,974	21,641	None	3.10	100% of net worth (\$27,620,681)	Y	-	-

Note 1: The net value was calculated based on audited financial statements as of December 31, 2023.

Note 2: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2023.

Note 3: The relationship between guarantor and guarantee are as follows:

- A company with which the Corporation engages business.
- A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
- A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
- A company in which the Corporation directly and indirectly holds more than 90% of the voting shares.
- The Corporation fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
- Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

TABLE 3

ASIA CEMENT CORPORATION

MARKETABLE SECURITIES HELD

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Corporation	Far EasTone	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through profit or loss - current	153,543,573	\$ 12,252,777	4.71	\$ 12,252,777	
	Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund	-	Financial assets at fair value through profit or loss - current	10,000,000	424,500	-	424,500	
	China Conch Venture Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	11,443,000	289,113	0.63	289,113	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	2,217	158,679	-	158,679	
	Opas Fund Segregated Portfolio Tranche A	Related party in substance	Financial assets at fair value through profit or loss - current	3,825	146,988	-	146,988	
	China Conch Environment Protection Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	11,443,000	69,601	0.63	69,601	
	Far EasTone	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	31,034,372	2,476,543	0.95	2,476,543	
	Far Eastern Department Store Ltd.	The investor and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	80,052,950	1,981,311	5.65	1,981,311	
	CHC Resources Corporation	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	22,801,185	1,313,348	9.17	1,313,348	
	Oriental Union Chemical Corp.	The investor and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	63,766,522	1,284,895	7.20	1,284,895	
	Far Eastern International Bank	The chairman of the investor is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	93,302,771	1,180,280	2.29	1,180,280	
	Taiwan Stock Exchange Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	13,407,259	714,875	1.16	714,875	
	China Shanshui Investment Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	49,928	87,483	4.99	87,483	
	Kaohsiung Rapid Transit	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	15,873,243	60,994	5.70	60,994	
	Pan Asia Engineers & Constructors Corp.	The investor is the corporate supervisor of the investee	Financial assets at fair value through other comprehensive income - noncurrent	1,551,395	30,935	1.36	30,935	
	L' Hotel de Chine Hotel	-	Financial assets at fair value through other comprehensive income - noncurrent	598,121	30,044	0.20	30,044	
	Ding Ding Hotel Corp.	The chairman of the investor is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - noncurrent	555,638	16,021	0.53	16,021	
	China Trade & Development Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	250,003	3,902	0.38	3,902	
	Linkou Recreation Corporation	-	Financial assets at fair value through other comprehensive income - noncurrent	5	-	0.50	-	
DCI	Chang An Fund	-	Financial assets at fair value through profit or loss - current	145,000	4,860,625	-	4,860,625	
	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	8,000,000	299,200	-	299,200	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
DCI	Yuanta Taiwan High Dividend Low Volatility ETF	-	Financial assets at fair value through profit or loss - current	5,550,000	\$ 279,720	-	\$ 279,720	
	Taiwan Semiconductor Manufacturing Corp.	-	Financial assets at fair value through profit or loss - current	400,000	237,200	-	237,200	
	ASE Technology Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,700,000	229,500	0.04	229,500	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	4,250,000	150,153	-	150,153	
	ASMedia Technology Inc.	-	Financial assets at fair value through profit or loss - current	70,000	127,050	0.10	127,050	
	Taiwan Hon Chuan Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	960,000	120,000	0.59	120,000	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	230,000	108,445	0.04	108,445	
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	1,360,000	107,712	0.02	107,712	
	LOTES Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100,000	107,000	0.09	107,000	
	ASPEED Technology Inc.	-	Financial assets at fair value through profit or loss - current	34,000	106,080	0.09	106,080	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	590,000	103,840	0.06	103,840	
	TXC Corporation	-	Financial assets at fair value through profit or loss - current	1,020,000	100,572	0.34	100,572	
	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	180,000	93,600	0.26	93,600	
	Yuanta Global 5G Key Technology ETF	-	Financial assets at fair value through profit or loss - current	2,800,000	93,520	-	93,520	
	Taiwan Cement Co., Ltd.	-	Financial assets at fair value through profit or loss - current	2,355,665	82,095	0.03	82,095	
	Anhui Conch Cement Company Limited	-	Financial assets at fair value through profit or loss - current	880,000	61,897	0.02	61,897	
	Polaris Taiwan Top 50 Tracker Fund	-	Financial assets at fair value through profit or loss - current	400,000	54,180	-	54,180	
	MediaTek Inc.	-	Financial assets at fair value through profit or loss - current	40,000	40,600	-	40,600	
	China Resources Cement Holdings Limited	-	Financial assets at fair value through profit or loss - current	5,376,000	35,634	0.08	35,634	
	Chunghwa Picture Tubes, Ltd.	-	Financial assets at fair value through profit or loss - current	275,223	-	-	-	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - current	40,093,072	507,177	0.99	507,177	
	Tripod Technology Corporation	-	Financial assets at fair value through other comprehensive income - current	1,360,000	265,200	0.26	265,200	
	Mega Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	5,288,309	207,302	0.04	207,302	
	Far EasTone	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	215,000	17,157	0.01	17,157	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - current	41,246	831	-	831	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
DCI	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	119,750,963	\$ 1,514,850	2.94	\$ 1,514,850	Note 3
	Far Eastern International Leasing Corporation	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	45,258,938	602,813	10.14	602,813	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	13,630,966	337,366	0.96	337,366	
	CHC Resources Corporation	The major shareholder of the investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	4,812,514	277,201	1.94	277,201	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	10,506,792	211,712	1.19	211,712	
	Ding Ding Hotel Corp.	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - noncurrent	213,442	6,154	0.21	6,154	
	Picvue Electronics Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	161,700	-	0.06	-	
FMT	Everest Textile Co., Ltd.	The chairman of the investor's major shareholder is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	18,314,020	136,256	2.64	136,256	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	2,256,782	45,474	0.25	45,474	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	1,185,713	29,346	0.08	29,346	
	Yi Tong Fiber Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	2,628,227	15,408	5.94	15,408	
FDT	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - current	350,146	4,429	0.01	4,429	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	3,254,125	65,571	0.37	65,571	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	935,029	23,142	0.07	23,142	
	Ding & Ding Management Consultants Co., Ltd.	The investor is the corporate supervisor of the investee	Financial assets at fair value through other comprehensive income - noncurrent	2,053,530	8,376	16.00	8,376	
AEE	Ding & Ding Management Consultants Co., Ltd.	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	646,873	900	5.04	900	
YLPPC	Yamay International Development Corp.	-	Financial assets at fair value through other comprehensive income - noncurrent	15	-	-	-	
AIC	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	122,000	4,085,066	-	4,085,066	
	Yuanta/P-shares Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	8,000,000	299,200	-	299,200	
	Yuanta Taiwan High Dividend Low Volatility ETF	-	Financial assets at fair value through profit or loss - current	5,550,000	279,720	-	279,720	
	Taiwan Semiconductor Manufacturing Corp.	-	Financial assets at fair value through profit or loss - current	400,000	237,200	-	237,200	
	ASE Technology Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,700,000	229,500	0.04	229,500	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
AIC	Hon Hai Precision Industry Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,720,000	\$ 179,740	0.01	\$ 179,740	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	4,250,000	150,153	-	150,153	
	ASMedia Technology Inc.	-	Financial assets at fair value through profit or loss - current	70,000	127,050	0.10	127,050	
	Taiwan Hon Chuan Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	960,000	120,000	0.59	120,000	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	230,000	108,445	0.04	108,445	
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	1,360,000	107,712	0.02	107,712	
	LOTES Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100,000	107,000	0.09	107,000	
	ASPEED Technology Inc.	-	Financial assets at fair value through profit or loss - current	34,000	106,080	0.09	106,080	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	590,000	103,840	0.06	103,840	
	TXC Corporation	-	Financial assets at fair value through profit or loss - current	1,020,000	100,572	0.34	100,572	
	China Mobile Communications Corporation	-	Financial assets at fair value through profit or loss - current	378,000	95,504	-	95,504	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	1,330	95,208	-	95,208	
	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	180,000	93,600	0.26	93,600	
	Yuanta Global 5G Key Technology ETF	-	Financial assets at fair value through profit or loss - current	2,800,000	93,520	-	93,520	
	China Construction Bank Corporation, A share	-	Financial assets at fair value through profit or loss - current	2,500,000	70,441	-	70,441	
	Hsing Ta Cement Co., Ltd.	-	Financial assets at fair value through profit or loss - current	3,679,650	67,154	1.08	67,154	
	Anhui Conch Cement Company Limited	-	Financial assets at fair value through profit or loss - current	880,000	61,897	0.02	61,897	
	MediaTek Inc.	-	Financial assets at fair value through profit or loss - current	40,000	40,600	-	40,600	
	China Resources Cement Holdings Limited	-	Financial assets at fair value through profit or loss - current	5,376,000	35,634	0.08	35,634	
	Tripod Technology Corporation	-	Financial assets at fair value through other comprehensive income - current	1,360,000	265,200	0.26	265,200	
	Far EasTone	The chairman of the investor's ultimate parent company is the chairman of the legal representative of the investee	Financial assets at fair value through other comprehensive income - current	1,426,303	113,819	0.04	113,819	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	159,863,267	2,022,270	3.93	2,022,270	
	Ding Shen Investment Co., Ltd.	The investor is the corporate director of the investee	Financial assets at fair value through other comprehensive income - noncurrent	40,328,640	435,146	18.00	435,146	
	Far Eastern Department Store Ltd.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	11,361,972	281,209	0.80	281,209	
	Oriental Union Chemical Corp.	The investor's ultimate parent company and the investee have the same chairman	Financial assets at fair value through other comprehensive income - noncurrent	1,552,156	31,276	0.18	31,276	
	Hsin Nan Construction Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	2,696	-	-	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ACE	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	\$ 337,052	-	\$ 337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
	Cementon Micronesia L.L.C.	-	Financial assets at fair value through other comprehensive income - noncurrent	100	119,555	10.00	119,555	
ACP II	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP III	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACP IV	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Grand Power Fund	-	Financial assets at fair value through profit or loss - current	9,960	334,973	-	334,973	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	5,000	167,746	-	167,746	
ACM	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ACM II	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	\$ 337,052	-	\$ 337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACM III	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACM IV	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
ACL	Fides Global Fund SPC-Innovation SP3	-	Financial assets at fair value through profit or loss - current	10,000	337,052	-	337,052	
	Nova Horizon Capital SPC - Clean Energy SP1	-	Financial assets at fair value through profit or loss - current	10,000	335,491	-	335,491	
	Noah Global SPC - Ark SP1	-	Financial assets at fair value through profit or loss - current	10,000	323,668	-	323,668	
FSMS	Stone Industry Resource System Corp	-	Financial assets at fair value through other comprehensive income - noncurrent	10,000	70	0.15	70	
YLT	Polaris Taiwan Top 50 Tracker Fund	-	Financial assets at fair value through profit or loss - current	350,000	47,408	-	47,408	
	Far Eastern International Bank	The chairman of the investor's ultimate parent company is the vice-chairman of the investee	Financial assets at fair value through other comprehensive income - noncurrent	3,573,284	45,202	0.09	45,202	
KCC	CSOP FTSE China A50 ETF	-	Financial assets at fair value through profit or loss - current	300,000	13,253	-	13,253	
KCCL	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	1,606	109,488	-	109,488	
	Allianz US High Yield Fund	-	Financial assets at fair value through profit or loss - current	97,741	17,172	-	17,172	
ACSPL	Opas Fund Segregated Portfolio Tranche B	Related party in substance	Financial assets at fair value through profit or loss - current	6,660	235,540	-	235,540	
	United Emerging Markets Bond Funds	-	Financial assets at fair value through profit or loss - current	3,232,758	68,175	-	68,175	
	United Growth Fund	-	Financial assets at fair value through profit or loss - current	745,068	65,288	-	65,288	
	DBS Group	-	Financial assets at fair value through profit or loss - current	34,396	26,661	-	26,661	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
ACSPL	Guocoland Ltd.	-	Financial assets at fair value through profit or loss - current	26,666	\$ 916	-	\$ 916	
	Hong Leong Asia	-	Financial assets at fair value through profit or loss - current	20,000	283	-	283	
	INTRACO	-	Financial assets at fair value through profit or loss - current	46,875	283	-	283	
	Engro Corp Ltd.	-	Financial assets at fair value through profit or loss - current	2,000	35	-	35	
OCPL	Hiap Hoe Ltd.	-	Financial assets at fair value through profit or loss - current	44,260	657	-	657	
ACCHC	Opas Fund Segregated Portfolio Tranche B	Related party in substance	Financial assets at fair value through profit or loss - current	7,308	265,135	-	265,135	
	Opas Fund Segregated Portfolio Tranche C	Related party in substance	Financial assets at fair value through profit or loss - current	2,428	173,807	-	173,807	
	Opas Fund Segregated Portfolio Tranche A	Related party in substance	Financial assets at fair value through profit or loss - current	4,202	161,485	-	161,485	

Note 1: Marketable securities in this table are shares, bonds, beneficiary certificates and securities derived from these items under IFRS 9 “Financial Instruments: Recognition and Measurement”.

Note 2: The carrying amounts of financial instruments measured at fair values are adjusted for fair value less accumulated impairment loss; the carrying amounts of financial instruments not measured at fair values are the original cost or amortized cost less accumulated impairment loss.

Note 3: 5,000 thousand shares (\$123,750 thousand) of the securities are pledged as collaterals for bank loans of DCI.

(Concluded)

TABLE 4

ASIA CEMENT CORPORATION

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount
The Corporation	Far EasTone Telecommunications Co., Ltd.	Financial assets at fair value through profit or loss - current	NTT Docomo, Inc.	-	-	\$ -	153,543,573	\$ 10,023,324	-	\$ -	\$ -	\$ -	153,543,573	\$ 12,252,777 (Note)

Note: The amount includes related adjustment items such as unrealized gains and losses of financial assets and day 1 gains for financial instruments.

TABLE 5

ASIA CEMENT CORPORATION

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
FMT	Land	March 7, 2023	\$ 1,052,000	Based on contract terms	Oriental Union Chemical Corp.	Other related parties	Far Eastern International Bank Co., Ltd.	Other related parties	October 2004	\$ 150,840	Market value and valuation report	For operation	-

TABLE 6

ASIA CEMENT CORPORATION

**TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Corporation	YTRMC	A subsidiary of the Corporation	Sales	\$ (2,736,304)	(25)	Purchase 45 days after monthly closing	\$ -	-	\$ 536,436	41	
	ACSPL	A subsidiary of the Corporation	Sales	(592,588)	(5)	Average 30 days	-	-	81,486	6	
	U-Ming	An investee accounted for by equity method	Sales freight expense	476,193	5	Purchase 30 days after monthly closing	-	-	(62,662)	(3)	
	NHC	A subsidiary of the Corporation	Purchase	350,600	4	Purchase 45 days after monthly closing	-	-	(32,667)	(2)	
	U-Ming Singapore	A subsidiary of an investee accounted for by equity method	Freight-in	340,914	4	Average 10 days	-	-	-	-	
	YSRMC	A sub-subsidiary of the Corporation	Sales	(301,318)	(3)	Purchase 45 days after monthly closing	-	-	63,297	5	
	YLT	A subsidiary of the Corporation	Sales freight expense	149,428	2	Average 30 days	-	-	(25,041)	(1)	
	CHC Resources Corporation	Other related party	Sales	(142,845)	(1)	Purchase 45 days after monthly closing	-	-	14,641	1	
YTRMC	The Corporation	Parent company	Purchase	2,736,304	24	Purchase 45 days after monthly closing	-	-	(536,436)	(20)	
	CHC Resources Corporation	Other related party	Purchase	532,182	5	Purchase 45 days after monthly closing	-	-	(83,513)	(3)	
	Far Eastern General Construction Inc.	Other related party	Sales	(199,133)	(1)	Average 90 days	-	-	108,279	2	
ACSPL	Alliance Concrete Singapore Pte. Ltd.	An investee accounted for by equity method	Sales	(962,081)	(82)	Average 60 days	-	-	188,939	67	
	The Corporation	Parent company	Purchase	592,588	59	Average 30 days	-	-	(81,486)	(45)	
FMT	FENC	An investee accounted for by equity method	Sales	(321,073)	(29)	Purchase 30 days after monthly closing	-	-	39,663	19	
	Air Liquide Far Eastern Co.	Other related party	Sales	(219,844)	(20)	Purchase 90 days after monthly closing	-	-	94,843	45	
NHC	The Corporation	Parent company	Sales	(350,600)	(56)	Purchase 45 days after monthly closing	-	-	32,667	35	
	CHC Resources Corporation	Other related party	Sales	(103,056)	(17)	Purchase 45 days after monthly closing	-	-	9,773	10	
YSRMC	The Corporation	Parent company	Purchase	301,318	31	Purchase 45 days after monthly closing	-	-	(63,297)	(31)	
YLT	CHC Resources Corporation	Other related party	Sales	(256,194)	(61)	Purchase 30 days after monthly closing	-	-	27,830	51	
	The Corporation	Parent company	Sales	(149,428)	(35)	Average 30 days	-	-	25,041	46	
FDT	Oriental Union Chemical Corp	Other related party	Sales	(137,976)	(19)	Purchase 75 days after monthly closing	-	-	10,981	10	
	Oriental Petrochemical (Taiwan) Co., Ltd.	Other related party	Sales	(123,940)	(17)	Purchase 110 days after monthly closing	-	-	39,383	36	
JYDC	YYDCCL	The same ultimate parent company	Sales	(1,332,837)	(9)	Within 50 days	-	-	96,759	30	
	TZOCCL	The same ultimate parent company	Sales	(587,637)	(4)	Within 50 days	-	-	31,530	10	
	NYDC	A subsidiary of the Corporation	Purchase	568,303	4	Within 50 days	-	-	(14,396)	(3)	
	RYNM	A subsidiary of the Corporation	Sales	(520,001)	(3)	Within 50 days	-	-	58,282	18	
	HGYDC	The same ultimate parent company	Purchase	431,600	3	Within 50 days	-	-	(36,983)	(8)	
	WAMTC	An investee accounted for by equity method	Sales freight expense	299,361	2	Within 90 days	-	-	(69,529)	(15)	
	NYDC	A subsidiary of the Corporation	Sales	(286,641)	(2)	Within 50 days	-	-	5,949	2	
	WYDC	The same ultimate parent company	Sales	(246,442)	(2)	Within 50 days	-	-	12,856	4	
	JYLTC	A subsidiary of the Corporation	Sales freight expense	229,585	2	Within 50 days	-	-	(15,426)	(3)	
YYDCCL	JYDC	The same ultimate parent company	Purchase	1,332,837	68	Within 50 days	-	-	(96,759)	(85)	
TZOCCL	JYDC	The same ultimate parent company	Purchase	587,637	91	Within 50 days	-	-	(31,530)	(93)	
SIYDCCL	SLCL	The same ultimate parent company	Sales	(522,681)	(9)	Within 90 days	-	-	36,435	5	
SLCL	SIYDCCL	The same ultimate parent company	Purchase	522,681	15	Within 90 days	-	-	(36,435)	(18)	
	SYTCL	The same ultimate parent company	Sales freight expense	185,661	5	Within 90 days	-	-	(18,233)	(9)	

(Continued)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
NYDC	JYDC	Parent company	Sales	\$ (568,303)	(100)	Within 50 days	\$ -	-	\$ 14,396	100	
			Purchase	286,641	51	Within 50 days	-	-	(5,949)	(51)	
HGYDC	JYDC	The same ultimate parent company	Sales	(431,600)	(14)	Within 50 days	-	-	36,983	15	
	HYDCCL	The same ultimate parent company	Sales	(423,067)	(13)	Within 50 days	-	-	65,527	27	
HYDCCL	HGYDC	The same ultimate parent company	Purchase	423,067	10	Within 50 days	-	-	(65,527)	(33)	
	WAMTC	An investee accounted for by equity method	Sales freight expense	116,296	3	Within 90 days	-	-	(17,414)	(9)	
RYNM	JYDC	Parent company	Purchase	520,001	99	Within 50 days	-	-	(58,282)	(100)	
JYLTC	JYDC	Parent company	Sales	(229,585)	(72)	Within 50 days	-	-	15,426	64	
WYDC	JYDC	The same ultimate parent company	Purchase	246,442	50	Within 50 days	-	-	(12,856)	(49)	
SYTCL	SLCL	The same ultimate parent company	Sales	(185,661)	(73)	Within 90 days	-	-	18,233	48	

(Concluded)

TABLE 7

ASIA CEMENT CORPORATION

**RECEIVABLES FROM RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
The Corporation	YTRMC	A subsidiary of the Corporation	\$ 619,470	5.14 times	\$ -	-	\$ 270,589	\$ -
ACSPL	Alliance Concrete Singapore Pte. Ltd.	An investee accounted for by equity method	188,939	5.52 times	-	-	90,309	-
YTRMC	Far Eastern General Construction Inc.	Other related party	108,279	3.04 times	-	-	32,199	-
HYDCCL	ACCHC	Parent company	1,444,737	Note	-	-	-	-
HGYDC	ACCHC	Parent company	1,094,968	Note	-	-	-	-
WYDC	ACCHC	Parent company	306,459	Note	-	-	-	-
SIYDCCL	SYCPCL	The same ultimate parent company	216,658	Note	-	-	-	-
OIHPL	ACCHC	Parent company	194,710	Note	-	-	-	-
SLCL	SLCCL	A subsidiary of the Corporation	164,633	Note	-	-	-	-
JYDC	SHYLCF	The same ultimate parent company	106,151	Note	-	-	-	-

Note: The accounts receivable from financing.

TABLE 8

ASIA CEMENT CORPORATION

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
The Corporation	ACCHC	Cayman	Investment	\$ 13,660,637	\$ 13,660,637	1,061,209,202	67.73	\$ 48,798,708	\$ 246,663	\$ 167,065	A subsidiary of the Corporation
	FENC	Taiwan	Textile	3,459,787	3,459,787	1,272,277,085	23.77	40,923,992	8,229,199	1,347,844	A subsidiary of the Corporation
	DCI	Taiwan	Investment	2,556,220	2,556,033	775,225,091	99.99	16,594,311	929,879	929,860	
	U-Ming	Taiwan	Marine transportation	510,236	510,236	331,701,152	39.25	13,226,464	2,738,915	1,149,273	A subsidiary of the Corporation
	CHP	Taiwan	Power plant	8,502,050	8,502,050	568,307,076	99.70	10,902,935	1,039,876	1,036,804	
	AIC	Taiwan	Investment	1,212,679	1,212,679	499,426,678	100.00	7,015,327	441,433	441,433	A subsidiary of the Corporation
	CSCGL	Cayman	Investment	4,821,008	4,821,008	331,878,315	7.62	6,926,148	(3,523,119)	(336,389)	A subsidiary of the Corporation
	ACSPL	Singapore	Cement	188,508	188,338	10,500,000	100.00	6,212,167	440,788	440,759	
	YTRMC	Taiwan	Ready-mixed concrete, cement - related products	1,042,274	1,042,261	199,992,732	99.99	4,811,387	1,678,375	1,678,334	A subsidiary of the Corporation
	YDC	Taiwan	Investment	2,232,220	2,232,220	178,707,648	35.50	3,210,877	290,787	98,164	A subsidiary of the Corporation
	YYI	Taiwan	Investment	911,059	911,058	155,000,830	29.92	2,536,323	131,971	39,487	
	YLSS	Taiwan	Stainless steel	2,661,240	2,661,240	200,000,000	100.00	2,379,045	(118,161)	(126,448)	A subsidiary of the Corporation
	FMT	Taiwan	Transportation	70,279	70,279	58,520,371	99.95	1,852,992	251,802	251,676	A subsidiary of the Corporation
	OSC	Taiwan	Broker	90,157	154,207	79,929,133	18.93	1,323,421	212,373	40,409	A subsidiary of the Corporation
	FEDSDL	Taiwan	Retails	500,000	500,000	53,250,000	25.00	588,630	163,838	40,960	
	YDLC	Taiwan	Leasing	309,049	309,049	34,640,189	43.60	383,596	20,946	9,132	A subsidiary of the Corporation
	NHC	Taiwan	Cement, granulated blast-furnace slag	411,108	411,106	26,139,000	99.98	340,402	60,853	60,841	
	YLT	Taiwan	Transportation	25,015	25,015	5,160,817	51.61	294,518	46,592	24,046	A subsidiary of the Corporation
	YLPPC	Taiwan	Cement - related products	145,166	145,079	16,271,969	83.97	224,235	63,465	53,273	A subsidiary of the Corporation
	AEE	Taiwan	Engineering	8,223	7,929	8,108,397	99.93	177,896	21,472	21,415	A subsidiary of the Corporation
	EISF	Taiwan	Iron and steel	31,463	31,463	3,199,823	40.40	95,514	39,204	15,839	A subsidiary of the Corporation
	SIHL	B.V.I.	Investment	2,898	2,898	90,000	100.00	63,462	3,820	3,820	
DCI	FEC	Taiwan	Construction	140,138	140,138	145,125,985	33.76	5,420,207	1,190,353	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	1,263,385	1,263,385	82,812,887	1.55	2,630,146	8,229,199	Not applicable	
	ACM IV	B.V.I.	Investment	1,058,465	1,058,465	36,100,000	80.04	1,394,587	(33,285)	Not applicable	A sub-subsidiary of the Corporation
	ACL	B.V.I.	Investment	1,127,257	1,127,257	38,400,000	81.01	1,379,752	(31,563)	Not applicable	A sub-subsidiary of the Corporation
	YDC	Taiwan	Investment	289,987	289,987	72,989,438	14.50	1,319,920	290,787	Not applicable	A sub-subsidiary of the Corporation
	ACM	B.V.I.	Investment	1,106,342	1,106,342	37,700,000	80.73	1,285,207	(26,317)	Not applicable	
	CSCGL	Cayman	Investment	872,619	872,619	56,297,000	1.29	1,173,991	(3,523,119)	Not applicable	A sub-subsidiary of the Corporation
	ACM III	B.V.I.	Investment	842,828	842,828	29,200,000	76.44	1,030,761	(13,685)	Not applicable	
	ACM II	B.V.I.	Investment	842,828	842,828	29,200,000	76.44	992,629	(11,559)	Not applicable	A sub-subsidiary of the Corporation

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
DCI	KCC	Hong Kong	Cement	\$ 36,024	\$ 36,024	1,127,000	49.00	\$ 509,184	\$ 48,222	Not applicable	A sub-subsidiary of the Corporation
	ACP	B.V.I.	Investment	272,804	-	9,000,000	10.29	337,608	(101,392)	Not applicable	A sub-subsidiary of the Corporation
	ACP II	B.V.I.	Investment	272,804	-	9,000,000	19.27	334,491	(32,500)	Not applicable	A sub-subsidiary of the Corporation
	ACP IV	B.V.I.	Investment	272,804	-	9,000,000	23.68	318,929	(22,692)	Not applicable	A sub-subsidiary of the Corporation
	ACP III	B.V.I.	Investment	272,804	-	9,000,000	23.56	299,831	(27,342)	Not applicable	A sub-subsidiary of the Corporation
	Catalyst Tranche Three	Cayman	Investment	236,880	236,880	8,000	25.00	262,099	11,333	Not applicable	A sub-subsidiary of the Corporation
	Catalyst Tranche Two	Cayman	Investment	223,440	223,440	8,000	25.00	258,356	15,102	Not applicable	
	ACE	B.V.I.	Investment	272,804	-	9,000,000	23.01	258,255	(19,758)	Not applicable	
	Catalyst Tranche One	Cayman	Investment	123,120	123,120	4,000	25.00	136,353	7,123	Not applicable	A sub-subsidiary of the Corporation
	FSMS	Taiwan	Mining excavation, mineral processing and sales	112,096	112,096	1,294,270	99.56	123,915	(1,740)	Not applicable	
	U-Ming	Taiwan	Marine transportation	27,619	27,619	468,486	0.06	35,077	2,738,915	Not applicable	
NHC	CSCGL	Cayman	Investment	282,957	282,957	9,250,000	0.21	192,214	(3,523,119)	Not applicable	A sub-subsidiary of the Corporation
	PGIC	Taiwan	Granulated blast-furnace slag	36,771	36,771	3,287,550	31.00	56,469	22,322	Not applicable	
	FENC	Taiwan	Textile	15,240	15,240	1,739,978	0.03	42,689	8,229,199	Not applicable	
	U-Ming	Taiwan	Marine transportation	1,027	1,027	64,143	0.01	1,627	2,738,915	Not applicable	
YTRMC	YTV	Vietnam	Ready-mixed concrete	201,823	201,823	(Note)	100.00	305,883	(9,981)	Not applicable	A sub-subsidiary of the Corporation
	YSRMC	Taiwan	Ready-mixed concrete	69,955	69,955	6,995,000	69.95	204,128	138,881	Not applicable	A sub-subsidiary of the Corporation
	AOG	Guam	Investment	236,240	236,240	(Note)	95.04	(18,549)	903	Not applicable	A sub-subsidiary of the Corporation
FMT	FDT	Taiwan	Transportation	31,463	31,463	37,972,227	99.97	697,197	107,900	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	28,773	28,773	3,155,299	0.06	83,044	8,229,199	Not applicable	
FDT	YDEC	Taiwan	Retail	160,424	160,424	36,588,627	26.95	684,376	134,398	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	31,322	31,322	1,020,000	0.02	32,649	8,229,199	Not applicable	
	U-Ming	Taiwan	Marine transportation	1,891	1,891	50,000	0.01	2,490	2,738,915	Not applicable	
AEE	CSCGL	Cayman	Investment	266,942	266,942	8,368,000	0.19	173,895	(3,523,119)	Not applicable	A subsidiary of the Corporation
	ACCHC	Cayman	Investment	50,541	50,541	3,161,500	0.20	106,059	246,663	Not applicable	
	U-Ming	Taiwan	Marine transportation	38,931	38,931	3,485,997	0.41	63,554	2,738,915	Not applicable	
YLPPC	YDEC	Taiwan	Retail	20,776	20,776	5,282,199	3.89	98,707	134,398	Not applicable	A sub-subsidiary of the Corporation
	AOG	Guam	Investment	66,816	66,816	(Note)	4.96	(968)	903	Not applicable	
AIC	ACP	B.V.I.	Investment	2,368,331	2,368,331	78,450,000	89.71	2,943,324	(101,392)	Not applicable	A sub-subsidiary of the Corporation
	ACP II	B.V.I.	Investment	1,103,822	1,103,822	37,700,000	80.73	1,401,322	(32,500)	Not applicable	A sub-subsidiary of the Corporation
	ACP IV	B.V.I.	Investment	849,522	849,522	29,000,000	76.32	1,027,900	(22,692)	Not applicable	A sub-subsidiary of the Corporation
	ACP III	B.V.I.	Investment	849,828	849,828	29,200,000	76.44	972,798	(27,342)	Not applicable	A sub-subsidiary of the Corporation
	ACE	B.V.I.	Investment	878,454	878,454	30,115,000	76.99	864,106	(19,758)	Not applicable	A sub-subsidiary of the Corporation
	FENC	Taiwan	Textile	405,473	405,473	15,430,293	0.29	672,051	8,229,199	Not applicable	A sub-subsidiary of the Corporation
	CSCGL	Cayman	Investment	556,895	556,895	31,528,000	0.72	656,621	(3,523,119)	Not applicable	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
AIC	ACM IV	B.V.I.	Investment	\$ 272,804	\$ -	9,000,000	19.96	\$ 347,776	\$ (33,285)	Not applicable	A sub-subsidiary of the Corporation
	ACL	B.V.I.	Investment	272,804	-	9,000,000	18.99	323,435	(31,563)	Not applicable	A sub-subsidiary of the Corporation
	ACM III	B.V.I.	Investment	272,804	-	9,000,000	23.56	317,697	(13,685)	Not applicable	A sub-subsidiary of the Corporation
	ACM	B.V.I.	Investment	272,804	-	9,000,000	19.27	306,775	(26,317)	Not applicable	A sub-subsidiary of the Corporation
	ACM II	B.V.I.	Investment	272,804	-	9,000,000	23.56	305,944	(11,559)	Not applicable	A sub-subsidiary of the Corporation
	U-Ming	Taiwan	Marine transportation	77,446	77,446	7,796,914	0.92	135,508	2,738,915	Not applicable	A subsidiary of the Corporation
	EISF	Taiwan	Iron and steel	15,649	15,649	660,000	8.33	19,694	39,204	Not applicable	
	CHP	Taiwan	Power plant	376	376	45,568	0.01	850	1,039,876	Not applicable	
	FMT	Taiwan	Transportation	176	176	9,900	0.02	272	251,802	Not applicable	A subsidiary of the Corporation
	FDT	Taiwan	Transportation	110	110	9,717	0.03	199	107,900	Not applicable	A sub-subsidiary of the Corporation
	FSMS	Taiwan	Mining excavation, mineral processing and sales	119	119	5,000	0.38	125	(1,740)	Not applicable	A sub-subsidiary of the Corporation
	AEE	Taiwan	Engineering	116	116	6,000	0.07	120	21,472	Not applicable	A subsidiary of the Corporation
	NHC	Taiwan	Cement, granulated blast-furnace slag	78	78	5,000	0.02	80	60,853	Not applicable	A subsidiary of the Corporation
	DCI	Taiwan	Investment	76	76	7,029	-	76	929,879	Not applicable	A subsidiary of the Corporation
	YTRMC	Taiwan	Ready-mixed concrete, cement - related products	53	53	7,268	-	53	1,678,375	Not applicable	A subsidiary of the Corporation
	YSRMC	Taiwan	Ready-mixed concrete	37	37	5,000	0.05	44	138,881	Not applicable	A sub-subsidiary of the Corporation
YLT	U-Ming	Taiwan	Marine transportation	58,840	58,840	6,348,103	0.75	359,851	2,738,915	Not applicable	
ACE	CSCGL	Cayman	Investment	266,882	266,882	7,480,000	0.17	155,498	(3,523,119)	Not applicable	
	Opas Fund Segregated Portfolio Company	Cayman	Investment	1,531	1,531	33	33.00	1,761	226	Not applicable	
	Drive Catalyst SPC	Cayman	Investment	494	494	33	33.00	539	53	Not applicable	
ACP	CSCGL	Cayman	Investment	1,959,250	1,959,250	107,536,000	2.47	2,244,557	(3,523,119)	Not applicable	
ACP II	CSCGL	Cayman	Investment	544,689	544,689	36,865,000	0.85	770,598	(3,523,119)	Not applicable	
ACP III	CSCGL	Cayman	Investment	290,967	290,967	14,790,000	0.34	308,806	(3,523,119)	Not applicable	
ACP IV	CSCGL	Cayman	Investment	292,032	292,032	18,514,000	0.43	388,089	(3,523,119)	Not applicable	
ACL	CSCGL	Cayman	Investment	567,556	567,556	35,569,000	0.82	743,467	(3,523,119)	Not applicable	
ACM	CSCGL	Cayman	Investment	554,533	554,533	30,251,000	0.70	633,214	(3,523,119)	Not applicable	
ACM II	CSCGL	Cayman	Investment	293,393	293,393	16,058,000	0.37	335,577	(3,523,119)	Not applicable	
ACM III	CSCGL	Cayman	Investment	292,743	292,743	18,477,000	0.42	384,133	(3,523,119)	Not applicable	
ACM IV	CSCGL	Cayman	Investment	504,078	504,078	37,410,000	0.86	781,098	(3,523,119)	Not applicable	
KCC	KCCL	Hong Kong	Ready-mixed concrete	39	39	10,000	100.00	187,364	18,701	Not applicable	A sub-subsidiary of the Corporation
	JFTL	B.V.I.	Investment	73,369	73,538	2,427,307	100.00	7,314	1,452	Not applicable	A sub-subsidiary of the Corporation

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2023	December 31, 2022	Shares	Percentage of Ownership	Carrying Amount			
JFTL	Profit Enterprises Int'l Ltd.	Hong Kong	Barge transportation	\$ 4,755	\$ 4,766	6,100,000	50.00	\$ 6,403	\$ 3,136	Not applicable	A sub-subsidiary of the Corporation
AOG	Perez-Mtec-ACC, LLC	Guam	Ready-mixed concrete	9,197	9,198	-	33.33	43	-	Not applicable	
	AOC	Guam	Ready-mixed concrete	243,707	243,747	-	71.68	(32,032)	831	Not applicable	
ACSPL	ACCHC	Cayman	Investment	613,100	613,200	63,790,798	4.07	2,932,389	246,663	Not applicable	A subsidiary of the Corporation
	Alliance Concrete Singapore Pte. Ltd.	Singapore	Ready-mixed concrete	162,400	159,530	6,000,000	50.00	645,238	516,297	Not applicable	A sub-subsidiary of the Corporation
	OCPL	Singapore	Ready-mixed concrete, leasing	394,400	387,430	17,000,000	100.00	290,404	6,702	Not applicable	
ACCHC	PIHPL	B.V.I.	Investment	26,995,192	26,999,595	9,719,535	100.00	81,929,376	1,241,767	Not applicable	A sub-subsidiary of the Corporation

Note: This is not a company limited by shares.

(Concluded)

TABLE 9

ASIA CEMENT CORPORATION

INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
SHYLCF	It manufactures and sells ready-mixed concrete and cement - related products	US\$15,000 (equivalent to NT\$459,825 thousand)	(2)	US\$12,000 (equivalent to NT\$367,860 thousand)	\$ -	\$ -	US\$12,000 (equivalent to NT\$367,860 thousand)	RMB12,761 (equivalent to NT\$56,346 thousand)	72.00	RMB9,188 (equivalent to NT\$40,570 thousand)	RMB19,786 (equivalent to NT\$85,637 thousand)	US\$800 (equivalent to NT\$24,524 thousand)
JYDC	It manufactures and sells cement, clinker and ready-mixed concrete (including cement - related products).	US\$356,104 (equivalent to NT\$10,916,368 thousand)	(2)	US\$143,817 (equivalent to NT\$4,408,710 thousand)	-	-	US\$143,817 (equivalent to NT\$4,408,710 thousand)	RMB275,143 (equivalent to NT\$1,214,891 thousand)	68.40	RMB188,198 (equivalent to NT\$830,986 thousand)	RMB4,365,039 (equivalent to NT\$18,892,544 thousand)	US\$50,781 (equivalent to NT\$1,556,692 thousand) RMB1,286,535 (equivalent to NT\$5,568,316 thousand)
WYDC	It manufactures and sells cement, slag powder and slag cement.	US\$36,140 (equivalent to NT\$1,107,872 thousand)	(2)	US\$26,550 (equivalent to NT\$813,890 thousand)	-	-	US\$26,550 (equivalent to NT\$813,890 thousand)	RMB9,733 (equivalent to NT\$42,976 thousand)	72.00	RMB7,008 (equivalent to NT\$30,944 thousand)	RMB448,762 (equivalent to NT\$1,942,309 thousand)	US\$4,469 (equivalent to NT\$136,997 thousand) RMB3,533 (equivalent to NT\$15,291 thousand)
SHYFCF	It manufactures and sells ready-mixed concrete and cement - related products	N/A	N/A	US\$1,270 (equivalent to NT\$38,932 thousand)	-	-	US\$1,270 (equivalent to NT\$38,932 thousand)	N/A	N/A	N/A	N/A	-
OHC	Investment	US\$204,191 (equivalent to NT\$6,259,475 thousand)	(2)	US\$55,000 (equivalent to NT\$1,686,025 thousand)	-	-	US\$55,000 (equivalent to NT\$1,686,025 thousand)	RMB(29,307) (equivalent to NT\$(129,405) thousand)	72.00	RMB(21,101) (equivalent to NT\$(93,171) thousand)	RMB2,470,371 (equivalent to NT\$10,692,136 thousand)	US\$809 (equivalent to NT\$24,800 thousand)
NYLC	It manufactures and sells ready-mixed concrete and cement - related products	RMB60,000 (equivalent to NT\$259,689 thousand)	(2)	-	-	-	-	RMB(9,375) (equivalent to NT\$(41,395) thousand)	68.40	RMB(6,412) (equivalent to NT\$(28,312) thousand)	RMB96,582 (equivalent to NT\$418,021 thousand)	-
NYDC	It manufactures and sells cement, slag powder and slag cement.	RMB90,000 (equivalent to NT\$389,534 thousand)	(2)	-	-	-	-	RMB(5,045) (equivalent to NT\$(22,276) thousand)	52.20	RMB(2,634) (equivalent to NT\$(11,630) thousand)	RMB72,270 (equivalent to NT\$312,795 thousand)	-
SIYDCCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$368,340 (equivalent to NT\$11,291,463 thousand)	(2)	US\$94,594 (equivalent to NT\$2,899,779 thousand)	-	-	US\$94,594 (equivalent to NT\$2,899,779 thousand)	RMB274,704 (equivalent to NT\$1,212,953 thousand)	72.00	RMB197,787 (equivalent to NT\$873,327 thousand)	RMB4,122,169 (equivalent to NT\$17,841,366 thousand)	US\$27,009 (equivalent to NT\$827,961 thousand) RMB679,103 (equivalent to NT\$2,939,260 thousand)
CYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	US\$4,100 (equivalent to NT\$125,686 thousand)	(2)	US\$2,100 (equivalent to NT\$64,376 thousand)	-	-	US\$2,100 (equivalent to NT\$64,376 thousand)	RMB1,730 (equivalent to NT\$7,639 thousand)	72.00	RMB1,246 (equivalent to NT\$5,502 thousand)	RMB51,472 (equivalent to NT\$222,779 thousand)	US\$77 (equivalent to NT\$2,360 thousand) RMB2,129 (equivalent to NT\$9,215 thousand)
JYLTC	Transportation	RMB12,500 (equivalent to NT\$54,102 thousand)	(2)	-	-	-	-	RMB(543) (equivalent to NT\$(2,398) thousand)	70.12	RMB(381) (equivalent to NT\$(1,682) thousand)	RMB23,487 (equivalent to NT\$101,655 thousand)	-
HYDCCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$154,800 (equivalent to NT\$4,745,394 thousand)	(2)	US\$57,600 (equivalent to NT\$1,765,728 thousand)	-	-	US\$57,600 (equivalent to NT\$1,765,728 thousand)	RMB(154,097) (equivalent to NT\$(680,414) thousand)	72.00	RMB(110,950) (equivalent to NT\$(489,899) thousand)	RMB1,453,129 (equivalent to NT\$6,289,360 thousand)	US\$12,990 (equivalent to NT\$398,208 thousand) RMB233,831 (equivalent to NT\$1,012,056 thousand)

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
CYSPC	Slag powder	N/A	N/A	US\$980 (equivalent to NT\$30,042 thousand)	\$ -	\$ -	US\$980 (equivalent to NT\$30,042 thousand)	N/A	N/A	N/A	N/A	-
SYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	US\$3,300 (equivalent to NT\$101,162 thousand)	(2)	US\$2,970 (equivalent to NT\$91,045 thousand)	-	-	US\$2,970 (equivalent to NT\$91,045 thousand)	RMB2,050 (equivalent to NT\$9,052 thousand)	72.00	RMB1,476 (equivalent to NT\$6,517 thousand)	RMB9,732 (equivalent to NT\$42,122 thousand)	-
SYTCL	Transportation	US\$3,500 (equivalent to NT\$107,293 thousand)	(2)	US\$3,150 (equivalent to NT\$96,563 thousand)	-	-	US\$3,150 (equivalent to NT\$96,563 thousand)	RMB1,013 (equivalent to NT\$4,473 thousand)	72.00	RMB729 (equivalent to NT\$3,219 thousand)	RMB32,212 (equivalent to NT\$139,418 thousand)	US\$992 (equivalent to NT\$30,410 thousand)
YYDCCL	Cement, slag powder and ready-mixed concrete (including cement - related products)	US\$35,530 (equivalent to NT\$1,089,172 thousand)	(2)	US\$15,849 (equivalent to NT\$485,851 thousand)	-	-	US\$15,849 (equivalent to NT\$485,851 thousand)	RMB(35,229) (equivalent to NT\$(155,553) thousand)	72.00	RMB(25,365) (equivalent to NT\$(111,999) thousand)	RMB243,297 (equivalent to NT\$1,053,026 thousand)	US\$1,016 (equivalent to NT\$31,145 thousand) RMB41,990 (equivalent to NT\$181,739 thousand)
HGYDC	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	US\$86,170 (equivalent to NT\$2,641,541 thousand)	(2)	US\$15,350 (equivalent to NT\$470,554 thousand)	-	-	US\$15,350 (equivalent to NT\$470,554 thousand)	RMB82,614 (equivalent to NT\$364,781 thousand)	72.00	RMB59,482 (equivalent to NT\$262,642 thousand)	RMB1,076,605 (equivalent to NT\$4,659,708 thousand)	US\$1,837 (equivalent to NT\$56,313 thousand) RMB170,105 (equivalent to NT\$736,240 thousand)
HYTCL	Transportation	RMB13,000 (equivalent to NT\$56,266 thousand)	(2)	-	-	-	-	RMB(4,684) (equivalent to NT\$(20,682) thousand)	72.00	RMB(3,372) (equivalent to NT\$(14,889) thousand)	RMB10,077 (equivalent to NT\$43,615 thousand)	-
WYCPCL	It manufactures and sells ready-mixed concrete and cement - related products	RMB60,000 (equivalent to NT\$259,689 thousand)	(2)	-	-	-	-	RMB8,367 (equivalent to NT\$36,944 thousand)	72.00	RMB6,024 (equivalent to NT\$26,599 thousand)	RMB54,914 (equivalent to NT\$237,676 thousand)	-
WYXC	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	RMB90,000 (equivalent to NT\$389,534 thousand)	(2)	-	-	-	-	RMB(59,014) (equivalent to NT\$(260,576) thousand)	64.79	RMB(38,700) (equivalent to NT\$(170,879) thousand)	RMB88,694 (equivalent to NT\$383,881 thousand)	-
HZYCCL	It manufactures and sells ready-mixed concrete and cement - related products	RMB30,000 (equivalent to NT\$129,845 thousand)	(2)	-	-	-	-	RMB(6,330) (equivalent to NT\$(27,950) thousand)	28.80	RMB(1,823) (equivalent to NT\$(8,049) thousand)	RMB13,604 (equivalent to NT\$58,880 thousand)	-
HXMC	Production and sales of limestone	RMB10,000 (equivalent to NT\$43,282 thousand)	(2)	-	-	-	-	RMB(9,281) (equivalent to NT\$(40,980) thousand)	28.80	RMB(2,869) (equivalent to NT\$(12,668) thousand)	RMB4,406 (equivalent to NT\$19,070 thousand)	-
WAMTC	Marine transportation	RMB35,500 (equivalent to NT\$153,649 thousand)	(2)	-	-	-	-	RMB5,071 (equivalent to NT\$22,391 thousand)	34.20	RMB1,766 (equivalent to NT\$7,798 thousand)	RMB36,761 (equivalent to NT\$159,107 thousand)	-
TZOCCL	Cement - related products	US\$16,000 (equivalent to NT\$490,480 thousand)	(2)	-	-	-	-	RMB(3,697) (equivalent to NT\$(16,324) thousand)	72.00	RMB(2,529) (equivalent to NT\$(11,167) thousand)	RMB77,339 (equivalent to NT\$334,735 thousand)	-
SLCL	Cement, clinker, slag powder and ready-mixed concrete (including cement - related products)	RMB600,000 (equivalent to NT\$2,596,890 thousand)	(2)	-	-	-	-	RMB98,796 (equivalent to NT\$436,233 thousand)	72.00	RMB69,132 (equivalent to NT\$305,252 thousand)	RMB1,466,517 (equivalent to NT\$6,347,306 thousand)	-
SLCCL	Cement - related products	RMB20,000 (equivalent to NT\$86,563 thousand)	(2)	-	-	-	-	RMB(1,663) (equivalent to NT\$(7,343) thousand)	72.00	RMB(1,197) (equivalent to NT\$(5,285) thousand)	RMB(19,832) (equivalent to NT\$(85,836) thousand)	-
YDES	Real estate leasing and management	RMB1,763,425 (equivalent to NT\$7,632,368 thousand)	(2)	-	-	-	-	RMB(210,309) (equivalent to NT\$(928,617) thousand)	28.80	RMB(60,569) (equivalent to NT\$(267,442) thousand)	RMB413,592 (equivalent to NT\$1,790,088 thousand)	-

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023
					Outward	Inward						
RYNM	Building materials, products and construction waste	RMB2,000 (equivalent to NT\$8,656 thousand)	(2)	-	\$ -	\$ -	-	RMB(2,586) (equivalent to NT\$(11,418) thousand)	30.78	RMB(796) (equivalent to NT\$(3,515) thousand)	RMB23,396 (equivalent to NT\$101,261 thousand)	-
JRYNM	Mineral resource mining, port management, waterway general goods transportation and construction	RMB10,000 (equivalent to NT\$43,282 thousand)	(2)	-	-	-	-	N/A	N/A	N/A	N/A	-
JYDCCL	It manufactures and sells cement grinding, slag powder, doping powder and other building material products	RMB80,000 (equivalent to NT\$346,252 thousand)	(2)	-	-	-	-	RMB1,046 (equivalent to NT\$4,619 thousand)	61.19	RMB640 (equivalent to NT\$2,826 thousand)	RMB49,503 (equivalent to NT\$214,256 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
US\$648,051 (Note 3) (Equivalent to NT\$19,866,003 thousand)	US\$2,284,279 (Equivalent to NT\$70,024,573 thousand)	(Note 4)

- Note 1: The accrual is based on the financial statements audited by independent auditors.
- Note 2: The investor companies were incorporated in Mainland China by a company (2) (ACCHC) which was incorporated in the area other than Taiwan and Mainland China in order to invest in Mainland China.
- Note 3: As of December 31, 2023, accumulated investments in China Shanshui Cement Group Ltd, which is listed at HKEx, and China Shanshui Investment Company Limited were US\$150,620 thousand and US\$66,201 thousand, respectively, which were included in Accumulated Outward Remittance for Investment in Mainland China.
- Note 4: The Corporation obtained certificate No. 11251043680 from Industrial Development Administration, Ministry of Economic Affairs, according to the “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”, the accumulation of fund is not limited.
- Note 5: The foreign currency amounts of original investment amount and carrying amount are expressed in New Taiwan dollars at exchange rate as of December 31, 2023. The foreign currency amount of net income is expressed in New Taiwan dollars at average exchange rate for the year ended December 31, 2023.

(Concluded)

TABLE 10**ASIA CEMENT CORPORATION****INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
FENC	750,511,324	21.16
Far Eastern Medical Foundation	182,775,987	5.15

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

ASIA CEMENT CORPORATION**STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

Item	Due Date	Annual Rate	Amount
Cash			
Bank deposits (Note)			
Demand deposits and checking accounts (including NT\$823,789 thousand, US\$17,577 thousand, RMB229 thousand, EUR1 thousand, JPY7 thousand and HK\$1 thousand)			\$ 1,363,630
Time deposits (including US\$64,179 thousand and RMB63,302 thousand)	2024.2.27	2.72%-5.58%	2,241,388
Petty cash			790
Cash on hand (including US\$10 thousand and RMB13 thousand) (Note)			346
Cash equivalents (Note)			
Repurchase agreements collateralized by bonds (US\$10,143 thousand)	2024.1.26	5.58%	<u>310,947</u>
			<u>\$ 3,917,101</u>

Note: The rates of exchanges were US\$1=\$30.655, EUR1=\$33.780, SGD1=\$23.200, JPY1=\$0.215, HK\$1=\$3.899, and RMB1=\$4.32815.

ASIA CEMENT CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Excluding Number of Shares, Par Value and Unit Price)

Name of Financial Instruments	Unit	Total Amount	Cost of Acquisition	Fair Value		Note
				Unit Price (Note 1)	Total Amount	
Beneficiary certificate - open-end fund						
Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund	10,000,000	\$ 424,500	\$ 100,000	42.45	\$ 424,500	Note 2
Opas Fund Segregated Portfolio Tranche A	3,825	146,988	138,150	38,428.64	146,988	Note 2
Opas Fund Segregated Portfolio Tranche C	2,217	158,679	138,150	71,583.20	158,679	Note 2
Domestic listed shares						
Far EasTone.	153,543,573	12,252,777	10,027,609	79.80	12,252,777	Note 2
Overseas listed shares						
China Conch Venture Holdings Ltd.	11,443,000	289,113	557,036	25.27	289,113	Note 2
China Conch Environment Protection Holdings Ltd.	11,443,000	<u>69,602</u>	<u>41,927</u>	6.08	<u>69,602</u>	
		<u>\$ 13,341,659</u>	<u>\$ 11,002,872</u>		<u>\$ 13,341,659</u>	

Note 1: The market prices of the open-ended funds and domestic and overseas listed shares were calculated based on the net asset value of the fund and closing price, respectively, on December 31, 2023.

Note 2: All financial instruments were unsecured and unpledged.

ASIA CEMENT CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CURRENT
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Excluding Number of Shares, Par Value and Unit Price)

Name of Financial Instruments	Number of Shares	Par Value	Carrying Amount	Cost of Acquisition	Fair Value		Note
					Unit Price (Note 1)	Total Amount	
Domestic listed shares Far EasTone.	<u>31,034,372</u>	\$10	<u>\$ 2,476,543</u>	<u>\$ 798,361</u>	\$79.80	<u>\$ 2,476,543</u>	Note 2

Note 1: The listed shares were calculated based on the closing price on December 31, 2023.

Note 2: All financial instruments were unsecured and unpledged.

ASIA CEMENT CORPORATION

STATEMENT OF FINANCIAL ASSETS AT AMORTIZED COST - CURRENT

DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name of Financial Instruments	Par Value	Total Amount	Rate	Carrying Amount	Note
United Overseas Bank	\$ 294,288	\$ 294,288	5.80%	\$ 294,288	
United Overseas Bank	322,981	322,981	5.60%	322,981	
Bank of China Limited	315,808	315,808	5.78%	315,808	
Bank of China Limited	459,825	459,825	5.50%	459,825	
Bank of China Limited	86,957	86,957	2.60%	86,957	
BNP Paribas	43,996	43,996	3.05%	43,996	
Taishin International Bank Co., Ltd.	306,550	306,550	5.65%	306,550	
Taishin International Bank Co., Ltd.	108,849	108,849	3.18%	108,849	
Taishin International Bank Co., Ltd.	129,844	129,844	3.13%	129,844	
Taishin International Bank Co., Ltd.	129,844	129,844	2.50%	129,844	
Bank of Taiwan	34,885	34,885	5.30%	34,885	
E.SUN Commercial Bank, Ltd.	105,724	105,724	3.00%	105,724	
E.SUN Commercial Bank, Ltd.	102,001	102,001	2.85%	102,001	
E.SUN Commercial Bank, Ltd.	108,204	108,204	2.72%	108,204	
E.SUN Commercial Bank, Ltd.	108,204	108,204	2.50%	108,204	
E.SUN Commercial Bank, Ltd.	111,307	111,307	2.32%	111,307	
Crédit Agricole	459,825	459,825	5.50%	459,825	
Crédit Agricole	320,253	320,253	5.41%	320,253	
Crédit Agricole	35,498	35,498	5.40%	35,498	
First Commercial Bank	306,550	306,550	5.70%	306,550	
First Commercial Bank	306,550	306,550	5.65%	306,550	
First Commercial Bank	133,290	133,290	3.00%	133,290	
First Commercial Bank	43,282	43,282	2.70%	43,282	
First Commercial Bank	130,160	130,160	2.60%	130,160	
Mizuho Bank	153,275	153,275	5.72%	153,275	
Chang Hwa Commercial Bank	245,240	245,240	5.80%	245,240	
Chang Hwa Commercial Bank	61,310	61,310	5.75%	61,310	
Far Eastern International Bank	13,795	13,795	4.50%	13,795	
	<u>\$ 4,978,295</u>	<u>\$ 4,978,295</u>		<u>\$ 4,978,295</u>	

ASIA CEMENT CORPORATION**STATEMENT OF NOTES RECEIVABLE****DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars)**

Client Name	Amount
Third parties	
Lucky Cement Co., Ltd	\$ 22,176
Chong cheng building materials Co., ltd.	10,676
Yu Chen Co., Ltd.	9,749
Jinyangfang Industrial CO., LTD.	8,400
Nan Shing Colour Co., Ltd.	7,338
Shangde Building Materials Co., Ltd.	5,346
Hung Hsin Building Materials Co., Ltd.	5,289
Others (Note)	<u>33,811</u>
	<u>\$ 102,785</u>

Note: The balance of each individual client included in others does not exceed 5% of the account balance.

ASIA CEMENT CORPORATION**STATEMENT OF TRADE RECEIVABLES****DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars)**

Client Name	Amount
Related parties	
Domestic sales	
YTRMC	\$ 536,436
YSRMC	63,297
Others (Note)	<u>14,641</u>
	<u>614,374</u>
Export	
ACSPL	81,486
Rental	
YTRMC	83,034
Others (Note)	<u>22,681</u>
	<u>105,715</u>
	<u>801,575</u>
Third parties	
Domestic sales	
Others (Note)	411,637
Loss: Loss allowance	<u>(7,886)</u>
	<u>403,751</u>
Net profit for the year	<u>\$ 1,205,326</u>

Note: The balance of each individual client included in others does not exceed 5% of the account balance.

ASIA CEMENT CORPORATION**STATEMENT OF INVENTORIES****DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars)**

Item	Amount	
	Cost	Market Value (Note)
Finished goods	\$ 209,571	\$ 269,630
Work in progress	461,419	962,788
Raw materials	548,618	643,477
Supplies	<u>455,828</u>	<u>455,828</u>
	<u>\$ 1,675,436</u>	<u>\$ 2,331,723</u>

Note: Inventories are measured at net realizable value.

ASIA CEMENT CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Excluding Unit Prices Are New Taiwan Dollars and Hong Kong Dollars)

Name of Investee Company	Balance, January 1, 2023		Addition		Decrease		Reclassification		Changes in Equity Method (Note 1)	Balance, December 31, 2023			Market Price or Net Equity Value		Collateral	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount		Shares	Ownership	Amount	Unit Price	Total Amount		
Stocks																
Listed shares																
ACCHC	1,061,209,202	\$ 50,215,202	-	\$ -	-	\$ -	-	\$ -	\$ (1,416,494)	1,061,209,202	67.73	\$ 48,798,708	HK 2.44	\$ 10,095,877		Note 3
FENC	1,272,277,085	37,765,199	-	-	-	-	-	-	3,158,793	1,272,277,085	23.77	40,923,992	31.20	39,695,045	Note 2	Note 3
U-Ming	331,701,152	12,762,614	-	-	-	-	-	-	463,850	331,701,152	39.25	13,226,464	52.10	17,281,630	Note 2	Note 3
CSCGL	331,878,315	7,370,358	-	-	-	-	-	-	(444,210)	331,878,315	7.62	6,926,148	HK 0.56	724,636		Note 3
Unlisted shares																
DCI	730,646,976	15,612,641	44,578,115	187	-	-	-	-	981,483	775,225,091	99.99	16,594,311		16,594,311		Notes 4 and 5
CHP	568,307,076	11,228,967	-	-	-	-	-	-	(326,032)	568,307,076	99.70	10,902,935		10,576,634		Note 4
YYI	155,000,823	2,552,446	7	-	-	-	-	-	(16,123)	155,000,830	29.92	2,536,323		2,536,323		Note 4
YDC	178,707,648	3,094,985	-	-	-	-	-	-	115,892	178,707,648	35.50	3,210,877		3,210,877		Note 4
ACSPL	10,499,618	5,770,251	382	171	-	-	-	-	440,254	10,500,000	100.00	6,210,676		6,212,167		Note 4
AIC	403,088,522	6,072,401	96,338,156	-	-	-	-	-	930,589	499,426,678	100.00	7,002,990		7,015,327		Notes 4 and 5
OSC	136,713,259	1,823,386	-	-	(56,784,126)	-	-	-	(499,965)	79,929,133	18.93	1,323,421		1,323,421		Notes 4 and 6
YTRMC	199,991,837	4,096,544	895	13	-	-	-	-	711,015	199,992,732	99.99	4,807,572		4,811,387		Note 4
YLSS	200,000,000	2,505,493	-	-	-	-	-	-	(126,448)	200,000,000	100.00	2,379,045		2,246,684		Note 4
FMT	29,555,742	1,555,689	28,964,629	-	-	-	-	-	297,303	58,520,371	99.95	1,852,992		1,852,992		Notes 4 and 5
FEDSDL	53,250,000	670,573	-	-	-	-	-	-	(81,943)	53,250,000	25.00	588,630		588,630		Note 4
NHC	26,138,828	322,911	172	2	-	-	-	-	17,489	26,139,000	99.98	340,402		340,402		Note 4
YDLC	34,640,189	379,095	-	-	-	-	-	-	4,501	34,640,189	43.60	383,596		383,596		Note 4
YLT	5,160,817	280,364	-	-	-	-	-	-	14,154	5,160,817	51.61	294,518		273,738		Note 4
AEE	8,094,680	193,391	13,717	294	-	-	-	-	(15,789)	8,108,397	99.93	177,896		177,896		Note 4
EISF	3,199,823	88,368	-	-	-	-	-	-	7,146	3,199,823	40.40	95,514		95,514		Note 4
YLPPC	16,264,709	169,177	7,260	87	-	-	-	-	54,603	16,271,969	83.97	223,867		224,235		Note 4
SIHL	90,000	59,642	-	-	-	-	-	-	3,820	90,000	100.00	63,462		63,462		Note 4
		164,589,697		754		-		-	4,273,888			168,864,339		126,324,784		
Less: Effect of investment properties at fair value method		3,180,099		-		-		-	363,589			3,543,688		-		
		<u>\$ 161,409,598</u>		<u>\$ 754</u>		<u>\$ -</u>		<u>\$ -</u>	<u>\$ 3,910,299</u>			<u>\$ 165,320,651</u>		<u>\$ 126,324,784</u>		

Note 1: Including

a.	Changes in the Corporation’s share of profit of investees (excluding effect of investment properties at fair value method)	\$ 7,387,597
b.	Changes in capital surplus	2,554,869
c.	Financial assets at FVTOCI - unrealized gain or loss on equity instruments	1,842,203
d.	Financial assets at FVTOCI - unrealized gain or loss on debt instruments	24,945
e.	Changes in exchange differences from translation of foreign operations	(1,333,630)
f.	Cash dividends declared and distributed by investees	(7,000,093)
g.	Changes in retained earnings	(20,870)
h.	Remeasurement of defined benefit plans	105,695
i.	Unrealized gain or loss on cash flow hedges	(212)
j.	Changes in property revaluation	1,285,314
k.	Cash-refunding capital reduction	(567,841)
l.	Adjustment of the unrealized profit	(4,089)
		<u>\$ 4,273,888</u>

Note 2: 182,082 thousand shares of FENC (NT\$5,856,839 thousand) and 54,000 thousand shares of U-Ming (NT\$2,153,231 thousand) were provided to the financial organization as collateral for borrowing.

Note 3: The market value is calculated based on the share’s closing market price on December 31, 2023.

Note 4: The amounts of net asset value were based on audited financial statements on December 31, 2023.

Note 5: DCI, AIC and FMT resolved to distribute share dividends in 2023, and the number of shares held by the Corporation in the investees increased by 44,569,465 shares, 96,338,156 shares and 28,964,629 shares, respectively.

Note 6: OSC handled cash-refunding capital reduction in 2023.

ASIA CEMENT CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Excluding Number of Shares, Par Value and Unit Price)

Name	Balance, January 1, 2023		Addition			Decrease		Reclassification		Balance, December 31, 2023		Collateral	Note
	Number of Shares	Fair Value	Number of Shares	Cost	Fair Value	Number of Shares	Fair Value	Number of Shares	Fair Value	Number of Shares	Fair Value		
Listed shares													
Far Eastern Department Store Ltd.	80,502,950	\$ 1,721,138	-	\$ -	\$ 260,173	-	\$ -	-	\$ -	80,502,950	\$ 1,981,311	Note 1	Note 2
Oriental Union Chemical Corp.	63,766,522	1,186,057	-	-	98,838	-	-	-	-	63,766,522	1,284,895	Note 1	Note 2
CHC Resources Corporation	22,801,185	1,048,855	-	-	264,493	-	-	-	-	22,801,185	1,313,348	Note 1	Note 2
Far Eastern International Bank (FEIB)	93,302,771	1,026,331	-	-	153,949	-	-	-	-	93,302,771	1,180,280	Note 1	Note 2
Unlisted shares													
Ding Ding Hotel Co., Ltd.	555,638	16,020	-	-	-	-	-	-	-	555,638	16,020	Note 1	
Taiwan Stock Exchange Corp.	11,864,831	678,906	1,542,428	-	35,969	-	-	-	-	13,407,259	714,875	Note 1	
China Trade & Development Corp.	250,003	3,902	-	-	-	-	-	-	-	250,003	3,902	Note 1	
Pan Asia Engineers & Constructors Corp.	1,551,395	16,569	-	-	14,366	-	-	-	-	1,551,395	30,935	Note 1	
L'Hotel de Chine Hotel	598,121	25,414	-	-	4,630	-	-	-	-	598,121	30,044	Note 1	
Kaohsiung Rapid Transit	15,873,243	65,403	-	-	-	-	(4,409)	-	-	15,873,243	60,994	Note 1	
Linkou Recreation Corporation	5	-	-	-	-	-	-	-	-	5	-	Note 1	
China Shanshui Investment Corp	49,928	269,672	-	-	-	-	(182,189)	-	-	49,928	87,483	Note 1	
		<u>\$ 6,058,267</u>		<u>\$ -</u>	<u>\$ 832,418</u>		<u>\$ (186,598)</u>		<u>\$ -</u>		<u>\$ 6,704,087</u>		

Note 1: All financial instruments were unsecured and unpledged.

Note 2: The listed shares were calculated based on the closing price on December 31, 2023.

ASIA CEMENT CORPORATION**STATEMENT OF ACCOUNTS PAYABLE AND ACCRUE EXPENSES****DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars)**

Item	Amount
Payables for operating expenses	\$ 782,084
Payables for manufacturing costs	503,234
Accounts payable	220,484
Payables for professional fees	199,386
Interest payable	180,296
Payables for selling costs	126,786
Others (Note)	<u>238,737</u>
	<u>\$ 2,251,007</u>

Note: The balance of each individual vendor included in others does not exceed 5% of the account balance.

ASIA CEMENT CORPORATION

STATEMENT OF BONDS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Bonds Name	Trustee	Issuance Date	Repayment	Annual Rate	Issued Amount	Unrealized Gain or Loss	Premiums (Discounts)	Converted Amount	Outstanding Balance			Collateral	Note
									Expired within A Year	Expired after A Year	Total Amount		
Domestic bonds													
Unsecured bonds-108-1	CTBC Bank Co., Ltd.	2019.5.8-2024.5.8	Lump sum repayment on maturity	0.88	\$ 6,500,000	\$ -	\$ -	\$ -	\$ 6,500,000	\$ -	\$ 6,500,000	None	
Unsecured bonds-108-2	CTBC Bank Co., Ltd.	2019.8.16-2024.8.16	Lump sum repayment on maturity	0.79	3,500,000	-	-	-	3,500,000	-	3,500,000	None	
Unsecured bonds-109-1	CTBC Bank Co., Ltd.	2020.4.20-2025.4.20	Lump sum repayment on maturity	0.66	7,700,000	-	-	-	-	7,700,000	7,700,000	None	
Unsecured bonds-109-2-A	CTBC Bank Co., Ltd.	2020.6.18-2025.6.18	Lump sum repayment on maturity	0.75	2,800,000	-	-	-	-	2,800,000	2,800,000	None	
Unsecured bonds-109-2-B	CTBC Bank Co., Ltd.	2020.6.18-2027.6.18	Lump sum repayment on maturity	0.83	2,700,000	-	-	-	-	2,700,000	2,700,000	None	
Unsecured bonds-109-3-A	CTBC Bank Co., Ltd.	2020.9.23-2025.9.23	Lump sum repayment on maturity	0.65	4,000,000	-	-	-	-	4,000,000	4,000,000	None	
Unsecured bonds-109-3-B	CTBC Bank Co., Ltd.	2020.9.23-2027.9.23	Lump sum repayment on maturity	0.73	2,200,000	-	-	-	-	2,200,000	2,200,000	None	
Unsecured bonds-109-4-A	CTBC Bank Co., Ltd.	2020.12.23-2025.12.23	Lump sum repayment on maturity	0.57	4,100,000	-	-	-	-	4,100,000	4,100,000	None	
Unsecured bonds-109-4-B	CTBC Bank Co., Ltd.	2020.12.23-2027.12.23	Lump sum repayment on maturity	0.65	5,300,000	-	-	-	-	5,300,000	5,300,000	None	
Unsecured bonds-110-1	CTBC Bank Co., Ltd.	2021.8.5-2026.8.5	Lump sum repayment on maturity	0.60	6,300,000	-	-	-	-	6,300,000	6,300,000	None	
Unsecured bonds-112-1	CTBC Bank Co., Ltd.	2023.4.27-2028.4.27	Lump sum repayment on maturity	1.60	4,000,000	-	-	-	-	4,000,000	4,000,000	None	
					<u>\$ 49,100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000,000</u>	<u>\$ 39,100,000</u>	<u>\$ 49,100,000</u>		

ASIA CEMENT CORPORATION**STATEMENT OF OPERATING REVENUE****FOR THE YEAR ENDED DECEMBER 31, 2023****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

Item	Unit (Thousand Tons)	Amount
Cement and clinker	3,528	\$ 9,952,481
Slag powder	531	765,677
Less: Sales returns and allowances		<u>33,081</u>
Net sales of goods		10,685,077
Rental revenue		419,130
Others		<u>36,039</u>
		<u>\$ 11,140,246</u>

ASIA CEMENT CORPORATION**STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)**

Item	Amount
Direct raw materials - rough stone	\$ 427,402
- shale	4,626
- plaster	181,880
- others	<u>34,046</u>
	647,954
Direct labor	83,263
Production overheads	<u>5,648,163</u>
Manufacturing costs	6,379,380
Add: Finished goods, balance at January 1	559,763
Outsourcing costs	217,282
Less: Finished goods, balance at December 31	<u>(681,519)</u>
Cost of cement and clinker	6,474,906
Cost of slag powder	616,267
Others	6,488
Selling costs	2,029,750
Rental costs	<u>164,023</u>
Operating costs	<u>\$ 9,291,434</u>

ASIA CEMENT CORPORATION**STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)**

Item	Amount
Salaries and wages	\$ 171,035
Remuneration of directors	132,119
Rentals	50,326
Apportioned charges of affiliates	108,000
Others (Note)	<u>151,296</u>
	<u>\$ 612,776</u>

Note: The amount of each item in others does not exceed 5% of the amount balance.