亞洲水泥
ASIA CEMENT CORPORATION

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# ASIA CEMENT CORPORATION
# 2024 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)**

**Website: https://stockservices.tdcc.com.tw/**

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# I Report to Shareholders

## 1.1 Overlook of Business in 2024

The Company started as a cement manufacturer. With nearly 70 years of development, it has grown into a major enterprise with diversified operations and multiple profit streams. According to statistics from the Taiwan Cement Manufacturers' Association, the demand for cement in Taiwan in 2024 was reflected by total cement sales of 9,998,299 metric tons by all companies in the industry, a year-on-year (YoY) decrease of 3.0%. Among which, domestic sales accounted for 9,868,099 metric tons, a YoY increase of 0.67%, while export sales accounted for 130,200 metric tons, a YoY decrease of 74.25%. On the other hand, imports amounted to 3,557,012 metric tons, a YoY increase of 9.82%. The Company's domestic sales amounted to 3,044,258 metric tons, a YoY increase of 0.25%, accounting for 30.85% of sales by domestic manufacturers and 22.68% of total domestic sales. The domestic economy, benefiting from strong demand driven by AI, demonstrated splendid results. Domestic investment also saw a rebound as inventory destocking neared completion. The resurgence of corporate investment further propelled economic growth. Additionally, the government continued its expansionary policy, promoting and implementing various public construction projects and tenders. Overall, the domestic economy exhibited moderate growth in 2024. Domestic cement consumption reached 13,425,111 metric tons, a YoY increase of 2.94%, with an average annual per capita consumption of 574 kg, a YoY increase of 3.05%.

In 2024, total cement production in Mainland China reached 1.825 billion metric tons, a decrease of 9.5% compared to 2023. During the same period, our subsidiaries in Mainland China achieved a total clinker production of 19.454 million metric tons, representing a YoY decrease of 7.56%. Combined sales of cement, clinker, and slag powder totaled 24.161 million metric tons, representing a YoY decline of 7.88%.

The Company has vertically integrated its operations across the upstream, midstream, and downstream sectors of the construction market, encompassing mining, clinker, cement, ready-mixed concrete, precast elements, construction materials, and general construction projects. This vertical integration enhances the overall value of its cement business. Furthermore, the Company has expanded into electricity, steel, and transportation sectors, thereby maximizing corporate value through its diversified business portfolio. In 2024, non-cement businesses and investments accounted for 49.48% of the operating profit, demonstrating the remarkable overall operational performance resulting from its diversified industrial deployment.

Asia Cement has long maintained a prudent management strategy, enhancing its competitiveness through diversified investments, particularly in global market expansion. The Company has deepened its international business footprint through strategic investments in enterprises such as Far Eastern New Century, U-Ming Marine Transport, and Yuan Long Stainless Steel Corporation. Far Eastern New Century, a world-leading supplier of eco-friendly materials, has actively expanded into European, American, and Asian markets, promoting high-value, low-carbon products. U-Ming Marine Transport, with its professional fleet and international shipping network, has improved Asia Cement’s transportation efficiency in the Mainland China market. Yuan Long Stainless Steel Corporation sells its products to over 40 countries and holds a significant position in the global steel industry, further boosting Asia Cement’s competitiveness within the supply chain.

In 2024, the Company's consolidated operating revenue amounted to NT$76,297,459 thousand, a YoY decrease of 4.85%. The Company's consolidated operating profit reached NT$7,963,736 thousand, reflecting a YoY increase of 6.75%. Under the equity method, the Company recognized a total investment gain of NT$4,122,314 thousand, primarily from its investments in Far Eastern New Century, U-Ming Marine Transport, and China Shanshui Cement. The Company's consolidated net profit after tax totaled NT$12,653,279 thousand, with a net profit margin of 16.58%. Net profit attributable to the Company's shareholders amounted to NT$12,889,728 thousand. The distribution of earnings for 2024 was approved at the 8th meeting of the 28th Board of Directors, with a cash dividend of NT$2.2 per share.

## 1.2 Operation Performance in 2024

### 1.2.1 Production

Unit: 1000 MT

| Item / Region | Cement | Difference Compared to 2023 | % | Clinker | Difference Compared to 2023 | % |
|---|---|---|---|---|---|---|
| ACC (Taiwan) | 3,109 | (249) | (7.42) | 2,942 | (170) | (5.46) |

**＊Key Performance Index:**

Total cement production reached 3,109 thousand metric tons, compared to planned production of 2,906 thousand metric tons, resulting in an achievement rate of 106.99%.

Total clinker production reached 2,942 thousand metric tons, compared to planned production of 2,690 thousand metric tons, resulting in an achievement rate of 109.37%.

Unit: 1000 MT

| Item / Region | Cement | Difference Compared to 2023 | % | Clinker | Difference Compared to 2023 | % |
|---|---|---|---|---|---|---|
| ACC (China) | 21,700 | (2,505) | (10.35) | 19,454 | (1,591) | (7.56) |

**＊Key Performance Index:**

Total Cement production reached 21,700 thousand metric tons, compared to planned production of 24,583 thousand metric tons, resulting in an achievement rate of 88.27%.

Total Clinker production reached 19,454 thousand metric tons, compared to planned production of 21,809 thousand metric tons, resulting in an achievement rate of 89.20%.

### 1.2.2 Sales

Asia Cement (Taiwan) Unit: 1000 MT; NT$1,000

| Product \ Volume & Value | 2024 | | | | Difference Compared to 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Domestic Sales | | Export Sales | | | | | |
| | Volume | Value | Volume | Value | Volume | % | Value | % |
| Cement & Clinker | 3,137 | 9,194,604 | 45 | 173,101 | (201) | (5.94) | (300,499) | (3.11) |

**＊Key Performance Index:**

Total sales of self-produced cement and clinker reached 3,182 thousand metric tons, compared to estimated sales of 2,956 thousand metric tons, resulting in an achievement rate of 107.65%.

Asia Cement (China) Unit: 1000 MT; NT$1,000

| Product \ Volume & Value | 2024 | | | | Difference Compared to 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Domestic Sale | | Export Sales | | | | | |
| | Volume | Value | Volume | Value | Volume | % | Value | % |
| Cement & Clinker | 24,067 | 24,372,504 | - | - | (2,145) | (8.18) | (5,399,507) | (18.14) |

**＊Key Performance Index:**

Total sales of self-produced cement and clinker reached 24,067 thousand metric tons, compared to estimated sales of 26,741 thousand metric tons, resulting in an achievement rate of 90.00%.

## 1.3 Deployment of investment in China

Asia Cement was the first cement company to invest in China after the government opened up its investment policy by allowing domestic enterprise to invest in cement industry in China and has been present for 29 years.

Asia Cement (China), a subsidiary of the Company, was listed on the main board of HKEX on May 20, 2008, with total assets amounting to approximately RMB 19.7 billion. Currently, Asia Cement (China) operates 25 subsidiaries and maintains strategic partnerships with 4 other companies in Mainland China. The business is primarily located in Jiangxi, Sichuan, Hubei, Jiangsu, and Shanghai, with Jiangxi Yatung Cement Co., Ltd., Sichuan Yatung Cement Co., Ltd., and Hubei Yatung Cement Co., Ltd. serving as the core operating entities in the Southeast, Southwest, and Central China regions, respectively. Building upon this foundation, Asia Cement (China) has established numerous integrated cement plants, grinding mills, cement product plants, and transportation companies, along with distribution centers and sales offices, thus forming a comprehensive and efficient production, transportation, and sales network.

## 1.4 Overview of investment in China

Jiangxi Yatung Cement owns 6 cement kilns and is one of the largest cement production bases in Jiangxi Province, with an annual production capacity of 14 million metric tons. Sichuan Yatung Cement owns 3 kilns with an annual production capacity of 6 million metric tons and features a long conveyor belt system for limestone transportation, ensuring both efficiency and environmental sustainability. Sichuan Lanfeng Cement owns 2 kilns with an annual production capacity of 5 million metric tons. These two companies form the core of Asia Cement's presence in the Chengdu market.

Hubei Yatung and Huanggang Yatung own 3 kilns with a total annual production capacity of 6 million metric tons. Huanggang Yatung is also currently expanding with a new production line boasting an annual capacity of 3 million metric tons and is expected to commence operations in 2026. Asia Cement (China) also deploys grinding mills in Yangzhou, Wuhan, and Nanchang to supply nearby regional markets, thereby enhancing service efficiency and market share.

In addition, Jiangling Yatung Building Materials Co., Ltd. commenced plant construction in early April 2025. Overall, the Company's investments in Mainland China have established Asia Cement's significant presence in the Central China, Southwest China, and Southeast China markets.

Asia Cement (China) has equipped all production lines with high-efficiency waste heat recovery power-generating systems, which effectively helps to reduce electricity costs and reliance on external power sources.

## 1.5 Prospect of performance of cement industry in China and Taiwan

### 1.5.1 Taiwan

In terms of domestic construction demand, the government will maintain its expansionary policy, promoting and implementing various public infrastructure projects and tenders. In the real estate sector, strongly boosted by the new “Preferential Housing Loan for the Youth” policy, the Ministry of the Interior announced approximately 350,000 property transactions nationwide in 2024, a YoY increase of about 43,600 units (+14.2%), marking the highest transaction volume in the past 11 years. Looking ahead to the 2025 housing market, rising capital costs, higher mortgage rates imposed by banks, and the lingering impact of the Central Bank’s seventh round of selective credit controls, coupled with increasing public skepticism towards the preferential housing loan program for youth, is expected to influence banks’ lending attitudes. As a result, the transaction structure is expected to shift from the simultaneous increase in price and volume seen in 2024 to a market with contracted volume and price consolidation. The real estate outlook for 2025 is expected to remain cautious.

Overall, the construction market in 2025 will continue to reflect continued growth in demand from the public sector and a conservative trend in demand from the private sector. Persistent issues such as labor shortages and rising material costs may affect the progress of public infrastructure project implementation. Therefore, the overall construction market in 2025 is expected to maintain a cautious and conservative outlook.

### 1.5.2 Mainland China

In 2024, China's economy maintained steady progress, with an annual GDP growth rate of 5.0%. Looking ahead to 2025, policies will continue to focus on expanding domestic demand and promoting technological innovation. The economy is projected to maintain an annual growth rate between 4.5% and 5%, which is expected to drive a gradual recovery in the cement industry. Despite a simultaneous decline in cement prices and demand in 2024, posing challenges for the industry, the 2025 market is anticipated to exhibit a “low-first-then-high” trajectory, with phased rebounds in both prices and demand.

On the demand side, policy support is expected to boost cement demand, including the successive launch of major projects such as urban renewal, shantytown renovation, and underground utility pipeline construction. With funding gradually being secured, the market holds significant potential. On the supply side, the “dual carbon” and “dual control” policies are driving forces behind the accelerating phasing out of inefficient production capacity, leading to increased industry consolidation.

Leading major cement enterprises, leveraging their superior operational performance and technological innovation, are playing a key role in market consolidation and stabilization, while also driving the overall upgrading of the industry. The cement sector is also actively embracing digital and green technologies, transitioning towards smart manufacturing, green building materials, low-carbon production processes, and unmanned mining operations. Driven by the twin engines of policy support and technological innovation, the cement industry in Mainland China is poised to embrace a new round of development opportunities through consolidation and transformation.

## 1.6 Operation Plan of the Company in 2025

In 2025, Asia Cement Taiwan projects a total clinker production of 2,750 thousand metric tons and a total cement production of 3,080 thousand metric tons. Estimated sales of self-produced cement and clinker are 3,160 thousand metric tons. Asia Cement (China) projects a total clinker production of 17,976 thousand metric tons and a total cement production of 21,804 thousand metric tons. Estimated sales of self-produced cement and clinker are 22,510 thousand metric tons. Regarding its equity investments, the Company will continue to refine its current portfolio, which includes ready-mixed concrete, stainless steel, electricity, and transportation, seizing profitable opportunities in related industries and delivering returns to all stakeholders.

## 1.7 Implementation of ESG by the Company

The Company proactively promotes circular economy within its core business by using kiln technology to convert resource-based materials and waste into alternative raw materials and fuels for cement production. This approach reduces reliance on natural resources and effectively addresses the issue of waste disposal. As a leading global cement and concrete manufacturer, the Company is the fourth cement company worldwide to have its emissions reduction targets validated by the Science Based Targets initiative (SBTi) under its “well-below 2°C” scenario. It is not only the sole cement company in Taiwan to achieve its SBTi commitments annually but also surpassed its 2025 near-term target ahead of schedule in 2024. This year, Asia Cement will apply to the SBTi for its second-phase emissions reduction target setting, setting a long-term goal of achieving net-zero emissions by 2050.

The Company has launched several low-carbon cement products and is the first company in Taiwan to receive product carbon footprint certification for its low-carbon cements (Portland-limestone cement and masonry cement), and boasts the lowest carbon footprint data in the industry. By collaborating with its subsidiaries, the Company has established a comprehensive low-carbon value chain to facilitate the low-carbon transition of the cement industry. In the field of innovative technology, the Company is actively engaged in the research and development of carbon capture and utilization (CCU) technology, aiming to achieve a dual reduction in carbon emissions and the valorization of waste through negative carbon technologies, thereby enhancing overall environmental benefits.

Regarding its actions in biodiversity and nature conservation, the Company has invested over NT$700 million since 2020 in initiatives encompassing biodiversity restoration, vegetation greening, and circular economy efforts, enhancing the synergistic benefits between ecological conservation and corporate operations. In January 2025, the Company published its first Taskforce on Nature-related Financial Disclosures (TNFD) Report, providing a comprehensive assessment of the impacts of its factories, quarries, and ecological parks on the natural environment. The Company has also adopted Nature-based Solutions (NbS) to further enhance its resilience in sustainable development.

The Company’s Board of Directors has established a “Corporate Sustainability Committee” as the highest-level ESG decision-making body, responsible for systematically formulating long-term strategic directions by integrating core corporate strengths with the United Nations Sustainable Development Goals (SDGs). This top-down approach ensures the implementation of its sustainability vision, garnering widespread recognition both domestically and internationally. This year, the Company was once again listed in the S&P Global Sustainability Yearbook 2025, distinguishing it as the only Taiwanese company in the cement sector to be included, placing it in the top 10% of global peers. It also achieved the highest global score among its peers in the "Occupational Health and Safety" category, demonstrating outstanding sustainability management.

Adhering to its philosophy of sustainable operation, the Company actively promotes its social responsibility goals, which include building a happy workplace, supporting underprivileged groups, preserving and promoting cultural heritage, and fostering an inclusive society, to amplify corporate impact and create positive social value. Furthermore, the Company has invested in the construction of the Asia Cement Ecological Park, attracting over ten thousand visitors annually to promote ecological education and environmental conservation. Moreover, the Company actively participates in the development of local communities, supporting indigenous communities and local residents across multiple dimensions, including livelihood, education, and culture. It maintains proactive communication and coordination with all stakeholders to realize a shared vision of corporate and societal co-prosperity.

# II Corporate Governance Report

## 2.1 Directors and Management Team

### 2.1.1 Directors

As of 2025.03.30

| Title<br>Name | Elected Date | Gender<br>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<br>Douglas Tong Hsu | 2023.<br>06.27 | M<br>>70 | 3 | 1975.<br>04.28 | 23,278,334 | 0.66% | 23,278,334 | 0.66% | 6,352,467 | 0.18% | Honorary Doctor, Chiao Tung University<br>Master of University of Notre Dame,<br>Master of Economics, Columbia University | Chairman, Far Eastern New Century Corp.<br>Chairman, Far Eastone Telecommunications Co., Ltd<br>Chairman, Far Eastern Department Stores Ltd. | Director<br>Director | Peter Hsu<br>Johnny Shih | Sibling<br>relatives by marriage |
| Director<br>Johnny Shih | 2023.<br>06.27 | M<br>>70 | 3 | 1984.<br>04.25 | 453,745<br>*750,511,324 | 0.01%<br>*21.16% | 453,745<br>*750,511,324 | 0.01%<br>*21.16% | 4,989,993 | 0.14% | Master of Computer, Columbia University | Vice Chairman, Far Eastern New Century Corp.<br>Vice Chairman, Oriental Union Chemical Corp. | Chairman<br><br>Director | Douglas Tong Hsu<br>Peter Hsu | relatives by marriage<br>relatives by marriage |
| Director<br>C.V. Chen | 2023.<br>06.27 | M<br>>70 | 3 | 1987.<br>04.16 | 338,429<br>*750,511,324 | 0.01%<br>*21.16% | 338,429<br>*750,511,324 | 0.01%<br>*21.16% | 0 | 0% | S.J.D., Harvard University | Senior Partner, Lee and Li Attorneys-At-Law<br>Chairman, Taipei European School | - | - | - |
| Director<br>Kun Yen Lee | 2023.<br>06.27 | M<br>>70 | 3 | 2005.<br>06.09 | 2,361,557<br>*1,895,136 | 0.07%<br>*0.05% | 3,933,557<br>*1,895,136 | 0.11%<br>*0.05% | 0 | 0% | Yi-Lan Elementary School | President, Asia Cement Corp.<br>Director, U-Ming Marine Transport Corp. | - | - | - |
| Director<br>Peter Hsu | 2023.<br>06.27 | M<br>>70 | 3 | 2002.<br>06.07 | 13,454,981<br>*6,218,800 | 0.38%<br>*0.18% | 13,454,981<br>*8,637,180 | 0.38%<br>*0.24% | 0 | 0% | Master of Operations Research, Stanford University<br>Master of Information | Vice Chairman, Far Eastern New Century Corp.<br>Director, Far Eastone Telecommunications Co., Ltd | Chairman<br><br>Director | Douglas Tong Hsu<br>Johnny Shih | Sibling<br><br>relatives by marriage |

| Title<br>Name | Elected Date | Gender<br>Age | Term<br>(Years) | Date First Elected | Shareholding when Elected | | Current Shareholding | | Spouse & Minor Shareholding | | Experience<br>(Education) | Other Position | Executives or Directors who are spouses or within two degrees of kinship | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Shares | % | Shares | % | Shares | % | | | Title | Name | Relation |
| | | | | | | | | | | | Science, UCLA | | | | |
| Director<br>Chen Kun Chang | 2023.<br>06.27 | M<br>>70 | 3 | 2011.<br>06.22 | 29,745<br>*6,218,800 | 0.00%<br>*0.18% | 29,745<br>*8,637,180 | 0.00%<br>*0.24% | 5,358 | 0.00% | Mechanical Section, National Taipei Institute of Technology | Vice CEO, Asia Cement (China) Holdings Corp. | - | - | - |
| Director<br>Ruey Long Chen | 2023.<br>06.27 | M<br>>70 | 3 | 2011.<br>06.22 | 0<br>*1,560,068 | 0%<br>*0.04% | 0<br>*1,560,068 | 0%<br>*0.04% | 0 | 0% | Bachelor of Economics, National Chung Hsing University | Chairman, China Petrochemical Industry Development Co., Ltd.<br>Chairman, Sinocon Industrial Standards Foundation<br>Chairman, Powerchip Technology Corp.<br>Secretary General, Cross-Strait Entrepreneur Summit | - | - | - |
| Director<br>Champion Lee | 2023.<br>06.27 | M<br>>70 | 3 | 2002.<br>06.07 | 0<br>*181,566,797 | 0%<br>5.12% | 0<br>*182,775,987 | 0%<br>5.15% | 0 | 0% | Master of Business Administration, Texas A&I University | Director , Far Eastern New Century Corp.<br>Director, U-Ming Marine Transport Corp. | - | - | - |
| Director<br>Kwan-Tao Li | 2023.<br>06.27 | M<br>>70 | 3 | 2002.<br>06.07 | 642,936<br>*1,505,585 | 0.02%<br>0.04% | 642,936<br>*1,505,585 | 0.02%<br>0.04% | 0 | 0% | Master, New York University | Chief Counselor, Lee and Li Attorneys-At-Law<br>Director, Far Eastern New Century Corp.<br>Director, Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation: | - | - | - |
| Director<br>Doris Wu | 2023.<br>06.27 | F<br>50~59 | 3 | 2023.<br>06.27 | 180,000<br>*3,849,468 | 0.01%<br>0.11% | 305,000<br>*3,849,468 | 0.01%<br>0.11% | 0 | 0 | Bachelor of Accounting, California State University | Director, Yadong Securities Investment Advisory Corp. | - | - | - |
| Independent Director<br>Chi Schive | 2023.<br>06.27 | M<br>>70 | 3 | 2014.<br>06.16 | 0 | 0% | 0 | 0% | 10,000 | 0.00% | PhD. in Economics, Case Western Reserve University<br>Former Chairman, | Chair Professor, Soochou University | - | - | - |

| Title<br>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 |
| | | | | | | | | | | | Taiwan Stock Exchange | | | | |
| Independent Director Gordon S. Chen | 2023.06.27 | M 60~69 | 3 | 2014.06.16 | 0 | 0% | 0 | 0% | 0 | 0% | PhD. in Business Administration, National Taiwan University<br>Former Chairman, Financial Supervisory Commission | Chairman , Central Investment Corp. | - | - | - |
| 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<br>Councilor of the Executive Yuan<br>Chairman of the Insurance Stability Fund | Chair Professor, School of Mass Data Management, Soochow University<br>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.<br>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<br>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 |

### 2.1.2 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 | 22.92 |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | 6.45 |
| | Asia Eastern University of Science and Technology | 4.81 |
| | Far Eastern Medical Foundation | 3.61 |
| | Far Eastern Memorial Foundation | 3.42 |
| | Yuan-Ze University | 2.74 |
| | Chunghwa Post Co., Ltd. | 1.88 |
| | Douglas Tong Hsu | 1.71 |
| | Yuanta Taiwan Value High Dividend ETF | 1.65 |
| | Cathay Life Insurance Co., Ltd. | 1.31 |
| 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 (deceased) | 2.31 |
| U-Ming Corp. | Far Eastern Department Stores Co., Ltd. | 100.00 |

### 2.1.3 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 |
| | Yuanta/P-shares Taiwan Dividend Plus ETF | 5.41 |
| | Far Eastern Medical Foundation | 5.15 |
| | UOB Taiwan High Dividend Recovery ETF | 1.89 |
| | Yuan Ding Investment Company | 1.53 |
| | Labor Pension Fund Committee of Far Eastern New Century Corporation | 1.51 |
| | Chunghwa Post Co., Ltd. | 1.42 |
| | Far Eastern Department Stores Co., Ltd. | 1.41 |
| | Yuan-Ze University | 1.37 |
| | 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 (deceased) | 2.31 |
| Far Eastern Memorial Foundation | Y. Z. Hsu (deceased) | 50.00 |
| | Hsu Yi Chu (deceased) | 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 |
| | Connie Hsu (deceased) | 0.28 |

| Name of Juridical Person | Major Shareholders of the Juridical Person | % |
|---|---|---|
| | Y. Z. Hsu (deceased) | 0.01 |
| | Yu Chao-Chung (deceased) | 0.01 |
| Chunghwa Post Co., Ltd. | Ministry of Transportation and Communications | 100.00 |
| Cathay Life Insurance Company, Ltd | Cathay Financial Holding Co., Ltd | 100.00 |
| Far Eastern Department Stores Co.,Ltd. | Far Eastern New Century Corporation | 17.06 |
| | Yuan Ding Investment Co., Ltd. | 6.88 |
| | Asia Cement Corporation | 5.65 |
| | Yuan Tong Investment Co., Ltd. | 5.62 |
| | Yuan-Ze University | 4.75 |
| | The Committee of Employee Pension Fund of Far Eastern Department Stores Co., Ltd. | 2.11 |
| | Mega International Commercial Bank Co., Ltd. Treasury Department | 2.06 |
| | Yu Yuan Investment Co., Ltd. | 2.06 |
| | Tranquil Enterprise Ltd. | 2.04 |
| | Far Eastern Memorial Foundation | 1.71 |
| 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 | 100.00 |
| Ding Yuan International Investment Corp. | Far Eastern New Century Corporation | 100.00 |
| Ton Fu Investment Corp. | Oriental Union Chemical Corp. | 100.00 |
| 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 |
| Ya Li Precast Prestressed Concrete Industries Corp. | Asia Cement Corporation | 83.97 |
| | 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 |

| Name of Juridical Person | Major Shareholders of the Juridical Person | % |
|---|---|---|
| | Far Eastern Department Stores Co., Ltd. | 0.001 |
| Bai Ding Investment Corp. | Far Eastern Department Stores Co., Ltd. | 66.66 |
| | 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 | 4.28 |
| | Asia Investment Corp. | 3.93 |
| | Der Ching Investment Corp. | 3.93 |
| | 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 | 2.55 |
| Far Eastern New Century Corporation | Asia Cement Corporation | 22.92 |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | 6.45 |
| | Asia Eastern University of Science and Technology | 4.81 |
| | Far Eastern Medical Foundation | 3.61 |
| | Far Eastern Memorial Foundation | 3.42 |
| | Yuan-Ze University | 2.74 |
| | Chunghwa Post Co., Ltd. | 1.88 |
| | Douglas Tong Hsu | 1.71 |
| | Yuanta Taiwan Value High Dividend ETF | 1.65 |
| | Cathay Life Insurance Co., Ltd. | 1.31 |
| Far EasTone Telecommunications Co., Ltd | Yuan Ding Investment Co., Ltd. | 29.58 |
| | Cathay Life Insurance Co., Ltd. | 4.63 |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | 3.78 |
| | Fuh Hwa Taiwan Technology Dividend Highlight ETF | 3.72 |
| | Yuanta Taiwan High Dividend Low Volatility ETF | 3.59 |

| Name of Juridical Person | Major Shareholders of the Juridical Person | % |
|---|---|---|
| | Shin Kong Life Insurance Co., Ltd. | 3.37 |
| | Hon Hai Precision Industry Co., Ltd. | 3.25 |
| | ChungHwa Post Co., Ltd. | 2.47 |
| | Asia Cement Corporation | 2.25 |
| | KGI Life Insurance Co., Ltd. (Original from China Life Insurance Co., Ltd.) | 1.53 |
| U-Ming Marine Transport Corp. | Asia Cement Corporation | 39.25 |
| | Capital Tip Customized Taiwan Select High Dividend ETF | 9.99 |
| | Citibank (Taiwan) Ltd. in custody for Norges Bank | 2.61 |
| | Yuanta Taiwan High Dividend Low Volatility ETF | 2.55 |
| | UPAMC Taiwan High Dividend Momentum ETF | 1.07 |
| | Yuan Ding Investment Co., Ltd. | 1.05 |
| | Taishin TIP Customized Taiwan ESG High Dividend Small/Mid-Cap ETF | 1.05 |
| | Yu Yuan Investment Co., Ltd. | 0.94 |
| | Asia Investment Co., Ltd. | 0.92 |
| | 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. | 1.90 |
| | 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 | 100.00 |
| 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. | 1.23 |

| Name of Juridical Person | Major Shareholders of the Juridical Person | % |
|---|---|---|
| | Ta Chu Chemical Fiber Co.,Ltd. | 0.51 |
| | Douglas Tong Hsu | 0.09 |
| | Shaw Y. Wang | 0.07 |
| | 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 |
| | Far Eastern Apparel Co., Ltd. | 0.01 |
| Yue-Lee Investment Company | U-Ming Marine Transport Corp. | 68.18 |
| | Yue-Tung Investment Corp. | 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 |

### 2.1.4 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<br>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<br>Experience: Vice Chairman of Far East New Century, Chairman of Everest Textile, Vice Chairman of Oriental Union Chemical, Director of CTCI | | 0 |

| Qualification / Name | Professional qualifications and experience | Independence analysis | No. of other public companies at which the person concurrently serves as an independent director |
|---|---|---|---|
| C.V. Chen | Specialties: Legal, business management, public welfare<br>Experience: Senior Partner of Lee & Li Law Firm, Chairman of Taipei European School, Consultant of the Executive Yuan, Chairman of the International Law, Chairman of the Red Cross | | 0 |
| Kun Yen Lee | Specialties: Business management, leadership decision-making, industry knowledge<br>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<br>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<br>Experience: Director of Asia Cement, CEO of Asia Cement (China) Holdings Corporation | | 0 |
| Ruey Long Chen | Specialties: Economics, Business management, leadership decision-making<br>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<br>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<br>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<br>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. | | 0 |
| Chi Schive | Specialties: Economics, Economic Development, Industrial Organization<br>Experience: Minister without Portfolio, Chairman of the Taiwan Stock Exchange, President of the Taiwan Financial Research Institute | All of the following situations apply to each and every of the Independent Directors:<br>1. Satisfy the requirements of Article 14-2 of | 3 |

<table>
<tr><th>Qualification / Name</th><th>Professional qualifications and experience</th><th>Independence analysis</th><th>No. of other public companies at which the person concurrently serves as an independent director</th></tr>
<tr><td>Gordon S. Chen</td><td>Specialties: Business Economics, Economic Development, Industrial Organization<br>Experience: Chairman of Taiwan Stock Exchange, Chairman of Taiwan Financial Research Institute and Chairman of Corporate Governance Association</td><td rowspan="4">"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.<br>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".<br>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.</td><td>3</td></tr>
<tr><td>Yun-Pen Chu</td><td>Specialties: Business Economics, Economic Development, Industrial Organization<br>Experience: Minister without Portfolio, Executive Yuan Fair Trade Committee Member, Chairman of Insurance Stability Fund</td><td>1</td></tr>
<tr><td>Chang-Pang Chang</td><td>Specialties: Business Economics, Economics Development, leadership decision-making.<br>Experience: Deputy Minister of Economic Affairs, Deputy Secretary-General of the Executive Yuan, Deputy Minister of Finance</td><td>3</td></tr>
<tr><td>Flora Chia-I Chang</td><td>Specialties: Educational administration, business management, leadership decision-making<br>Experience: President of Tamkang University, Chairman of the School Foundation, Honorary Chairman of the Chinese Excellence Management Association</td><td>0</td></tr>
</table>

* 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 12th 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:**

The Board of Directors of the Company guides corporate strategy, supervises the management team, and is accountable to the Company and its shareholders. The Company's corporate governance system and related arrangements are designed to ensure that the Board exercises its powers in accordance with applicable laws, the Articles of Incorporation, and resolutions of the shareholders' meeting. Board members receive reports from the management team, provide guidance and advice, and maintain effective communication with management to maximize shareholder value.

A. Each board member should possess multiple areas of professional expertise, and each area should be represented by at least two members. All 15 current directors possess diverse expertise and are respected figures in society, thus achieving the set goal.

B. There must be at least one board member under the age of 60. This goal has been achieved.

C. There must be at least two female directors or independent directors. The current board includes one female director and one female independent director, meeting the target.

D. The actual attendance rate of board members at meetings should reach at least 88%. In 2024, the actual attendance rate was 97.33%, achieving the goal.

The Company has three directors who are also employees, accounting for 20% of the board, and five independent directors, accounting for 33%. In terms of expertise, 67% of directors have business judgment capability, 67% have financial and accounting expertise, 20% have legal and business expertise, and 40% have industry knowledge.

Based on the composition of the Company's 28th Board of Directors, Douglas Hsu, Johnny Shih, Peter Hsu, Kun-Yen Lee, Champion Lee, and Chen Kun-Chang possess strengths in leadership, business judgment, management, and crisis handling, along with extensive industry knowledge and international market insight.

C.V. Chen and Kwan-Tao Lee specialize in legal affairs and business management. Ruey-Long Chen previously served as Minister of Economic Affairs. Doris Wu has many years of professional experience in accounting and management and holds CPA qualifications in both the United States and Taiwan.

Independent directors Chi Schive and Gordon S. Chen are experienced in administrative and financial affairs. Yun-Peng Chu served as a Minister without Portfolio of the Executive Yuan. Chang-Pang Chang was formerly Deputy Minister of Economic Affairs and Deputy Secretary-General of the Executive Yuan. Flora Chia-I Chang, with expertise in educational administration, previously served as President of Tamkang University.

All members of the Company's Board of Directors possess extensive experience in management, business judgment, and relevant industry knowledge. Their academic and professional backgrounds span law, finance, economics, computer science, education, and manufacturing. The Company will continue to assess the diversity and complementary expertise of board members and remain committed to implementing its board diversity policy.

E. 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.

F. 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.

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

H. 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 a diverse professional background.

B. Evaluate the independence and impartiality of independent directors.

C. The target for the board members' actual attendance rate at board meetings in the next fiscal year is to exceed 90%.

**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 Chen | M | >70 | | | V | V | V | V | V | V | V | V |
| 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 | | 3 | * | V | V | V | V | * | V | V |
| Flora Chia-I Chang | F | >70 | | 3 | * | 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 2.1.1.

(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 on the relationship between the directors in section 2.1.1.

(3) If the proportion of directors of either gender on the board of a listed company is less than one-third, the reason should be explained along with the measures planned to improve gender diversity among board members:

To further enhance gender diversity on the Company's Board of Directors, the Company plans to continue seeking suitable female director candidates both domestically and internationally through various channels prior to the re-election of the 29th Board of Directors. If all relevant factors are aligned following consultation, candidates of either gender that would enable the board to reach the one-third threshold will be included in the nomination list.

### 2.1.5 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 |
| 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. |
| Assistant Vice President | Karen Yang | Female | 2024.07.01 | 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 Auditor Dept. | David Liao | Male | 2024.07.01 | 0 | 0 | 0 | 0 | Bachelor degree in Accounting, Fu Jen Catholic University | |
| Manager of IT Dept. | H.P. Song | Male | 2025.01.08 | | | | | Master degree in computer Science & Information Management, Soochow 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 | - |

＊Special Assistant T.M. Chen retired effective September 1, 2024; Associate Vice President H.Y. Kao retired effective July 1, 2024.
＊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.

## 2.1.6 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 | |
| | | | | | | | | | | | | | | | | Cash | Cash | | | |
| Chairman | Douglas Tong Hsu | 18,501 | 27,522 | 0 | 0 | 131,804 | 135,598 | 864 | 1,926 | 151,170<br>1.173% | 165,046<br>1.281% | 8,929 | 12,392 | 216 | 216 | 5,877 | 5,877 | 166,192<br>1.289% | 183,532<br>1.424% | 234,455 |
| Director<br>Director | Far Eastern New Century Corp. Representatives: Johnny Shih<br>C.V. Chen | | | | | | | | | | | | | | | | | | | |
| Director | Yue Ding Industry Co., Ltd. Representative: Kun Yen Lee | | | | | | | | | | | | | | | | | | | |
| Director<br>Director | Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation Representatives: Peter Hsu<br>Chen Kun Chang | | | | | | | | | | | | | | | | | | | |
| Director | Ta Chu Chemical Fiber Co.,Ltd Representative: Ruey Long Chen | | | | | | | | | | | | | | | | | | | |
| Director | Far Eastern Medical Foundation Representative: Champion Lee | | | | | | | | | | | | | | | | | | | |
| Director | Bai-Yang Investment Holdings Corp Representative: Doris Wu | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Director | U-Ming Corp Representative: Kwan-Tao Li | | | | | | | | | | | | | | | | | | | |
| Independent Director | Chi Schive<br>Gordon S. Chen<br>Yun-Pen Chu<br>Chang-Pang Chang(New)<br>Flora Chia-I Chang(New) | 0 | 0 | 0 | 0 | 10,600 | 10,600 | 600 | 600 | 11,200<br>0.087% | 11,200<br>0.087% | 0 | 0 | 0 | 0 | 0 | 0 | 11,200<br>0.087% | 11,200<br>0.087% | 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 1.559% and 1.289% of ACC net income. Total directors' remuneration paid by all companies listed in consolidated operational report accounted for 1.680% and 1.424% of net income received from those companies.

| **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 | Yue Ding Industry Co., Ltd., Champion Lee | Yue Ding Industry Co., Ltd., Chen Kun Chang, Ruey Long Chen, Champion Lee | Yue Ding Industry Co., Ltd. |
| NT$1,000,000～NT$2,000,000 | C.V. Chen, Kwan-Tao Li | Chen C.V. Chen,Chen Kun Chang, Ruey Long, Kwan-Tao Li | C.V. Chen, Kwan-Tao Li | Ruey Long Chen, C.V. Chen |
| NT$2,000,000～NT$3,500,000 | Chi Schive, Gordon S. Chen, Yun-Pen Chu, Chang-Pang Chang ,Flora Chia-I Chang | Chi Schive, Gordon S. Chen, Yun-Pen Chu,Chang-Pang Chang ,Flora Chia-I Chang | Chi Schive, Gordon S. Chen, Yun-Pen Chu,Chang-Pang Chang ,Flora Chia-I Chang | Kwan-Tao Li, Chi Schive, Gordon S. Chen, Yun-Pen Chu, Chang-Pang Chang ,Flora Chia-I Chang |
| NT$3,500,000～NT$5,000,000 | Doris Wu | - | - | Chen Kun Chang |
| NT$5,000,000～NT$10,000,000 | Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu | Doris Wu, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern | Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far Eastern Y.Z.Hsu | Champion Lee, Bai-Yang Investment Holdings Corp, Ta Chu Chemical Fiber Co.,Ltd, Far |

| | | | | |
|---|---|---|---|---|
| | Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation | Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation | Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation | Eastern Y.Z.Hsu Science and Technology Memorial Foundation, U-Ming Corp, Far Eastern Medical Foundation |
| NT$10,000,000～NT$15,000,000 | Kun Yen Lee, Johnny Shih, Peter Hsu | Peter Hsu | Johnny Shih, Peter Hsu, Doris Wu | Doris Wu |
| NT$15,000,000～NT$30,000,000 | Far Eastern New Century Corp., Douglas Tong Hsu | Kun Yen Lee,Johnny Shih, Far Eastern New Century Corp., Douglas Tong Hsu | 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 | - | - | - | Johnny Shih |
| NT$50,000,000～NT$100,000,000 | - | - | - | Peter Hsu |
| Over NT$100,000,000 | - | - | - | Douglas Tong Hsu |
| Total | 22 | 22 | 22 | 22 |

## 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 | | | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | | 2024 | | 2023 | | 2024 | |
| | 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 | 145,587 | 1.337% | 151,170 | 1.173% | 160,023 | 1.470% | 165,046 | 1.281% |
| Independent Directors | 9,120 | 0.084% | 11,200 | 0.087% | 9,120 | 0.084% | 11,200 | 0.087% |
| President, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents | 30,818 | 0.283% | 26,684 | 0.207% | 32,020 | 0.294% | 27,900 | 0.216% |
| Total | 185,525 | 1.704% | 189,054 | 1.467% | 201,163 | 1.848% | 204,146 | 1.584% |

The total remuneration for directors and independent directors in 2024 has slightly increased compared to 2023 due to an increase in after-tax net profit, resulting in a higher remuneration payout. However, the total remuneration for the president and vice presidents has decreased compared to 2023, mainly due to the retirement of one vice president in 2024.

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. |
| **Executives** | In addition to referring to the relevant industry standards and the company's past operating performance, the remuneration of our company's managers will also be reviewed and adjusted in a timely manner based on the actual operating conditions, overall financial conditions, operating environment risks, and changes in relevant laws and regulations. We will not guide managers to engage in behaviors that exceed the company's risks in pursuit of remuneration. |

***Policy on Linking Senior Executives' Compensation to ESG Performance Evaluation**

To realize the vision of sustainable corporate management, the Company has published its Sustainable Development Strategy Blueprint, which comprehensively covers the three ESG pillars: Environmental, Social, and Governance. With clearly defined mid-to-long term goals, the Company is committed to integrating core business operations with sustainability values. As part of this effort, ESG-related performance indicators have been incorporated into the performance appraisal and compensation mechanisms of senior executives to enhance the organization's capacity to fulfill its sustainability responsibilities.

**1. Method of Linkage and Applicable Scope**

The compensation of the Company's President and senior executives is explicitly linked to key performance indicators (KPIs) related to ESG. The performance results directly impact the allocation ratio of their annual remuneration.

Each senior executive is required to include 2 to 3 sustainability-related KPIs in their annual objectives based on their respective functional responsibilities, with regular performance tracking and evaluation.

President: ESG performance indicators account for 20% of the annual performance evaluation weight.

Senior Executives: Depending on their roles, ESG indicators account for between 10% and 15% of the annual evaluation.

**2. ESG Performance Indicators and Weighting**

| Performance Indicator | Weight (%) |
|---|---|
| Low-Carbon Operations | 4% |
| Circular Economy | 4% |

| | |
|---|---|
| Human Resource Development | 3% |
| Community Engagement | 3% |
| Smart Innovation | 3% |
| Corporate Governance | 3% |

**3. ESG Indicator Categories (Selected Based on Role Responsibilities)**

| | |
|---|---|
| Environmental (E): | Carbon emissions from plant operations<br>Alternative rate of raw materials and fuels under circular economy<br>Water resource use efficiency |
| Social (S): | Retention rate of high-performing employees<br>Number of zero-accident days in workplace safety<br>Community communication and co-prosperity |
| Governance (G): | Zero incidents of legal or compliance violations<br>Effectiveness of functional committee operations<br>Corporate governance effectiveness |

**4. Linkage Between Evaluation Results and Compensation**

The ESG performance of senior executives is incorporated into the overall performance appraisal results, which directly affect the proportion of variable pay and performance-based bonuses granted annually. This mechanism reinforces corporate governance and accountability and institutionalizes a top-down approach to embedding a culture of sustainability throughout the organization.

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

Member of the Board of Directors:

A. In 2020, the Shareholders' meeting amended the "Director Election Rules" which stipulates the director diversity policy in article 3.

B. 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.

C. 15 directors of the Company's 28th Board of Directors, including 5 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.

D. 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.

**E.** 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:**

A. Increase the number of independent directors to one-third of the total board seats (Target achieved: 5 independent directors, accounting for 33% of board seats).

B. Currently, there are 2 female directors, meeting the target for female board seats.

C. In order to further enhance the gender diversity of the Company’s board of directors, the Company intends to continue to seek suitable female directors at home and abroad through various channels before the re-election of the 29th Board of Directors. If all factors are met after consultation, candidates of either gender who hold one-third of the board seats will be included in the candidate list.

Succession planning for important managers:

The Company has cooperated with Yuanzhi University to set up a "training class" for corporate elites. Course training, followed by 30 high-level conference internships and 30 special seminars, the training has achieved good results. At present, more than 90% of the trainees have been promoted. In addition, trainees need to receive about 12 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$1,000

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="2">Salary(A)</th><th colspan="2">Pensions(B)</th><th colspan="2">Reward and Allowance etc. (C)</th><th colspan="2">Employees bonus from Distributable Earnings (D)</th><th colspan="2">Total Amount (A+B+C+D)/Net Income</th><th rowspan="3">Other remuneration from investment business except subsidiary</th></tr>
<tr><th rowspan="2">ACC</th><th rowspan="2">All companies*</th><th rowspan="2">ACC</th><th rowspan="2">All companies*</th><th rowspan="2">ACC</th><th rowspan="2">All companies*</th><th>ACC</th><th>All companies*</th><th rowspan="2">ACC</th><th rowspan="2">All companies*</th></tr>
<tr><th>Cash Bonus</th><th>Cash Bonus</th></tr>
<tr><td>President</td><td>Kun Yen Lee</td><td rowspan="4">13,004</td><td rowspan="4">14,112</td><td rowspan="4">432</td><td rowspan="4">432</td><td rowspan="4">3,140</td><td rowspan="4">3,248</td><td rowspan="4">10,107</td><td rowspan="4">10,107</td><td rowspan="4">26,684<br>0.207%</td><td rowspan="4">27,900<br>0.216%</td><td rowspan="4">396</td></tr>
<tr><td>Executive Vice President</td><td>Doris Wu</td></tr>
<tr><td>Vice President</td><td>T.L. Yu</td></tr>
<tr><td>Vice President & General Plant Manager</td><td>Z.P. Chang</td></tr>
</table>

＊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 0.283% and 0.207% of ACC net income. Total amount of President and Vice Presidents' remuneration paid by all companies listed in consolidated operational report accounted for 0.294% and 0.216% of net income received from those companies.

| Classification of Remuneration Paid to ACC President and Vice Presidents | Name of President and Vice Presidents: ACC | Name of President and Vice Presidents: 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, T.L. Yu, Z.P. Chang | Kun Yen Lee, Doris Wu, T.L. Yu, Z.P. Chang |
| Total | 4 | 4 |

＊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.

### 2.1.7 Employees Remuneration to Management Team

2024.12.31
Unit: NT$1,000

| | Title | Name | Stock Bonus | Cash Bonus | Total Amount | Total Amount/Net Income |
|---|---|---|---|---|---|---|
| Executive Officers | President | Kun Yen Lee | 0 | 16,617 | 16,617 | 0.1289% |
| | Executive Vice President | Doris Wu | | | | |
| | General Plant Manager | Z.P. Chang | | | | |
| | Senior Assistant Vice President | T.L. Yu | | | | |
| | Manager of Accounting Dept. | Karen Yang | | | | |
| | Assistant Vice President | Dana Lee | | | | |
| | Assistant Vice President | Anita Lee | | | | |
| | Assistant Vice President | C.Y. Wang | | | | |

* The 2024 managers' remunerations have been approved by the BOD and will be reported to 2025 Shareholders' Meeting.

## 2.2 Implementation of Corporate Governance

### 2.2.1 Board of Directors

There are 5 meetings of the Board of Directors held in 2024. Directors' attendance condition was as follows:

| Title | Name | | Attendance in Person | By Proxy | Attendance Rate | Notes |
|---|---|---|---|---|---|---|
| Chairman | Douglas Tong Hsu | | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| Director | Representatives of Far Eastern New Century Corp. | Johnny Shih | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| | | C.V. Chen | 4 | 1 | 80% | Reappointment Jun.27, 2023 |
| Director | Representative of Yue Ding Industry Co., Ltd. | Kun Yen Lee | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| Director | Representatives of Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation | Peter Hsu | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| | | Chen Kun Chang | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| Director | Representative of Ta Chu Chemical Fiber Co.,Ltd | Ruey Long Chen | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| Director | Far Eastern Medical Foundation | Champion Lee | 5 | 0 | 86% | Reappointment Jun.27, 2023 |
| Director | Bai-Yang Investment Holdings Corp. | Doris Wu | 5 | 0 | 100% | Appointment Jun.27, 2023 |
| Director | U-Ming Corp. | Kwan-Tao Li | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| Independent Director | Chi Schive | | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| | Gordon S. Chen | | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| | Yun-Pen Chu | | 5 | 0 | 100% | Reappointment Jun.27, 2023 |
| | Chang-Pang Chang | | 5 | 0 | 100% | Appointment Jun.27, 2023 |
| | Flora Chia-I Chang | | 4 | 1 | 80% | Appointment Jun.27, 2023 |

* Each Board of Directors Meeting has at least 3 independent directors 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

### 2.2.2 Other mentionable items

1. Board of Directors

   A. Items listed in the Article 14-3 of the Securities Exchange Act: Please refer to section 2.2.14 Major Resolutions of Shareholders' Meeting and Board Meetings

   B. Except for the above 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 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: None.

3. The implementation of the Board evaluation:

   Board evaluation has been completed in March 2025 and submitted it to the 9th meeting of the 28th board of directors for approval.

| Evaluation frequency and period | Evaluation scope | Evaluation content: | **Result 1~5** |
|---|---|---|---|
| Every year 2024.01.01~ 2024.12. 31 | Board of Directors | Participation level, decision-making quality, composition and structure, director selection and continuing education, internal control and other items. | 4.56 |
| Every year 2024.01.01~ 2024.12. 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. | 4.85 |
| Every year 2024.01.01~ 2024.12. 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 2024.01.01~ 2024.12. 31 | Audit Committee | Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items. | 4.68 |
| Every year 2024.01.01~ 2024.12. 31 | Sustainability Committee | Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items. | 4.53 |
| Every year 2024.01.01~ 2024.12. 31 | Nomination Committee | Participation, recognition of responsibilities, improvement of decision-making quality, composition and selection of members, internal control and other items. | 4.51 |

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

**Goals**:

Board Functionality and Committee Operations

To enhance the functionality of the Board of Directors, the Company not only conducts external board performance evaluations but also established an Audit Committee starting from the 26th Board elected in 2017. The Audit Committee is composed entirely of Independent Directors. In 2024 and up to the date of this annual report's publication, five Audit Committee meetings have been held. For further details, please refer to the section 2.2.3 "Audit Committee Operations."

In addition to the Audit Committee, the Company has also established a Remuneration Committee and a Nomination Committee which assist the Board in fulfilling its supervisory responsibilities. The chairpersons of each committee regularly report their operations and resolutions to the Board of Directors.

The Company is committed to transparency and timely disclosure of information. A bilingual (Chinese and English) corporate website is maintained, with designated personnel responsible for collecting and disclosing financial, business, and investor relations information. To facilitate convenient access to information for both domestic and international shareholders and investors, bilingual disclosures are provided via the Market Observation Post System (MOPS) and the Company's website.

In accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies, the Company ensures that all Directors participate in regular training programs. In 2024, all 15 Directors collectively completed a total of 93 hours of continuing education. For further details, please refer to the section 2.2.11 "The Training for Directors."

**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 2024, 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):<br>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):<br>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:<br>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:<br>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 (Directors: Mr. Kun Yen Lee and Mr. Chen Kun Chang; Independent Directors: Mr. Chang-Pang Chang, Mr. Yun-Pen Chu, and Mr. Chi Schive).

C. Suggestions:

(1) Strengthen the diversity of directors.

(2) Continue to implement the goal of ESG operation.

D. Improve and implement plans and actions:

(1) Under the direction of the Board of Directors, the Company has established a Nomination Committee to continuously gather stakeholder perspectives and review the composition of the Board. This aims to enhance the sustainability and competitiveness of the evaluated company from a diversity standpoint.

(2) Members of the Board are expected to possess the capability to oversee sustainable development. Furthermore, key executives, under the leadership of the Board, must be able to plan and execute operational strategies in alignment with the Board's business directives. The Company will strengthen the connection between business strategy and talent strategy, and continuously assess talent needs from a sustainability perspective.

(3) The Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies both emphasize the Board's responsibility in upholding ethical business practices and promoting relevant measures. In line with the Company's anti-corruption policy, the "Procedures for Reporting and Investigating Unethical Conduct" have been established. The Secretarial and Audit Department serve as the reporting units, while the Audit Committee and the Head of the Audit Department are responsible for handling and investigating reported cases. As of December 31, 2024, one case was reported. However, as the whistleblower failed to provide substantial evidence and did not meet the criteria outlined in the procedures, the case was not accepted. This matter was reported to the Board of Directors on November 8, 2024.

E. The Company's external Board performance evaluation report has been disclosed on the Company's website.

### 2.2.3 The Audit Committee

1. Professional Qualifications and Experience of Members

| Title | Name | Professional Qualifications and Experience |
|---|---|---|
| Convener | Yun-Pen Chu | Former Minister without Portfolio, Executive Yuan;<br>Former Commissioner, Fair Trade Commission, Executive Yuan;<br>Currently Chair Professor, School of Big Data Management, Soochow University |
| Member | Chi Schive | Former Minister without Portfolio, Executive Yuan;<br>Former Chairman, Taiwan Stock Exchange; |

| Title | Name | Professional Qualifications and Experience |
|---|---|---|
| | | Currently Chair Professor, Soochow University |
| Member | Gordon S. Chen | Former Chairperson, Financial Supervisory Commission, Executive Yuan;<br>Former Chairman, Taiwan Stock Exchange;<br>Currently Chairman, Central Investment Holding Co., Ltd. |
| Member | Chang-Pang Chang | Former Vice Minister of Economic Affairs; Former Deputy Secretary-General, Executive Yuan;<br>Former Administrative Deputy Minister of Finance;<br>Currently Chairman, Global Investment Co., Ltd. |
| Member | Flora Chia-I Chang | Former President, Tamkang University;<br>Currently Chairperson, Tamkang University Foundation;<br>Honorary Chairperson, Chinese Society for Quality Management Excellence. |

For details on relevant qualifications and experience, please refer to section 2.1.1 in this Annual Report.

2. 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. Attendance of Audit committee

There are 5 meetings of the Audit committee held in 2024. Independent directors' attendance condition was as follows:

| Title | Name | Attendance in Person | By Proxy | Attendance Rate | Note |
|---|---|---|---|---|---|
| Convener | Yun-Pen Chu | 5 | 0 | 100% | - |

| Title | Name | Attendance in Person | By Proxy | Attendance Rate | Note |
|---|---|---|---|---|---|
| Member | Chi Schive | 5 | 0 | 100% | - |
| Member | Gordon S. Chen | 5 | 0 | 100% | - |
| Member | Chang-Pang Chang | 5 | 0 | 100% | - |
| Member | Flora Chia-I Chang | 4 | 1 | 80% | - |

**4. Other mentionable items:**

**A.** 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 |
|---|---|---|---|
| 2024/03/04 | Audit report of 2023 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 approved without objection. |
| | 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 | |
| | 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 |
| | 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 | items and submitted it to the board of directors in which all attended directors approved without objection. |
| | 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 | |
| 2024/06/05 | The Company proposes to submit to the Board of Directors a privatization offer to Asia Cement (China) Holdings Corporation by way of a Scheme of Arrangement, and hereby requests the Audit Committee to review and submit the matter to the Board for discussion and resolution. | 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 approved without objection. |
| | The Company proposes to submit to the Board of Directors a credit facility application to CTBC Bank Co., Ltd. Hong Kong Branch in the amount of HKD 2,342,581,000, and hereby requests the Audit Committee to review and submit the matter to the Board for discussion and resolution. | V | |
| 2024/08/07 | The Company's consolidated financial statements for the second quarter of 2024 have been duly completed. | 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 approved without objection. |
| | The Company proposes no earnings distribution for the second quarter of 2024. | V | |
| | In connection with the privatization of Asia Cement (China) Holdings Corporation, the Company proposes to acquire equity in ACCC from its related party, Asia Cement (Singapore) Pte. Ltd. | V | |
| | To expand its electricity business, the Company proposes to invest in the establishment of Asia Utility Power Corporation, which will build large-scale battery energy storage systems to provide energy shifting and hybrid frequency regulation services. | V | |
| 2024/11/07 | The Company's consolidated financial statements for the third quarter of 2024 have been duly completed. | V | All members present at the meeting agreed to |
| | The Company proposes no earnings distribution for the third quarter of 2024. | V | |

| | | | |
|---|---|---|---|
| | The Company proposes the 2025 annual audit plan. | V | pass the items and submitted it to the board of directors in which all attended directors approved without objection. |
| | The Company proposes the renewal of directors, supervisors, and key personnel liability insurance for itself and its consolidated subsidiaries. | V | |
| | The Company proposes amendments to its “Internal Control System” and “Internal Audit System and Implementation Guidelines.” | V | |
| | The Company proposes amendments to its “Operating Procedures for Financial and Business Transactions Among Related Parties.” | V | |
| | In accordance with the FSC’s “Regulations Governing the Establishment of Internal Control Systems by Public Companies,” the Company proposes to establish the “Procedures for the Preparation and Assurance of Sustainability Reports.” | V | |

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

C. 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.

D. 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 implements 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 |
|---|---|---|
| 2024/03/04 | 1. Audit report of 2023 Q4.<br>2. To issuing the 2023 "Internal Control System Statement". | 1. Declaration of independence.<br>2. The scope and method of review.<br>3. Group review.<br>4. Major accounting policies, major accounting estimates, major events, and major transactions<br>5. Key review items.<br>6. Suggestions and communication matters. |
| 2024/05/08 | 1. Communication meeting between independent directors and internal audit.<br>2. Audit report of 2024 Q1. | 1. Communication meeting between independent directors and internal audit.<br>2. Declaration of independence.<br>3. The scope and method of review.<br>4. Group review.<br>5. Major accounting policies, major accounting estimates, major events, and major transactions.<br>6. Other communication matters. |
| 2024/08/07 | 1. Audit report of 2024 Q2. | 1. Declaration of independence.<br>2. The scope and method of review.<br>3. Group review. |

| Meeting date | Items discussed with internal auditor | Items discussed with CPA |
|---|---|---|
| | | 4. Major accounting policies, major accounting estimates, major events, and major transactions<br>5. Other communication matters.<br>6. Regulations updates. |
| 2024/11/07 | 1. Audit report of 2024 Q3.<br>2. To approve 2024 audit plan<br>3. To amend to the "Internal Control System" and its rules. | 1. Declaration of independence.<br>2. The scope and method of review.<br>3. Group review.<br>4. Major accounting policies, major accounting estimates, major events, and major transactions<br>5. Other communication matters.<br>6. Annual review plan.<br>7. Major risks<br>8. Key review items.<br>9. Regulations updates. |

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.

**2.2.4 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.

| Title | Name | Professional Qualifications and Experience |
|---|---|---|
| Convener | Gordon S. Chen | Former Chairperson, Financial Supervisory Commission, Executive Yuan;<br>Former Chairman, Taiwan Stock Exchange;<br>Currently Chairman, Central Investment Holding Co., Ltd. |
| Member | Yun-Pen Chu | Former Minister without Portfolio, Executive Yuan; |

| | | |
|---|---|---|
| | | Former Commissioner, Fair Trade Commission, Executive Yuan;<br>Currently Chair Professor, School of Big Data Management, Soochow University |
| Member | Chi Schive | Former Minister without Portfolio, Executive Yuan;<br>Former Chairman, Taiwan Stock Exchange;<br>Currently Chair Professor, Soochow University |
| Member | Peter Hsu | Vice Chairman, Far Eastern New Century Corporation;<br>Director, Far EasTone Telecommunications Co., Ltd. |
| Member | Kwang-Tao Lee | Senior Consultant, Lee and Li Attorneys-at-Law; Director, Far Eastern New Century Corporation;<br>Chairman, Mr. Hsu Yu-Hsiung Memorial Foundation |

**The purposes and responsibilities of 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**

There are 2 meetings of the Committee held in 2024. Attendance condition was as follows:

| Title | Name | Attendance in Person | By Proxy | Attendance Rate | Notes |
|---|---|---|---|---|---|
| Convener | Yun-Pen Chu | 2 | 0 | 100% | Independent Director |
| Member | Chi Schive | 2 | 0 | 100% | Independent Director |
| Member | Gordon S. Chen | 2 | 0 | 100% | Independent Director |
| Member | Peter Hsu | 2 | 0 | 100% | Director |
| Member | Kwan-Tao Li | 2 | 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.<br>2. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies".<br>3. Report on the Company's sustainability-related activities, awards, and ratings in 2022.<br>4. Report on the Company's ESG ratings for the year 2023. | 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 |
|---|---|---|---|
| | 5. Report on the management review of the ISO 37001 Anti-Bribery Management System.<br>Decision: All attending committee members agreed to take note of the reports. | | |
| 2023/11/09 | 1. The meeting minutes and status of execution.<br>2. The organizational adjustment of the Sustainability Implementation Committee.<br>3. 2024 sustainability goals and the implementation status of ESG Initiatives in 2023.<br>4. Report on the Company's ESG ratings for the year 2023.<br>5. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies".<br>6. Report on the management review of the ISO 37001 Anti-Bribery Management System.<br>7. Implementation Status of the Risk Management Policy and Procedures for 2023.<br>8. ESG Promotion Status of Asia Cement (China) in 2023.<br>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. |
| 2024/05/08 | 1. The meeting minutes and status of execution.<br>2. Sustainable Development Projects and Performance Report for 2023.<br>3. Report on the Company's ESG ratings for the year 2023 and 2024.<br>4. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies".<br>5. ESG Promotion Status of Asia Cement (China) in 2023.<br>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. |

| Meeting date | Items discussed | Decision Result | The resolution of the audit committee's and the Company's handling |
|---|---|---|---|
| 2024/11/07 | 1. The meeting minutes and status of execution.<br>2. 2025 sustainability goals and the implementation status of ESG Initiatives in 2024.<br>3. Report on the Company's ESG ratings for the year 2024.<br>4. The schedule for GHG verification in response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies".<br>5. Report on the management review of the ISO 37001 Anti-Bribery Management System.<br>6. Implementation Status of the Risk Management Policy and Procedures for 2024.<br>Decision: All attending committee members agreed to take note of the reports.<br>7. To amend the Company's "Sustainability Policy" and rename it as the "Sustainability Development Policy."<br>Decision: The proposal was approved by all attending committee members without objection and submitted to the Board of Directors for resolution. | V | All members present at the meeting agreed to pass the discuss items. |

### 2.2.5 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."

| Title | Name | Professional Qualifications and Experience |
|---|---|---|
| Convener | Chi Schive | Former Minister without Portfolio, Executive Yuan;<br>Former Chairman, Taiwan Stock Exchange;<br>Currently Chair Professor, Soochow University |
| Member | Yun-Pen Chu | Former Minister without Portfolio, Executive Yuan;<br>Former Commissioner, Fair Trade Commission, Executive Yuan;<br>Currently Chair Professor, School of Big Data Management, Soochow University |
| Member | Peter Hsu | Vice Chairman, Far Eastern New Century Corporation;<br>Director, Far EasTone Telecommunications Co., Ltd. |

**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 | 2 | 0 | 100% | Independent Director |
| Member | Yun-Pen Chu | 2 | 0 | 100% | Independent Director |
| Member | Peter Hsu | 2 | 0 | 100% | Director |

| Meeting date | Items discussed | Decision Result | The resolution of the audit committee's and the Company's handling |
|---|---|---|---|
| 2024/03/04 | 1. The meeting minutes and status of execution.<br>2. Report on the Qualifications and Independence Assessment of Independent Directors (During Their Tenure).<br>3. Report of the training of directors.<br>Resolution:<br>All attending committee members approved the reports. | V | All members present at the meeting agreed to pass the discuss items. |
| 2024/08/07 | 1. Planning and schedule for the 2024 performance evaluations of the Board of Directors and functional committees.<br>2. Submission of directors’ training hours.<br>Resolution:<br>All attending committee members approved the reports. | V | All members present at the meeting agreed to pass the discuss items. |

### 2.2.6 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 a 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 2.1.4 of this annual report for details. | Please refer to the annex "Disclosure of information on the professional qualification and independence of Board Director" on section 2.1.4 of this annual report for details. | 1 |
| Independent Director | Yun-Pen Chu | | | 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. | None of the matters in Note 1 occurred | 1 |

Note 1: Independence requirement: The independence of the members of the Remuneration Committee, including but not limited to whether the members, their spouse, or relatives within the second degree of kinship are serving as directors, supervisors, or employees of the Company or the Company's affiliates; the shareholding and shareholding ratio held by the members, their spouse, or relatives within the second degree of kinship (or held in the name of others); whether they are serving as directors, supervisors, or employees of a company that has a specific relationship with the Company; and the amount of remuneration received for providing business, legal, financial, and accounting services to the Company or the Company's affiliates.

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:
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.
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.

<table>
<tr><th>Meeting Date</th><th>Discussion item</th><th>Approve</th><th>Opinion processing situations</th></tr>
<tr><td>2024/11/07</td><td>2023 directors', president's, and vice presidents' remuneration, and the situation of the cement industry</td><td>V</td><td rowspan="4">All members present at the meeting agreed to pass the items without objection.</td></tr>
<tr><td rowspan="3">2025/03/10</td><td>President and vice president's 2024 performance evaluation</td><td>V</td></tr>
<tr><td>2024 directors' and employees' remuneration</td><td>V</td></tr>
<tr><td>President and vice president's 2025 performance evaluation items</td><td>V</td></tr>
</table>

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

Note: 1. If there is a Remuneration Committee member resigned before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the total number of Remuneration Committee meetings held and the actual number of attendance (present) during the term of office.

Note: 2. If there is a Remuneration Committee re-election held before the end of the year, both the newly elected members and the dismissed members shall be illustrated; also, the information of the dismissed members, newly elected members, re-elected members, and the election date should be detailed in the "Remarks" column. The actual attendance rate (%) is calculated based on the total number of Remuneration Committee meetings held and the actual number of attendances during the term of office.

### 2.2.7 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 |
| (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure? | | | In addition to enacting "Regulations for Monitoring Subsidiaries" as the risk management mechanism for its subsidiaries, the Company has | None |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| | V | | 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."<br>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. | |
| (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 forms of security."<br>The Procedure has been post on the Company's website and internal bulletin board. | 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. 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.<br><br>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.<br><br>Please refer to Section 2.1.4 for the diversity policy of the board of directors, targets and implementation.<br>The diversified policy for the composition of the Board of Directors has been disclosed on the Company's website and MOPS. | None |
| (2) Does the company voluntarily establish other functional committees in addition to the | V | | The Company has established Remuneration | None |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| Remuneration Committee and the Audit Committee? | | | Committee and Audit Committee pursuant to government regulations. Other voluntarily established functional committees are:<br>Sustainability Committee:<br>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.<br><br>Nomination Committee:<br>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. | |
| (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.<br>1. Every year, the members of the board of directors conduct an internal self-assessment to evaluate the performance of the board of directors in five aspects (including the degree | None |

| Evaluation Item | Implementation Status | | | Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| | | | 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.<br>2. In 2024, the performance evaluation results of the company's board of directors, audit committee, remuneration committee, sustainability committee and Nomination Committee were "outstanding".<br>3. The "Procedures for Evaluating the Board’s Performance” requires evaluation by external institutions every three years. The 2024 external evaluation of the Company's board of directors was conducted by Taiwan Institute of Ethical Business.<br>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.<br>The performance evaluation methods and procedures of the board of directors and the external evaluation report of the board of directors are disclosed on the company's website. | |

| 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 (AQls), and disclose the evaluation procedures in detail? | V | | 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 10, 2025 and the board of directors on March 11, 2025. 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.<br>2. The Audit Committee on March 10, 2025 and the Board of Directors on March 11, 2025 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 dedicated members and personnel responsible for | V | | 1. On January 1, 2023, lawyer Chao Yu Wang is appointed as Corporate Governance Officer. | None |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| 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.) | | | 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.<br>2. The main responsibilities are as follows:<br>• Convene internal corporate governance regulations seminars twice a year.<br>• Develop company and organizational structure to promote the independence of the board of directors, transparency, corporate governance, and internal control.<br>• 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.<br>• 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 assistant vice president and president.<br>• To survey the Board's performance evaluation and report to the board of directors annually.<br>3. At least 12 hours of Training for Corporate | |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
|---|---|---|---|---|
| | Yes | No | Abstract Illustration | |
| | | | 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.<br>http://www.acc.com.tw/en<br>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<br>(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.<br>The Company will also convene the institutional investors' conference upon request and post relevant information on MOPS and ACC website. Please refer to Section 2.2.7 8(2) Investor Relations of this Annual Report. | None |
| 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 | V | | (1) Status of employee rights and employee wellness:<br>Please refer to the "Section 4.5 Labor Relation" of this Annual Report. | None |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
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| | Yes | No | Abstract Illustration | |
| 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)? | | | (2) Investor Relations:<br>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 an 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.<br>(3) Supplier relations:<br>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.<br>(4) Stakeholders' Rights:<br>For the transparency and timely disclosure of the Company, the information of finance, business, and corporate governance could be accessed on the Company's website and MOPS in both Chinese and English.<br>(5) The training for directors: | |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
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| | Yes | No | Abstract Illustration | |
| | | | Please refer to section 2.2.11 for detail.<br>(6) Implementation of the Risk Management Policy and Risk Assessment Standards:<br>The Company's "Risk Management Policy and Procedures" was approved at the 3rd meeting of the 27th Board of Directors on November 12, 2020. The policy covers the purpose and principles of risk management, risk categories, organizational structure and responsibilities, risk management procedures (including risk identification, assessment, response, monitoring, and reporting), execution, and information disclosure.<br>For the implementation status in 2024, please refer to the Company's website: Corporate Governance > Operating Procedures.<br>(7) Customer policy:<br>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.<br>(8) Responsibility insurance purchase for directors and supervisors:<br>On November 8, 2024, the Board of Directors agreed to renew the liability insurance for directors, and supervisors, and | |

| Evaluation Item | Implementation Status | | | Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons |
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| | Yes | No | Abstract Illustration | |
| | | | important employees of the Company and affiliates in the consolidated financial statements, and it took effect on December 1, 2024. | |
| 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:<br>1. The 2024 AGM has been convened by video-assisted shareholders meeting.<br>2. Set up an information security officer and a information security unit to strengthen the information security management structure.<br>3. To increase the number of independent directors to one-third of all directors in 2023.<br>4. The 28th Board of Directors has included at two female director.<br>5. To further enhance gender diversity on the Board, the Company will continue, prior to the re-election of the 29th Board of Directors, to identify suitable female board candidates both domestically and internationally through various channels. Subject to the fulfillment of all relevant criteria upon consultation, the Company aims to include candidates of the underrepresented gender in the nomination list, with the goal of having at least one-third of board seats held by directors of that gender. | None |

### 2.2.8 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 |
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| | 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 2024, the Sustainability Committee convened twice, on May 8 and November 7. Reports were submitted to the Board of Directors on May 9 and November 8, respectively.<br>**2. Delegation by the Board of Directors to Senior Management and Oversight by the Board:**<br>(1) The Company has established the Sustainability Implementation Committee under the Board of Directors as the dedicated unit for sustainability. This committee is responsible for the consolidation and disclosure of sustainability information, planning and execution of sustainability projects, and coordination and submission of materials for external ESG evaluations. Under the three ESG pillars—Environmental (E), Social (S), and Governance (G)—the Corporate Sustainability Promotion | None |

| 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 | |
| | | | Committee oversees various ESG working groups, including: Net-Zero Emissions, Pollution Prevention, Biodiversity, Health and Safety, Community Relations, Labor Rights and Talent Development, Governance and Risk Management, and Anti-Corruption. These ESG working groups are responsible for planning and implementing corporate sustainability projects.<br>(2) The Corporate Sustainability Implementation Committee is chaired by the President, with the Head of the Secretariat serving as Executive Secretary. The Executive Secretary is responsible for compiling sustainability performance and operational results, reporting twice a year to the Corporate Sustainability Committee, and, as instructed, presenting to the Board of Directors to ensure effective oversight and understanding of sustainability-related matters.<br>(3) Reports submitted to the Board of Directors include:<br>• Progress and performance of sustainability initiatives.<br>• Sustainability goals for 2025.<br>• ESG implementation status in 2024.<br>• Greenhouse gas inventory and assurance progress in 2023.<br>• Revisions to sustainability-related management policies.<br>(4) Oversight by the Board includes guidance from Independent Director Gordon S. Chen on sustainability topics, implementation outcomes, and project timelines. Additionally, he has provided recommendations for optimizing key environmental indicators and targets, including net-zero emissions, pollution prevention, and | |

| 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 | |
| | | | energy management. The Board monitors and urges the management team to make necessary adjustments accordingly.<br>(5) Review and response to oversight: ESG working groups submit quarterly progress reports on oversight topics. The Sustainability Implementation Committee convenes quarterly meetings to follow up on Board suggestions, evaluate implementation status, and report improvements and progress to the most recent Board meeting. | |
| 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.<br>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).<br>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. The Company identified key stakeholder groups based on its operational characteristics and conducted an assessment to determine stakeholder | None |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| | | | significance. The top five stakeholder groups, in terms of materiality, are: employees, investors/shareholders, customers, communities/local groups and Indigenous peoples, and business partners. Additionally, stakeholders in the vicinity of the mining sites were included as a priority group. A stakeholder survey was conducted using a structured questionnaire. A total of 565 responses were collected, with 453 valid responses. The results helped identify the sustainability issues that stakeholders consider most important, serving as a foundation for formulating the Company's sustainability strategies and action plans<br>4. In alignment with the Draft European Sustainability Reporting Standards (ESRS) and the principle of double materiality, the Company evaluated sustainability issues from two dimensions:<br>(1) Impact materiality (external perspective): assessing the Company's impacts on the economy (e.g., revenue), environment, people (including human rights), and stakeholders at large.<br>(2) Financial materiality (internal perspective): assessing the financial impacts of sustainability issues on the Company's operations and performance.<br>5. The assessment was further refined in accordance with GRI 14: Mining Sector 2024, resulting in the identification of a total of 15 material topics for Asia Cement, comprising 6 positive topics and 9 negative topics.<br>6. The Corporate Sustainability Implementation Committee compiled the materiality assessment procedures and results, along with stakeholder engagement outcomes, and submitted them for review and approval by | |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| | | | the Chairperson. Final confirmation was then obtained from the Corporate Sustainability Committee and the Board of Directors to ensure comprehensive topic coverage. For more information, please refer to the “Material Topics and Stakeholders” chapter of this Sustainability Report.<br>7. In light of the significant impacts of climate change, the Company also refers to frameworks such as the United Nations Sustainable Development Goals (UN SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD) to disclose its climate risk management and opportunities in the Sustainability Report. | |
| 3.Environmental Issues<br>(1) Has the Company set an environmental management system designed to industry characteristics? | ☑ | | 1. The Company has implemented a range of environmental management systems, including ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 14064-1 Greenhouse Gas Inventory and Verification, and BS 8001 Circular Economy Framework. In 2024, the Company obtained ISO 14067 Product Carbon Footprint certification (for cement products) and ISO 46001 Water Efficiency Management System certification.<br>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 | ☑ | | 1. 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. | None |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| with low environmental impact? | | | 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.<br>2. The total energy consumption of Asia Cement Corporation in 2024 was 11,613 TJ (3,225,704 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.<br>3. The Company has established short-term, medium-term, and long-term goals for circular economy development, using raw material substitution rate and alternative fuel rate as key performance indicators (KPIs). For more details, please refer to the "Circular Economy and Resource Management" section of the Company's Sustainability Report. | |
| (3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them? | ☑ | | 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 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 Risks and Opportunities" in the Company's Sustainability Report. | None |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| (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 "Accelerating Low-Carbon Solutions" and "Environmental Protection and Harmonious Coexistence with Nature" of the Company's Sustainability Report.<br>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.<br>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 2024, the Company's Scope 1+2 GHG emission intensity was 0.797, achieving the 2025 target of 0.807 ahead of schedule. | None |
| 4.Social Issues<br>(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 | None |

| 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 | |
| | | | 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.<br>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.<br>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.<br>The summary of the implementation of our company's human rights management policy is as follows:<br>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.<br>2. In order to establish an equal workplace for both genders, our company has implemented a system of unpaid parental leave system for raising | |

| 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 | |
| | | | children, and also provides family care leave, menstrual leave, maternity leave, paternity leave, and nursery rooms for employees.<br>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.<br>Specific management program:<br>In 2024, the Company organized education and training related to human rights issues (including courses on workplace gender equality and prevention of sexual harassment, prevention of unlawful workplace conduct, and human rights advocacy) with a total of 4 topics, totaling approximately 6 hours, and a total of 1,422 participants attended. | |
| (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 | ☑ | | 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 | None |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| salary/compensation? | | | goals.<br>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.<br>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.<br>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 collective bargaining agreement in Year 2013" by the Ministry of Labor. Both our employers and employees received the award.<br>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.<br>5. Every year, the Company will consider the profitability of the company's operation and make salary adjustments and promotions | |

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| | | | accordingly based on the results of individual performance appraisals, with an average salary adjustment of 1% to 3%.<br>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.<br>Gender Equality and Diversity Implementation<br>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.<br>At our company, we adhere to equal pay for equal work regardless of gender, and we provide equal opportunities for advancement. Women hold 23% of entry-level management positions, 28% of senior management positions, 7% of revenue-generating roles (business units), and 5% of STEM | |

| 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 | |
| | | | 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 2024, 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 524.<br>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 24.8% 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.<br>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. | |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| (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 2024, the Company conducted occupational safety training for 2,435 employees, and 1,436 contractors, for a total of 3,871 people.<br>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.<br>3. In 2024, there were two cases of temporary disabling injuries at Asia Cement Corporation's Hualien Plant, involving crush and entanglement incidents, with two employees injured and a total of 205 lost workdays. This represents a ratio of 2 out of 483 employees. Following an occupational injury analysis, the primary causes were identified as: (1) uneven ground caused by construction waste, leading to a crushing injury, and (2) maintenance work performed while machinery was not shut down, resulting in entanglement. As corrective measures, the | None |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| | | | construction method was adjusted to reduce waste and minimize environmental impact, and observation windows on machinery were equipped with interlock systems to ensure automatic shutdown before opening, thereby preventing recurrence of similar incidents.<br>4. On March 14, 2024, a localized smoldering fire broke out at the alternative fuel storage yard of Asia Cement's Hualien Plant. The fire was extinguished within 30 minutes, with no injuries or property damage reported. According to the investigation by the Hualien County Fire Department, the fire was caused by spontaneous combustion resulting from microbial fermentation heat inside moist woodchip materials, triggered by continuous rainfall in the preceding days. To prevent similar incidents in the future, Asia Cement has adopted the following corrective measures:<br>(1) Accelerate the clearance of alternative fuel and control the intake volume to avoid excessive stockpiling.<br>(2) Install camera-based fire detection systems covering the entire storage area.<br>(3) Conduct daily thermal imaging inspections to monitor for abnormal heat sources and report findings.<br>(4) Add three fire hydrants outside the adjacent kindergarten buildings near the alternative fuel yard.<br>(5) Plan for mid to long-term improvements, including the installation of covered sheds and fire protection equipment to ensure storage safety, along with the future implementation of an intelligent storage system for alternative fuels. | |

| Item | Implementation status (Note 1) | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
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| | Yes | No | Summary description | |
| | | | Please refer to (VI) Occupational Health and Safety, Chapter of Labor-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. The content and implementation methods of training programs are also announced on the Company’s electronic bulletin board and sent to all employees via email for awareness.<br>In 2024, the training courses were structured around two main themes: digital transformation and ESG sustainable development. Courses were further designed based on the competencies required by employees across different job functions and levels. The training content included: orientation for new employees, general core competency training, professional/functional training, management training, digital transformation and ESG sustainable development series, and low-carbon cement business elite training. These programs aim to continuously build the capabilities of Asia Cement employees to face changes and challenges. Internal trainers are also encouraged to deliver training and share their expertise, helping to make knowledge transfer within the Company more comprehensive and systematic. In 2024, the Company conducted a total of 441 training sessions, with 7,930 participants and 16,654 training hours completed.<br>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 | None |

| 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 | |
| | | | 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. 115 of this report for more detailed information regarding our company's employee development and training programs. | |
| (5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies? | ☑ | | The Company has always followed government regulations and industry-related norms to ensure customer health, customer privacy, marketing labeling, and service quality.<br>Customer privacy:<br>Asia Cement Corporation attaches great importance to the privacy of its 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 | None |

| 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 | |
| | | | of customer privacy in 2024.<br>Marketing labeling: In 2024, the Company did not violate any product-related laws, nor did it sell any disputed products.<br>Service quality:<br>Our company has established a " Customer Complaint Handling Procedures" which require relevant departments to file and initiate the complaint handling process within 24 hours of receiving a customer complaint. The process is jointly handled by the sales units, regional offices, and technical staff from manufacturing plants. We provide transparent and effective grievance channels (customer visits, official website platform, phone, email) to respond to customer needs in a timely manner. Once a complaint is received regarding quality or service processes, whether domestic or international, a dedicated person will handle it to ensure fair and immediate resolution of consumer complaints. For further details, please refer to the 'Customer Service and Information Security' section in our company's sustainability report." | |
| (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 implementation? | ☑ | | 1. To ensure that suppliers comply with the principles of sustainable development in terms of environmental, social, and economic aspects, our company has established a supplier policy and requires suppliers to sign the 'Supplier Code of Conduct and Corporate Social Responsibility Commitment Statement' in accordance with the policy. The supplier policy includes:<br>(1) Labor and Human Rights: Prohibition of forced labor, prohibition of child labor, wages and benefits, working hours and rest periods, freedom of association and collective bargaining, non- | None |

| 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 | |
| | | | discrimination, prohibition of harassment and promotion of humane treatment, and protection of female employees.<br>(2) Health and Safety: Occupational safety, maternity protection, prevention of occupational injuries and illnesses, emergency preparedness and response, access to medical services and first aid, industrial hygiene, management of physically demanding work, machine safeguarding, sanitation, food, and housing conditions, and health and safety communication.<br>(3) Environmental: Environmental permits and reporting, pollution prevention and control, energy and resource conservation, management of hazardous substances, water resources management, solid waste and noise control, air emissions management, restrictions on materials and services, climate change mitigation and adaptation, biodiversity protection, and zero deforestation and land conservation.<br>(4) Ethics: Business integrity, transparent information disclosure and cooperation, protection of intellectual property and trade secrets, grievance mechanisms with identity protection, privacy protection, fair business practices, advertising, and competition, prohibition of unauthorized subcontracting, compliance with shipping and transportation laws, information security management, responsible sourcing of minerals, and avoidance of conflicts of interest.<br>(5) Management Systems: Suppliers shall adopt or establish management systems related to the contents of this Commitment Statement to ensure compliance with and continuous improvement | |

| 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 | |
| | | | in areas such as labor and human rights, health and safety, environmental protection, ethics, and information security. Suppliers shall clearly define management responsibilities to ensure the effective implementation of the management systems and related programs, and regularly review their performance.<br>2. The total number of suppliers that have signed the commitment letter in 2024 is 378. 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 2024, Asia Cement conducted risk assessments on 233 tier-one suppliers, including 56 key tier-one suppliers, which accounted for approximately 59.31% of total procurement. All suppliers were classified as low risk. For details, please refer to the "Sustainable Supply Chain Management" section of the Company's Sustainability Report. | |
| 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 | ☑ | | 1. In 2024, 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 | None |

| 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 | |
| certification for the reports above? | | | 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.<br>2. The 2024 Sustainability Report of the Company was certified by SGS with AA 1000 Standard Type II Moderate level. | |
| 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:<br>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.<br>B. Please refer to our Sustainability Report and website for details. ESG website: https://esg.acc.com.tw/en/ | | | | |

**2.2.9 Climate Related Information**

1. Implementing Status of climate related issues

<table>
<tr><td>Item</td><td>Status of Implementation</td></tr>
<tr><td>1. Stating the supervision and governance of board directors and management on climate related risks and opportunities.</td><td>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.<br>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.<br>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.</td></tr>
<tr><td>2. Stating how the business, strategies and finance (short, mid and long term) are impacted by the identified climate risks and opportunities.</td><td>
<table>
<tr><td>Key Climates Risks</td><td>Transition risk: Policies and regulations increase the pricing of GHG emissions</td><td>Transition risk: Rising costs of materials and energy usage</td><td>Physical risk: Severe natural factors affect operations</td></tr>
<tr><td>Corresponding strategies</td><td>Implement net zero solutions for circular economy, renewable energy, and energy</td><td>Implement the energy management system ISO 50001 and improve energy efficiency every year.</td><td>Increase the safety stock of raw materials and undertake factory improvements in response to heavy rainfall</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>Item</th><th>Status of Implementation</th></tr>
<tr><td></td><td>
<table>
<tr><td></td><td>efficiency improvement.</td><td></td><td></td></tr>
<tr><td>Impact to finance</td><td>Up to 2030, the total carbon fee expenditure is estimated to increase by NTD 680 million</td><td>Up to 2030, the total capital expenditures is estimated to increase by NTD 1.72 billion</td><td>Up to 2025, the total additional expenditure is estimated to increase by NTD 27 million</td></tr>
<tr><td>Key opportunities</td><td>Recycling and reuse (raw material substitution)</td><td>Use of low-carbon energy (fuel substitution)</td><td>Products and services</td></tr>
<tr><td>Corresponding strategies</td><td>Increase the capacity for raw materials to increase income from disposal fees</td><td>Increase the capacity for fuel substitution to increase income from disposal fees and to save costs on coal</td><td>Develop and/or add low-carbon products and services</td></tr>
<tr><td>Impact to finance</td><td>Up to 2030, the estimated benefit from raw material substitution is NTD 1.25 billion</td><td>Up to 2035, the estimated benefit from fuel substitution is NTD 3.07 billion</td><td>In the short term, up to 2026, the estimated benefit from low-carbon products is NTD 3.54 billion</td></tr>
</table>
Please refer to Sustainability Report of the Company for the details.</td></tr>
<tr><td>3. Stating the impact caused by extreme climate events and transition actions to finance.</td><td>Extreme climate events, such as strong typhoons and intense rainfall, may cause raw materials to become wet and sticky and lead to coal collapse, which can in turn impact production efficiency and equipment operation, potentially resulting in capacity reduction, equipment damage, and logistics disruption. These are categorized as physical risks under climate change.<br>In response to tightening climate-related regulations and increasing market demand for low-carbon solutions, Asia Cement has implemented a range of transition actions. While these actions will increase capital and operational expenditures, they include initiatives such as promoting a circular economy (use of alternative raw materials and fuels), improving energy efficiency, and researching and promoting low-carbon cement. Some existing assets may also be subject to early retirement due to climate-related transformations. Nevertheless, these efforts are expected to enhance the company’s operational resilience, reduce long-term carbon risk, and create new market opportunities, thereby supporting long-term business sustainability. Based on our internal climate scenario analysis, the total capital investment required for climate strategies is estimated to be NT$ 2.41 billion by 2030.</td></tr>
<tr><td>4. Stating how to integrate the process of identifying, evaluating and managing climate risks into</td><td>Asia Cement’s climate risk management system is integrated into the Company’s corporate sustainability framework. The climate 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:</td></tr>
</table>

| Item | Status of Implementation |
|---|---|
| the overall risk management system. | Analyzing financial impact, corresponding measures and cost estimate.<br>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 2025 to 2026 as the short-term period of occurrence, from 2027 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.<br>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 2024, Asia Cement Corporation assessed two material transition risks: (1) policies and regulations leading to increased pricing of greenhouse gas (GHG) emissions, and (2) rising costs associated with material and energy usage. In addition, the company identified one physical risk, namely the impact of severe natural events such as typhoons, which may result in productivity losses, damage to facilities, and disruptions to 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.<br>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 must be described. | **Transition scenario:**<br>The first stage: IEA B2DS scenario (transition risk assessment)<br>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: Asis 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 1+2 GHG emission intensity of cementitious material will be reduced by 8% per ton.<br>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 |

| Item | Status of Implementation |
| --- | --- |
| | strategy of the Company is to reach the target of reduction. The main strategies include promoting a circular economy through the use of alternative raw materials and alternative fuels, producing low-carbon cement, improving energy efficiency in production, and installing renewable energy systems.<br>The second stage: IEA NZE 2050 scenario (transition risk assessment)<br>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 22.9% by 2030 compared to 2019 levels. Furthermore, our target for 2035 is to reduce net-zero emissions by 43.5%.<br>**Physical scenario:** Sharing Socioeconomic Pathway SSP5-8.5 (Physical Risk Scenario Assessment)<br>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.<br>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 explained. | 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.<br>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, setting a near-term net zero emissions target of reducing Scope 1 and Scope 2 GHG emissions per ton of cementitious materials by 22.9% by 2030 compared to 2019; mid-term and long-term emission reduction target of 43.5% by 2035 and net-zero by 2050.<br>In addition, the Company plans to submit its near-term 2030 SBTi targets in 2025, adopting the 1.5°C scenario as the standard. This more stringent decarbonization pathway ensures alignment with global climate governance requirements and demonstrates the Company’s strong commitment to carbon reduction, contributing to the low-carbon transition of the cement industry. The Company has established key performance indicators (KPIs) and targets with reference to the TCFD guidance for the building materials sector. For more details, please refer to the "Climate Risks and Opportunities – Climate Change Indicators |

| Item | Status of Implementation |
|---|---|
| | and Targets" section of the Company's Sustainability Report. |
| 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 $CO_2e$ 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 must be explained. | Asia Cement's science-based carbon reduction target (SBTs) is based on 2019 as the baseline year. The commitment is to reduce the Scope 1+2 cementitious material emission intensity by 8% by 2025 across the headquarters, Hsinchu plant, and Hualien plant, which is equivalent to a reduction of over 258,000 tons of greenhouse gas emissions.<br>In 2024, the Company's Scope 1+2 carbon emission intensity has already decreased to 0.797, achieving the 2025 SBTi target of 0.807 ahead of schedule, demonstrating excellent carbon reduction performance.<br>Additionally, the Company has set a net-zero target for its headquarters. The main strategies include energy management, procurement of renewable energy, and carbon offsetting. In 2023, 20% of energy was sourced from renewable sources, with plans to increase this to 40% by 2025. The goal is to achieve net-zero emissions at the headquarters by 2030. In 2023-2024, the Company procured 433 renewable energy certificates. |
| 9. The status of the GHG inventory, verification, reduction targets, strategies, and specific action plans are provided separately in sections 1-1 and 1-2. | The third-party (SGS) verification was completed on March 6, 2025. |

**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 $CO_2e$), intensity (tons of $CO_2e$/ 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.

The company has established a greenhouse gas (GHG) inventory system for the parent company in accordance with the ISO 14064-1 greenhouse gas inventory standards issued by the International Organization for Standardization (ISO); for consolidated subsidiaries, the GHG inventory system is established based on the Greenhouse Gas Protocol standards issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Starting from 2025, GHG emissions for both the company and subsidiaries included in the consolidated financial report will be regularly inventoried each year, fully understanding the use and emissions of greenhouse gases, and verifying the effectiveness of reduction actions.

In addition, the GHG inventory data for the most recent two years have been compiled in accordance with the Operational Control Method, summarizing the GHG emissions of the parent company and all subsidiaries included in the consolidated financial statements as follows:

| | | FY2023 | | FY2024 | |
|---|---|---|---|---|---|
| | | Emissions (tons CO2e) | Intensity (tons CO2e/revenue in NTD million) | Emissions (tons CO2e) | Intensity (tons CO2e/revenue in NTD million) |
| The company | Scope 1 | 2,639,182 | | 2,481,520 | |
| | Scope 2 | 167,144 | | 146,192 | |
| | Subtotal | 2,806,326 | | 2,627,712 | |
| All subsidiaries in the consolidated financial report | Scope 1 | - | | 18,596,982 | |
| | Scope 2 | - | | 818,025 | |
| | Subtotal | - | | 19,415,007 | |
| Total | | 2,806,326 | 34.73 | 22,042,719 | 288.91 |

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 $CO_2e$), intensity (tons of $CO_2e$/ 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.

The company has established a greenhouse gas (GHG) inventory system for the parent company in accordance with the ISO 14064-1 greenhouse gas inventory standards issued by the International Organization for Standardization (ISO); for consolidated subsidiaries, the GHG inventory system is established based on the Greenhouse Gas Protocol standards issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Starting from 2025, GHG emissions for both the company and subsidiaries included in the consolidated financial report will be regularly inventoried each year, fully understanding the use and emissions of greenhouse gases, and verifying the effectiveness of reduction actions.

The verification status on the implementation of GHG inventory for the Company and certain subsidiaries included in the consolidated financial statements in the last two years is described as follows:

| | | FY2023 | FY2024 |
|---|---|---|---|
| | | Emissions (tons CO2e) | Emissions (tons CO2e) |
| The company | Scope 1 | 2,639,182 | 2,481,520 |
| | Scope 2 | 167,144 | 146,192 |
| | Subtotal | 2,806,326 | 2,627,712 |
| | Percentage in the inventory data disclosed in 1-1-1 above | 100% | 100% |
| All subsidiaries in the consolidated financial report | Scope 1 | - | 18,596,982 |
| | Scope 2 | - | 818,025 |
| | Subtotal | - | 19,415,007 |
| | Percentage in the inventory data disclosed in 1-1-1 above | - | 100% |
| Verification institutions | | SGS Taiwan Limited | SGS Taiwan Limited |

| | | |
|---|---|---|
| Description of assurance status | Reasonable Assurance in accordance with ISO 14064-3:2019 | The third-party verification is expected to be completed by August 31, 2025. |
| Assurance Opinion / Conclusion | Unqualified Opinion | |
| Total | 2,806,326 | 22,042,719 |

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**

(1) Carbon Reduction Targets of Asia Cement Corporation and Its Consolidated Subsidiaries

To strengthen climate governance and enhance the effectiveness of greenhouse gas (GHG) management, as well as to align with the Sustainability Roadmap for TWSE and TPEx Listed Companies, the Company has implemented GHG reduction plans for subsidiaries included in the consolidated financial statements. These initiatives assist subsidiaries in adopting standardized GHG inventory procedures and completing Scope 1 and Scope 2 emissions inventories and assurance, thereby establishing a comprehensive carbon emissions baseline. Based on the proportion of total Scope 1 and Scope 2 emissions from each business unit—and taking into account local regulations and operational conditions—specific carbon reduction targets have been set. These targets cover more than 90% of the Company's total GHG emissions.

In addition, ChiaHui Power accounts for approximately 9% of the Company's total GHG emissions. However, as an Independent Power Producer (IPP), ChiaHui Power is a privately operated power plant whose electricity generation is entirely dispatched to the Taiwan Power Company grid. As a power supplier, the nature of its operations classifies it as a supply-side entity, and the carbon emissions resulting from electricity consumption are the responsibility of the end users, not the power supplier.

| Company | Scope 1 + Scope 2 Emissions Proportion | Base Year | Target Type | Target Scope | Target Unit | Base Year Emissions | 2024 Emissions | 2030 Short-Term Target | 2035 Mid-Term Target | Long-Term Target |
|---|---|---|---|---|---|---|---|---|---|---|
| The Company | 12% | 2019 | Intensity Targets | Scope 1 + Scope 2 | ton$CO_2$e/ton of cementitious | 0.878 | 0.797 | 0.657 | 0.482 | Net Zero Carbon Emissions by 2050 |
| Asia Cement (China)-Cement Business | 78% | 2019 | Intensity Targets | Scope 1 + Scope 2 | ton$CO_2$e/ton of cement | 0.725 | 0.672 | 0.666 | 0.659 | Carbon Neutral by 2060 |
| Ya Tung Ready-Mixed Concrete | 0.05% | 2021 | Intensity Targets | Scope 1 + Scope 2 | kg$CO_2$e/Cubic Meter of Ready-Mix Concrete | 3.64 | 3.03 | 2.92 | 2.7 | - |

(2) Asia Cement SBTi Carbon Reduction Target

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 Scope 1 and 2 emission intensity in 2024 was 0.797 (third-party verification expected by May 30, 2024), achieving the SBTi 2025 target of 0.807 ahead of schedule and marking the fourth consecutive year of target attainment.

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 22.9%. By 2035, the mid- to long-term goal is a reduction of 43.5% in emissions. The ultimate goal is to achieve net-zero carbon emissions by 2050.

**2. GHG reduction strategies and specific action plans**

**Parent Company:** 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 pf 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. In 2024, Asia Cement Corporation's actual Scope 1+2 carbon emission intensity was 0.797, which surpassed the 2025 SBTi target of 0.807 ahead of schedule, demonstrating outstanding carbon reduction performance. The Scope 1 emission intensity was 0.753, and Scope 2 was 0.044. Compared to the base year, total carbon emissions were reduced by 580,000 tons $CO_2e$. For further details, please refer to the "Accelerating Low-Carbon Solutions" section of the Sustainability Report.

**Subsidiaries Included in the Consolidated Financial Statements:** Each business unit is required to propose concrete carbon reduction action plans, which include promoting circular economy practices, enhancing energy efficiency, phasing out and upgrading outdated equipment, adopting renewable energy, and implementing energy management systems. The Net Zero Task Force under the Company's Corporate Sustainability Promotion Committee is responsible for centralized supervision and resource coordination, as well as tracking the progress of each decarbonization initiative. Going forward, we will continue to enhance the carbon management capabilities of all business units and actively pursue the achievement of various carbon reduction targets. For further details, please refer to the "Accelerating Low-Carbon Solutions" section of the Sustainability Report.

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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.

**2.2.10 Implementation Status of Ethical Management**

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status [1]</th><th rowspan="2">Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td>1. Establishment of ethical corporate management policies and programs<br>(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?</td><td>V</td><td></td><td>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.<br>2. The Company has post "Codes of Ethical Conduct" and "Principles for Ethical Management" on the Company's intranet for compliance.<br>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.</td><td>None</td></tr>
<tr><td>(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</td><td></td><td></td><td>The Company establish precautions for directors, managers, employees for preventing high-potential unethical conducts:<br>1. Set a standard distinguishing improper benefit,<br>2. Set procedures for political donations,<br>3. Set procedures for charity donations or sponsorship,<br>4. Set reporting and handling procedures to avoid</td><td></td></tr>
</table>

| 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? | | | job-related conflicts of interest,<br>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,<br>6. Set working procedures dealing with dishonest actions involved by suppliers, customers, and trading partners and others,<br>7. Set working procedures dealing with violators of Principles for Ethical Management,<br>8. Set punishment for violators and reward for whistleblowers. | |
| (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? | | | 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.<br>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 | |

| 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 | |
| | | | methods from December 9, 2022 , all 15 directors and 525 employees of the company have signed the anti-corruption prevention policy compliance statement.<br>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".<br>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<br>(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 | |
| | | | 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. | |
| (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 | | 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.<br><br>In addition to report implementation status of ethical management to the Board, the HR Department will also report to independent directors.<br><br>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.<br><br>The Company's integrity management practices | |

| 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 | |
| | | | and annual implementation have been reported to the board of directors on November 8, 2024. | |
| (3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it? | V | | 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.<br><br>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.<br><br>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 | |

| 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 | |
| | | | which established its internal control system. And 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.<br>The Company does not use CPA for auditing. | |
| (5) Does the company regularly hold internal and external educational trainings on operational integrity? | V | | 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.<br>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.<br>3. Implementation of Integrity Management Training:<br>In 2024, the Company invited professional lecturers to conduct two sessions of anti-bribery training. These sessions utilized practical case studies and relevant regulations to explain the responsibilities and handling | |

| 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 | |
| | | | procedures for violations of anti-bribery policies. All employees were required to attend and achieved a 100% pass rate on the post-training assessment.<br>Dedicated training sessions were also held specifically for internal audit personnel. Additionally, the orientation program for new employees includes a dedicated module on integrity management, and all participants are required to sign a declaration agreeing to comply with the Company’s integrity principles. | |
| 3. Operation of the integrity channel<br>(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.<br>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.<br>3. Please refer to the company website | 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 | |
| | | | (http://www.acc.com.tw) => corporate governance => operating procedures. | |
| (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<br>Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS? | V | | The Company has disclosed the contents of its Codes of Ethical Conduct", implementation status, and related information on its website.<br><br>The HR Department promotes the "Codes of Ethical Conduct", "Principles for Ethical Management" to employees through the internal company website, thereby embedding the | 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 | |
| | | | principles of integrity into employees' daily business conduct.<br><br>A designated staff member is responsible for regularly or irregularly disclosing information related to integrity management and its implementation results on the Market Observation Post System (MOPS) and the Company's website.<br><br>On November 8, 2024, at the 7th meeting of the 28th Board of Directors, the Company reported its integrity management practices, annual implementation status, and effectiveness. As of the date of reporting, there have been no violations of integrity management principles by 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.<br>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).<br>a. The Company adds integrity information to the procurement system to ensure supplier compliance, and there are appeal channels available.<br>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.<br>c. On November 9, 2022, the board of directors of the company formulated the "Anti-corruption Management Policy" and formulated 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 | |
| "Measures for Reporting and Investigation of Dishonest Behaviors".<br>d. On Nov. 8, 2024, the management review report of the ISO 37001 Anti-Corruption Management System has been reported to the 7th meeting of the 28th 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.<br>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.<br>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.<br>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.<br>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: |

<table>
<tr><td>Violations</td><td>https://www.acc.com.tw/en/contact-us/contact-us</td></tr>
<tr><td>2024<br>Training</td><td>In 2024, the Human Resources Department organized three sessions of Anti-Corruption Awareness Training.<br><br>On April 12 and November 22, professional lecturers were invited to conduct training sessions focused on anti-corruption practices. The courses utilized practical case studies and relevant regulations to explain the responsibilities and procedures for handling violations of anti-corruption policies. All employees were required to attend and achieved a 100% pass rate on the post-training assessments.<br><br>A dedicated session specifically for internal audit personnel was also held on November 22. The course topics, duration, and number of participants are detailed in the table below.<br><br>To reinforce ongoing awareness, video recordings of the training sessions have been made available on the Company’s internal electronic bulletin board for all employees to access and review online.
<table>
<tr><th>Topic</th><th>Hours</th><th>Number of people</th></tr>
<tr><td>1. First Anti-Corruption Education and Advocacy Training for All Employees</td><td>1</td><td>464</td></tr>
<tr><td>2. Second Anti- Corruption Education and Advocacy Training for All Employees</td><td>1</td><td>464</td></tr>
<tr><td>3. Anti- Corruption Training for Internal Audit Personnel</td><td>1</td><td>19</td></tr>
</table></td></tr>
<tr><td>Human Rights Policy</td><td>To protect and uphold the fundamental human rights of employees and foster a respectful and dignified work environment, the Company not only complies with the local laws and regulations of its operating locations but also adheres to and supports the principles set forth in international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.<br><br>Accordingly, the Company has established and implemented relevant human rights policies, which are publicly disclosed on the Company’s official website.</td></tr>
</table>

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

◎ Any other important information to facilitate better understanding of the Company’s corporate governance practices: None.

◎ To appoint certified accountants to audit internal audit system: None.

## 2.2.11 The Training for Directors

| Name | Date | Organizer | Course Title and Lecturer | Hours |
|---|---|---|---|---|
| Directors<br>Douglas Tong Hsu<br>Johnny Shih<br>C.V. Chen<br>Kun Yen Lee<br>Peter Hsu<br>C.K. Chang<br>Champion Lee<br>Kwan-Tao Li<br>Doris Wu | 07/03 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - The Era of Carbon Pricing and Corporate ESG Actions | 3 |
| Directors<br>Douglas Tong Hsu<br>C.V. Chen<br>Kun Yen Lee<br>Peter Hsu<br>C.K. Chang<br>Champion Lee<br>Doris Wu<br>Independent Directors<br>Chi Schive<br>Chang Chia-I | 11/27 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - From Digital Transformation to AI Empowerment | 3 |
| Directors<br>Johnny Shih | 08/02 | Independent Directors Association Taiwan | Applications and Challenges of Generative AI from the Perspective of ChatGPT | 3 |
| Directors<br>Ruey Long Chen | 03/12 | Corporate Governance Association | Enhancing Corporate Predictive and Judgmental Analysis Capabilities Driven by Emerging Technologies | 1.5 |
| Directors<br>Ruey Long Chen | 05/14 | Corporate Governance Association | 2024 Generative AI: Emerging Trends and Major Challenges | 1.5 |
| Directors<br>Ruey Long Chen | 08/13 | Corporate Governance Association | Tax Governance | 1.5 |
| Directors<br>Ruey Long Chen | 11/11 | Corporate Governance Association | Global Compliance Management Development Trends | 1.5 |
| Directors<br>Ruey Long Chen | 11/14 | Corporate Governance Association | The Carbon Wave is Coming: An Overview of Carbon Credit Formation and Trading Systems | 3 |
| Directors<br>Kwan-Tao Li | 12/26 | Corporate Governance Association | Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies | 3 |
| Independent Directors<br>Gordon S. Chen | 06/18 | Corporate Governance Association | Important Reminders for Taiwan in 2030 | 3 |
| Independent Directors<br>Gordon S. Chen | 06/21 | Corporate Governance Association | Corporate Fraud Risks and Challenges | 3 |
| Directors<br>Chi Schive | 09/24 | Corporate Governance Association | How the Board of Directors Oversees Corporate Risk Management and Crisis Handling | 3 |
| Independent Directors<br>Chang Chang-Pang | 03/12 | Corporate Governance Association | Enhancing Corporate Predictive and Judgmental Analysis Capabilities Driven by Emerging Technologies | 1.5 |
| Independent Directors<br>Chang Chang-Pang | 05/14 | Corporate Governance Association | 2024 Generative AI: Emerging Trends and Major Challenges | 1.5 小時 |
| Independent | 10/01 | Corporate Governance | How the Board of Directors Defines ESG | 3 |

| Name | Date | Organizer | Course Title and Lecturer | Hours |
|---|---|---|---|---|
| Directors<br>Chang Chang-Pang | | Association | Sustainability Governance Strategies | |
| Independent Directors<br>Yun-Pen Chu | 11/14 | Securities & Futures Institute | AI Era - Innovative Thinking for Business Growth | 3 |
| Independent Directors<br>Yun-Pen Chu | 11/14 | Securities & Futures Institute | Corporate ESG Sustainability Governance-Global Net Zero Carbon Trends and Corporate Response Strategies | 3 |
| Independent Directors<br>Chang Chia-I | 10/01 | Corporate Governance Association | How the Board of Directors Develops ESG Sustainability Governance Strategies | 3 |

### 1.1.12 The Training for Managers

| Title | Name | Date | Organizer | Course Title and Lecturer | Hours |
|---|---|---|---|---|---|
| Assistant Vice President | Karen Yang | 07/22~31 | Accounting Research and Development Foundation | Training Program for Newly Appointed Accounting Supervisors of Issuers, Securities Firms, and Stock Exchanges | 30 |
| Manager | David Liao | 07/17~19 | Securities & Futures Institute | Pre-service Training Program for Newly Appointed Internal Auditors in Enterprises | 18 |
| President<br>Executive Vice President<br>Vice President<br>Vice President<br>Assistant Vice President<br>Assistant Vice President<br>Assistant Vice President<br>Manager<br>Manager<br>Manager<br>Manager<br>Manager<br>Manager<br>Manager | Kun Yen Lee<br>Doris Wu<br>Z.P. Chang<br>Tony Yu<br>Karen Yang<br>C.Y. Wang<br>Dana Lee<br>Chenho Chung<br>Gary Lee<br>David Liao<br>Nancy Kao<br>Yuchi Tsai<br>Qinhyuan Su<br>Ryan.Cheng<br>Linus.Chen | 05/21<br>07/23 | Asia Cement | Corporate Digital Transformation in the Wave of Generative AI<br>Lecturer: Dr. Fang Shi-Hao, Vice President of Research and Development at Yuan Ze University, Director of the AI Center, Distinguished Professor<br>ESG Risk Management and Financial Impact Disclosure<br>Lecturer: Mr. Mo Dong-Li, Secretary General of the Republic of China Sustainable Development Association | 4 |
| President<br>Executive Vice President<br>Vice President<br>Assistant Vice President<br>Assistant Vice President<br>Manager<br>Manager<br>Manager<br>Manager<br>Manager | Kun Yen Lee<br>Doris Wu<br>Tony Yu<br>Karen Yang<br>C.Y. Wang<br>Chenho Chung<br>David Liao<br>Nancy Kao<br>Ryan Cheng<br>Linus Chen | 07/03 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - The Era of Carbon Pricing and Corporate ESG Actions | 3 |
| President<br>Executive Vice | Kun Yen Lee<br>Doris Wu | 11/27 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - From Digital Transformation to AI | 3 |

| Title | Name | Date | Organizer | Course Title and Lecturer | Hours |
|---|---|---|---|---|---|
| President<br>Vice President<br>Assistant Vice President<br>Assistant Vice President<br>Assistant Vice President<br>Manager<br>Manager<br>Manager<br>Manager | <br>Tony Yu<br>Karen Yang<br><br>C.Y. Wang<br><br>Dana Lee<br><br>David Liao<br>Ryan Cheng<br>Linus Chen<br>Yuchi Tsai | | | Empowerment | |
| Assistant Vice President (Corporate Governance Officer) | C.Y. Wang[1] | 02/22 | Corporate Governance Association | Taxation Management of Intellectual Property from the Perspective of Corporate Governance | 3 |
| | | 04/30 | Taiwan Academy of Banking and Finance | Practical Operations of the Sustainability Committee (Sustainability Officer, Working Groups) | 3 |
| | | 07/03 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - The Era of Carbon Pricing and Corporate ESG Actions | 3 |
| | | 11/27 | Taiwan Academy of Banking and Finance | The Corporate Governance Forum - From Digital Transformation to AI Empowerment | 3 |

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

### 2.2.13 The Execution Status of Internal Control System

***Asia Cement Corporation***
***Statement of Internal Control System***

Date: March 11, 2025

Asia Cement Corporation (ACC) has conducted a self-inspection of internal control system during 2024. 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, 2024 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 11, 2025 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

### 2.2.14 Major Resolutions of Shareholders' Meeting and Board Meetings

1. Major resolution of Regular Shareholders' Meeting

| Date | Major resolutions and Implementation Status |
|---|---|
| 2024/06/25 | 1. Acceptance of 2023 financial statements and consolidated financial statements<br>Implementation: 2023 business report and financial statements have been approved.<br>2. Acceptance of the proposal for distribution of 2023 profits.<br>Implementation: The record date for distribution of 2023 profits was Jul. 26, 2024. Cash dividends have been distributed on Aug. 16, 2024. |

2. Major Resolutions of the Board of Directors

Totally 5 meetings of the Board of Directors were held in 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 |
|---|---|
| 2024/03/05 | 1. Acceptance of the 2023 employees' compensation and Directors' remuneration.<br>2. Acceptance of 2023 financial statements and consolidated financial statements.<br>3. Acceptance of the proposal for distribution of 2023 profits.<br>4. To convene 2024 regular shareholders' meeting.<br>5. To issue 2023 Statement of Internal Control System.<br>6. Acceptance of 2024 business budget.<br>7. Acceptance of 2024 CPA service of Deloitte & Touche.<br>8. 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.<br>9. Amendments to the "Board Meeting Rules".<br>10. Amendments to the "Audit Committee Organization Regulations".<br>11. Revision of the "Seal Management Regulations".<br>12. 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 | 1. Acceptance of 2023 Business Report.<br>2. Acceptance of 2024 Q1 consolidated financial statements.<br>3. No profits distribution for 2024 Q1.<br>4. Changes for senior executives.<br>5. 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. |
| 2024/06/05 | 1. The Company proposes to submit to the Board of Directors a privatization offer to Asia Cement (China) Holdings Corporation by way of a Scheme of Arrangement, and hereby requests the Audit Committee to review and submit the matter to the Board for discussion and resolution.<br>2. The Company proposes to submit to the Board of Directors a credit facility application to CTBC Bank Co., Ltd. Hong Kong Branch in the amount of HKD 2,342,581,000, and hereby requests the Audit Committee to review and submit |

| Date | Major resolutions |
|---|---|
| | the matter to the Board for discussion and resolution. |
| 2024/08/08 | 1. Consolidated financial report for Q2 2024.<br>2. No profits distribution for Q2 2024.<br>3. 2023 Sustainability Report.<br>4. To privatize Asia Cement (China) Holdings Corporation, the Company proposes to acquire the equity of ACCC from its related party, Asia Cement (Singapore) Pte. Ltd.<br>5. To expand its energy business, the Company plans to make an equity investment in the establishment of Yayu Power Corporation for the development of a large-scale battery energy storage system to provide energy shifting and hybrid frequency regulation services. |
| 2024/11/08 | 1. Consolidated financial report for Q3 2024.<br>2. No profits distribution for Q3 2024.<br>3. To accept 2025 audit plan.<br>4. To purchase liability insurance for directors, and supervisors, and important employees of the Company and its affiliates in the consolidated financial statements.<br>5. Proposal to amend the Company's "Internal Control System" and "Internal Audit System and Implementation Rules."<br>6. Amendment of the "Operational Standards for Financial Transactions Among Related Parties".<br>7. Proposal to revise certain provisions of the Company's "Sustainability Policy" and rename it to "Sustainable Development Policy."<br>8. In response to the Financial Supervisory Commission's "Regulations Governing the Establishment of Internal Control Systems by Public Companies," the Company proposes to establish the "Sustainability Report Preparation and Assurance Procedures." |

## 2.3 Information of CPA Service Fee

1. Information of CPA service fee

Unit: NT$1,000

<table>
<tr><th>Accounting Firm</th><th>Name of CPA</th><th>Audit period</th><th>Audit Fee</th><th>Non-audit Fee</th><th>Total</th><th>Remarks</th></tr>
<tr><td rowspan="2">Deloitte & Touche</td><td>H.W. Tai</td><td rowspan="2">01/01/2024-12/31/2024</td><td rowspan="2">6,980</td><td rowspan="2">3,747</td><td rowspan="2">10,727</td><td rowspan="2">Other non-audit fees include implementation and certification of ISO 27001 Information Security Management System, tax compliance audit, investment project submit, application of tax rulings etc.</td></tr>
<tr><td>J. C. Chih</td></tr>
</table>

2. 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.
3. If the audit fee dropped year on year by more than 10%, specifies the amount, percentage, reason of the reduction: None.
4. Change of CPA in recent two fiscal years and subsequent periods:

(1). Regarding the former CPA

<table>
<tr><td>Date of change</td><td colspan="4">March 5 2024</td></tr>
<tr><td>Cause and explanation</td><td colspan="4">Due to the internal adjustments within Deloitte & Touche,<br>the original CPA, P. D. Chen was changed to CPA, J.C. Chih</td></tr>
<tr><td rowspan="3">Specify whether appointer or CPA terminates or rejects the appointment</td><td>Concerned party / Circumstance</td><td colspan="2">CPA</td><td>Appointer</td></tr>
<tr><td>Terminate the appointment voluntarily</td><td colspan="2">V</td><td></td></tr>
<tr><td>Reject (refuse to accept) the appointment</td><td colspan="2"></td><td></td></tr>
<tr><td>The comments and causes for issue of the audit report other than unqualified opinions within the latest two years</td><td colspan="4">No</td></tr>
<tr><td rowspan="6">Disagreement with the publisher</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial statement</td></tr>
<tr><td></td><td colspan="2">Audit scope or procedure</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>No</td><td colspan="3">V</td></tr>
<tr><td colspan="4">Please specify it.</td></tr>
</table>

| | |
|---|---|
| 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.

## 2.4 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 |
| Finance | Ya Ping Li | Assistant Vice President | CPA, Taiwan |
| Finance | Wei Zhong Chen | Manager | Chartered Financial Analyst |
| Finance | Ying-Chi Lee | Assistant Coordinator | CPA, Taiwan |
| Accounting | Yu Ling Yang | Assistant Vice President | CPA, Taiwan and China |
| Accounting | Bi Chen Weng | Assistant Section Chief | CPA, Taiwan |
| Aduiting | Yu De Liao | Manager | Certified Internal Auditor<br>Certified Information Systems Auditor |
| Auditing | Chi Wen Lu | Assistant Specialist | Certified Internal Auditor<br>Certification in Risk Management Assurance |

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

1. Changes in Shareholdings:

   Please visit the Market Observation Post System (MOPS) and search for Company Code: 1102 to view relevant information.

2. Shareholders transfer information:

   Since the relative transfer of shareholders is non-related person, there is no information on this information.

3. Shareholders pledge information:

   Since the relative transfer of shareholders is non-related person, there is no information on this information.

## 2.6 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% | Yuanta/P-shares Taiwan Dividend Plus ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | 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% | Far Eastern Memorial Foundation | Chairman is the Director of the Foundation |
| Yuanta/P-shares Taiwan Dividend Plus ETF | 191,866,421 | 5.41% | 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% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | Non-related party |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | 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 |

| 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 Medical Foundation<br>Representative:<br>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% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | 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% | Far Eastern Memorial Foundation | Chairman is the Director of the Foundation |
| UOB Taiwan High Dividend Recovery ETF | 67,144,000 | 1.89% | 0 | 0% | 0 | 0% | Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuanta/P-shares Taiwan Dividend Plus ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | Non-related party |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | 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 |
| Yuan Ding Investment Company | 54,301,518 | 1.53% | 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 |

| 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 |
| Representative: Douglas Tong Hsu | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery 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% | Chunghwa Post Co., Ltd. | 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% | Far Eastern Memorial Foundation | Chairman is the Director of the Foundation |
| Labor Pension Fund Committee of Far Eastern New Century Corporation | 53,643,049 | 1.51% | 0 | 0% | 0 | 0% | Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuanta/P-shares Taiwan Dividend Plus ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | Non-related party |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | 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 |
| Chunghwa Post Co., Ltd. Representative: Wang, Kwo-Tsai | 50,456,152 | 1.42% | 0 | 0% | 0 | 0% | Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuanta/P-shares Taiwan Dividend Plus ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | Non-related party |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | 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% | 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 Department Stores Co., Ltd.<br>Representative:<br>Douglas Tong Hsu | 50,000,492 | 1.41% | 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% | Far Eastern Medical Foundation | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan-Ze University | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Far Eastern Memorial Foundation | Chairman is the Director of the Foundation |
| Yuan-Ze University<br>Representative:<br>Douglas Tong Hsu | 48,708,757 | 1.37% | 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% | Far Eastern Medical Foundation | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of 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 |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Department Stores Co., Ltd. | The Same Chairman |
| | | | 0 | 0% | 0 | 0% | Far Eastern Memorial Foundation | Chairman is the Director of the Foundation |
| Far Eastern Memorial Foundation<br>Representative:<br>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% | Yuanta/P-shares Taiwan Dividend Plus ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Far Eastern Medical Foundation | Director of the Foundation is the Chairman |
| | | | 0 | 0% | 0 | 0% | UOB Taiwan High Dividend Recovery ETF | Non-related party |
| | | | 0 | 0% | 0 | 0% | Yuan Ding Investment Company | Director of the Foundation is the Chairman |
| | | | 0 | 0% | 0 | 0% | Labor Pension Fund Committee of Far Eastern New Century Corporation | Non-related party |
| | | | 0 | 0% | 0 | 0% | Chunghwa Post Co., Ltd. | Non-related party |
| | | | 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 |

## 2.7 Shareholding Proportion of ACC to Investees

Unit: share, %
Dec. 31, 2024

| Investees | Investments by ACC | | Investments by Directors, Supervisors, Managers and Directly or Indirectly Controlled Businesses | | Total Investments | |
|---|---|---|---|---|---|---|
| | Shares | % | Shares | % | Shares | % |
| Asia Investment Corp. | 508,416,358 | 100.00% | - | 0.00% | 508,416,358 | 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. | 838,793,548 | 99.99% | 7,605 | 0.00% | 838,801,153 | 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. | 81,348,307 | 99.96% | 13,761 | 0.02% | 81,362,068 | 99.98% |
| Chiahui Power Corp. | 568,804,972 | 99.79% | 543,464 | 0.10% | 569,348,436 | 99.89% |
| FEDS Development Ltd. | 53,250,000 | 25.00% | 159,750,000 | 75.00% | 213,000,000 | 100.00% |
| 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% | 19,794,517 | 2.34% | 351,495,669 | 41.59% |
| Oriental Securities Corp. | 79,929,133 | 18.93% | 85,549,733 | 20.26% | 165,478,866 | 39.19% |
| Far Eastern New Century Corp. | 1,226,945,085 | 22.92% | 444,499,589 | 8.30% | 1,671,444,674 | 31.22% |
| 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% |

# III Capital Formation

## 3.1 Capital and Shares

### 3.1.1 Capital Increase in the Recent Five Years

Book closure date: Mar. 30, 2025

| 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.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 was No. 10301193070 dated 2014/9/17.

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

### 3.1.2 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 | - |

### 3.1.3 Shelf Registration: None

**Preferred Share**

Book closure date: Mar. 30, 2025

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

### 3.1.4 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.

### 3.1.4 List of Major Shareholders

Book closure date: Mar. 30, 2025

| Shares / Major Shareholder | Number of Shares | Holding Percentage |
|---|---|---|
| Far Eastern New Century Corporation | 750,511,324 | 21.16% |
| Yuanta/P-shares Taiwan Dividend Plus ETF | 191,866,421 | 5.41% |
| Far Eastern Medical Foundation | 182,775,987 | 5.15% |
| UOB Taiwan High Dividend Recovery ETF | 67,144,000 | 1.89% |
| Yuan Ding Investment Company | 54,301,518 | 1.53% |
| Labor Pension Fund Committee of Far Eastern New Century Corporation | 53,643,049 | 1.51% |
| Chunghwa Post Co., Ltd. | 50,456,152 | 1.42% |
| Far Eastern Department Stores Co., Ltd. | 50,000,492 | 1.41% |
| Yuan-Ze University | 48,708,757 | 1.37% |

| | | |
|---|---|---|
| Far Eastern Memorial Foundation | 44,115,478 | 1.24% |
| Total | 1,493,523,178 | 42.09% |

### 3.1.5 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. The Company's dividend in recent years:

| Year | Cash Dividend | Ratio of Total Dividend | Stock dividend | Ratio of Total Dividend | Total dividend |
|---|---|---|---|---|---|
| 2019 | NT $3.0 | 100% | NT $0 | 0% | NT $3.0 |
| 2020 | NT $3.46 | 100% | NT $0 | 0% | NT $3.46 |
| 2021 | NT $3.4 | 100% | NT $0 | 0% | NT $3.4 |
| 2022 | NT $2.3 | 100% | NT $0 | 0% | NT $2.3 |

| Year | Cash Dividend | Ratio of Total Dividend | Stock dividend | Ratio of Total Dividend | Total dividend |
|---|---|---|---|---|---|
| 2023 | NT $2.1 | 100% | NT $0 | 0% | NT $2.1 |
| 2024 (Approved by BOD) | NT $2.2 | 100% | NT $0 | 0% | NT $2.2 |

The net income after tax for FY2024 is NT$ 12,889,728,436, the Broad of Directors has approved the fourth quarter cash dividend of NT$ 2.2 per share, which is summed up to NT$ 7,802,438,338 in total.

### 3.1.6 Effects on Business Performance and EPS Resulting from Stock Dividend Distribution

Not applicable because of no stock distribution.

### 3.1.7 Employees' Compensation and Directors' 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 2025.
3. Information on resolved by the Board of Directors on March 11, 2025 for distribution of compensation:
   (1)The amount of any compensation distributed in cash or stocks: Employees' cash compensation is NT$ 162,747,600. Directors' cash remuneration is NT$ 142,404,150.
   (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
4. 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 5, 2024 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 2023 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.

## 3.2 Summary of Corporate Bonds

| Item \ Type of Bond Issued | | 1st Unsecured Corporate Bond Issued in 2020 | 2nd Unsecured Corporate Bond Issued in 2020 |
|---|---|---|---|
| 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%<br>Tranche B: 0.83% |
| Term | | Five Years.<br>Maturity:<br>Apr. 20, 2025 | Tranche A：Five Years.<br>Maturity：Jun. 18, 2025<br>Tranche B：Seven Years.<br>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<br>Long term Credit Ratings: twA+<br>Short term Credit Ratings: twA-1<br>Outlook: Stable<br>Bond Ratings: -<br>Credit rating date: Oct. 23, 2019 | Taiwan Ratings Corporation<br>Long term Credit Ratings: twA+<br>Short term Credit Ratings: twA-1<br>Outlook: Stable<br>Bond Ratings: -<br>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 |

| Item \ Type of Bond Issued | | 3rd Unsecured Corporate Bond Issued in 2020 | 4th Unsecured Corporate Bond Issued in 2020 |
|---|---|---|---|
| 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%<br>Tranche B: 0.73% | Tranche A: 0.57%<br>Tranche B: 0.65% |
| Term | | Tranche A：Five Years.<br>Maturity：Sep. 23, 2025<br>Tranche B：Seven Years.<br>Maturity：Sep. 23, 2027 | Tranche A：Five Years.<br>Maturity：Dec. 23, 2025<br>Tranche B：Seven Years.<br>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<br>Long term Credit Ratings: twA+<br>Short term Credit Ratings: twA-1<br>Outlook: Stable<br>Bond Ratings: -<br>Credit rating date: Oct. 23, 2019 | Taiwan Ratings Corporation<br>Long term Credit Ratings: twA+<br>Short term Credit Ratings: twA-1<br>Outlook: Positive<br>Bond Ratings: -<br>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 |

| Item \ Type of Bond Issued | | 1st Unsecured Corporate Bond Issued in 2021 | 1st Unsecured Corporate Bond Issued in 2023 |
|---|---|---|---|
| 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.<br>Maturity:<br>Aug. 5, 2026 | Five Years.<br>Maturity:<br>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<br>Long term Credit Ratings: twA+<br>Short term Credit Ratings: twA-1<br>Outlook: Positive<br>Bond Ratings: -<br>Credit rating date: Sep. 28, 2020 | Taiwan Ratings Corporation<br>Long term Credit Ratings: twAA-<br>Short term Credit Ratings: twA-1+<br>Outlook: Stable<br>Bond Ratings: -<br>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 |

| Item \ Type of Bond Issued | | 1st Unsecured Corporate Bond Issued in 2024 | 1st Unsecured Corporate Bond Issued in 2025 |
|---|---|---|---|
| Date Issued | | Apr. 26, 2024 | Aug. 29, 2025 |
| 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$3,700,000,000 | NT$4,300,000,000 |
| Interest Rate | | Tranche A: 1.70%<br>Tranche B: 1.77% | 2.10% |
| Term | | Tranche A：Five Years.<br>Maturity：Apr. 26, 2029<br>Tranche B：Seven Years.<br>Maturity：Apr. 26, 2031 | Five Years.<br>Maturity:<br>Apr. 29, 2030 |
| Guaranty/Guarantor | | None | None |
| Trustee | | China Trust Commercial Bank, Trust Department | China Trust Commercial Bank, Trust Department |
| Underwriter | | Yuanta Securities Co., Ltd. | Fubon Securities Co., Ltd. |
| Certified Lawyer | | N.C. Liao | N.C. Liao |
| Certified Public Accountant | | H.W. Tai, P.D. Chen | H.W. Tai, J.C. Chih |
| Repayment Method | | Repayment In Lump Sum Upon Maturity | Repayment In Lump Sum Upon Maturity |
| Outstanding Balance | | NT$3,700,000,000 | NT$4,300,000,000 |
| Redemption Clauses | | None | None |
| Restrictive Covenants | | None | None |
| Credit Rating Agency/Date/Rating | | Taiwan Ratings Corporation<br>Long term Credit Ratings: twAA-<br>Short term Credit Ratings: twA-1+<br>Outlook: Negative<br>Bond Ratings: -<br>Credit rating date: Sep. 26, 2023 | Taiwan Ratings Corporation<br>Long term Credit Ratings: twAA-<br>Short term Credit Ratings: twA-1+<br>Outlook: Stable<br>Bond Ratings: -<br>Credit rating date: Sep. 20, 2024 |
| 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 |

## 3.3 Summary of Issued GDR

None.

## 3.4 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.

# IV Overview of Business Operation

## 4.1 Business Introduction

### 4.1.1 Business Scope

**1. Scope of Business:**

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

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

**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.

### 4.1.2 Industry Overview

1. Market situation and future outlook

A. According to statistics from the Taiwan Cement Manufacturers' Association, total cement sales by domestic companies in 2024 reached 9,998,299 metric tons, a 3.0% year-on-year decrease. Of this, domestic sales accounted for 9,868,099 metric tons, up 0.67%, while exports dropped to 130,200 metric tons, a 74.25% decline. Additionally, imported cement volumes increased to 3,557,012 metric tons, a growth of 9.82%.

Our company's 2024 domestic cement sales amounted to 3,044,258 metric tons, representing a 0.25% year-on-year increase. This accounts for 30.85% of domestic producers' total sales and 22.68% of total cement sold in Taiwan.

Taiwan's overall economic performance in 2024 was supported by strong AI-related demand and a recovery in domestic investment following inventory depletion. Government policies also continued to emphasize public infrastructure projects, contributing to a moderately growing domestic economy. Total domestic cement consumption reached 13,425,111 metric tons, a 2.94% annual increase, with per capita consumption averaging 574 kg, up 3.05% from the previous year.

B. For the year 2025:

(1) Outlook of the Domestic Market:

According to the latest forecast by S&P Global, the global economic growth rate for 2025 is projected at 2.5%, slightly lower than the 2.7% growth in 2024, primarily due to multiple uncertainties. In Taiwan, the Executive Yuan has stated that in response to the complex and ever-changing international environment, the government will actively enhance domestic industrial innovation and competitiveness, and implement major national policies such as the National Hope Project, Balanced Taiwan, and Healthy Taiwan. Despite global downside risks, Taiwan's domestic demand is expected to sustain moderate economic growth. The Directorate-General of Budget, Accounting and Statistics forecasts that Taiwan's economic growth rate for 2025 will exceed 3%, outperforming the global average for the second consecutive year.

In terms of construction demand, the government will maintain expansionary policies and continue promoting and executing various public infrastructure projects and tenders. These initiatives are expected to support the release of civil engineering tenders and sustain growth momentum in related sectors. Additionally, the increasing demand for AI applications is driving high-tech industries to continue building new facilities, further bolstering the construction outlook. As a result, the outlook for the construction industry in 2025 remains relatively optimistic.

Regarding real estate, the Ministry of the Interior reported that the number of building ownership transfers in 2024 reached approximately 350,000 units, an increase of 43,600 units (+14.2%) compared to the previous year, marking the highest level in 11 years. However, looking ahead to 2025, the housing market is expected to turn more conservative. Factors such as rising capital costs, higher mortgage rates, and the effects of the central bank's seventh round of selective credit controls may weigh on the market. Additionally, increasing scrutiny over the government's preferential mortgage program for first-time homebuyers may influence banks' lending behavior. As a result, the transaction structure is expected to shift from both rising prices and volume in 2024 to stagnant prices and reduced volume in 2025.

In summary, while public construction demand is expected to continue growing, private construction demand is likely to remain cautious. Overall, the construction market outlook for 2025 is conservative.

(2) Outlook of the Global Market:

In 2025, China's domestic cement demand remains weak due to a continued decline in real estate investment. However, the government plans to increase infrastructure investments to narrow the demand drop to within 5%.

Vietnam continues to face severe oversupply issues and is actively exporting clinker to global markets, putting pressure on international clinker prices. Other Southeast Asian countries show mixed cement demand trends, with an overall flat outlook.

In Northeast Asia, domestic cement demand in Japan and South Korea continues to decline by approximately 5–10%. Japan is striving to expand exports, while South Korea, constrained by logistics capacity, is already exporting at full volume and must reduce production to adapt.

The U.S. market also experienced weak demand in 2024 due to interest rate hikes, inflation, and extreme weather, which dampened housing demand. However, in 2025, the new administration's policies are expected to boost cement demand for factory and infrastructure construction, with a projected recovery of around 3%.

In line with government export policies, our company has significantly reduced exports and currently only supplies to Guam, focusing on maximizing profits by prioritizing price over volume. Exports will continue to follow a triangular trade model, sourcing cement, clinker, slag powder, and gypsum from other countries and re-exporting to Southeast Asian markets to maintain profitability.

Overall, under the impact of global trade tensions led by the United States, Asian market demand is expected to remain soft, with intensifying competition. On the other hand, the U.S. market is projected to benefit from policy support and infrastructure investments, potentially driving up cement demand. In addition to our existing trade operations in Asia, our company will actively pursue intercontinental trade opportunities to strengthen market diversification and ensure steady operational growth.

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.

### 4.1.3 Technology and Research Development

As of Dec. 31, 2024

| | **Item** | **Amount (NTD '000)** |
|---|---|---|
| 1 | AutoML (Automated Machine Learning) Platform Implementation Project | 1,000 |
| 2 | Key Server Cluster System Implementation Project | 2,000 |
| 3 | Hypergravity Carbon Capture Technology Development | 10,000 |
| 4 | Vibration Reduction in Mine Blasting | 290 |
| 5 | PLC System Equipment Replacement for Cement Mill No.1 | 1,400 |
| 6 | PLC System Equipment Replacement for Cement Mill No.2 | 1,400 |
| 7 | PLC System Equipment Replacement for Cement Mill No.3 | 1,300 |
| 8 | Improvement Project for the Tertiary Duct Dust Settling Chamber of Cooler No.1 | 15,500 |
| Total | | **32,890** |

### 4.1.4 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 low carbon products.

### 4.1.5 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 Chapter 6 of this annual report.
◎ Extend the global market - Find new markets, new opportunities to expand overseas operations.

## 4.2 General Information of Market & Production

### 4.2.1. 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 2024, the Company domestic sales was 3,044,258 MT, i.e. 30.85% of the sales amount of all domestic cement producers, which was equal to 22.68% of total cement consumption in Taiwan.
3. Market supply forecast, growth opportunity, and business competitiveness:
   Outlook for 2025:
   <u>Domestic Market:</u>
   With the housing market regulation policies remaining unchanged and the rising capital costs and high housing price base, the outlook for private construction demand remains conservative. Fortunately, the government will continue its economic stimulus measures and vigorously promote public infrastructure projects. The total public construction budget for 2025 is expected to approach NT$650 billion, remaining at a high level. Overall, the construction market in 2025 will maintain the trend of increasing public construction demand while private demand remains conservative. However, with ongoing issues such as labor shortages and rising material costs, there could be delays in public construction tender progress, leading to a cautiously conservative overall outlook. Additionally, raw material costs, labor, environmental expenses, energy prices, shipping fees, and imported cement volumes are all important factors affecting the market's volume and pricing.
   <u>Export Market:</u>
   The Company currently supplies only customers in Guam, focusing on price rather than volume to maintain profitability. It also plans to continue expanding its overseas business via

trade operations to meet international client demands.

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 2025, the government will continue its expansionary policies by steadily increasing investments and actively promoting and implementing various public construction projects and tenders. The total public construction budget for 2025 is expected to approach NT$650 billion, maintaining a high level of spending.

The industry generally believes that projects such as the “Taipei MRT Circular Line North and South Sections,” the “Taipei MRT Wanda Line Phase II,” the “Taoyuan International Airport Terminal 3 Project,” the “Taoyuan MRT Green Line Project,” the “Taoyuan Railway Underground Project,” the “Kaohsiung MRT Yellow Line – Full Line,” the “Kaohsiung MRT Red Line Extension from Gangshan to Luzhu,” and public housing turn-key projects will accelerate the tendering and construction process, driving steady market demand growth.

B. As for private construction, the government will continue expanding the construction of social housing nationwide. According to the Ministry of the Interior under the Executive Yuan, between 2025 and 2032, it plans to complete 250,000 units of directly built social housing and 250,000 units under the lease management program.

In addition, the government will accelerate urban renewal and the reconstruction of unsafe and old buildings, which will further contribute to boosting domestic construction investment. However, uncertainties such as rising raw material prices and labor shortages remain key factors that require ongoing observation.

5. Negative factors and the solutions

A. Due to factors such as industrial relocation, rising environmental awareness, and restrictions on carbon dioxide emissions, the promotion of major public and private construction projects has become increasingly difficult and conservative. As a result, domestic cement market demand has been affected and is unlikely to expand significantly.

B. According to the Ministry of Economic Affairs, restrictions have been placed on the export volume of domestically produced cement under the Trade Act. Since 2011, the proportion of cement (including clinker) exports relative to domestic production has been gradually reduced each year, reaching below 20% in 2025. The domestic cement market is now experiencing an oversupply situation.

C. Following amendments to the Mining Act, industry operations will face more stringent conditions and regulatory constraints.

D. In the Hualien region, the mining tax has increased from NT$10 to NT$70 per metric ton. Combined with the rising prices of raw materials, this has significantly raised operational costs for the cement industry, making business operations more challenging.

E. Countermeasures:

Domestically, the company will maintain its market position, strengthen the operational efficiency of its existing production, transportation, and sales teams, and secure its downstream distribution channels.

Internationally, the company will continue identifying promising target markets, establish production and distribution bases, and expand into emerging markets through trade strategies, with a focus on achieving stable and profitable operations.

### 4.2.2 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.

### 4.2.3 Supply Condition of Main Raw Materials

The main raw materials and fuel include limestone, slag, iron sand, gypsum, and coal, which are procured through short- and long-term contracts depending on market conditions each year.

1. Limestone: Mostly self-produced, with a small portion purchased from domestic mining area and foreign suppliers.

2. Slag: Purchased from overseas steel mills.

3. Iron sand: Purchased from domestic steel mills.

4. Gypsum: Purchased from domestic power plants as well as foreign mines and chemical plants.

5. Coal: Purchased from foreign mining companies.

### 4.2.4 Major Suppliers Information for the Last Two Years

Unit: NT$1,000

| | 2023 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| **Item** | **Company Name** | **Amount** | **%** | **Relation with Issuer** | **Company Name** | **Amount** | **%** | **Relation with Issuer** |
| 1 | Bulga Coal Sales Pty Limited | 1,781,430 | 38.83 | Raw material supplier | Glencore Coal Sales PTY Limited | 659,439 | 17.31 | Raw material supplier |
| 2 | Chung Ling Co. | 661,035 | 14.40 | Raw material supplier | Taiwan Ya De Ding Co., Ltd | 458,263 | 12.03 | Raw material supplier |
| | Others | 1,673,843 | 46.77 | | Others | 2,691,135 | 70.66 | |
| | Net Total Supplies | 4,116,308 | 100.00 | | Net Total Supplies | 3,808,837 | 100.00 | |

Variations are because of market mechanisms.

### 4.2.5 Major Clients Information for the Last Two Years

Unit: NT$1,000

| Item | 2023 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Company Name | Amount | % | Relation with Issuer | Company Name | Amount | % | Relation with Issuer |
| 1 | Ya Tung Ready-Mixed Concrete Co. | 2,736,304 | 25.61 | Subsidiary | Ya Tung Ready-Mixed Concrete Co. | 2,451,813 | 23.58 | Subsidiary |
| | Others | 7,948,773 | 74.39 | | Others | 7,943,915 | 76.42 | |
| | Net Sales | 10,685,077 | 100.00 | | Net Sales | 10,395,728 | 100.00 | |

Variations are because of market mechanisms.

## 4.3 Human Resources

| Year | | 2023 | 2024 | As of Mar. 31, 2025 |
|---|---|---|---|---|
| Number of Employees | Headquarter | 142 | 132 | 139 |
| | Hsinchu Plant | 29 | 29 | 29 |
| | Hualien Plant | 301 | 303 | 297 |
| | Total | 472 | 464 | 465 |
| Average Age | | 45.62 | 45.31 | 45.34 |
| Average Years of Service | | 15.97 | 15.63 | 15.28 |
| Education | Ph.D. | 0.21% | 0.65% | 0.64% |
| | Masters | 18.39% | 18.49% | 17.81% |
| | Bachelor's Degree | 47.57% | 47.10% | 48.28% |
| | Senior High School | 30.66% | 31.18% | 30.69% |
| | Below Senior High School | 3.17% | 2.58% | 2.58% |

## 4.4 Expenditures on Environmental Protection

As of Dec. 31, 2024

Unit: NT$ 1,000

| | Item | Amount |
|---|---|---|
| 1 | #2 Preheater Concrete Structure Displacement Monitoring | 125 |
| 2 | Mine Area Vegetation Greening and Maintenance Costs | 6,212 |
| 3 | Six Sets of Continuous Automatic Air Pollutant Monitoring Equipment | 5,000 |
| 4 | (1) Environmental Protection Expenditures: includes repair and maintenance of dust collectors (including EP collectors), dust collection bag inspections, and chimney inspections – NT$3,970,939; engineering applications – NT$14,596,793; and materials – NT$10,854,204.<br>(2) Increase in Environmental Protection Fixed Assets: NT$228,902,447.<br>(3) Mine Area Greening and Maintenance Costs: NT$22,342,909.<br>(4) Training Costs: NT$557,517. | 281,224 |
| | Total | 292,561 |

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.

### 4.4.1 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.

### 4.4.2 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 2021,2023 and 2024 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 2024, being the only factory in the cement industry to win this award 10 times.

### 4.4.3 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 2024, the green restoring area is 73.1 acres which is 81.13% of the quarry, while exploiting operation area is 17 acres. In order to integrate the quarry into the surrounding environment, the Hualien Plant introduced a new forestation method for quarry restoration.
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.

### 4.4.4 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".

### 4.4.5 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.

## 4.5 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 business strategies. These programs are tailored to the functional requirements of different departments and employee levels. The training objectives are not only set to achieve Asia Cement’s annual operational goals but also align with the company’s overall training policies. They aim to provide supervisors and employees with ample opportunities for structured learning, effectively integrating training with job application and aligning with employees’ career development paths.

   In 2024, the company’s training programs focused on two major themes: digital transformation and ESG (Environmental, Social, and Governance) sustainable development. The training framework was designed around these two pillars, with course content further tailored to the competency needs of various job roles and hierarchical levels. The training offerings included: new employee onboarding, core competency training, professional and functional skills development, management training, digital transformation and ESG series, as well as a specialized training program for low-carbon cement business leaders. These efforts aimed to continuously enhance employees’ ability to adapt to change and address new challenges.

   The company also encourages internal subject-matter experts to serve as trainers, sharing their experience and knowledge through structured in-house courses. This practice strengthens organizational knowledge transfer and supports the institutionalization of training.

   In addition, employees are encouraged to participate in external professional development courses offered by affiliated companies, government agencies, and accredited training institutions, according to their professional needs. This enhances their expertise and helps them stay aligned with industry and societal trends. The company also provides access to various digital learning platforms to promote more diverse and digitized learning. Furthermore, a corporate book club—supported by both digital reading platforms and in-person gatherings—hosts monthly reading activities to encourage knowledge acquisition, self-development, and knowledge sharing among employees.

Asia Cement has also continued its long-standing Modern Manager Training Program, designed for high-potential talent within the company and its subsidiaries. This program focuses on developing key competencies for senior leadership roles. Delivered by distinguished professors from top 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, the program offers a rigorous 225-hour curriculum over two years. In addition to classroom training, participants take part in over 30 high-level executive meeting internships and 30 thematic seminars.

The program has demonstrated excellent results: all participants have been promoted within their roles, many have become core leaders within their departments, and some have advanced to become top executives or general managers of subsidiaries. Participants also continue to receive at least 6 hours of advanced leadership training annually and are entrusted with leading major corporate projects and contributing to strategic decision-making, thereby growing continuously in both theory and practice.

In 2024, Asia Cement employees completed a total of 441 training sessions, involving 7,930 participants and accumulating 16,654 training hours. The total investment in education and training amounted to approximately NT$2.65 million.

**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 on Occupational Safety and Health**

A. Management of Occupational Safety and Health

a. Guided by the principles of sustainable development and its commitment to corporate social responsibility, Asia Cement firmly believes that only under healthy and safe working conditions can it produce products that are reliable and trusted by customers. To build a high-quality, safe, and healthy working environment—serving as a key performance indicator across departments—Asia Cement is committed to the goal of a healthy and safe workplace as a core pillar of its sustainability strategy. The company strictly complies with legal regulations and stakeholder requirements, has established comprehensive management systems and standards, implements risk management with a focus on inherent safety, and continuously improves the work environment and machinery to ensure safety and health at work.

   Asia Cement envisions a corporate culture grounded in health and safety, strives for a zero-accident workplace, and aims to protect the safety and health of all workers, including contractors. The company is committed to implementing its Occupational Safety and Health Policy as part of its sustainable development strategy.

b. The Hualien Plant was first certified under the Taiwan Occupational Safety and Health Management System (TOSHMS) in February 2009. Following several updates aligned with the Ministry of Labor's policy, the plant is now certified under CNS 45001:2018 Z2158 and remains TOSHMS-compliant. In September 2022, it became the first plant in Taiwan's cement industry to pass the Ministry of Labor's Occupational Safety and Health Management System Performance Review, valid for three years.

c. To further strengthen systematic occupational safety and health (OSH) management, Asia Cement has adopted measures exceeding regulatory requirements. Starting from September 2022, the head office, Hsinchu Plant, and subsidiaries with fewer than 200 employees began implementing the ISO 45001/CNS 45001 OSH Management System. In May 2023, BSI (British Standards Institution) granted certification. This milestone ensures that the entire Asia Cement Group has fully incorporated OSH into a systematic management approach, with the expected results of reducing incidents, safeguarding employee health and safety, and protecting corporate interests.

**B. Workplace Environment and Employee Safety**

Asia Cement implements the following measures to ensure employee safety and health, protect company assets, and provide a comfortable and safe work environment, all based on legal regulations:

a. **Procurement and Intrinsic Safety of Materials and Equipment**
   All raw materials, construction materials, machinery, and equipment are purchased or designed with occupational safety and health standards in mind to ensure intrinsic safety in processes, products, and equipment from the source.

b. **General Safety Management, Training, and Auditing**
   Each plant holds monthly Occupational Safety and Health Committee meetings and provides regular safety and emergency training for new hires, current employees, and contractors. This ensures all personnel fully understand potential workplace hazards and preventive measures, comply with safety standards, and prevent incidents. In addition, walk-through management and intensive safety inspections are conducted to identify and improve any deficiencies, ensuring effective and continuous safety operations.

c. **Work Environment Monitoring and Personal Protective Equipment (PPE)**
   In accordance with regulations, plants regularly conduct environmental monitoring for noise, high temperatures, radiation, and other hazards. Results are publicly disclosed, and any anomalies are immediately corrected. PPE is provided based on specific workplace hazards to protect employees from potential injuries.

d. **Employee Health Management and Occupational Disease Prevention**
   All plants have medical offices staffed with professional nursing personnel and equipped with emergency medicine and medical devices. Employees undergo regular health checks and special operations health assessments, with follow-up graded health management. Occupational physicians are also contracted in accordance with regulations to assist in evaluating workplace hazards, assigning work appropriately, and conducting health risk assessments for high-risk employees.
   In 2024, analysis of health check data showed a high prevalence of overweight and metabolic syndrome. In response, Asia Cement launched a wellness program titled "Sustained Exercise, Sustainable Health," which encouraged healthy habits such as regular exercise and balanced diets. A total of 153 employees participated (a participation rate of 36.69%), accumulating over 42 million steps. The initiative aims to promote workplace wellness and prevent occupational diseases.
   To ensure physical and mental well-being and protect employees from workplace misconduct, the company has implemented several protection programs including:
   - Maternal Health Protection Program for Female Workers
   - Abnormal Workload-Induced Illness Prevention Plan
   - Ergonomic-Related Illness Prevention Plan
   - Workplace Violence Prevention Plan
     These programs include risk assessments, training, and workplace improvements.

e. **Emergency Response Drills**

All plants regularly conduct emergency response drills based on their emergency response plans, including evacuation procedures and responses to major infectious diseases. These drills help ensure employees are familiar with response protocols, maintain composure during emergencies, minimize damage, and enhance personnel safety.

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.

8. **Status of Collective Agreement Signing**

The Company has a long-standing practice of signing collective agreements, which are applicable to 100% of its employees. Labor unions were established at both the Hsinchu and Hualien plants in 1989 (subsequently renamed enterprise unions). All on-duty employees are members of the enterprise union and are covered under the collective agreement, contributing to a longstanding harmonious labor-management relationship.

The Company and the Hualien Plant Enterprise Union have entered into a collective agreement as well as a special bonus agreement. These agreements have been in effect since 1989 and are renewed every three years. The current agreement is valid until October 2025 and will be renewed under the same terms thereafter. Employees covered under the collective agreement signed with the enterprise union account for 70.7% of Asia Cement Corporation's total workforce. In accordance with government regulations, a Labor-Management Meeting mechanism is also established at the headquarters.

The contents of the collective agreement include provisions superior to the Labor Standards Act, such as granting all employees 30 days of paid sick leave annually, and allocating 3.34% of net operating profit as a year-end special bonus based on the Company’s performance, ensuring a fair sharing of profits between labor and management.

All terms and benefits agreed upon between the enterprise union and the Company are fully applicable to all employees.

The enterprise union holds regular and special meetings of directors and supervisors, as well as general assemblies of union representatives. The Company's Labor-Management Meeting is also convened quarterly. Various activities are conducted to promote employees' physical and mental well-being and to foster a harmonious working environment.

Thanks to the rational and constructive participation of the enterprise unions at both the Hsinchu and Hualien plants, a fair and reasonable compensation policy has been successfully implemented. In recognition of these efforts, the Ministry of Labor awarded the Company and its unions with the “Outstanding Collective Agreement Signing Unit Award” in 2013, honoring both labor and management sides.

## 4.6 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 2024 and 2025 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 19 inspections were carried out in 2024, 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 2025, it will be handled in a similar manner and will be reviewed at any time to ensure perfection.

**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.**

## 4.7 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 | 2024/11~2026/11 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term unsecured loan | SMBC Bank Taipei Branch | 2024/11~2026/10 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term secured 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 | 2024/12~2026/12 | 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 | 2024/11~2026/11 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term unsecured loan | Chang Hwa Bank Tung-Hwa Branch | 2024/09~2026/09 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term unsecured loan | E.Sun Commercial Bank | 2024/08~2026/08 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term unsecured loan | Bank of China Taipei Branch | 2024/07~2026/07 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term unsecured loan | Mega International Commercial Bank Foreign Dept. | 2024/06~2026/06 | Interest paid monthly, principal repaid at maturity | None |

| Type of Contract | Contracting Party | Contract Duration | Primary Contents | Restrictive Clauses |
|---|---|---|---|---|
| Bank long-term secured loan | Mega International Commercial Bank Foreign Dept. | 2024/06~2026/06 | Interest paid monthly, principal repaid at maturity | None |
| Bank long-term secured loan | Taiwan Cooperative Bank Ta-An Branch | 2024/06~2026/06 | Interest paid monthly, principal repaid at maturity | None |
| Long term fuel supply | Glencore Coal Sales PTY Limited | 2024/06~2024/12 | Contract of Coal Purchase | None |
| Long term fuel supply | Taiwan Ya De Ding Co., Ltd | 2024/09~2025/03 | Contract of Coal Purchase | None |
| Long term raw material supply | TAIHEIYO CEMENT CORPORATION | 2024/01~2024/12 | Contract of Limestone Purchase | None |
| Long term raw material supply | FULL MAX CORPORATION LIMITED | 2024/04~2025/02 | Contract of Gypsum Purchase | None |
| Long term construction service provider | Yuantai Corp. | 2023/12~2025/03 | Contract of construction service | None |

# V Financial Information

## 5.1 Analysis of Financial Status

UNIT: NT$1,000

| Item \ Year | 2023 | 2024 | Variance | |
|---|---|---|---|---|
| | | | Amount | % |
| Current Assets | 122,340,909 | 116,609,749 | (5,731,160) | (5) |
| Property, Plant and Equipment | 39,341,493 | 40,651,924 | 1,310,431 | 3 |
| Intangible Assets | 6,466,819 | 6,493,704 | 26,885 | 0 |
| Other Assets | 168,577,630 | 168,071,847 | (505,783) | 0 |
| Total Assets | 336,726,851 | 331,827,224 | (4,899,627) | (1) |
| Current Liabilities | 82,887,767 | 79,652,998 | (3,234,769) | (4) |
| Non-Current Liabilities | 61,975,517 | 47,322,542 | (14,652,975) | (24) |
| Total Liabilities | 144,863,284 | 126,975,540 | (17,887,744) | (12) |
| Equity Attributable To Owners Of The Corporation | 169,169,896 | 181,347,447 | 12,177,551 | 7 |
| Share Capital | 35,465,629 | 35,465,629 | 0 | 0 |
| Capital Surplus | 8,574,119 | 8,239,344 | (334,775) | (4) |
| Retained Earnings | 117,910,408 | 124,445,142 | 6,534,734 | 6 |
| Other Equity | 7,219,740 | 13,197,332 | 5,977,592 | 83 |
| Non-Controlling Interests | 22,693,671 | 23,504,237 | 810,566 | 4 |
| Total Equity | 191,863,567 | 204,851,684 | 12,988,117 | 7 |

Analysis of deviation over 20%:

1. The decrease in non-current liabilities was mainly due to the repayment of bonds in 2024.
2. The increase in other equity was mainly due to the increase in exchange differences on translating the financial statements of foreign operations.

## 5.2 Analysis of Financial Performance

UNIT: NT$1,000

| Item \ Year | 2023 | 2024 | Variance | |
|---|---|---|---|---|
| | | | Amount | % |
| Operating Revenue | 80,182,799 | 76,297,459 | (3,885,340) | (5) |
| Operating Costs | 69,745,612 | 65,190,325 | (4,555,287) | (7) |
| Gross Profit | 10,437,187 | 11,107,134 | 669,947 | 6 |
| Operating Expenses | 2,977,139 | 3,143,398 | 166,259 | 6 |
| Profit From Operations | 7,460,048 | 7,963,736 | 503,688 | 7 |
| Non-operating Income And Expenses | 6,476,320 | 8,041,259 | 1,564,939 | 24 |
| Income Before Income Tax | 13,936,368 | 16,004,995 | 2,068,627 | 15 |
| Income Tax Expense | 2,852,258 | 3,351,716 | 499,458 | 18 |
| Net Profit For The Year | 11,084,110 | 12,653,279 | 1,569,169 | 14 |
| Other Comprehensive Income , Net | 2,697,171 | 8,294,575 | 5,597,404 | 208 |
| Total Comprehensive Income For The Year | 13,781,281 | 20,947,854 | 7,166,573 | 52 |
| Net Profit Attributable To Owner Of The Company | 10,882,826 | 12,889,728 | 2,006,902 | 18 |
| Net Profit Attributable To Non-Controlling Interests | 201,284 | (236,449) | (437,733) | (217) |
| Total Comprehensive Income Attributable To Owner Of The Company | 13,954,793 | 19,993,277 | 6,038,484 | 43 |
| Total Comprehensive Income Attributable To Non-Controlling Interests | (173,512) | 954,577 | 1,128,089 | 650 |

1. Analysis of deviation over 20%:
   (1).The increase in non-operating income and expenses was mainly due to the increase in the share of profit of associates and joint ventures recognized under the equity method.
   (2).The increase in other comprehensive income, net, total comprehensive income for the year, total comprehensive income attributable to owner of the company and total comprehensive income attributable to non-controlling interests were mainly due to the increase in exchange differences on translating the financial statements of foreign operations.
   (3).The decrease in net profit attributable to non-controlling interests was mainly due to the profit decrease of businesses in mainland China in 2024.
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”.

## 5.3 Analysis of Cash Flow

### 5.3.1 The Analysis for Changing of Cash Flow for 2024

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 |
| 33,229,516 | 24,807,369 | (44,777,153) | 13,259,732 | - | - |

1. Operating Activities: Mainly generated from operations NT$22,850,430 thousand, dividends received NT$4,675,310 thousand and income taxes paid NT$2,756,939 thousand.
2. Investing Activities: Mostly for net increase in financial assets NT$19,400,729 thousand, net increase in property, plant and equipment NT$3,888,984 thousand and proceeds from sale of associates NT$ 4,521,096 thousand.
3. Financing Activities: Mostly for net decrease in short-term and long-term loans NT$19,533,961 thousand and cash dividends paid NT$ 7,447,762 thousand.

### 5.3.2 Remedy plans for insufficient liquidity for 2024 :Not Applicable.

### 5.3.3 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 |
| 13,259,732 | 15,365,165 | (19,251,457) | 9,373,440 | - | - |

1. Operating Activities: Mainly from operating income and cash dividends received.
2. Investing Activities: Primarily for investment in capital expenditures.
3. Financing Activities: Primarily for payout of cash dividends.

## 5.4 Impacts of Major Capital Expenditures on Finance and Operation during the most recent fiscal year

### 5.4.1 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 | |
| | | | | 2021~2023 | 2024 | 2025 | 2026 |
| YA TUNG READY-MIXED CONCRETE purchase the land and auxiliary building | Self-owned capital | Oct. 2024 | 526,786 | - | 526,786 | - | - |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| FU MING TRANSPORTATION plant and office building construction | Self-owned capital | Jun. 2025 | 459,048 | 160,667 | 137,714 | 160,667 | - |
| JIANGXI YADONG Coarse aggregate mining and conveyor system construction | Self-owned capital | Dec. 2026 | 1,208,275 | 49,464 | 236,928 | 466,497 | 455,386 |
| HUANGGANG YADONG production line and piers expansion construction | Self-owned capital and loan | May. 2026 | 8,957,593 | 6,266 | 274,894 | 5,920,018 | 2,756,415 |

### 5.4.2 Expected Benefit to Finance and Operation from the Major Capital Expenditure

1. After the completion of land purchasing, the 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.
2. After the completion of the new production line of Jiangxi Yadong and Huanggang Yadong, it will steadily increase the profit in the future.

## 5.5 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 2024, the total gain through equity method by the company was NT $4,122,314 thousand (on consolidated basis). In the future, the company will continue to focus on strategic purposes through prudent assessment.

## 5.6 Analysis and Evaluation of Risk Management

### 5.6.1 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 2024 are as follows:

Unit：NT$1,000

| Item \ Year | 2024 |
|---|---|
| Foreign Exchange Gains (Losses) (A) | 566,088 |
| Operating Revenue (B) | 76,297,459 |
| % of Operating Revenue (A)/(B) | 0.7% |
| Operating Income (C) | 7,963,736 |
| % of Operating Income (A)/(C) | 7.1% |

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 2024 are as follows:

Unit：NT$1,000

| Item \ Year | 2024 |
|---|---|
| Interest Revenue (Losses) (A) | (283,293) |
| Operating Revenue (B) | 76,297,459 |
| % of Operating Revenue (A)/(B) | (0.4%) |
| Operating Income (C) | 7,963,736 |
| % of Operating Income (A)/(C) | (3.6%) |

If market interest rates had been 0.01% higher/lower, the group’s pretax profit for the year ended December 31, 2024 would have increased/decreased by NT$3,190 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 2.18% in 2024. 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.

### 5.6.2 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$49,639,475 thousand at the end of 2024. 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 has no other financial transactions with "derivative" nature at the end of 2024.

### 5.6.3 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.

### 5.6.4 R&D project and estimated expenditures in the future:

Unit: NT$1,000

| Item No. | Amount | Purpose and Outcomes |
|---|---|---|
| 1 | 2,000 | A generative AI development platform (software and hardware) will be introduced to accelerate the development of AI application systems. This includes systems such as knowledge base management and AI agents for identifying bottlenecks in production lines, enhancing development efficiency and integration flexibility. |
| 2 | 980 | Facial recognition technology will be implemented to automatically, quickly, and accurately verify employee identities. This will reduce attendance errors and manpower needs, eliminate card-based systems, lower maintenance costs, and improve gate access flow and attendance management efficiency. |
| 3 | 800 | A facial recognition development platform will be established to enhance identity authentication and digitization capabilities. It will be applied in areas such as plant cybersecurity, occupational safety, dispatch, contractor management, and other identity verification systems, improving overall management efficiency. |
| 4 | 5,000 | Asia Cement's Hualien plant has successfully activated silicate minerals that comply with CNS 3036 standards for calcined natural pozzolans. Next steps include optimizing activation technology and developing ternary blended cement (limestone-activated silicate mineral cement), aiming to reduce clinker usage to 45% of the total cement mix and promoting low-carbon cement. |
| 5 | 15,000 | Environmental impact assessment surveys for mining land, including air, noise, vibration, surface and groundwater, soil, traffic volume, flora and fauna, historical sites, and cultural assets. The final scope, content, and methods will follow the decisions of the EIA scoping meeting. |
| 6 | 500 | The current control system of the plant’s chiller, designed by Yang Fan Co., has limited flexibility and frequent on/off cycles. It will be replaced with the plant’s in-house ACTEC control system to improve equipment performance and extend its service life. |
| 7 | 1,500 | Development of a weighing control system for the screw conveyor used in the alternative fuel delivery system as part of circular economy efforts. All design, manufacturing, and control system development are carried out in-house. |
| 8 | 500 | The rotor weigher system currently uses a design from Shanxi SDB Co. It will be upgraded to the plant’s in-house ACTEC control system, enhancing the plant's design and development capabilities through independent design, production, and control. |
| 9 | 3,000 | An independently developed loading/unloading control system for the Asia Cement No. 9 vessel. The system uses PLC with a POD human-machine interface and ACTEC controls to automatically adjust loading/unloading volume and maintain ship balance based on tilt angles. |
| **Total** | **29,280** | |

◎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.

## 5.7 Other Mentionable Issues : None.

# VI Special Disclosure

## 6.1 Information on Affiliated Companies

Please refer to the Company's Consolidated Business Report on Affiliated Enterprises.
Link:

## 6.2 Private Placement of Securities

There were no private placements of securities by the Company in the most recent fiscal year and up to the date of publication of the annual report.

## 6.3 Other Required Supplementary Explanations

Please refer to the Notes to the Company’s Consolidated Financial Statements.

◎ **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.**

亞洲水泥
ASIA CEMENT CORPORATION

# Asia Cement Corporation and Subsidiaries

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

**DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as 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 do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

ASIA CEMENT CORPORATION

By

____________________________________

DOUGLAS TONG HSU
Chairman

March 11, 2025

**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, 2024 and 2023, 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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and 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, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2024 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, 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 recalculated the fair value of investment properties.

**Other Matter**

As of December 31, 2024 and 2023, 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, 2024 and 2023, the aggregate carrying amount of the equity-method investments in CSCGL was NT$16,376,363 thousand and NT$15,867,905 thousand, representing 4.9% and 4.7%, respectively, of the consolidated total assets. For the years ended December 31, 2024 and 2023, the share of profit or loss of CSCGL was NT$(213,182) thousand and NT$(770,781) thousand, representing (1.3%) and (5.5%), 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, 2024 and 2023 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, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Chih, Jui-Chuan.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 17, 2025

*Notice to Readers*

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to 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, 2024 AND 2023**
**(In Thousands of New Taiwan Dollars)**

| | 2024 | | 2023 | |
|---|---|---|---|---|
| **ASSETS** | **Amount** | **%** | **Amount** | **%** |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 6 and 35) | $ 13,259,732 | 4 | $ 33,229,516 | 10 |
| Financial assets at fair value through profit or loss - current (Note 7) | 32,406,410 | 10 | 39,719,980 | 12 |
| Financial assets at fair value through other comprehensive income - current (Notes 8 and 36) | 5,008,346 | 2 | 4,307,126 | 1 |
| Financial assets at amortized cost - current (Notes 6, 9, 35 and 36) | 42,795,903 | 13 | 21,684,983 | 7 |
| Contract assets - current (Notes 28 and 35) | 142,285 | - | 80,131 | - |
| Notes receivable (Note 35) | 2,390,995 | 1 | 2,360,615 | 1 |
| Trade receivables | | | | |
| Third parties (Notes 10 and 11) | 9,995,532 | 3 | 9,883,837 | 3 |
| Related parties (Notes 10 and 35) | 701,368 | - | 654,691 | - |
| Other receivables (Note 35) | 1,412,020 | - | 1,163,181 | - |
| Current tax assets (Note 30) | 16,858 | - | 26,422 | - |
| Inventories (Note 12) | 7,464,327 | 2 | 7,610,592 | 2 |
| Prepayments (Note 35) | 745,500 | - | 1,229,356 | - |
| Other current assets (Note 20) | 270,473 | - | 390,479 | - |
| Total current assets | 116,609,749 | 35 | 122,340,909 | 36 |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 36) | 12,819,151 | 4 | 12,777,129 | 4 |
| Financial assets at amortized cost - non-current (Notes 6, 9, 35 and 36) | 101,563 | - | 52,336 | - |
| Investments accounted for using the equity method (Notes 14, 35 and 36) | 94,236,118 | 28 | 94,087,422 | 28 |
| Property, plant and equipment (Notes 15, 35 and 36) | 40,651,924 | 12 | 39,341,493 | 12 |
| Right-of-use assets (Notes 16 and 35) | 4,350,309 | 1 | 4,581,995 | 1 |
| Investment properties (Notes 17 and 36) | 38,460,414 | 12 | 37,699,498 | 11 |
| Intangible assets (Notes 18 and 19) | 6,493,704 | 2 | 6,466,819 | 2 |
| Deferred tax assets (Note 30) | 881,306 | - | 807,958 | - |
| Finance lease receivables - non-current (Note 11) | 12,048,780 | 4 | 13,545,937 | 4 |
| Other non-current assets (Notes 20, 26 and 35) | 5,174,206 | 2 | 5,025,355 | 2 |
| Total non-current assets | 215,217,475 | 65 | 214,385,942 | 64 |
| TOTAL | $ 331,827,224 | 100 | $ 336,726,851 | 100 |
| **LIABILITIES AND EQUITY** | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Notes 21 and 35) | $ 26,488,506 | 8 | $ 29,016,580 | 9 |
| Short-term bills payable (Note 22) | 20,594,546 | 6 | 30,328,957 | 9 |
| Contract liabilities - current (Note 28) | 573,638 | - | 672,297 | - |
| Accounts payable and accrued expenses | | | | |
| Third parties (Note 19) | 10,816,628 | 3 | 9,814,956 | 3 |
| Related parties (Note 35) | 319,198 | - | 382,283 | - |
| Dividends and bonuses payable | 259,532 | - | 261,991 | - |
| Other payables - others | 32,588 | - | 30,972 | - |
| Current tax liabilities (Note 30) | 1,461,714 | 1 | 1,661,755 | 1 |
| Provisions - current (Note 25) | 47,071 | - | 211,383 | - |
| Lease liabilities - current (Notes 16 and 35) | 148,473 | - | 254,281 | - |
| Deferred revenue - current (Note 24) | 39,319 | - | 33,152 | - |
| Current portion of long-term liabilities (Notes 23 and 35) | 18,871,785 | 6 | 10,219,160 | 3 |
| Total current liabilities | 79,652,998 | 24 | 82,887,767 | 25 |
| NON-CURRENT LIABILITIES | | | | |
| Bonds payable (Note 23) | 24,200,000 | 7 | 39,100,000 | 12 |
| Long-term borrowings (Notes 23 and 35) | 8,926,787 | 3 | 9,567,454 | 3 |
| Provisions - non-current (Notes 20, 25 and 37) | 1,084,481 | - | 1,077,111 | - |
| Deferred tax liabilities (Note 30) | 11,105,592 | 4 | 10,202,680 | 3 |
| Lease liabilities - non-current (Notes 16 and 35) | 1,001,729 | - | 1,100,494 | - |
| Deferred revenue - non-current (Note 24) | 682,017 | - | 587,005 | - |
| Net defined benefit liabilities - non-current (Note 26) | 37,642 | - | 56,737 | - |
| Other non-current liabilities | 284,294 | - | 284,036 | - |
| Total non-current liabilities | 47,322,542 | 14 | 61,975,517 | 18 |
| Total liabilities | 126,975,540 | 38 | 144,863,284 | 43 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 27) | | | | |
| Share capital | 35,465,629 | 11 | 35,465,629 | 10 |
| Capital surplus | 8,239,344 | 2 | 8,574,119 | 3 |
| Retained earnings | | | | |
| Legal reserve | 23,671,390 | 7 | 22,558,401 | 7 |
| Special reserve | 66,329,134 | 20 | 66,660,987 | 20 |
| Unappropriated earnings | 34,444,618 | 11 | 28,691,020 | 8 |
| Total retained earnings | 124,445,142 | 38 | 117,910,408 | 35 |
| Other equity | 13,197,332 | 4 | 7,219,740 | 2 |
| Total equity attributable to owners of the Corporation | 181,347,447 | 55 | 169,169,896 | 50 |
| NON-CONTROLLING INTERESTS (Notes 27 and 32) | 23,504,237 | 7 | 22,693,671 | 7 |
| Total equity | 204,851,684 | 62 | 191,863,567 | 57 |
| TOTAL | $ 331,827,224 | 100 | $ 336,726,851 | 100 |

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

(With Deloitte & Touche auditors' report dated March 17, 2025)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| OPERATING REVENUE (Notes 28 and 35) | $ 76,297,459 | 100 | $ 80,182,799 | 100 |
| OPERATING COSTS (Notes 12, 29 and 35) | 65,190,325 | 86 | 69,745,612 | 87 |
| GROSS PROFIT | 11,107,134 | 14 | 10,437,187 | 13 |
| OPERATING EXPENSES | | | | |
| Administrative expenses (Notes 29 and 35) | 3,225,514 | 4 | 3,271,753 | 4 |
| Expected credit gain (Note 10) | (82,116) | - | (294,614) | - |
| Total operating expenses | 3,143,398 | 4 | 2,977,139 | 4 |
| OPERATING INCOME | 7,963,736 | 10 | 7,460,048 | 9 |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Other income (Note 29) | 1,470,124 | 2 | 1,330,819 | 1 |
| Other gains and losses (Note 29) | 2,732,114 | 4 | 3,072,659 | 4 |
| Finance costs (Note 29) | (1,667,032) | (2) | (1,772,450) | (2) |
| Share of profit of associates and joint ventures | 4,122,314 | 5 | 2,492,783 | 3 |
| Interest income | 1,383,739 | 2 | 1,352,509 | 2 |
| Total non-operating income and expenses | 8,041,259 | 11 | 6,476,320 | 8 |
| PROFIT BEFORE INCOME TAX | 16,004,995 | 21 | 13,936,368 | 17 |
| INCOME TAX EXPENSE (Note 30) | 3,351,716 | 5 | 2,852,258 | 3 |
| NET INCOME FOR THE YEAR | 12,653,279 | 16 | 11,084,110 | 14 |
| OTHER COMPREHENSIVE INCOME, NET | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans | 115,480 | - | 110,602 | - |
| Unrealized valuation gain on investments in equity instruments at fair value through other comprehensive income | 402,684 | 1 | 2,197,849 | 3 |
| Share of other comprehensive income of associates and joint ventures | 251,286 | - | 2,078,024 | 2 |
| | 769,450 | 1 | 4,386,475 | 5 |

(Continued)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating the financial statements of foreign operations | $ 4,043,419 | 5 | $ (1,229,250) | (1) |
| Share of other comprehensive income (loss) of associates and joint ventures | 3,481,706 | 5 | (460,054) | (1) |
| | 7,525,125 | 10 | (1,689,304) | (2) |
| Other comprehensive income for the year, net of income tax | 8,294,575 | 11 | 2,697,171 | 3 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | $ 20,947,854 | 27 | $ 13,781,281 | 17 |
| NET PROFIT (LOSS) ATTRIBUTABLE TO: | | | | |
| Owners of the Corporation | $ 12,889,728 | 16 | $ 10,882,826 | 14 |
| Non-controlling interests | (236,449) | - | 201,284 | - |
| | $ 12,653,279 | 16 | $ 11,084,110 | 14 |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO: | | | | |
| Owners of the Corporation | $ 19,993,277 | 26 | $ 13,954,793 | 17 |
| Non-controlling interests | 954,577 | 1 | (173,512) | - |
| | $ 20,947,854 | 27 | $ 13,781,281 | 17 |
| EARNINGS PER SHARE (Note 31) | | | | |
| Basic | $ 3.86 | | $ 3.28 | |
| Diluted | $ 3.85 | | $ 3.28 | |

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

(With Deloitte & Touche auditors' report dated March 17, 2025) (Concluded)

## ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | Equity Attributable to Owners of the Corporation | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Other Equity | | | | | | | |
| | Share Capital Issued | | | Retained Earnings | | | | | | | | | | |
| | Shares | Amount | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated 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 |
| BALANCE AT JANUARY 1, 2023 | 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 |
| Appropriation of 2023 earnings | | | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,112,989 | - | (1,112,989) | - | - | - | - | - | - | - | - |
| Special reserve | - | - | - | - | 1,025,861 | (1,025,861) | - | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | - | (7,447,782) | - | - | - | - | - | (7,447,782) | - | (7,447,782) |
| Net profit (loss) for the year ended December 31, 2024 | - | - | - | - | - | 12,889,728 | - | - | - | - | - | 12,889,728 | (236,449) | 12,653,279 |
| Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax | - | - | - | - | - | 158,056 | 6,327,922 | 646,018 | (23,980) | (4,467) | 6,945,493 | 7,103,549 | 1,191,026 | 8,294,575 |
| Changes in capital surplus from investments in associates accounted for using the equity method | - | - | (335,698) | - | - | - | - | - | - | - | - | (335,698) | - | (335,698) |
| Actual acquisition of interests in subsidiaries | - | - | 923 | - | - | (29) | - | - | - | - | - | 894 | (9,810) | (8,916) |
| Cash dividends distributed by subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | (134,148) | (134,148) |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income | - | - | - | - | - | 687,854 | - | (687,854) | - | - | (687,854) | - | - | - |
| Other changes in equity from investments in associates accounted for using the equity method | - | - | - | - | - | 246,907 | - | - | (280,047) | - | (280,047) | (33,140) | (53) | (33,193) |
| Special reserve reversed | - | - | - | - | (1,357,714) | 1,357,714 | - | - | - | - | - | - | - | - |
| BALANCE AT DECEMBER 31, 2024 | 3,546,563 | $ 35,465,629 | $ 8,239,344 | $ 23,671,390 | $ 66,329,134 | $ 34,444,618 | $ 1,909,916 | $ 9,340,495 | $ 1,893,293 | $ 53,628 | $ 13,197,332 | $ 181,347,447 | $ 23,504,237 | $ 204,851,684 |

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

(With Deloitte & Touche auditors' report dated March 17, 2025)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | 2024 | 2023 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | $ 16,004,995 | $ 13,936,368 |
| Adjustments for: | | |
| Depreciation expenses | 4,291,222 | 4,455,429 |
| Amortization expenses | 294,074 | 300,269 |
| Expected credit loss reversed on trade receivables | (82,116) | (294,614) |
| Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss | (1,853,759) | (2,552,018) |
| Finance costs | 1,667,032 | 1,772,450 |
| Interest income | (1,383,739) | (1,352,509) |
| Dividend income | (1,351,105) | (1,354,865) |
| Share of profit of associates and joint ventures | (4,122,314) | (2,492,783) |
| Loss on disposal of property, plant and equipment | 84,659 | 87,993 |
| Loss on disposal of intangible assets | 145 | - |
| Gain on disposal of financial assets | (745,809) | (80,224) |
| Gain on disposal of investments accounted for using equity method | (585,724) | - |
| Impairment loss recognized on property, plant and equipment | 441,921 | - |
| Loss for market price decline (reversal of write-downs) of inventories | 17,213 | (136,129) |
| Unrealized (gain) loss on foreign exchange | (580,550) | 40,438 |
| Gain on changes in fair value of investment properties | (729,993) | (521,787) |
| Gain on modification of lease | (1,837) | (6,624) |
| Day 1 gains for financial instruments | - | (847,560) |
| Changes in operating assets and liabilities | | |
| Financial assets mandatorily classified as at fair value through profit or loss | 9,967,041 | (9,583,342) |
| Contract assets | (62,154) | 55,447 |
| Notes receivable | (720,185) | 1,008,546 |
| Trade receivables | 1,596,910 | 2,585,782 |
| Other receivables | (300,506) | (58,629) |
| Inventories | 258,126 | 1,149,995 |
| Prepayments | 108,416 | (244,271) |
| Other current assets | 151,929 | 52,280 |
| Contract liabilities | (125,256) | (156,167) |
| Accounts payable and accrued expenses | 695,986 | (536,201) |
| Provisions | (170,794) | 225,196 |
| Net defined benefit liabilities | (13,440) | (4,756) |
| Deferred revenue | 100,042 | (75,912) |
| Cash generated from operations | 22,850,430 | 5,371,802 |
| Interest received | 1,704,397 | 1,089,656 |
| Dividends received | 4,675,310 | 5,077,835 |
| Interest paid | (1,665,829) | (1,720,826) |
| Income tax paid | (2,756,939) | (2,549,051) |
| Net cash generated from operating activities | 24,807,369 | 7,269,416 |

(Continued)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | 2024 | 2023 |
|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of financial assets at fair value through other comprehensive income | $ (32,003) | $ - |
| Proceeds from sale of financial assets at fair value through other comprehensive income | 428,791 | 619,487 |
| Payments for financial assets at amortized cost | (19,797,517) | (10,756,747) |
| Acquisition of associates and joint ventures | - | (59,609) |
| Proceeds from sale of associates and joint ventures | 4,521,096 | - |
| Increase in long-term prepayments for investments | (2,023) | (2,740) |
| Proceeds from capital reduction of investments accounted for using equity method | - | 567,841 |
| Payments for property, plant and equipment | (4,003,258) | (4,081,969) |
| Proceeds from disposal of property, plant and equipment | 114,274 | 33,149 |
| (Increase) decrease in refundable deposits | (12,718) | 11,170 |
| Payments for intangible assets | (7,388) | (33,324) |
| Proceeds from disposal of intangible assets | - | 2 |
| Payments for right-of-use assets | - | (633) |
| Payments for investment properties | (2,544) | (1,367) |
| Proceeds from sale of derivative instruments not held for trading | - | 48,500 |
| Net cash used in investing activities | (18,793,290) | (13,656,240) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| (Decrease) increase in short-term borrowings | (2,781,528) | 417,214 |
| (Decrease) increase in short-term bills payable | (9,743,000) | 3,252,000 |
| Proceeds from issuance of bonds | 3,700,000 | 4,000,000 |
| Repayments of bonds | (10,000,000) | - |
| Proceeds from long-term borrowings | 7,600,990 | 9,439,397 |
| Repayments of long-term borrowings | (8,310,423) | (11,614,879) |
| Decrease in guarantee deposits received | (2,284) | (1,042) |
| Repayment of the principal portion of lease liabilities | (256,581) | (263,223) |
| Increase (decrease) in other non-current liabilities | 2,517 | (824) |
| Dividends paid | (7,447,762) | (8,155,562) |
| Acquisition of additional interests in subsidiaries | (8,916) | (789) |
| Dividends paid to non-controlling interests | (134,148) | (548,040) |
| Net cash used in financing activities | (27,381,135) | (3,475,748) |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES | 1,397,272 | (394,244) |

(Continued)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

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

| | **2024** | **2023** |
|---|---|---|
| NET DECREASE IN CASH AND CASH EQUIVALENTS | $ (19,969,784) | $ (10,256,816) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 33,229,516 | 43,486,332 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | $ 13,259,732 | $ 33,229,516 |

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

(With Deloitte & Touche auditors' report dated March 17, 2025) (Concluded)

(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.

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 11, 2025.

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

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

   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 2025

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

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

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

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

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

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

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

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

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

## 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments, 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 the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

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.

Bank balances used by the Group that are subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance that no longer meets the definition of cash. Contractual restrictions affecting the use of bank balances are disclosed in Note 6. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

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.

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 2024 | December 31 2023 |
|---|---|---|
| Checking accounts and demand deposits | $ 5,806,782 | $ 12,194,003 |
| Petty cash | 3,165 | 3,157 |
| Cash on hand | 836 | 517 |
| Cash equivalents (investments with original maturities of 3 months or less) | | |
| Time deposits | 7,030,164 | 20,329,827 |
| Repurchase agreements collateralized by bonds | 418,785 | 702,012 |
| | $ 13,259,732 | $ 33,229,516 |

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 2024 | December 31 2023 |
|---|---|---|
| Time deposits | 0.80%-4.74% | 1.20%-5.58% |
| Repurchase agreements collateralized by bonds | 4.80% | 1.20%-5.58% |

As of December 31, 2024 and 2023, the Group's bank deposits in the amounts of $1,547,140 thousand and $424,131 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 $41,350,326 thousand and $21,313,188 thousand, respectively, are classified as financial assets at amortized cost in the balance sheets as of December 31, 2024 and 2023. Refer to Note 9 for the details.

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

| | December 31 2024 | December 31 2023 |
|---|---|---|
| Financial assets at FVTPL | | |
| Financial assets mandatorily classified as at FVTPL | | |
| Non-derivative financial assets | | |
| Beneficiary certificates | $ 23,379,280 | $ 23,426,461 |
| Listed shares | 9,027,130 | 16,293,519 |
| | $ 32,406,410 | $ 39,719,980 |

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.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | December 31 | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Current | Non-current | Current | Non-current |
| Debt instruments | | | | |
| Bills receivables | $ 1,050,572 | $ - | $ 313,211 | $ - |
| Equity instruments | | | | |
| Domestic investments | | | | |
| Listed shares | 3,957,774 | 10,664,349 | 3,993,915 | 10,644,454 |
| Unlisted shares | - | 1,940,177 | - | 1,925,638 |
| | 3,957,774 | 12,604,526 | 3,993,915 | 12,570,092 |
| Foreign investments | | | | |
| Unlisted shares | - | 214,625 | - | 207,037 |
| | 3,957,774 | 12,819,151 | 3,993,915 | 12,777,129 |
| | $ 5,008,346 | $ 12,819,151 | $ 4,307,126 | $ 12,777,129 |

a. 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.

b. 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, 2024, 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.

c. 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.

d. 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 | |
|---|---|---|
| | 2024 | 2023 |
| Time deposits with original maturities of more than 3 months | $ 41,350,326 | $ 21,313,188 |
| Restricted assets | 1,547,140 | 424,131 |
| | $ 42,897,466 | $ 21,737,319 |
| Current | $ 42,795,903 | $ 21,684,983 |
| Non-current | $ 101,563 | $ 52,336 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| At amortized cost | | |
| Trade receivables - sales | $ 10,004,966 | $ 10,002,512 |
| Finance lease receivable - current (Note 11) | 1,497,157 | 1,416,909 |
| Construction receivable | 94,722 | 102,758 |
| Operating lease receivable | 127,324 | 108,918 |
| Less: Allowance for impairment loss - sales | (1,026,393) | (1,084,651) |
| Less: Allowance for impairment loss - construction | (876) | (7,918) |
| | $ 10,696,900 | $ 10,538,528 |

### 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, 2024

| | Up to 90 Days | 91 to 180 Days | 181 to 365 Days | Over 366 Days | Total |
|---|---|---|---|---|---|
| Gross carrying amount | $ 7,722,908 | $ 895,305 | $ 472,397 | $ 914,356 | $ 10,004,966 |
| Loss allowance (lifetime ECLs) | (62,427) | (58,474) | (154,260) | (751,232) | (1,026,393) |
| Amortized cost | $ 7,660,481 | $ 836,831 | $ 318,137 | $ 163,124 | $ 8,978,573 |

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) | (145,427) | (98,833) | (233,263) | (607,128) | (1,084,651) |
| Amortized cost | $ 7,614,590 | $ 998,650 | $ 287,025 | $ 17,596 | $ 8,917,861 |

The above aging schedule was based on the invoice date.

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

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 1,092,569 | $ 1,403,622 |
| Add: Amounts recovered from the prior year write-offs | 1,640 | 638 |
| Less: Amounts written off | (11,007) | (2,291) |
| Gain on reversal of impairment loss | (106,760) | (294,614) |
| Effect of foreign currency exchange differences | 50,827 | (14,786) |
| Balance at December 31 | $ 1,027,269 | $ 1,092,569 |

## 11. FINANCE LEASE RECEIVABLES

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Undiscounted lease payments | | |
| 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 | 5,230,997 | 7,205,285 |
| | 15,102,437 | 17,076,725 |
| Unguaranteed residual value | 486,573 | 486,573 |
| Less: Unearned finance income | (2,043,073) | (2,600,452) |
| Net investment in leases presented as finance lease receivables | $ 13,545,937 | $ 14,962,846 |
| Current | $ 1,497,157 | $ 1,416,909 |
| Non-current | 12,048,780 | 13,545,937 |
| | $ 13,545,937 | $ 14,962,846 |

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, 2024, 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 | |
|---|---|---|
| | 2024 | 2023 |
| Finished goods | $ 2,335,688 | $ 2,550,301 |
| Work in progress | 1,143,750 | 1,001,042 |
| Raw materials | 1,969,990 | 1,893,144 |
| Supplies | 2,014,899 | 1,903,168 |
| Inventory in transit | - | 262,937 |
| | $ 7,464,327 | $ 7,610,592 |

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 was $47,954,881 thousand and $51,890,831 thousand, respectively. The cost of goods sold included inventory write-downs of $17,213 thousand and reversals of inventory write-downs of $(136,129) 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 December 31 2024 | 2023 | Remark |
|---|---|---|---|---|
| The Corporation | Der Ching Investment Corp. (DCI) | 99.99% | 99.99% | Note 5 |
| | Ya Tung Ready-Mixed Concrete Corp. (YTRMC) | 99.99% | 99.99% | Note 5 |
| | Nan Hwa Cement Corp. (NHC) | 99.98% | 99.98% | Note 5 |
| | Chiahui Power Corp. (CHP) | 99.79% | 99.70% | Note 8 |
| | Asia Cement (Singapore) Pte. Ltd. (ACSPL) | 100.00% | 100.00% | Note 5 |
| | ACCHC | 67.73% | 67.73% | Note 1 |
| | Ya Li Precast and Prestressed Concrete Industries Corp. (YLPPC) | 83.97% | 83.97% | Note 5 |
| | Asia Investment Corp. (AIC) | 100.00% | 100.00% | - |
| | Fu Ming Transport Corp. (FMT) | 99.96% | 99.95% | Note 8 |
| | Asia Engineering Enterprise Corp. (AEE) | 99.93% | 99.93% | Note 5 |
| | 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% | - |
| 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) | 81.29% | 80.73% | Note 7 |
| | AC Mega II Investment Ltd. (ACM II) | 77.22% | 76.44% | Note 7 |
| | AC Mega III Investment Ltd. (ACM III) | 77.19% | 76.44% | Note 7 |
| | AC Mega IV Investment Ltd. (ACM IV) | 80.62% | 80.04% | Note 7 |
| | AC Leap Investment Ltd. (ACL) | 81.56% | 81.01% | Note 7 |
| | Asia Cement Explorer Investment Ltd. (ACE) | 23.38% | 23.01% | Notes 3 and 7 |
| | Asia Cement Pioneer Investment Ltd. (ACP) | 10.18% | 10.29% | Notes 3 and 7 |
| | Asia Cement Pioneer II Investment Ltd. (ACP II) | 18.81% | 19.27% | Notes 3 and 7 |

(Continued)

| Investor | Subsidiary | Proportion of Ownership and Voting Rights December 31 2024 | 2023 | Remark |
|---|---|---|---|---|
| DCI | Asia Cement Pioneer III Investment Ltd. (ACP III) | 23.81% | 23.56% | Notes 3 and 7 |
| | Asia Cement Pioneer IV Investment Ltd. (ACP IV) | 20.00% | 23.68% | Notes 3 and 7 |
| 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% | - |
| AEE | ACCHC | 0.20% | 0.20% | - |
| AIC | CHP | 0.01% | 0.01% | - |
| | DCI | 0.00% | 0.00% | - |
| | 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 | 76.62% | 76.99% | Note 7 |
| | ACP | 89.82% | 89.71% | Note 7 |
| | ACP II | 81.19% | 80.73% | Note 7 |
| | ACP III | 76.19% | 76.44% | Note 7 |
| | ACP IV | 80.00% | 76.32% | Note 7 |
| | ACM | 18.71% | 19.27% | Notes 2 and 7 |
| | ACM II | 22.78% | 23.56% | Notes 2 and 7 |
| | ACM III | 22.81% | 23.56% | Notes 2 and 7 |
| | ACM IV | 19.38% | 19.96% | Notes 2 and 7 |
| | ACL | 18.44% | 18.99% | Notes 2 and 7 |
| YLPPC | 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% | - |
| | Oriental Industrial Holdings Pte. Ltd. (OIHPL) | - | - | Notes 4 and 6 |
| ACIHPL | Jiangxi Yadong Cement Co., Ltd. (JYDC) | 85.00% | 85.00% | - |
| | OIHPL | 100.00% | 100.00% | Note 6 |
| OIHPL | Wuhan Yadong Cement Co., Ltd. (WYDC) | - | 90.00% | Note 9 |
| | Oriental Holdings Co., Ltd. (OHC) | 100.00% | 100.00% | - |
| | Shanghai Yali Cement Products Co., Ltd. (SHYLCP) | - | 90.00% | Note 9 |
| | Hubei Yadong Cement Co., Ltd. (HYDCCL) | - | 90.00% | Note 9 |
| | Sichuan Yali Concrete Produce Co., Ltd. (SYCPCL) | - | 90.00% | Note 9 |
| | Sichuan Yali Transport Co., Ltd. (SYTCL) | - | 90.00% | Note 9 |
| | Yangzhou Yadong Cement Co., Ltd. (YYDCCL) | - | 90.00% | Note 9 |
| | Sichuan Yadong Cement Co., Ltd. (SIYDCCL) | - | 90.00% | Note 9 |
| | Chengdu Yali Cement Products Co., Ltd. (CYCPCL) | - | 51.22% | Note 9 |
| | Huanggang Yadong Cement Co., Ltd. (HGYDC) | - | 90.00% | Note 9 |
| 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 | 100.00% | 10.00% | Note 9 |
| | NYDC | 25.00% | 25.00% | - |
| | JYLTC | 48.00% | 48.00% | - |
| | SHYLCP | 100.00% | 10.00% | Note 9 |
| | SYTCL | 100.00% | 10.00% | Note 9 |
| | SIYDCCL | 100.00% | 10.00% | Note 9 |
| | HGYDC | 100.00% | 10.00% | Note 9 |
| | YYDCCL | 100.00% | 10.00% | Note 9 |

(Continued)

| Investor | Subsidiary | Proportion of Ownership and Voting Rights December 31 2024 | 2023 | Remark |
|---|---|---|---|---|
| OHC | CYCPCL | 100.00% | 48.78% | Note 9 |
| | HYDCCL | 100.00% | 10.00% | Note 9 |
| | SYCPCL | 100.00% | 10.00% | Note 9 |
| | 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% | - |
| KCC | Kowloon Concrete Corporation Limited (KCCL) | 100.00% | 100.00% | - |
| | Join Fortune Trading Ltd. (JFTL) | 100.00% | 100.00% | - |

(Concluded)

Remarks:

Note 1: For subsidiaries that have material non-controlling interests, see Table 8 for the information on the locations of incorporation and principal addresses of businesses.

Note 2: 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 3: 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 4: In the first quarter of 2023, the Corporation’s sub-subsidiary, PIHPL, acquired non-controlling interests in its subsidiary, OIHPL. Refer to Note 32.

Note 5: For the year ended December 31, 2023, the Corporation acquired non-controlling interests in its subsidiaries, including ACSPL, DCI, AEE, NHC, YTRMC, and YLPPC. Refer to Note 32.

Note 6: 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.

Note 7: In the first quarter of 2024, the Corporation’s subsidiary, DCI and AIC, subscribed for the cash capital increase of the Corporation’s sub-subsidiaries, ACL, ACM, ACM II, ACM III, ACM IV, ACE, ACP, ACP II, ACP III and ACP IV, for US$40,250 thousand in total.

Note 8: For the year ended December 31, 2024, the Corporation acquired non-controlling interests in its subsidiaries, including FMT and CHP. Refer to Note 32.

Note 9: For the year ended December 31, 2024, the Corporation’s sub-subsidiary, OHC, issued new ordinary shares to acquire 90% ordinary shares of SHYLCP, WYDC, HYDCCL, SIYDCCL, SYTCL, SYCPCL, YYDCCL, HGYDC, respectively, and 51.22% ordinary shares of CYCPCL that all originally directly owned by its parent, OIHPL. Total amount of investment in mainland China remains unchanged after share exchange.

b. Subsidiaries excluded from the consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests

| Name of Subsidiary | Principal Place of Business | Proportion of Ownership and Voting Rights Held by Non-controlling Interests December 31 2024 | 2023 |
|---|---|---|---|
| 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 2024 | 2023 | Accumulated Non-controlling Interests December 31 2024 | 2023 |
|---|---|---|---|---|
| ACCHC | $ (366,711) | $ 98,876 | $ 22,441,681 | $ 21,757,851 |
| Others | 130,262 | 102,408 | 1,062,556 | 935,820 |
| | $ (236,449) | $ 201,284 | $ 23,504,237 | $ 22,693,671 |

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 2024 | 2023 |
|---|---|---|
| Current assets | $ 49,116,069 | $ 47,262,302 |
| Non-current assets | 39,460,127 | 39,676,103 |
| Current liabilities | 10,306,224 | 9,597,962 |
| Non-current liabilities | 2,427,082 | 3,707,397 |
| Equity | $ 75,842,890 | $ 73,633,046 |
| Equity attributable to: | | |
| Owners of the Corporation | $ 53,401,209 | $ 51,875,195 |
| Non-controlling interests of ACCHC | 20,767,137 | 20,173,687 |
| Non-controlling interests of ACCHC's subsidiaries | 1,674,544 | 1,584,164 |
| | $ 75,842,890 | $ 73,633,046 |

| | For the Year Ended December 31 2024 | 2023 |
|---|---|---|
| Revenue | $ 26,604,050 | $ 32,836,865 |
| (Loss) profit for the year | $ (1,329,471) | $ 276,473 |
| Other comprehensive income (loss) for the year | 3,832,630 | (1,275,017) |
| Total comprehensive income (loss) for the year | $ 2,503,159 | $ (998,544) |

(Continued)

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| (Loss) profit attributable to: | | |
| Owners of the Corporation | $ (962,760) | $ 177,597 |
| Non-controlling interests of ACCHC | (374,407) | 69,066 |
| Non-controlling interests of ACCHC's subsidiaries | 7,696 | 29,810 |
| | $ (1,329,471) | $ 276,473 |
| Total comprehensive income (loss) attributable to: | | |
| Owners of the Corporation | $ 1,737,201 | $ (718,440) |
| Non-controlling interests of ACCHC | 675,578 | (279,394) |
| Non-controlling interests of ACCHC's subsidiaries | 90,380 | (710) |
| | $ 2,503,159 | $ (998,544) |
| Dividends paid to non-controlling interest | | |
| ACCHC | $ 82,128 | $ 306,194 |
| ACCHC's subsidiaries | $ - | $ 193,044 |

(Concluded)

## 14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Investments in associates | $ 93,384,802 | $ 93,028,640 |
| Investments in joint ventures | 851,316 | 1,058,782 |
| | $ 94,236,118 | $ 94,087,422 |

a. Investments in associates

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Material associates | | |
| Listed shares | | |
| FENC | $ 41,254,783 | $ 44,384,569 |
| U-Ming Marine Transport Corp. (U-Ming) | 16,611,744 | 13,811,268 |
| CSCGL | 16,376,363 | 15,867,905 |
| | 74,242,890 | 74,063,742 |
| Associates that are not individually material | | |
| Unlisted shares | | |
| Far Eastern Construction Co., Ltd. (FEC) | 5,659,136 | 5,420,207 |
| Yuan Ding Co., Ltd. (YDC) | 4,585,083 | 4,530,796 |
| Yue Yuan Investment Corp. (YYI) | 2,619,272 | 2,536,323 |
| Yuan Ding Enterprise (Shanghai) (YDES) | 2,237,106 | 2,486,235 |
| Oriental Securities Corp. (OSC) | 1,411,451 | 1,323,421 |

(Continued)

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Yue Ding Enterprise Corp. (YDEC) | $ 761,950 | $ 783,083 |
| FEDS Development Ltd. (FEDSDL) | 602,056 | 588,630 |
| Yuan Ding Leasing Corp. (YDLC) | 388,203 | 383,596 |
| Drive Catalyst SPC - SP Tranche Two (Catalyst Tranche Two) | 235,873 | 258,356 |
| Drive Catalyst SPC - SP Tranche Three (Catalyst Tranche Three) | 230,131 | 262,099 |
| Drive Catalyst SPC - SP Tranche One (Catalyst Tranche One) | 148,828 | 136,353 |
| Everstrong Iron & Steel Foundry Ltd. (EISF) | 117,931 | 115,208 |
| Hubei Zhongjian Yadong Concrete Co., Ltd. (HZYCCL) | 86,105 | 81,779 |
| Pao-Good Industry Co., Ltd. (PGIC) | 56,180 | 56,469 |
| Opas Fund Segregated Portfolio Company (OFSPC) | 1,965 | 1,761 |
| Drive Catalyst SPC (Catalyst) | 596 | 539 |
| Perez-Mtec-ACC, LLC (PMA) | 46 | 43 |
| | 19,141,912 | 18,964,898 |
| | $ 93,384,802 | $ 93,028,640 |

(Concluded)

At the end of the reporting period, the percentages of owners' voting rights in associates held by the Group were as follows:

| | December 31 | |
|---|---|---|
| **Name of Associate** | **2024** | **2023** |
| FENC | 23.29% | 25.72% |
| U-Ming | 41.41% | 41.41% |
| CSCGL | 17.46% | 17.46% |
| 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 Two | 25.00% | 25.00% |
| Catalyst Tranche Three | 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 23.29% 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.

As of December 31, 2024 and 2023, 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 2024 | December 31 2023 |
|---|---|---|
| FENC | $ 39,396,215 | $ 42,944,789 |
| U-Ming | $ 20,330,050 | $ 18,230,561 |
| CSCGL | $ 1,561,658 | $ 1,660,007 |

2) The summarized financial information in respect of the Group's material associates is set out below:

FENC:

| | December 31 2024 | December 31 2023 |
|---|---|---|
| Current assets | $ 33,699,350 | $ 31,246,560 |
| Non-current assets | 348,219,617 | 338,807,084 |
| Current liabilities | 26,834,103 | 23,020,673 |
| Non-current liabilities | 121,355,035 | 121,845,358 |
| Equity | 233,729,829 | 225,187,613 |
| Proportion of the Group's ownership | 23.29% | 25.72% |
| Equity attributable to the Group | 54,435,677 | 57,918,254 |
| Cross shareholdings | (13,180,894) | (13,533,685) |
| Carrying amount | $ 41,254,783 | $ 44,384,569 |

| | For the Year Ended December 31 2024 | For the Year Ended December 31 2023 |
|---|---|---|
| Operating revenue | $ 43,554,473 | $ 42,846,673 |
| Net profit for the year | $ 10,031,844 | $ 8,229,199 |
| Other comprehensive income | 6,112,163 | 5,314,942 |
| Total comprehensive income for the year | $ 16,144,007 | $ 13,544,141 |
| Dividends received from FENC | $ 1,746,391 | $ 1,858,199 |

U-Ming:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | $ 2,746,006 | $ 2,728,912 |
| Non-current assets | 68,314,747 | 61,073,332 |
| Current liabilities | 10,171,647 | 13,783,807 |
| Non-current liabilities | 20,428,306 | 16,320,438 |
| Equity | 40,460,800 | 33,697,999 |
| Proportion of the Group's ownership | 41.41% | 41.41% |
| Equity attributable to the Group | 16,754,818 | 13,954,341 |
| Unrealized gain or loss with associates | (13,304) | (13,304) |
| Other adjustments | (129,770) | (129,769) |
| Carrying amount | $ 16,611,744 | $ 13,811,268 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | $ 1,820,284 | $ 1,873,771 |
| Net profit for the year | $ 4,681,466 | $ 2,738,915 |
| Other comprehensive income | 4,126,932 | 788,491 |
| Total comprehensive income for the year | $ 8,808,398 | $ 3,527,406 |
| Dividends received from U-Ming | $ 839,798 | $ 1,049,747 |

CSCGL and its subsidiaries:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | $ 36,659,652 | $ 36,633,583 |
| Non-current assets | 100,919,326 | 96,701,864 |
| Current liabilities | 42,138,060 | 46,461,911 |
| Non-current liabilities | 12,596,159 | 7,074,231 |
| Non-controlling interests | 75,407 | 318,898 |
| Equity attributable to CSCGL | 82,769,352 | 79,480,407 |
| Proportion of the Group's ownership | 17.46% | 17.46% |
| Equity attributable to the Group | 14,520,348 | 13,882,186 |
| Goodwill | 1,856,015 | 1,856,015 |
| Quarry right | - | 129,704 |
| Carrying amount | $ 16,376,363 | $ 15,867,905 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | $ 65,471,998 | $ 79,992,726 |
| Net loss for the year | $ (852,998) | $ (4,637,360) |
| Other comprehensive (loss) income | (59,016) | 379,790 |
| Total comprehensive loss for the year | $ (912,014) | $ (4,257,570) |

3) Aggregate information of associates that are not individually material:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| The Group's share of: | | |
| Profit for the year | $ 392,844 | $ 348,114 |
| Other comprehensive income | 173,081 | 243,276 |
| Total comprehensive income for the year | $ 565,925 | $ 591,390 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Unlisted companies | | |
| Alliance Concrete Singapore Pte. Ltd. (Alliance) | $ 528,376 | $ 645,239 |
| Wuhan Asia Marine Transport Co., Ltd. (WAMTC) | 175,961 | 232,612 |
| Jiangxi Ruiya New Materials Co., Ltd. (JRNMC) | 140,354 | 148,045 |
| Profit Enterprises Int'l Ltd. (PEI) | 6,625 | 6,403 |
| Hubei Xinlongyuan Mining Co., Ltd. (HXMC) | - | 26,483 |
| | $ 851,316 | $ 1,058,782 |

At the end of the reporting period, the percentages of owners' voting rights in joint ventures held by the Group were as follows:

| | December 31 | |
|---|---|---|
| **Name of Joint Ventures** | **2024** | **2023** |
| Alliance | 50.00% | 50.00% |
| WAMTC | 50.00% | 50.00% |
| JRNMC | 45.00% | 45.00% |
| PEI | 50.00% | 50.00% |
| HXMC | - | 40.00% |

Aggregate information of joint ventures that are not individually material:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| The Group's share of: | | |
| Income for the year | $ 237,873 | $ 249,013 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | $ 237,873 | $ 249,013 |

All the associates and joint ventures are accounted for using the equity method.

On April 17, 2024, the Group established Wuxue Yadong Mining Co., Ltd. (WYMCL) as a joint venture with Wuxue City Investment Development Group Co., Ltd. WYMCL mainly engaged in mineral processing and the sale of construction materials. According to the joint venture agreement and the regulations governing business operations of management authority, significant decisions must be agreed upon by both shareholders. As a result, the Group does not have control over WYMCL. As of December 31, 2024, the Group has not yet injected capital into WYMCL.

In October 2024, the Group disposed of its entire equity interests in HXMC for RMB 4,000 thousand, and recognized a loss of approximately RMB 116 thousand on the disposal.

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 |
|---|---|---|---|---|---|---|---|
| Cost | | | | | | | |
| Balance at January 1, 2024 | $ 8,152,929 | $ 28,831 | $ 24,776,897 | $ 76,788,246 | $ 13,701,707 | $ 1,906,663 | $ 125,355,273 |
| Additions | 537,700 | 40 | 5,843 | 110,199 | 377,810 | 2,972,045 | 4,003,637 |
| Disposals | - | - | (546,752) | (1,598,824) | (320,325) | - | (2,465,901) |
| Transferred to intangible assets | - | - | - | - | - | (4,130) | (4,130) |
| Transferred from inventories | - | - | - | 402,609 | 8,035 | - | 410,644 |
| Transferred from completed construction | - | - | 73,081 | 1,444,635 | 679,930 | (2,197,646) | - |
| Reclassification | - | - | - | - | 144,000 | - | 144,000 |
| Effect of foreign currency exchange differences | - | - | 1,007,042 | 2,874,425 | 178,957 | 35,261 | 4,095,685 |
| Balance at December 31, 2024 | 8,690,629 | 28,871 | 25,316,111 | 80,021,290 | 14,770,114 | 2,712,193 | 131,539,208 |
| Accumulated depreciation and impairment | | | | | | | |
| Balance at January 1, 2024 | 18,173 | 120 | 12,795,448 | 61,806,790 | 11,393,249 | - | 86,013,780 |
| Depreciation expense | - | 1,442 | 653,643 | 2,488,439 | 751,911 | - | 3,895,435 |
| Impairments | - | - | - | 438,309 | 3,612 | - | 441,921 |
| Disposals | - | - | (485,007) | (1,489,302) | (292,659) | - | (2,266,968) |
| Reclassification | - | - | - | - | 87,999 | - | 87,999 |
| Effect of foreign currency exchange differences | - | - | 423,516 | 2,167,804 | 123,797 | - | 2,715,117 |
| Balance at December 31, 2024 | 18,173 | 1,562 | 13,387,600 | 65,412,040 | 12,067,909 | - | 90,887,284 |
| Carrying amounts at December 31, 2024 | $ 8,672,456 | $ 27,309 | $ 11,928,511 | $ 14,609,250 | $ 2,702,205 | $ 2,712,193 | $ 40,651,924 |
| Cost | | | | | | | |
| 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 | 8,152,929 | 28,831 | 24,776,897 | 76,788,246 | 13,701,707 | 1,906,663 | 125,355,273 |

(Continued)

| | Land | Land Improvements | Buildings | Equipment | Other Equipment | Property Under Construction | Total |
|---|---|---|---|---|---|---|---|
| Accumulated depreciation and impairment | | | | | | | |
| 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 | 18,173 | 120 | 12,795,448 | 61,806,790 | 11,393,249 | - | 86,013,780 |
| Carrying amounts at December 31, 2023 | $ 8,134,756 | $ 28,711 | $ 11,981,449 | $ 14,981,456 | $ 2,308,458 | $ 1,906,663 | $ 39,341,493 |

(Concluded)

As the sub-subsidiary HYDCCL transferred the production capacity of its main factory to the sub-subsidiary HGYDC, the estimated future cash flows expected to arise from the related plant and machinery equipment of HYDCCL used to manufacture the product decreased. The Group carried out a review of the recoverable amount of the related plant and machinery equipment and determined that the carrying amount exceeded the recoverable amount, which led to the recognition of impairment losses of approximately RMB 88,319 thousand in 2024.

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:

| | |
|---|---|
| Land improvements | 20 years |
| Building | |
| Main buildings | 10-60 years |
| Other facilities | 2-30 years |
| Equipment | 2-20 years |
| Other equipment | 2-17 years |

As of December 31, 2024, the titles of land with carrying amount of $108,865 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 | |
|---|---|---|
| | 2024 | 2023 |
| Carrying amounts | | |
| Land | $ 3,461,910 | $ 3,416,265 |
| Buildings | 661,484 | 730,143 |
| Equipment | 226,915 | 435,587 |
| | $ 4,350,309 | $ 4,581,995 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Additions to right-of-use assets | $ 37,094 | $ 89,949 |
| Depreciation charge for right-of-use assets | | |
| Land | $ 151,734 | $ 152,431 |
| Buildings | 89,846 | 88,298 |
| Equipment | 154,208 | 168,106 |
| | $ 395,788 | $ 408,835 |

b. Lease liabilities

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Carrying amounts | | |
| Current | $ 148,473 | $ 254,281 |
| Non-current | $ 1,001,729 | $ 1,100,494 |

Range of discount rate for lease liabilities was as follows:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Land | 1.06%-6.75% | 1.06%-7.50% |
| Buildings | 1.32%-7.25% | 1.32%-7.25% |
| Equipment | 1.12%-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 | |
|---|---|---|
| | 2024 | 2023 |
| Expenses relating to short-term leases | $ 286,115 | $ 285,619 |
| Expenses relating to low-value asset leases | $ 1,025 | $ 947 |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities | $ 34,237 | $ 39,708 |
| Total cash outflow for leases | $ 613,093 | $ 626,754 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Measured at fair value | | |
| Leased investment properties | $ 26,626,218 | $ 26,192,615 |
| Unleased investment properties | 11,834,196 | 11,506,883 |
| | $ 38,460,414 | $ 37,699,498 |

The movements of investment property were as follows:

| | Leased Investment Property | Unleased Investment Property | Total |
|---|---|---|---|
| Balance at January 1, 2024 | $ 26,192,615 | $ 11,506,883 | $ 37,699,498 |
| Changes in fair value of investment properties | 608,237 | 121,756 | 729,993 |
| Effect of foreign currency exchange differences | 8,822 | 19,557 | 28,379 |
| Additions | 2,544 | - | 2,544 |
| Reclassifications | (186,000) | 186,000 | - |
| Balance at December 31, 2024 | $ 26,626,218 | $ 11,834,196 | $ 38,460,414 |
| Balance at January 1, 2023 | $ 30,770,168 | $ 6,415,936 | $ 37,186,104 |
| Changes in fair value of investment properties | 345,328 | 176,459 | 521,787 |
| Effect of foreign currency exchange differences | (3,154) | (6,606) | (9,760) |
| Additions | 1,367 | - | 1,367 |
| Reclassifications | (4,921,094) | 4,921,094 | - |
| Balance at December 31, 2023 | $ 26,192,615 | $ 11,506,883 | $ 37,699,498 |

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. YDC's land use rights expired on March 30, 2024, and it changed to lease 38% of theland held by the Corporation and FERD, respectively, with a lease term ending on March 31, 2034. YDC is still entrusted in the operation and management of Taipei Metro, and the Corporation, FERD, and YDC recognize 12%, 12%, and 76% of the operating results, respectively, based on their respective ownership of land and buildings.

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 demolished in 2024 and scheduled for reconstruction.

The Group's unleased investment properties included a parcel of land located in Lin-Ya, Kaohsiung and Yanping South Road, Taipei, land and buildings on Chenggong Road, Tainan and Zhongshan Road, Chiayi 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, 2024 and 2023 were determined by qualified professional appraisers, Mr. Chang from Savills (Taiwan) Limited on February 18, 2025 and February 29, 2024, respectively, and Mr. Tsai and Ms. Hu from DTZ real estate appraisers firm on February 18, 2025 and February 17, 2024, respectively.

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

| | **Leased Investment Property** | **Unleased Investment Property** | **Total** |
|---|---|---|---|
| Balance at January 1, 2024 | $ 26,192,615 | $ 11,506,883 | $ 37,699,498 |
| Recognized in profit or loss (gain or loss from changes in fair value of investment property) | 608,237 | 121,756 | 729,993 |
| Recognized in other comprehensive income | | | |
| Exchange differences on translating the financial statements of foreign operations | 8,822 | 19,557 | 28,379 |
| Purchases | 2,544 | - | 2,544 |
| Transfers into Level 3 | (186,000) | 186,000 | - |
| Balance at December 31, 2024 | $ 26,626,218 | $ 11,834,196 | $ 38,460,414 |
| 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 | (4,921,094) | 4,921,094 | - |
| Balance at December 31, 2023 | $ 26,192,615 | $ 11,506,883 | $ 37,699,498 |

The fair value measurement of unleased 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 | |
|---|---|---|
| | 2024 | 2023 |
| Estimated total selling price | $ 44,124,717 | $ 42,225,686 |
| Rate of return | 16%-22% | 16%-22% |
| Overall capital interest rate | 6.75%-6.92% | 6.41%-6.67% |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Expected future cash inflows | $ 32,732,764 | $ 32,057,830 |
| Expected future cash outflows | 1,528,308 | 1,505,727 |
| Expected future cash inflows, net | $ 31,204,456 | $ 30,552,103 |
| Discount rate | 2.47%-6.00% | 2.47%-6.50% |

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, 2024 and 2023 was $421,227 thousand and $331,444 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, 2024 and 2023, the risk premiums were 0.00%-3.53% and 0.13%-4.16%, respectively.

Refer to Note 36 for the carrying amount of investment properties pledged by the Group as collaterals for borrowings.

## 18. INTANGIBLE ASSETS - GOODWILL

| | 2024 | 2023 |
|---|---|---|
| Cost | | |
| Balance at January 1 | $ 2,419,618 | $ 2,460,693 |
| Effect of foreign currency exchange differences | 125,098 | (41,075) |
| Balance at December 31 | $ 2,544,716 | $ 2,419,618 |

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, 2024 and 2023, 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 |
|---|---|---|---|---|
| Cost | | | | |
| Balance at January 1, 2024 | $ 6,914,036 | $ 266,818 | $ 415,279 | $ 7,596,133 |
| Additions | - | 7,388 | - | 7,388 |
| Disposals | - | (7,040) | (86,134) | (93,174) |
| Transferred from property under construction | - | 4,130 | - | 4,130 |
| Effect of foreign currency exchange differences | 355,035 | 4,831 | 3,845 | 363,711 |
| Balance at December 31, 2024 | 7,269,071 | 276,127 | 332,990 | 7,878,188 |
| Accumulated amortization and impairment | | | | |
| Balance at January 1, 2024 | 3,234,631 | 225,323 | 88,978 | 3,548,932 |
| Amortization expense | 276,470 | 17,604 | - | 294,074 |
| Disposals | - | (6,895) | (86,134) | (93,029) |
| Effect of foreign currency exchange differences | 171,234 | 4,144 | 3,845 | 179,223 |
| Balance at December 31, 2024 | 3,682,335 | 240,176 | 6,689 | 3,929,200 |
| Carrying amounts at December 31, 2024 | $ 3,586,736 | $ 35,951 | $ 326,301 | $ 3,948,988 |

(Continued)

| | Quarry Right | Computer Software | Others | Total |
|---|---|---|---|---|
| Cost | | | | |
| 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 | 6,914,036 | 266,818 | 415,279 | 7,596,133 |
| Accumulated amortization and impairment | | | | |
| 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 | 3,234,631 | 225,323 | 88,978 | 3,548,932 |
| Carrying amounts at December 31, 2023 | $ 3,679,405 | $ 41,495 | $ 326,301 | $ 4,047,201 |

(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, 2024 and 2023, 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 | |
|---|---|---|
| | 2024 | 2023 |
| Prepaid investments | $ 1,599,212 | $ 1,597,189 |
| Net defined benefit assets | 3,335,140 | 3,168,291 |
| Refundable deposits | 229,119 | 247,053 |
| Prepayments for land and equipment | 10,043 | 12,285 |
| Others | 692 | 537 |
| | $ 5,174,206 | $ 5,025,355 |
| Refundable deposits | | |
| Current (accounted for as other current assets) | $ 179,198 | $ 162,249 |
| Non-current | $ 229,119 | $ 247,053 |

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. 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, 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 (first 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 first arbitral proceedings. On May 17, 2018, the High Court of Hong Kong set aside the order before the final award of the first arbitration. The first 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 was scheduled to be heard in the Hong Kong Court of Appeal on April 30, 2024. However, on March 12, 2024, Chan Hongqing requested to withdraw his application for appeal.

On March 14, 2024, the Hong Kong Court of Appeal dismissed Chan Hongqing's application for appeal and the associated hearing and ordered Chan Hongqing to pay the Company related litigation expenses.

However, on May 30, 2022, Chan Hongqing reapplied for arbitration ("second arbitration") with the Arbitration Committee in Beijing, requesting the other four shareholders of CSI to comply with the pledge and guarantee agreements related to CSI shares. On January 27 and February 17, 2025, the Arbitration Committee issued orders prohibiting three of the four CSI shareholders from transferring their registered shares to the Company without Chan Hongqing's written consent until the end of the second arbitration. Subsequently, on February 4 and February 18, 2025, the Hong Kong High Court, upon Chan Hongqing's request, issued orders enforcing these interlocutory reliefs in Hong Kong. The registration of the share transfer for the four CSI shareholders still requires completion.

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, 2024 and 2023, the accumulated prepaid investments were $304,306 thousand and $302,283 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, 2024 and 2023, 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 | |
|---|---|---|
| | 2024 | 2023 |
| Unsecured | $ 24,818,506 | $ 27,552,580 |
| Secured | 1,670,000 | 1,464,000 |
| | $ 26,488,506 | $ 29,016,580 |
| Interest rate | 1.80%-3.51% | 1.73%-6.42% |
| Final repayment date: | | |
| Unsecured | 2025.11.26 | 2024.12.2 |
| Secured | 2025.1.17 | 2024.2.22 |

## 22. SHORT-TERM BILLS PAYABLE

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Commercial paper | $ 20,607,000 | $ 30,350,000 |
| Less: Unamortized discounts on bills payable | 12,454 | 21,043 |
| | $ 20,594,546 | $ 30,328,957 |
| Interest rate (%) | 1.54%-2.07% | 1.34%-2.05% |

## 23. LONG-TERM LIABILITIES

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Bank loans | $ 9,198,572 | $ 9,786,614 |
| Bonds | | |
| Domestic bonds | | |
| 1st unsecured bonds issued in 2019 | - | 6,500,000 |
| 2nd unsecured bonds issued in 2019 | - | 3,500,000 |
| 1st unsecured bonds issued in 2020 | 7,700,000 | 7,700,000 |
| 2nd unsecured bonds issued in 2020-A | 2,800,000 | 2,800,000 |
| 2nd unsecured bonds issued in 2020-B | 2,700,000 | 2,700,000 |
| 3rd unsecured bonds issued in 2020-A | 4,000,000 | 4,000,000 |
| 3rd unsecured bonds issued in 2020-B | 2,200,000 | 2,200,000 |
| 4th unsecured bonds issued in 2020-A | 4,100,000 | 4,100,000 |
| 4th unsecured bonds issued in 2020-B | 5,300,000 | 5,300,000 |
| 1st unsecured bonds issued in 2021 | 6,300,000 | 6,300,000 |
| 1st unsecured bonds issued in 2023 | 4,000,000 | 4,000,000 |
| 1st unsecured bonds issued in 2024-A | 1,800,000 | - |
| 1st unsecured bonds issued in 2024-B | 1,900,000 | - |
| | 42,800,000 | 49,100,000 |
| | 51,998,572 | 58,886,614 |
| Less: Current portion | 18,871,785 | 10,219,160 |
| | $ 33,126,787 | $ 48,667,454 |

a. 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, 2024 and 2023, interest rate intervals were 1.79%-3.68% and 1.65%-4.05%, respectively.

b. Domestic bonds are repayable in installments at varying amounts or in one lump-sum on maturity prior to April 26, 2031. As of December 31, 2024 and 2023, interest rates were 0.57%-1.77% and 0.57%-1.60%, respectively.

c. 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.

   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 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, 2024, CHP's credit lines used were as follows:

| Loan Item | Category | Amount (In Thousands) | | Interest Rate | Contract Period |
|---|---|---|---|---|---|
| A | Loan | NT$ | 4,200,000 | 2.443% | 20 years |
| 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 | |
|---|---|---|
| | 2024 | 2023 |
| Land use right | $ 493,087 | $ 518,412 |
| Others | 228,249 | 101,745 |
| | $ 721,336 | $ 620,157 |
| Current | $ 39,319 | $ 33,152 |
| Non-current | 682,017 | 587,005 |
| | $ 721,336 | $ 620,157 |

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. The land use rights expired on March 30, 2024.

## 25. PROVISIONS

| | December 31 2024 | December 31 2023 |
|---|---|---|
| Preparatory costs provisions (Note 20) | $ 377,021 | $ 370,526 |
| Decommissioning of electric factory provisions | 497,940 | 487,296 |
| Accrued reward provisions | 50,121 | 61,894 |
| Compensation of traffic accident provisions | 172,399 | 170,395 |
| Other provisions | 34,071 | 198,383 |
| | $ 1,131,552 | $ 1,288,494 |
| Current | $ 47,071 | $ 211,383 |
| Non-current | 1,084,481 | 1,077,111 |
| | $ 1,131,552 | $ 1,288,494 |

## 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 2024 | December 31 2023 |
|---|---|---|
| Present value of defined benefit obligation | $ 878,854 | $ 940,624 |
| Fair value of plan assets | (4,176,352) | (4,052,178) |
| Surplus | (3,297,498) | (3,111,554) |
| Net defined benefit asset | $ (3,297,498) | $ (3,111,554) |

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, 2024 | $ 940,624 | $ (4,052,178) | $ (3,111,554) |
| Service cost | | | |
| Current service cost | 7,258 | - | 7,258 |
| Net interest expense (income) | 11,597 | (50,610) | (39,013) |
| Recognized in profit or loss | 18,855 | (50,610) | (31,755) |
| Remeasurement | | | |
| Return on plan assets (excluding amounts included in net interest) | - | (135,451) | (135,451) |
| Actuarial gain - changes in financial assumptions | (18,009) | - | (18,009) |
| Actuarial loss - experience adjustments | 10,296 | - | 10,296 |
| Recognized in other comprehensive income | (7,713) | (135,451) | (143,164) |
| Contributions from the employer | - | (13,716) | (13,716) |
| Benefits paid | (77,579) | 75,603 | (1,976) |
| Others | 4,667 | - | 4,667 |
| Balance at December 31, 2024 | $ 878,854 | $ (4,176,352) | $ (3,297,498) |
| 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) | 13,456 | (49,981) | (36,525) |
| Recognized in profit or loss | 20,936 | (49,981) | (29,045) |
| 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 | (54,528) | - | (54,528) |
| Recognized in other comprehensive income | (53,882) | (84,045) | (137,927) |
| Contributions from the employer | - | (16,414) | (16,414) |
| Benefits paid | (116,601) | 100,574 | (16,027) |
| Others | 6,365 | - | 6,365 |
| Balance at December 31, 2023 | $ 940,624 | $ (4,052,178) | $ (3,111,554) |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Discount rates | 1.40%-1.65% | 1.15%-1.25% |
| 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 | |
|---|---|---|
| | **2024** | **2023** |
| Discount rate | | |
| 0.25% increase | $ (14,659) | $ (17,242) |
| 0.25% decrease | $ 15,065 | $ 17,747 |
| Expected rate of salary increase/decrease | | |
| 1.00% increase | $ 61,312 | $ 72,210 |
| 1.00% decrease | $ (56,533) | $ (66,308) |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Equity instruments | 70.56 | 72.36 |
| Deposited in financial institutions | 21.34 | 19.88 |
| Others | 8.10 | 7.76 |
| | 100.00 | 100.00 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Expected contributions to the plan for the next year | $ 8,305 | $ 16,844 |
| Average duration of the defined benefit obligation | 3.0-8.0 years | 1.5-9.0 years |

## 27. EQUITY

a. Share capital

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Number of shares authorized (in thousands) | 4,000,000 | 4,000,000 |
| Shares authorized | $ 40,000,000 | $ 40,000,000 |
| Number of shares issued and fully paid (in thousands) | 3,546,563 | 3,546,563 |
| Shares issued | $ 35,465,629 | $ 35,465,629 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| 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 | 4,704,190 |
| The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition or disposal | 57,115 | 56,192 |
| Changes in ownership interests in subsidiaries | 6 | 6 |
| Change of capital surplus of associates and joint ventures accounted for using the equity method (2) | 1,644,276 | 1,759,766 |
| | 6,447,377 | 6,561,944 |
| May be used to offset a deficit only | | |
| Change of capital surplus of associates and joint ventures accounted for using the equity method (3) | 1,650,927 | 1,735,502 |
| May not be used for any purpose | | |
| Change of capital surplus of associates and joint ventures accounted for using the equity method | 141,040 | 276,673 |
| | $ 8,239,344 | $ 8,574,119 |

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 and treasury shares transactions 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 2023 and 2022, respectively, were as follows:

| | Appropriation of Earnings | |
|---|---|---|
| | For the Year Ended December 31 | |
| | 2023 | 2022 |
| Legal reserve | $ 1,112,989 | $ 1,240,057 |
| Special reserve | $ 1,025,861 | $ 377,005 |
| Cash dividends | $ 7,447,782 | $ 8,155,633 |
| Cash dividends per share (NT$) | $ 2.10 | $ 2.30 (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. Therefore, the cash dividends were adjusted to $2.29958798 per ordinary share for 2022.

The above 2022 appropriations of earnings and cash dividends had been resolved by the shareholders in their meeting on June 27, 2023. The above 2023 appropriation for cash dividends had been resolved by the Corporation's board of directors on March 5, 2024; the other proposed appropriations for 2023 had also been resolved by the shareholders in their meeting on June 25, 2024.

The appropriation of earnings for 2024 had been proposed by the Corporation's board of directors on March 11, 2025. The proposed appropriation of earnings and dividend per share were as follows:

| | For the Year Ended December 31, 2024 |
|---|---|
| Legal reserve | $ 1,534,023 |
| Special reserve | $ 1,093,508 |
| Cash dividends | $ 7,802,438 |
| Cash dividends per share (NT$) | $ 2.2 |

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$3.63 for the year ended December 31, 2024.

The appropriations of earnings for 2024 are subject to the resolution of the shareholders' meeting to be held on May 28, 2025.

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 $2,509,890 thousand as of December 31, 2024.

e. Other equity items

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

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Balance at January 1 | $ (4,418,006) | $ (3,084,376) |
| Exchange differences on translating the financial statements of foreign operations | 2,870,930 | (848,613) |
| Share of exchange difference of associates and joint ventures accounted for using the equity method | 3,456,992 | (485,017) |
| Balance at December 31 | $ 1,909,916 | $ (4,418,006) |

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

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Balance at January 1 | $ 9,382,331 | $ 6,270,727 |
| Unrealized valuation gain - equity instruments | 400,585 | 2,194,977 |
| Share from associates and joint ventures accounted for using the equity method | | |
| Equity instruments | 229,107 | 724,424 |
| Debt instruments | 16,326 | 24,945 |
| Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal | (687,854) | 167,258 |
| Balance at December 31 | $ 9,340,495 | $ 9,382,331 |

3) Cash flow hedges

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Balance at January 1 | $ 58,095 | $ 58,307 |
| Share from associates and joint ventures accounted for using the equity method | (4,467) | (212) |
| Balance at December 31 | $ 53,628 | $ 58,095 |

4) Gain on property revaluation

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 2,197,320 | $ 912,006 |
| Share from associates and joint ventures accounted for using the equity method | (23,980) | 1,285,314 |
| Cumulative unrealized gain of associates transferred to retained earnings due to disposal | (280,047) | - |
| Balance at December 31 | $ 1,893,293 | $ 2,197,320 |

f. Non-controlling interests

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 22,693,671 | $ 23,416,398 |
| Attributable to non-controlling interests: | | |
| Share in (loss) profit for the year | (236,449) | 201,284 |
| Other comprehensive income (loss) during the year | | |
| Exchange difference on translating the financial statements of foreign operations | 1,172,489 | (380,637) |
| Unrealized gain on financial assets at FVTOCI | 2,099 | 2,872 |
| Remeasurement on defined benefit plans | 835 | (186) |
| Related income tax | (107) | 44 |
| Share of other comprehensive income of associates and joint ventures accounted for using the equity method | 15,710 | 3,111 |
| Changes in ownership interests in subsidiaries | - | (1) |
| Acquisition of non-controlling interests in subsidiaries (Note 32) | (9,810) | (1,170) |
| Changes in equity from investments in associates accounted for using the equity method | (53) | (4) |
| Cash dividends from subsidiaries | (134,148) | (548,040) |
| Balance at December 31 | $ 23,504,237 | $ 22,693,671 |

## 28. OPERATING REVENUE

a. Revenue from contracts with customers

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | | |
| Sales of goods | $ 54,541,011 | $ 59,434,907 |
| Electric power revenue | 17,251,661 | 17,073,394 |
| Transportation revenue | 1,982,823 | 1,795,680 |
| Rental revenue | 1,013,761 | 992,954 |
| Engineering revenue | 232,723 | 423,612 |

(Continued)

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Income from investments | | |
| Sale of investments | $ 6,630,735 | $ 2,461,434 |
| Cost of investments sold | (5,551,368) | (2,381,210) |
| Gain on sale of investments, net | 1,079,367 | 80,224 |
| Dividends | 538,909 | 461,190 |
| Total income from investments | 1,618,276 | 541,414 |
| Less: Sales returns and discounts | (342,796) | (79,162) |
| Total operating revenue, net | $ 76,297,459 | $ 80,182,799 |

(Concluded)

b. Contract balances

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Contract assets | $ 142,285 | $ 80,131 |
| Contract liabilities | $ 573,638 | $ 672,297 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Dividends | $ 812,196 | $ 893,675 |
| Government grants | 59,285 | 130,899 |
| Others | 598,643 | 306,245 |
| | $ 1,470,124 | $ 1,330,819 |

b. Other gains and losses

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Net gain on financial assets and liabilities designated as at FVTPL | $ 1,853,759 | $ 2,552,018 |
| Gain on changes in fair value of investment properties (Note 17) | 729,993 | 521,787 |
| Net foreign exchange gains (losses) | 566,088 | (29,285) |
| Gain on disposal of investments accounted for using equity method | 252,166 | - |
| Bank charges | (67,637) | (79,563) |
| Preparatory costs (Note 20) | (6,495) | (13,817) |
| Day 1 gains for financial instruments (Note 7) | - | 847,560 |
| Miscellaneous expenses | (595,760) | (726,041) |
| | $ 2,732,114 | $ 3,072,659 |

c. Finance costs

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Interest on bank loans | $ 1,635,774 | $ 1,737,464 |
| Amortization of discount on bonds payable | - | 99 |
| Interest on lease liabilities | 35,135 | 36,624 |
| Other interest expense | 1,227 | 1,516 |
| Less: Amounts included in the cost of qualifying assets (capitalized interest) | (5,104) | (3,253) |
| | $ 1,667,032 | $ 1,772,450 |

Information about capitalized interest was as follows:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Capitalized interest | $ 5,104 | $ 3,253 |
| Capitalization rate | 1.027%-1.226% | 0.882%-1.060% |

d. Depreciation and amortization

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| An analysis of depreciation by function | | |
| Operating costs | $ 4,051,724 | $ 4,192,803 |
| Operating expenses | 237,455 | 260,515 |
| Non-operating expenses | 2,043 | 2,111 |
| | $ 4,291,222 | $ 4,455,429 |

(Continued)

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| An analysis of amortization by function | | |
| Operating costs | $ 279,859 | $ 288,046 |
| Operating expenses | 14,215 | 12,223 |
| | $ 294,074 | $ 300,269 |

(Concluded)

e. Operating expenses directly related to investment properties

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Direct operating expenses of investment properties generating rental income | $ 96,192 | $ 116,345 |
| Direct operating expenses of investment properties not generating rental income | 58,318 | 45,237 |
| | $ 154,510 | $ 161,582 |

f. Employee benefits expense

| | For the Year Ended December 31, 2024 | | | |
|---|---|---|---|---|
| | Operating Costs | Operating Expenses | Non-operating Expenses | Total |
| Post-employment benefits (Note 26) | | | | |
| Defined contribution plans | $ 176,001 | $ 51,990 | $ 334 | $ 228,325 |
| Defined benefit plans | (20,506) | (11,249) | - | (31,755) |
| Short-term benefits | | | | |
| Salary | 2,733,549 | 1,063,196 | 9,211 | 3,805,956 |
| Remuneration of directors | - | 150,477 | - | 150,477 |
| Labor and health insurance | 186,170 | 70,933 | 424 | 257,527 |
| Other employees - related expenses | 158,443 | 85,351 | - | 243,794 |
| | $ 3,233,657 | $ 1,410,698 | $ 9,969 | $ 4,654,324 |

| | 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 | - | - | 732 | 732 |
| | $ 3,493,950 | $ 1,467,676 | $ 15,192 | $ 4,976,818 |

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, 2024 and 2023, which have been approved by the Corporation's board of directors on March 11, 2025 and March 5, 2024, respectively, were as follows:

| | For the Year Ended December 31 | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Cash | Shares | Cash | Shares |
| Employees' compensation | $ 162,748 | - | $ 148,126 | - |
| Remuneration of directors | 142,404 | - | 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, 2023 and 2022.

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 | |
|---|---|---|
| | 2024 | 2023 |
| Current tax | | |
| In respect of the current year | $ 1,967,643 | $ 2,008,783 |
| Income tax on unappropriated earnings | 119,044 | 147,405 |
| Withholding tax on dividend | 479,069 | 637,795 |
| Adjustments for prior years | (19,520) | 74,641 |
| | 2,546,236 | 2,868,624 |
| Deferred tax | | |
| In respect of the current year | 805,480 | (16,366) |
| Income tax expense recognized in profit or loss | $ 3,351,716 | $ 2,852,258 |

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

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Profit before tax from continuing operations | $ 16,004,995 | $ 13,936,368 |
| Income tax expense calculated at the statutory rate | $ 3,200,999 | $ 2,787,274 |
| Nondeductible expenses in determining taxable income | 318,015 | 356,319 |
| Tax-exempt income | (1,919,226) | (1,425,198) |
| Unrecognized temporary differences | 802,679 | 246,269 |
| Tax on changes in fair value of investment properties | 331,637 | 6,114 |
| Unrecognized loss carryforwards in the current year | 41,618 | 128,515 |
| Effect of different tax rate of the Group operating in other jurisdictions | (103,956) | (62,082) |
| Income tax on unappropriated earnings | 119,044 | 147,405 |
| Additional income tax under the Alternative Minimum Tax Act | 117,850 | - |
| Withholding tax on dividend | 479,069 | 637,795 |
| Adjustments for prior years’ tax | (19,520) | 74,641 |
| Tax credit - income from sources in Mainland China | (16,493) | (44,794) |
| Income tax expense recognized in profit or loss | $ 3,351,716 | $ 2,852,258 |

b. Income tax recognized in other comprehensive income

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Deferred tax | | |
| In respect of the current year | | |
| Remeasurement on defined benefit plans | $ 27,680 | $ 27,324 |

c. Current tax assets and liabilities

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current tax assets | | |
| Tax refund receivable | $ 16,858 | $ 26,422 |
| Current tax liabilities | | |
| Income tax payable | $ 1,461,714 | $ 1,661,755 |

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, 2024

| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive (Loss) Income | Exchange Differences | Closing Balance |
|---|---|---|---|---|---|
| Deferred tax assets | | | | | |
| Temporary differences | | | | | |
| Allowance for impairment loss | $ 272,086 | $ (10,914) | $ - | $ 14,088 | $ 275,260 |
| Defined benefit obligation | 13,518 | (16) | (2,343) | - | 11,159 |
| Investment properties | 42,413 | (28,447) | - | 1,948 | 15,914 |
| Property, plant and equipment | 1,233 | 100,860 | - | 803 | 102,896 |
| Intangible assets | 240,560 | (11,726) | - | 12,437 | 241,271 |
| Proposed dividend of overseas stocks | 83,378 | - | - | - | 83,378 |
| Others | 128,043 | (3,993) | - | 3,193 | 127,243 |
| | 781,231 | 45,764 | (2,343) | 32,469 | 857,121 |
| Tax losses | 26,727 | (3,509) | - | 967 | 24,185 |
| | $ 807,958 | $ 42,255 | $ (2,343) | $ 33,436 | $ 881,306 |
| Deferred tax liabilities | | | | | |
| Temporary differences | | | | | |
| Land value increment tax | $ 3,449,871 | $ - | $ - | $ - | $ 3,449,871 |
| Investment properties | 3,291,583 | 303,190 | - | - | 3,594,773 |
| Unappropriated earnings of subsidiaries and associates | 2,368,704 | 572,576 | - | 27,621 | 2,968,901 |
| Finance leases | 412,975 | (78,342) | - | - | 334,633 |
| Defined benefit obligation | 591,032 | 7,629 | 25,337 | - | 623,998 |
| Associates | 43,976 | (8,057) | - | 2,219 | 38,138 |
| Property, plant and equipment | 44,384 | 19,399 | - | - | 63,783 |
| Others | 155 | 31,340 | - | - | 31,495 |
| | $ 10,202,680 | $ 847,735 | $ 25,337 | $ 29,840 | $ 11,105,592 |

For the year ended December 31, 2023

| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive (Loss) Income | Exchange Differences | Closing Balance |
|---|---|---|---|---|---|
| Deferred tax assets | | | | | |
| 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 |
| | $ 789,858 | $ 37,420 | $ (9,687) | $ (9,633) | $ 807,958 |
| Deferred tax liabilities | | | | | |
| 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 |
| | $ 10,169,111 | $ 21,054 | $ 17,637 | $ (5,122) | $ 10,202,680 |

e. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Loss carryforwards | | |
| Expire in 2024 | $ - | $ 17,001 |
| Expire in 2025 | 20,693 | 19,667 |
| Expire in 2026 | 6,940 | 7,336 |
| Expire in 2027 | 1,016,501 | 927,799 |
| Expire in 2028 | 942,830 | 918,156 |
| Expire in 2029 | 783,147 | 3,064 |
| Expire in 2030 | - | 35,761 |
| Expire in 2031 | - | 5,692 |
| Expire in 2033 | 206,449 | 356,019 |
| No expiration | 57,745 | 65,791 |
| | $ 3,034,305 | $ 2,356,286 |

f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2024 comprised the following:

| Unused Amount | Expiry Year |
|---|---|
| 20,693 | 2025 |
| 6,940 | 2026 |
| 1,016,501 | 2027 |
| 942,830 | 2028 |
| 783,147 | 2029 |
| 206,449 | 2033 |
| 200,006 | No expiration |
| $ 3,176,566 | |

g. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized

As of December 31, 2024 and 2023, the taxable temporary differences associated with investments in subsidiaries and associates for which no deferred tax liabilities have been recognized were $10,058,284 thousand and $9,695,351 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 | 2022 |
| DCI | 2022 |
| YTRMC | 2022 |
| YSRMC | 2022 |
| FMT | 2022 |
| AEE | 2022 |
| AIC | 2022 |
| FDT | 2022 |
| YLPPC | 2022 |
| FSMS | 2022 |
| NHC | 2022 |
| CHP | 2022 |
| YLSS | 2022 |
| YLT | 2022 |

## 31. EARNINGS PER SHARE

**Unit: NT$ Per Share**

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Basic earnings per share | $ 3.86 | $ 3.28 |
| Diluted earnings per share | $ 3.85 | $ 3.28 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Profit for the period attributable to owners of the Corporation | $ 12,889,728 | $ 10,882,826 |
| Earnings used in the computation of diluted earnings per share | $ 12,889,728 | $ 10,882,826 |

Weighted average number of ordinary shares outstanding (in thousand shares):

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Weighted average number of ordinary shares in computation of basic earnings per share | 3,340,268 | 3,316,177 |
| Effect of potentially dilutive ordinary shares: | | |
| Employees' compensation | 4,675 | 4,166 |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | 3,344,943 | 3,320,343 |

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, 2024 and 2023, 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, 2024 | | |
|---|---|---|---|
| | CHP | FMT | Total |
| Consideration paid | $ (8,699) | $ (217) | $ (8,916) |
| The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests | 9,622 | 188 | 9,810 |
| Differences recognized from equity transactions | $ 923 | $ (29) | $ 894 |
| Line items adjusted for equity transactions | | | |
| Capital surplus - difference between consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition | $ 923 | $ - | $ 923 |
| Retained earnings | - | (29) | (29) |
| | $ 923 | $ (29) | $ 894 |

| | For the year ended December 31, 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | ACSPL | OIHPL | YTRMC | YLPPC | AEE | DCI | NHC | Total |
| 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 | 617 | - | - | 79 | 308 | 166 | - | 1,170 |
| Differences recognized from equity transactions | $ 447 | $ (36) | $ (13) | $ (8) | $ 14 | $ (21) | $ (2) | $ 381 |
| 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 | - | (36) | (13) | (8) | - | (21) | (2) | (80) |
| | $ 447 | $ (36) | $ (13) | $ (8) | $ 14 | $ (21) | $ (2) | $ 381 |

## 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, 2024

| | Carrying Amount | Fair Value | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities | | | | | |
| Financial liabilities measured at amortized cost | | | | | |
| Bonds payable (included current portion) | $ 42,800,000 | $ 42,408,280 | $ - | $ - | $ 42,408,280 |

December 31, 2023

| | Carrying Amount | Fair Value | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities | | | | | |
| Financial liabilities measured at amortized cost | | | | | |
| Bonds payable (included current portion) | $ 49,100,000 | $ 48,448,474 | $ - | $ - | $ 48,448,474 |

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

1) Fair value hierarchy

December 31, 2024

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Financial assets at FVTPL | | | | |
| Listed shares | $ 9,027,130 | $ - | $ - | $ 9,027,130 |
| Beneficiary certificates | 2,441,630 | 1,337,953 | 19,599,697 | 23,379,280 |
| | $ 11,468,760 | $ 1,337,953 | $ 19,599,697 | $ 32,406,410 |
| Financial assets at FVTOCI | | | | |
| Equity instruments | | | | |
| Domestic listed shares | $ 14,622,123 | $ - | $ - | $ 14,622,123 |
| Domestic unlisted shares | - | - | 1,940,177 | 1,940,177 |
| Overseas unlisted shares | - | - | 214,625 | 214,625 |
| Debt instruments | | | | |
| Bills receivables | - | - | 1,050,572 | 1,050,572 |
| | $ 14,622,123 | $ - | $ 3,205,374 | $ 17,827,497 |

December 31, 2023

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Financial assets at FVTPL | | | | |
| Listed shares | $ 16,293,519 | $ - | $ - | $ 16,293,519 |
| Beneficiary certificates | 2,335,160 | 1,346,329 | 19,744,972 | 23,426,461 |
| | $ 18,628,679 | $ 1,346,329 | $ 19,744,972 | $ 39,719,980 |
| 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 | - | - | 313,211 | 313,211 |
| | $ 14,638,369 | $ - | $ 2,445,886 | $ 17,084,255 |

There were no transfers between Levels 1 and 2 for the years ended December 31, 2024 and 2023.

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

| | Financial Instruments at FVTPL | Financial Instruments at FVTOCI | | |
|---|---|---|---|---|
| | Non-derivatives | Equity | Debt | Total |
| Balance at January 1, 2024 | $ 19,744,972 | $ 2,132,675 | $ 313,211 | $ 22,190,858 |
| Recognized in profit or loss | | | | |
| Net loss on financial instruments at FVTPL | (145,275) | - | - | (145,275) |
| Recognized in other comprehensive income | | | | |
| Unrealized gain on financial instruments at FVTOCI | - | 22,127 | - | 22,127 |
| Changes in bills receivables | - | - | 737,361 | 737,361 |
| Balance at December 31, 2024 | $ 19,599,697 | $ 2,154,802 | $ 1,050,572 | $ 22,805,071 |

| | Financial Assets at FVTPL | | Financial Assets at FVTOCI | | |
|---|---|---|---|---|---|
| | Derivatives | Non-Derivatives | Equity Instruments | Debt Instruments | Total |
| 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 loss 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 | (48,500) | - | - | - | (48,500) |
| Balance at December 31, 2023 | $ - | $ 19,744,972 | $ 2,132,675 | $ 313,211 | $ 22,190,858 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Financial assets | | |
| Financial assets at FVTPL | $ 32,406,410 | $ 39,719,980 |
| Financial assets at amortized cost (1) | 83,114,210 | 82,984,398 |
| Financial assets at FVTOCI | | |
| Investments in Equity Instruments | 16,776,925 | 16,771,044 |
| Investments in Debt Investments | 1,050,572 | 313,211 |
| Financial liabilities | | |
| Financial liabilities at amortized cost (2) | 110,301,495 | 128,514,103 |

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables, other receivables, finance lease receivables, and refundable deposits.

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, bonds payable, and guarantee deposits received.

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 39.

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 December 31** | | **For the Year Ended December 31** | |
| | **2024** | **2023** | **2024** | **2023** |
| Increase (decrease) in pre-tax profit | $ 85,567 | $ 83,404 | $ 399,663 | $ 366,775 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Fair value interest rate risk | | |
| Financial assets | $ 8,072,693 | $ 24,721,052 |
| Financial liabilities | 93,994,364 | 112,453,524 |
| Cash flow interest rate risk | | |
| Financial assets | 47,565,365 | 29,595,741 |
| Financial liabilities | 6,237,462 | 7,133,402 |

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, 2024 and 2023 would have increased/decreased by $3,190 thousand and $2,592 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, 2024 and 2023 would have increased/decreased by $128,067 thousand and $199,750 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, 2024 and 2023 would have increased/decreased by $146,221 thousand and $146,384 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, 2024

| | On Demand or Less than 1 Month | 1-3 Months | 3 Months to 1 Year | 1-5 Years | 5+ Years |
|---|---|---|---|---|---|
| Non-derivative financial liabilities | | | | | |
| Non-interest bearing | $ 4,785,948 | $ 3,099,165 | $ 2,850,883 | $ 298,682 | $ 133,736 |
| Lease liabilities | 14,353 | 28,705 | 129,174 | 392,111 | 978,511 |
| Variable interest rate liabilities | 205,993 | 562,018 | 353,774 | 1,903,214 | 3,212,463 |
| Fixed interest rate liabilities | 36,709,834 | 6,303,639 | 21,819,579 | 26,111,110 | 1,900,000 |
| | $ 41,716,128 | $ 9,993,527 | $ 25,153,410 | $ 28,705,117 | $ 6,224,710 |

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 | $ 172,232 | $ 392,111 | $ 326,761 | $ 249,271 | $ 175,861 | $ 226,618 |

December 31, 2023

| | On Demand or Less than 1 Month | 1-3 Months | 3 Months to 1 Year | 1-5 Years | 5+ Years |
|---|---|---|---|---|---|
| Non-derivative financial liabilities | | | | | |
| 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 | 41,739,811 | 11,737,010 | 14,968,716 | 42,653,212 | - |
| | $ 46,574,535 | $ 14,937,165 | $ 17,987,108 | $ 45,571,709 | $ 5,138,281 |

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 | $ 272,967 | $ 456,840 | $ 336,447 | $ 250,178 | $ 188,689 | $ 243,315 |

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.

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, 2024 and 2023, the face amounts of these unsettled bills receivable were $1,024,591 thousand and $1,422,888 thousand, respectively. The unsettled bills receivable will be due in 12 months respectively after December 31, 2024 and 2023. 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, 2024 and 2023, 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 year 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

| Related Party Name | Related Party Category |
|---|---|
| FENC | Associate |
| U-Ming | Associate |
| EISF | Associate |
| YDC | Associate |
| YDES | Associate |
| OSC | Associate |
| HZYCCL | Associate |
| FEDSDL | Associate |
| Opas Fund Segregated Portfolio Company | Associate |
| Alliance Concrete Singapore Pte. Ltd. | Joint venture |
| HXMC | Joint venture |
| WAMTC | Joint venture |
| JRNMC | 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 |
| 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 |

(Continued)

| Related Party Name | Related Party Category |
|---|---|
| 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 Prearatory Office | Other |
| Ding Ding Hotel Co., Ltd. | Other |
| Prime EcoPower Co., Ltd. | Other |
| Chu Chiang Enterprise Corp. Ltd. | Other |
| Union Steel Development Corporation | Other |
| Douglas Tong Hsu | 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 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | | |
| Associates | $ 782,898 | $ 698,646 |
| Others | 1,499,658 | 1,354,463 |
| Joint ventures | 1,032,739 | 973,190 |
| | $ 3,315,295 | $ 3,026,299 |
| Operating cost | | |
| Associates | $ 664,313 | $ 576,899 |
| Others | 1,021,493 | 1,077,227 |
| Joint ventures | 465,394 | 592,169 |
| | $ 2,151,200 | $ 2,246,295 |

Receivables from related parties (including contract assets, notes receivable, trade receivables and other receivables):

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 76,647 | $ 115,726 |
| Others | 619,846 | 563,458 |
| Joint ventures | 331,070 | 214,030 |
| | $ 1,027,563 | $ 893,214 |

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

Accounts payable and accrued expenses to related parties:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 85,048 | $ 117,156 |
| Others | 145,539 | 167,677 |
| Joint ventures | 88,611 | 97,450 |
| | $ 319,198 | $ 382,283 |

The outstanding trade payables to related parties are unsecured.

Prepayments to related parties:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 15,000 | $ 15,000 |
| Others | 396 | 1,650 |
| | $ 15,396 | $ 16,650 |

c. Transactions with FEIB

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Bank deposits (Note) | $ 5,270,046 | $ 4,986,616 |
| Bank loans | $ 1,450,000 | $ 1,464,000 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Short-term employee benefits | $ 190,943 | $ 192,362 |
| Post-employment benefits | 432 | 558 |
| | $ 191,375 | $ 192,920 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ - | $ 520 |
| Others | 185,617 | 1,423,014 |
| | $ 185,617 | $ 1,423,534 |

2) Acquisitions of intangible assets

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Others | $ 438 | $ 10,420 |

3) Lease agreement

Acquisitions of right-of-use assets

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Others | $ - | $ 4,518 |

Lease liabilities

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Others | $ 24,058 | $ 66,745 |

Operating expense - rental

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 50,451 | $ 50,638 |
| Others | 10,123 | 11,689 |
| | $ 60,574 | $ 62,327 |

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) 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.

5) For the year ended December 31, 2024, the Group acquired additional non-controlling interests in subsidiaries, including FMT and CHP, from a related party in substance with a total amount of $8,916 thousand; refer to Note 32 for the details.

6) 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 included a disposal of $622,572 thousand for the year ended December 31, 2024.

## 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 | |
|---|---|---|
| | **2024** | **2023** |
| Investment properties | $ 14,781,769 | $ 14,547,709 |
| Investments accounted for using the equity method | 8,588,244 | 9,879,707 |
| Property, plant and equipment | 10,569,438 | 11,064,203 |
| Financial assets at fair value through other comprehensive income | 306,697 | 123,750 |
| Financial assets at amortized cost | 1,547,140 | 424,131 |
| | $ 35,793,288 | $ 36,039,500 |

## 37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2024, the Corporation and its subsidiaries had the following significant commitments and contingencies:

a. Unused letters of credit of US$10,518 thousand and JYP5,370 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, JYDCCL, SIYDCCL, and SLCL in the future amount to RMB169,732 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 $160,667 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.On November 14, 2023, the Taipei High Administrative Court convened the first procedural session, during which the judge recommended both parties refer to mediation. The first mediation session was held on March 22, 2024, the second mediation session was held on April 19, 2024, and the third mediation session was held on May 31, 2024. On June 28, 2024, CHP submitted a proposal for the fourth mediation session to the Taipei High Administrative Court. The fourth mediation session was held on November 7, 2024, however, the Penalty Disposition did not accept the settlement amount proposed by CHP. With significant discrepancies between the parties' proposed amounts, CHP is not able to submit a new mediation proposal at this time.

   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 judgement 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. The above-mentioned two retrial cases are affiliated to Supreme Administrative Court. However, the Supreme Administrative Court dismissed CHP's retrial applications on June 27, 2024, and December 27, 2023, respectively, with the confirmation regarding the Act Disposition. 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. The Taipei District Court dismissed the appeal on May 28, 2024, and TPC filed an appeal subsequently on June 26, 2024. The Supreme Administrative Court held a procedural hearing on December 31, 2024, during which both parties submitted a list of experts and scholars. Expert opinions are to be submitted by the end of March 2025.

   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. OTHER ITEMS

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

## 39. 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, 2024

| | Foreign Currency | Exchange Rate | New Taiwan Dollars |
|---|---|---|---|
| Financial assets | | | |
| Monetary items | | | |
| USD | $ 252,004 | 32.735 | $ 8,249,351 |
| RMB | 375,789 | 4.554 | 1,711,343 |
| Non-monetary items | | | |
| USD | 644,068 | 32.735 | 21,083,566 |
| HKD | 157,507 | 4.192 | 660,269 |
| Financial liabilities | | | |
| Monetary items | | | |
| USD | 7,823 | 32.735 | 256,086 |

December 31, 2023

| | Foreign Currency | Exchange Rate | New Taiwan Dollars |
|---|---|---|---|
| Financial assets | | | |
| 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 |
| Financial liabilities | | | |
| Monetary items | | | |
| USD | 48,893 | 30.655 | 1,498,815 |

For the years ended December 31, 2024 and 2023, the total amounts of realized and unrealized net foreign exchange gains (losses) were $566,088 thousand and $(29,285) 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.

## 40. 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

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)

## 41. 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 For the Year Ended December 31 | | Segment Profit For the Year Ended December 31 | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Cement | $ 50,150,643 | $ 56,447,066 | $ 4,023,244 | $ 5,375,742 |
| Electric power | 17,509,893 | 17,705,692 | 2,005,529 | 1,561,384 |
| Investment | 1,618,276 | 541,414 | 1,293,607 | 166,914 |
| Engineering | 232,723 | 423,612 | 36,755 | 77,365 |
| Transportation | 1,982,633 | 1,795,482 | 268,919 | 234,863 |
| Stainless steel | 4,346,909 | 2,908,877 | 60,199 | (143,725) |
| Leasing | 456,382 | 360,656 | 275,483 | 187,505 |
| | $ 76,297,459 | $ 80,182,799 | 7,963,736 | 7,460,048 |
| Non-operating income and expenses | | | 8,041,259 | 6,476,320 |
| Profit before income tax | | | $ 16,004,995 | $ 13,936,368 |

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 | |
| | 2024 | 2023 | 2024 | 2023 |
| China | $ 26,601,852 | $ 32,820,060 | $ 36,049,787 | $ 36,091,556 |
| Taiwan | 47,175,369 | 44,498,171 | 54,943,478 | 53,041,085 |
| Others | 2,520,238 | 2,864,568 | 573,033 | 567,175 |
| | $ 76,297,459 | $ 80,182,799 | $ 91,566,298 | $ 89,699,816 |

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 | | | |
| | 2024 | | 2023 | |
| | Amount | % | Amount | % |
| Taiwan Power Company | $ 17,509,893 | 23 | $ 17,705,692 | 22 |

**TABLE 1**

## ASIA CEMENT CORPORATION AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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 | $ 202,189 | $ 200,370 | $ 200,370 | 3.58% | Necessary for short-term financing | $ - | Operating capital | $ - | - | $ - | 20% of net worth $11,581,923 | 50% of net worth $28,954,808 |
| 2 | JYDC | SHYLCP | Other receivables | Y | 137,856 | 136,616 | 104,739 | 3.35% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $5,934,975 | 50% of net worth $14,837,438 |
| | | TZOCCL | Other receivables | Y | 45,952 | 45,539 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | Same as above | Same as above |
| | | HGYDC | Other receivables | Y | 1,378,563 | 1,366,158 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | Same as above | Same as above |
| 3 | HYDCCL | ACCHC | Other receivables | Y | 1,508,991 | 1,138,465 | 1,138,465 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,659,717 | 50% of net worth $4,149,292 |
| 4 | WYDC | ACCHC | Other receivables | Y | 320,089 | 227,693 | 227,693 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $560,163 | 50% of net worth $1,400,408 |
| 5 | HGYDC | ACCHC | Other receivables | Y | 1,148,803 | 1,138,465 | 1,138,465 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,389,217 | 50% of net worth $3,473,044 |
| 6 | SLCL | SLCCL | Other receivables | Y | 206,784 | 204,924 | 177,601 | 3.10% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,286,651 | 50% of net worth $3,216,627 |
| 7 | SIYDCCL | HGYDC | Other receivables | Y | 1,378,563 | 1,366,158 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $5,368,048 | 50% of net worth $13,420,119 |
| | | SYCPCL | Other receivables | Y | 355,087 | 273,232 | 204,924 | 3.10% | 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, 2024.

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, 2024.

Note 4: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2024.

**TABLE 2**

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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 ($90,673,723) | $ 27,186,000 | $ 23,547,000 | $ 13,770,000 | None | 12.98 | 100% of net worth ($181,347,447) | Y | - | - |
| | | DCI | b | Same as above | 27,398,000 | 24,018,800 | 10,835,000 | None | 13.24 | Same as above | Y | - | - |
| | | NHC | b | Same as above | 1,193,925 | 1,193,675 | 270,000 | None | 0.66 | 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 | 550,000 | 220,000 | None | 0.30 | Same as above | Y | - | - |
| | | YLPPC | b | Same as above | 450,000 | 300,000 | 7,000 | None | 0.17 | Same as above | Y | - | - |
| 1 | DCI | FSMS | b | 50% of net worth ($8,945,929) | 100,000 | 100,000 | 65,000 | None | 0.56 | 100% of net worth ($17,891,858) | Y | - | - |
| | | ACL | b | Same as above | 255,600 | - | - | None | - | Same as above | Y | - | - |
| 2 | AIC | ACP | b | 50% of net worth ($3,967,751) | 255,600 | - | - | None | - | 100% of net worth ($7,935,503) | Y | - | - |
| 3 | JYDC | JRNMC | f | 50% of net worth ($14,837,438) | 909,852 | 901,664 | 555,343 | None | 3.04 | 100% of net worth ($29,674,875) | Y | - | Y |

Note 1: The net value was calculated based on audited/reviewed financial statements as of December 31, 2024.

Note 2: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2024.

Note 3: The relationship between guarantor and guarantee are as follows:

a. A company with which the Corporation engages business.
b. A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
d. A company in which the Corporation directly and indirectly holds more than 90% of the voting shares.
e. 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.
f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. 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.

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

**MARKETABLE SECURITIES HELD**
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars, Unless Shares (Units) or Stated Otherwise)**

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | 49,943,573 | $ 4,464,956 | 1.39 | $ 4,464,956 | |
| | Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund | - | Financial assets at fair value through profit or loss - current | 10,000,000 | 512,900 | - | 512,900 | |
| | China Conch Venture Holdings Ltd. | - | Financial assets at fair value through profit or loss - current | 11,443,000 | 320,913 | 0.63 | 320,913 | |
| | Opas Fund Segregated Portfolio Tranche C | Related party in substance | Financial assets at fair value through profit or loss - current | 2,217 | 240,171 | - | 240,171 | |
| | China Conch Environment Protection Holdings Ltd. | - | Financial assets at fair value through profit or loss - current | 11,443,000 | 34,058 | 0.63 | 34,058 | |
| | 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 | 2,774,473 | 0.86 | 2,774,473 | |
| | 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 | 1,801,191 | 5.65 | 1,801,191 | |
| | 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 | 1,529,960 | 9.17 | 1,529,960 | |
| | 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 | 98,023,891 | 1,293,915 | 2.29 | 1,293,915 | |
| | 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 | 911,861 | 7.20 | 911,861 | |
| | Taiwan Stock Exchange Corp. | - | Financial assets at fair value through other comprehensive income - noncurrent | 15,418,347 | 784,332 | 1.16 | 784,331 | |
| | China Shanshui Investment Corp. | - | Financial assets at fair value through other comprehensive income - noncurrent | 49,928 | 86,958 | 4.99 | 86,959 | |
| | 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 | 56,584 | 5.70 | 56,584 | |
| | 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 | 33,837 | 1.36 | 33,837 | |
| | L’ Hotel de Chine Hotel | - | Financial assets at fair value through other comprehensive income - noncurrent | 598,121 | 20,594 | 0.20 | 20,594 | |
| | 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 | 16,020 | 0.53 | 16,020 | |
| | 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, 2024 | | | | 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 | $ 4,856,076 | - | $ 4,856,076 | |
| | Taiwan Semiconductor Manufacturing Corp. | - | Financial assets at fair value through profit or loss - current | 300,000 | 322,500 | - | 322,500 | |
| | Yuanta Taiwan High Dividend Low Volatility ETF | - | Financial assets at fair value through profit or loss - current | 5,550,000 | 294,983 | - | 294,983 | |
| | Yuanta/P-shares Taiwan Dividend Plus ETF | - | Financial assets at fair value through profit or loss - current | 8,000,000 | 293,440 | - | 293,440 | |
| | Realtek Semiconductor Corporation | - | Financial assets at fair value through profit or loss - current | 310,000 | 176,080 | 0.06 | 176,080 | |
| | Chung Hsin Electric & Machinery Mfg. Corp. | - | Financial assets at fair value through profit or loss - current | 1,020,000 | 157,080 | 0.20 | 157,080 | |
| | ASE Technology Holding Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 900,000 | 145,800 | 0.02 | 145,800 | |
| | Taiwan Hon Chuan Enterprise Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 981,349 | 144,749 | 0.61 | 144,749 | |
| | Yuanta US 20+ Year AAA-A Corporate Bond ETF | - | Financial assets at fair value through profit or loss - current | 4,250,000 | 143,693 | - | 143,693 | |
| | MediaTek Inc. | - | Financial assets at fair value through profit or loss - current | 100,000 | 141,500 | 0.01 | 141,500 | |
| | ASMedia Technology Inc. | - | Financial assets at fair value through profit or loss - current | 70,000 | 138,950 | 0.10 | 138,950 | |
| | ASUSTEK COMPUTER INC. | - | Financial assets at fair value through profit or loss - current | 195,000 | 120,120 | 0.03 | 120,120 | |
| | DELTA ELECTRONICS, INC. | - | Financial assets at fair value through profit or loss - current | 275,000 | 118,388 | 0.01 | 118,388 | |
| | BORA PHARMACEUTICALS CO., LTD. | - | Financial assets at fair value through profit or loss - current | 125,000 | 94,000 | 0.12 | 94,000 | |
| | CALIWAY BIOPHARMACEUTICALS CO., LTD. | - | Financial assets at fair value through profit or loss - current | 150,000 | 92,250 | 0.10 | 92,250 | |
| | STARLUX AIRLINES CO., LTD. | - | Financial assets at fair value through profit or loss - current | 3,300,000 | 91,080 | 0.11 | 91,080 | |
| | Unimicron Technology Corp. | - | Financial assets at fair value through profit or loss - current | 590,000 | 83,190 | 0.06 | 83,190 | |
| | HIWIN TECHNOLOGIES CORP. | - | Financial assets at fair value through profit or loss - current | 240,000 | 78,960 | 0.07 | 78,960 | |
| | Polaris Taiwan Top 50 Tracker Fund | - | Financial assets at fair value through profit or loss - current | 400,000 | 78,300 | - | 78,300 | |
| | Anhui Conch Cement Company Limited | - | Financial assets at fair value through profit or loss - current | 880,000 | 73,337 | 0.02 | 73,337 | |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | - | Financial assets at fair value through profit or loss - current | 3,000,000 | 66,540 | - | 66,540 | |
| | GIANT MANUFACTURING CO., LTD. | - | Financial assets at fair value through profit or loss - current | 420,000 | 59,430 | 0.11 | 59,430 | |
| | China Resources Cement Holdings Limited | - | Financial assets at fair value through profit or loss - current | 5,376,000 | 35,833 | 0.08 | 35,833 | |
| | 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 | 42,121,781 | 556,008 | 0.99 | 556,008 | |
| | Tripod Technology Corporation | - | Financial assets at fair value through other comprehensive income - current | 860,000 | 169,849 | 0.16 | 169,849 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | $ 19,221 | 0.01 | $ 19,221 | |
| | 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 | 590 | - | 590 | |
| | 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 | 125,810,362 | 1,660,697 | 2.94 | 1,660,697 | |
| | 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 | |
| | 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 | 322,920 | 1.94 | 322,920 | |
| | 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 | 306,697 | 0.96 | 306,697 | 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 - noncurrent | 10,506,792 | 150,247 | 1.19 | 150,247 | |
| | 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 | 19,482,020 | 140,271 | 2.80 | 140,271 | |
| | 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 | 3,373,782 | 48,245 | 0.38 | 48,245 | |
| | 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 | 26,679 | 0.08 | 26,679 | |
| | 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 | 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 | 46,534 | 0.37 | 46,534 | |
| | 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 | 21,038 | 0.07 | 21,038 | |
| | 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 | 4,039,555 | - | 4,039,555 | |
| | Taiwan Semiconductor Manufacturing Corp. | - | Financial assets at fair value through profit or loss - current | 300,000 | 322,500 | - | 322,500 | |
| | Yuanta/P-shares Taiwan Dividend Plus ETF | - | Financial assets at fair value through profit or loss - current | 5,550,000 | 294,983 | - | 294,983 | |
| | Yuanta Taiwan High Dividend Low Volatility ETF | - | Financial assets at fair value through profit or loss - current | 8,000,000 | 293,440 | - | 293,440 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | Note |
|---|---|---|---|---|---|---|---|---|
| | | | | Shares or Units | Carrying Amount | Percentage of Ownership (%) | Fair Value | |
| AIC | Realtek Semiconductor Corporation | - | Financial assets at fair value through profit or loss - current | 310,000 | $ 176,080 | 0.06 | $ 176,080 | |
| | Chung Hsin Electric & Machinery Mfg. Corp. | - | Financial assets at fair value through profit or loss - current | 1,020,000 | 157,080 | 0.20 | 157,080 | |
| | ASE Technology Holding Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 900,000 | 145,800 | 0.02 | 145,800 | |
| | Taiwan Hon Chuan Enterprise Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 981,349 | 144,749 | 0.61 | 144,749 | |
| | Opas Fund Segregated Portfolio Tranche C | Related party in substance | Financial assets at fair value through profit or loss - current | 1,330 | 144,103 | - | 144,103 | |
| | Yuanta US 20+ Year AAA-A Corporate Bond ETF | - | Financial assets at fair value through profit or loss - current | 4,250,000 | 143,693 | - | 143,693 | |
| | MediaTek Inc. | - | Financial assets at fair value through profit or loss - current | 100,000 | 141,500 | 0.01 | 141,500 | |
| | ASMedia Technology Inc. | - | Financial assets at fair value through profit or loss - current | 70,000 | 138,950 | 0.10 | 138,950 | |
| | ASUSTEK COMPUTER INC. | - | Financial assets at fair value through profit or loss - current | 195,000 | 120,120 | 0.03 | 120,120 | |
| | DELTA ELECTRONICS, INC. | - | Financial assets at fair value through profit or loss - current | 275,000 | 118,388 | 0.01 | 118,388 | |
| | Bora Pharmaceuticals Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 125,000 | 94,000 | - | 94,000 | |
| | CALIWAY BIOPHARMACEUTICALS CO., LTD. | - | Financial assets at fair value through profit or loss - current | 150,000 | 92,250 | 0.10 | 92,250 | |
| | STARLUX AIRLINES CO., LTD. | - | Financial assets at fair value through profit or loss - current | 3,300,000 | 91,080 | 0.11 | 91,080 | |
| | Unimicron Technology Corp. | - | Financial assets at fair value through profit or loss - current | 590,000 | 83,190 | 0.06 | 83,190 | |
| | HIWIN TECHNOLOGIES CORP. | - | Financial assets at fair value through profit or loss - current | 240,000 | 78,960 | 0.07 | 78,960 | |
| | Anhui Conch Cement Company Limited | - | Financial assets at fair value through profit or loss - current | 880,000 | 73,337 | 0.02 | 73,337 | |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | - | Financial assets at fair value through profit or loss - current | 3,000,000 | 66,540 | - | 66,540 | |
| | GIANT MANUFACTURING CO., LTD. | - | Financial assets at fair value through profit or loss - current | 420,000 | 59,430 | 0.11 | 59,430 | |
| | China Resources Cement Holdings Limited | - | Financial assets at fair value through profit or loss - current | 5,376,000 | 35,833 | 0.08 | 35,833 | |
| | Hsing Ta Cement Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 1,044,650 | 18,490 | 0.31 | 18,490 | |
| | Tripod Technology Corporation | - | Financial assets at fair value through other comprehensive income - current | 860,000 | 169,850 | 0.16 | 169,850 | |
| | 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 | 127,512 | 0.04 | 127,512 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | 167,952,348 | $ 2,216,971 | 3.93 | $ 2,216,971 | |
| | 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 | 391,188 | 18.00 | 391,188 | |
| | 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 | 255,644 | 0.80 | 255,644 | |
| | 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 | 22,196 | 0.18 | 22,196 | |
| | 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 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,242 | - | 331,242 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| | Cementon Micronesia L.L.C. | - | Financial assets at fair value through other comprehensive income - noncurrent | 100 | 127,666 | 10.00 | 127,666 | |
| ACP II | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP III | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,243 | - | 331,243 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP IV | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,243 | - | 331,243 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 5,000 | 166,145 | - | 166,145 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | $ 333,989 | - | $ 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACM II | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACM III | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACM IV | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACL | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| 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 | 68,512 | - | 68,512 | |
| | 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 | 3,754,092 | 49,554 | 0.09 | 49,554 | |
| KCC | CSOP FTSE China A50 ETF | - | Financial assets at fair value through profit or loss - current | 300,000 | 16,248 | - | 16,248 | |
| KCCL | Allianz US High Yield Fund | - | Financial assets at fair value through profit or loss - current | 97,741 | 18,262 | - | 18,262 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | $ 337,470 | - | $ 337,470 | |
| | United Emerging Markets Bond Funds | - | Financial assets at fair value through profit or loss - current | 3,232,758 | 72,734 | - | 72,734 | |
| | United Growth Fund | - | Financial assets at fair value through profit or loss - current | 745,068 | 77,363 | - | 77,363 | |
| | DBS Group | - | Financial assets at fair value through profit or loss - current | 37,835 | 39,766 | - | 39,766 | |
| | Guocoland Ltd. | - | Financial assets at fair value through profit or loss - current | 26,666 | 936 | - | 936 | |
| | Hong Leong Asia | - | Financial assets at fair value through profit or loss - current | 20,000 | 438 | - | 438 | |
| | INTRACO | - | Financial assets at fair value through profit or loss - current | 46,875 | 434 | - | 434 | |
| | Engro Corp Ltd. | - | Financial assets at fair value through profit or loss - current | 2,000 | 34 | - | 34 | |
| OCPL | Hiap Hoe Ltd. | - | Financial assets at fair value through profit or loss - current | 44,160 | 615 | - | 615 | |
| ACCHC | Opas Fund Segregated Portfolio Tranche B | Related party in substance | Financial assets at fair value through profit or loss - current | 7,308 | 379,573 | - | 379,573 | |
| | Opas Fund Segregated Portfolio Tranche A | Related party in substance | Financial assets at fair value through profit or loss - current | 4,202 | 236,634 | - | 236,634 | |

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: 13,631 thousand shares ($306,697 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, 2024**
**(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 | (Note) | - | 153,543,573 | $ 12,252,777 | - | $ - | 103,600,000 | $ 8,675,742 | $ 6,765,899 | $ 1,909,843 | 49,943,573 | $ 4,464,955 |
| | FENC | Investments accounted for using the equity method | (Note) | - | 1,272,277,085 | 40,923,992 | - | - | 45,332,000 | 1,592,491 | 1,359,558 | 232,933 | 1,226,945,085 | 40,449,957 |
| DCI | FENC | Investments accounted for using the equity method | (Note) | - | 82,812,887 | 2,630,146 | - | - | 82,812,887 | 2,853,854 | 2,520,296 | 333,558 | - | - |

Note: Securities are sold from centralized trading markets.

**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, 2024**
**(In Thousands of New Taiwan Dollars)**

| 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 | | | |
| YTRMC | Land and building | March 19, 2024 | $ 526,786 | Based on contract terms | Xinsen Industrial Co., Ltd. | - | NA | NA | NA | NA | 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, 2024**
**(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 | $ (2,451,812) | (22) | Purchase 45 days after monthly closing | $ - | - | $ 498,346 | 36 | |
| | U-Ming | An investee accounted for by equity method | Sales freight expense | 592,901 | 7 | Purchase 30 days after monthly closing | - | - | (49,756) | (2) | |
| | ACSPL | A subsidiary of the Corporation | Sales | (505,424) | (5) | Average 30 days | - | - | - | - | |
| | NHC | A subsidiary of the Corporation | Purchase | 263,623 | 3 | Purchase 45 days after monthly closing | - | - | (26,529) | (1) | |
| | YSRMC | A sub-subsidiary of the Corporation | Sales | (228,011) | (2) | Purchase 45 days after monthly closing | - | - | 45,717 | 3 | |
| | U-Ming Singapore | A subsidiary of an investee accounted for by equity method | Freight-in | 216,672 | 2 | Average 10 days | - | - | - | - | |
| | YLT | A subsidiary of the Corporation | Sales freight expense | 188,676 | 2 | Average 30 days | - | - | (31,581) | (2) | |
| | CHC Resources Corporation | Other related party | Sales | (169,659) | (2) | Purchase 45 days after monthly closing | - | - | 19,177 | 1 | |
| YTRMC | The Corporation | Parent company | Purchase | 2,451,812 | 23 | Purchase 45 days after monthly closing | - | - | (498,346) | (21) | |
| | CHC Resources Corporation | Other related party | Purchase | 610,471 | 6 | Purchase 45 days after monthly closing | - | - | (73,905) | (3) | |
| | Far Eastern General Construction Inc. | Other related party | Sales | (257,046) | (2) | Average 90 days | - | - | 118,927 | 3 | |
| ACSPL | Alliance Concrete Singapore Pte. Ltd. | An investee accounted for by equity method | Sales | (933,820) | (82) | Average 60 days | - | - | 163,879 | 77 | |
| | The Corporation | Parent company | Purchase | 505,424 | 51 | Average 30 days | - | - | - | - | |
| FMT | FENC | An investee accounted for by equity method | Sales | (297,658) | (26) | Purchase 30 days after monthly closing | - | - | 29,544 | 20 | |
| | Air Liquide Far Eastern Co. | Other related party | Sales | (239,344) | (21) | Purchase 90 days after monthly closing | - | - | 51,320 | 35 | |
| NHC | The Corporation | Parent company | Sales | (263,623) | (40) | Purchase 45 days after monthly closing | - | - | 26,529 | 21 | |
| | CHC Resources Corporation | Other related party | Sales | (111,161) | (17) | Purchase 45 days after monthly closing | - | - | 14,920 | 12 | |
| YSRMC | The Corporation | Parent company | Purchase | 228,011 | 28 | Purchase 45 days after monthly closing | - | - | (45,717) | (34) | |
| YLT | CHC Resources Corporation | Other related party | Sales | (225,090) | (52) | Purchase 30 days after monthly closing | - | - | 25,553 | 48 | |
| | The Corporation | Parent company | Sales | (188,676) | (44) | Average 30 days | - | - | 31,581 | 60 | |
| FDT | Oriental Petrochemical (Taiwan) Co., Ltd. | Other related party | Sales | (160,608) | (19) | Purchase 110 days after monthly closing | - | - | 51,687 | 40 | |
| | Oriental Union Chemical Corp | Other related party | Sales | (150,097) | (17) | Purchase 75 days after monthly closing | - | - | 16,200 | 13 | |
| JYDC | YYDCCL | The same ultimate parent company | Sales | (1,494,244) | (12) | Within 50 days | - | - | 155,448 | 20 | |
| | RYNM | A subsidiary of the Corporation | Sales | (638,030) | (5) | Within 50 days | - | - | 68,358 | 9 | |
| | TZOCCL | The same ultimate parent company | Sales | (620,810) | (5) | Within 50 days | - | - | 88,448 | 12 | |
| | HGYDC | The same ultimate parent company | Purchase | 405,562 | 3 | Within 50 days | - | - | (9,173) | - | |
| | WAMTC | The same ultimate parent company | Freight-in | 264,542 | 2 | Within 90 days | - | - | (56,905) | (2) | |
| | WYDC | An investee accounted for by equity method | Sales | (253,484) | (2) | Within 50 days | - | - | 36,550 | 5 | |
| | JYLTC | A subsidiary of the Corporation | Purchase | 199,963 | 2 | Within 50 days | - | - | (26,871) | (1) | |
| | NYDC | A subsidiary of the Corporation | Purchase | 150,268 | 1 | Within 50 days | - | - | (15,689) | - | |
| YYDCCL | JYDC | The same ultimate parent company | Purchase | 1,494,244 | 73 | Within 50 days | - | - | (155,448) | (75) | |
| RYNM | JYDC | Parent company | Purchase | 638,030 | 99 | Within 50 days | - | - | (68,358) | (93) | |
| TZOCCL | JYDC | The same ultimate parent company | Purchase | 620,810 | 94 | Within 50 days | - | - | (88,448) | (86) | |
| SIYDCCL | SLCL | The same ultimate parent company | Sales | (422,514) | (9) | Within 90 days | - | - | 36,840 | 3 | |
| SLCL | SIYDCCL | The same ultimate parent company | Purchase | 422,514 | 16 | Within 90 days | - | - | (36,840) | (12) | |

(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 | |
| HGYDC | JYDC | The same ultimate parent company | Sales | $ (405,562) | (16) | Within 50 days | $ - | - | $ 9,173 | 10 | |
| WYDC | JYDC | The same ultimate parent company | Purchase | 253,484 | 52 | Within 50 days | - | - | (36,550) | (49) | |
| HGYDC | HYDCCL | The same ultimate parent company | Sales | (248,337) | (10) | Within 50 days | - | - | 63,361 | 68 | |
| HYDCCL | HGYDC | The same ultimate parent company | Purchase | 248,337 | 7 | Within 50 days | - | - | (63,361) | (21) | |
| JYLTC | JYDC | Parent company | Sales | (199,963) | (82) | Within 50 days | - | - | 26,871 | 80 | |
| NYDC | JYDC | Parent company | Sales | (150,268) | (100) | Within 50 days | - | - | 15,689 | 100 | |
| SYTCL | SLCL | The same ultimate parent company | Sales | (144,434) | (70) | Within 90 days | - | - | 14,520 | 45 | |
| SLCL | SYTCL | The same ultimate parent company | Purchase | 144,434 | 5 | Within 90 days | - | - | (14,520) | (5) | |

(Concluded)

# 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, 2024**
**(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 | $ 610,489 | 4.74 times | $ - | - | $ 610,267 | $ - |
| ACSPL | Alliance Concrete Singapore Pte. Ltd. | An investee accounted for by equity method | 163,879 | 5.29 times | - | - | 160,576 | - |
| YTRMC | Far Eastern General Construction Inc. | Other related party | 118,927 | 2.26 times | - | - | 45,732 | - |
| JYDC | YYDCCL | The same ultimate parent company | 155,448 | 11.96 times | - | - | - | - |
| HGYDC | ACCHC | Parent company | 1,154,569 | Note 1 | - | - | - | - |
| HYDCCL | ACCHC | Parent company | 1,153,277 | Note 1 | - | - | - | - |
| JYDC | ACIHPL | The same ultimate parent company | 976,099 | Note 2 | - | - | - | - |
| WYDC | ACCHC | Parent company | 230,795 | Note 1 | - | - | - | - |
| SIYDCCL | SYCPCL | The same ultimate parent company | 205,522 | Note 1 | - | - | - | - |
| OIHPL | ACCHC | Parent company | 203,703 | Note 1 | - | - | - | - |
| SLCL | SLCCL | A subsidiary of the Corporation | 177,769 | Note 1 | - | - | - | - |
| JYDC | SHYLCP | The same ultimate parent company | 104,838 | Note 1 | - | - | - | - |

Note 1: Accounts receivable from financing.

Note 2: Other receivables.

TABLE 8

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

**NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| The Corporation | ACCHC | Cayman | Investment | $ 13,660,637 | $ 13,660,637 | 1,061,209,202 | 67.73 | $ 50,234,221 | $ (1,337,167) | $ (905,663) | A subsidiary of the Corporation |
| | FENC | Taiwan | Textile | 3,336,513 | 3,459,787 | 1,226,945,085 | 22.92 | 40,449,957 | 10,031,844 | 1,708,404 | |
| | DCI | Taiwan | Investment | 2,556,220 | 2,556,220 | 838,793,548 | 99.99 | 17,891,679 | 1,044,403 | 1,044,393 | A subsidiary of the Corporation |
| | CHP | Taiwan | Power plant | 8,510,748 | 8,502,050 | 568,804,972 | 99.79 | 11,539,552 | 1,594,454 | 1,591,030 | A subsidiary of the Corporation |
| | U-Ming | Taiwan | Marine transportation | 510,236 | 510,236 | 331,701,152 | 39.25 | 15,880,864 | 4,681,466 | 1,837,512 | |
| | CSCGL | Cayman | Investment | 4,821,008 | 4,821,008 | 331,878,315 | 7.62 | 7,148,052 | (634,457) | (93,038) | |
| | ACSPL | Singapore | Cement | 188,508 | 188,508 | 10,500,000 | 100.00 | 6,965,985 | 482,413 | 482,413 | A subsidiary of the Corporation |
| | AIC | Taiwan | Investment | 1,212,679 | 1,212,679 | 508,416,358 | 100.00 | 7,935,503 | 515,768 | 515,768 | A subsidiary of the Corporation |
| | YDC | Taiwan | Investment | 2,232,220 | 2,232,220 | 178,707,648 | 35.50 | 3,249,420 | 454,910 | 156,295 | |
| | YTRMC | Taiwan | Ready-mixed concrete, cement - related products | 1,042,274 | 1,042,274 | 199,992,732 | 99.99 | 5,742,822 | 2,100,067 | 2,100,024 | A subsidiary of the Corporation |
| | YYI | Taiwan | Investment | 911,059 | 911,059 | 155,000,830 | 29.92 | 2,619,272 | 266,922 | 79,863 | |
| | YLSS | Taiwan | Stainless steel | 2,661,240 | 2,661,240 | 200,000,000 | 100.00 | 2,515,485 | 144,727 | 136,440 | A subsidiary of the Corporation |
| | OSC | Taiwan | Broker | 90,157 | 90,157 | 79,929,133 | 18.93 | 1,411,451 | 211,038 | 39,946 | |
| | FMT | Taiwan | Transportation | 70,496 | 70,279 | 81,348,307 | 99.96 | 2,098,331 | 254,456 | 254,353 | A subsidiary of the Corporation |
| | FEDSDL | Taiwan | Retails | 500,000 | 500,000 | 53,250,000 | 25.00 | 602,056 | 156,796 | 39,199 | |
| | YDLC | Taiwan | Leasing | 309,049 | 309,049 | 34,640,189 | 43.60 | 388,203 | 24,308 | 10,598 | |
| | NHC | Taiwan | Cement, granulated blast-furnace slag | 411,108 | 411,108 | 26,139,000 | 99.98 | 397,043 | 97,882 | 97,863 | A subsidiary of the Corporation |
| | YLT | Taiwan | Transportation | 25,015 | 25,015 | 5,160,817 | 51.61 | 330,841 | 76,132 | 39,291 | A subsidiary of the Corporation |
| | AEE | Taiwan | Engineering | 8,223 | 8,223 | 8,108,397 | 99.93 | 210,158 | 17,573 | 17,560 | A subsidiary of the Corporation |
| | YLPPC | Taiwan | Cement - related products | 145,166 | 145,166 | 16,271,969 | 83.97 | 254,143 | 29,333 | 24,631 | A subsidiary of the Corporation |
| | EISF | Taiwan | Iron and steel | 31,463 | 31,463 | 3,199,823 | 40.40 | 97,772 | 39,906 | 16,123 | |
| | SIHL | B.V.I. | Investment | 2,898 | 2,898 | 90,000 | 100.00 | 77,178 | 13,716 | 13,716 | A subsidiary of the Corporation |
| DCI | FEC | Taiwan | Construction | 140,138 | 140,138 | 168,346,143 | 33.76 | 5,659,136 | 1,097,587 | Not applicable | |
| | CSCGL | Cayman | Investment | 872,619 | 872,619 | 56,297,000 | 1.29 | 1,211,557 | (634,457) | Not applicable | |
| | YDC | Taiwan | Investment | 289,987 | 289,987 | 72,989,438 | 14.50 | 1,335,663 | 454,910 | Not applicable | |
| | KCC | Hong Kong | Cement | 36,024 | 36,024 | 1,127,000 | 49.00 | 592,599 | 90,456 | Not applicable | A sub-subsidiary of the Corporation |
| | Drive Catalyst SPC-SP Tranche Three | Cayman | Investment | 236,880 | 236,880 | 8,000 | 25.00 | 230,131 | 3,332 | Not applicable | |
| | FSMS | Taiwan | Mining excavation, mineral processing and sales | 112,096 | 112,096 | 1,294,270 | 99.56 | 118,181 | (5,759) | Not applicable | A sub-subsidiary of the Corporation |
| | Drive Catalyst SPC-SP Tranche Two | Cayman | Investment | 223,440 | 223,440 | 8,000 | 25.00 | 235,873 | (139,888) | Not applicable | |
| | Drive Catalyst SPC-SP Tranche One | Cayman | Investment | 123,120 | 123,120 | 4,000 | 25.00 | 148,828 | 18,656 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 27,619 | 27,619 | 468,486 | 0.06 | 39,135 | 4,681,466 | Not applicable | |
| | ACL | B.V.I. | Investment | 1,171,463 | 1,127,257 | 39,800,000 | 81.56 | 1,436,645 | (19,828) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM | B.V.I. | Investment | 1,150,549 | 1,106,342 | 39,100,000 | 81.29 | 1,338,582 | (18,446) | 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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| DCI | ACM II | B.V.I. | Investment | $ 883,876 | $ 842,828 | 30,500,000 | 77.22 | $ 1,035,285 | $ (14,219) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM III | B.V.I. | Investment | 882,298 | 842,828 | 30,450,000 | 77.19 | 1,073,321 | (14,794) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM IV | B.V.I. | Investment | 1,101,093 | 1,058,465 | 37,450,000 | 80.62 | 1,451,374 | (20,270) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 10.18 | 344,365 | (39,871) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP II | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.81 | 336,163 | (20,016) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP III | B.V.I. | Investment | 367,532 | 272,804 | 12,000,000 | 23.81 | 391,143 | (29,142) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP IV | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 20.00 | 312,565 | (22,810) | Not applicable | A sub-subsidiary of the Corporation |
| | ACE | B.V.I. | Investment | 367,532 | 272,804 | 12,000,000 | 23.38 | 347,872 | (26,137) | Not applicable | A sub-subsidiary of the Corporation |
| NHC | CSCGL | Cayman | Investment | 282,957 | 282,957 | 9,250,000 | 0.21 | 198,330 | (634,457) | Not applicable | |
| | PGIC | Taiwan | Granulated blast-furnace slag | 36,771 | 36,771 | 3,287,550 | 31.00 | 56,180 | 19,018 | Not applicable | |
| | FENC | Taiwan | Textile | 15,240 | 15,240 | 1,739,978 | 0.03 | 43,977 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 1,027 | 1,027 | 64,143 | 0.01 | 2,303 | 4,681,466 | Not applicable | |
| YTRMC | YTV | Vietnam | Ready-mixed concrete | 201,823 | 201,823 | (Note) | 100.00 | 310,486 | (9,804) | Not applicable | A sub-subsidiary of the Corporation |
| | YSRMC | Taiwan | Ready-mixed concrete | 69,955 | 69,955 | 69,950,000 | 69.95 | 225,859 | 130,527 | Not applicable | A sub-subsidiary of the Corporation |
| | AOG | Guam | Investment | 236,240 | 236,240 | (Note) | 95.04 | (19,556) | 260 | Not applicable | A sub-subsidiary of the Corporation |
| FMT | FDT | Taiwan | Transportation | 31,463 | 31,463 | 37,972,227 | 99.97 | 716,456 | 103,337 | Not applicable | A sub-subsidiary of the Corporation |
| | FENC | Taiwan | Textile | 14,409 | 28,773 | 1,580,299 | 0.03 | 42,839 | 10,031,844 | Not applicable | |
| FDT | YDEC | Taiwan | Retail | 160,424 | 160,424 | 36,588,627 | 26.95 | 665,908 | 108,368 | Not applicable | |
| | FENC | Taiwan | Textile | 31,322 | 31,322 | 1,020,000 | 0.02 | 33,508 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 1,891 | 1,891 | 50,000 | 0.01 | 3,167 | 4,681,466 | Not applicable | |
| AEE | CSCGL | Cayman | Investment | 266,942 | 266,942 | 8,368,000 | 0.19 | 179,428 | (634,457) | Not applicable | |
| | ACCHC | Cayman | Investment | 50,541 | 50,541 | 3,161,500 | 0.20 | 110,298 | (1,337,167) | Not applicable | A subsidiary of the Corporation |
| | U-Ming | Taiwan | Marine transportation | 38,931 | 38,931 | 3,485,997 | 0.41 | 91,282 | 4,681,466 | Not applicable | |
| YLPPC | YDEC | Taiwan | Retail | 20,776 | 20,776 | 5,282,199 | 3.89 | 96,042 | 108,368 | Not applicable | |
| | AOG | Guam | Investment | 66,816 | 66,816 | (Note) | 4.96 | (1,021) | 260 | Not applicable | A sub-subsidiary of the Corporation |
| AIC | CSCGL | Cayman | Investment | 556,895 | 556,895 | 31,528,000 | 0.72 | 677,589 | (634,457) | Not applicable | |
| | FENC | Taiwan | Textile | 405,473 | 405,473 | 15,430,293 | 0.29 | 684,502 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 77,446 | 77,446 | 7,796,914 | 0.92 | 197,726 | 4,681,466 | Not applicable | |
| | EISF | Taiwan | Iron and steel | 15,649 | 15,649 | 660,000 | 8.33 | 20,159 | 39,906 | Not applicable | |
| | CHP | Taiwan | Power plant | 376 | 376 | 45,568 | 0.01 | 850 | 1,594,454 | Not applicable | A subsidiary of the Corporation |
| | FMT | Taiwan | Transportation | 176 | 176 | 13,761 | 0.02 | 272 | 254,456 | Not applicable | A subsidiary of the Corporation |
| | FDT | Taiwan | Transportation | 110 | 110 | 9,717 | 0.03 | 199 | 103,337 | Not applicable | A sub-subsidiary of the Corporation |
| | FSMS | Taiwan | Mining excavation, mineral processing and sales | 119 | 119 | 5,000 | 0.38 | 125 | (5,759) | Not applicable | A sub-subsidiary of the Corporation |
| | AEE | Taiwan | Engineering | 116 | 116 | 6,000 | 0.07 | 120 | 17,573 | Not applicable | A subsidiary of the Corporation |

(Continued)

| Investor Company | Investee Company | Location | Main Businesses and Products | Original Investment Amount | | Balance as of December 31, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| AIC | NHC | Taiwan | Cement, granulated blast-furnace slag | $ 78 | $ 78 | 5,000 | 0.02 | $ 80 | $ 97,882 | Not applicable | A subsidiary of the Corporation |
| | DCI | Taiwan | Investment | 76 | 76 | 7,605 | - | 76 | 1,044,403 | Not applicable | A subsidiary of the Corporation |
| | YTRMC | Taiwan | Ready-mixed concrete, cement - related products | 53 | 53 | 7,268 | - | 53 | 2,100,067 | Not applicable | A subsidiary of the Corporation |
| | YSRMC | Taiwan | Ready-mixed concrete | 37 | 37 | 5,000 | 0.05 | 44 | 130,527 | Not applicable | A sub-subsidiary of the Corporation |
| | ACP | B.V.I. | Investment | 2,399,827 | 2,368,331 | 79,450,000 | 89.82 | 3,038,392 | (39,871) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP II | B.V.I. | Investment | 1,140,043 | 1,103,822 | 38,850,000 | 81.19 | 1,450,987 | (20,016) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP III | B.V.I. | Investment | 1,140,327 | 849,828 | 38,400,000 | 76.19 | 1,251,624 | (29,142) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP IV | B.V.I. | Investment | 1,070,554 | 849,522 | 36,000,000 | 80.00 | 1,250,258 | (22,810) | Not applicable | A sub-subsidiary of the Corporation |
| | ACE | B.V.I. | Investment | 1,168,221 | 878,454 | 39,315,000 | 76.62 | 1,140,032 | (26,137) | Not applicable | A sub-subsidiary of the Corporation |
| | ACL | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.44 | 324,813 | (19,828) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.71 | 308,093 | (18,446) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM II | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 22.78 | 305,410 | (14,219) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM III | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 22.81 | 317,171 | (14,794) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM IV | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 19.38 | 348,891 | (20,270) | Not applicable | A sub-subsidiary of the Corporation |
| YLT | U-Ming | Taiwan | Marine transportation | 58,840 | 58,840 | 6,348,103 | 0.75 | 410,572 | 4,681,466 | Not applicable | |
| ACE | CSCGL | Cayman | Investment | 266,882 | 266,882 | 7,480,000 | 0.17 | 160,448 | (634,457) | Not applicable | |
| | Opas Fund Segregated Portfolio Company | Cayman | Investment | 1,531 | 1,531 | 33 | 33.00 | 1,965 | 253 | Not applicable | |
| | Drive Catalyst SPC | Cayman | Investment | 494 | 494 | 33 | 33.00 | 596 | 61 | Not applicable | |
| ACP | CSCGL | Cayman | Investment | 1,959,250 | 1,959,250 | 107,536,000 | 2.47 | 2,316,487 | (634,457) | Not applicable | |
| ACP II | CSCGL | Cayman | Investment | 544,689 | 544,689 | 36,865,000 | 0.85 | 795,351 | (634,457) | Not applicable | |
| ACP III | CSCGL | Cayman | Investment | 290,967 | 290,967 | 14,790,000 | 0.34 | 318,707 | (634,457) | Not applicable | |
| ACP IV | CSCGL | Cayman | Investment | 292,032 | 292,032 | 18,514,000 | 0.43 | 400,611 | (634,457) | Not applicable | |
| ACL | CSCGL | Cayman | Investment | 567,556 | 567,556 | 35,569,000 | 0.82 | 767,346 | (634,457) | Not applicable | |
| ACM | CSCGL | Cayman | Investment | 554,533 | 554,533 | 30,251,000 | 0.70 | 653,599 | (634,457) | Not applicable | |
| ACM II | CSCGL | Cayman | Investment | 293,393 | 293,393 | 16,058,000 | 0.37 | 346,352 | (634,457) | Not applicable | |
| ACM III | CSCGL | Cayman | Investment | 292,743 | 292,743 | 18,477,000 | 0.42 | 396,364 | (634,457) | Not applicable | |
| ACM IV | CSCGL | Cayman | Investment | 504,078 | 504,078 | 37,410,000 | 0.86 | 806,142 | (634,457) | Not applicable | |
| KCC | KCCL | Hong Kong | Ready-mixed concrete | 42 | 39 | 10,000 | 100.00 | 253,771 | 51,368 | Not applicable | A sub-subsidiary of the Corporation |
| | JFTL | B.V.I. | Investment | 78,882 | 73,369 | 2,427,307 | 100.00 | 9,233 | 1,344 | 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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| JFTL | Profit Enterprises Int'l Ltd. | Hong Kong | Barge transportation | $ 5,112 | $ 4,755 | 6,100,000 | 50.00 | $ 6,625 | $ 2,949 | Not applicable | |
| AOG | Perez-Mtec-ACC, LLC | Guam | Ready-mixed concrete | 9,821 | 9,197 | - | 33.33 | 46 | - | Not applicable | |
| | AOC | Guam | Ready-mixed concrete | 260,243 | 243,707 | - | 71.68 | (33,937) | 368 | Not applicable | A sub-subsidiary of the Corporation |
| ACSPL | ACCHC | Cayman | Investment | 654,700 | 613,100 | 63,790,798 | 4.07 | 3,018,652 | (1,337,167) | Not applicable | A subsidiary of the Corporation |
| | Alliance Concrete Singapore Pte. Ltd. | Singapore | Ready-mixed concrete | 168,280 | 162,400 | 6,000,000 | 50.00 | 528,376 | 512,804 | Not applicable | |
| | OCPL | Singapore | Ready-mixed concrete, leasing | 408,680 | 394,400 | 17,000,000 | 100.00 | 310,327 | 9,407 | Not applicable | A sub-subsidiary of the Corporation |
| ACCHC | PIHPL | B.V.I. | Investment | 28,826,867 | 26,995,192 | 9,719,535 | 100.00 | 82,234,054 | (644,335) | Not applicable | A sub-subsidiary of the Corporation |

Note: This is not a company limited by shares.

(Concluded)

# ASIA CEMENT CORPORATION AND SUBSIDIARIES

**INVESTMENT IN MAINLAND CHINA**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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, 2024 | Remittance of Funds | | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 1) | Carrying Amount as of December 31, 2024 | Accumulated Repatriation of Investment Income as of December 31, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Outward | Inward | | | | | | |
| SHYLCP | It manufactures and sells ready-mixed concrete and cement - related products | US$15,000 (equivalent to NT$491,025 thousand) | (2) | US$12,000 (equivalent to NT$392,820 thousand) | $ - | $ - | US$12,000 (equivalent to NT$392,820 thousand) | $ (4,602) | 72.00 | $ (3,316) | $ 86,756 | $ 26,188 |
| JYDC | It manufactures and sells cement, clinker and ready-mixed concrete (including cement - related products). | US$356,104 (equivalent to NT$11,657,064 thousand) | (2) | US$143,817 (equivalent to NT$4,707,849 thousand) | - | - | US$143,817 (equivalent to NT$4,707,849 thousand) | 608,187 | 68.40 | 415,997 | 20,297,615 | 7,992,268 |
| WYDC | It manufactures and sells cement, slag powder and slag cement. | US$36,140 (equivalent to NT$1,183,043 thousand) | (2) | US$26,550 (equivalent to NT$869,114 thousand) | - | - | US$26,550 (equivalent to NT$869,114 thousand) | (37,172) | 72.00 | (26,762) | 2,016,590 | 162,382 |
| SHYFCP | It manufactures and sells ready-mixed concrete and cement - related products | N/A | N/A | US$1,270 (equivalent to NT$41,573 thousand) | - | - | US$1,270 (equivalent to NT$41,573 thousand) | N/A | N/A | N/A | N/A | - |
| OHC | Investment | US$838,793 (equivalent to NT$27,457,889 thousand) | (2) | US$55,000 (equivalent to NT$1,800,425 thousand) | - | - | US$55,000 (equivalent to NT$1,800,425 thousand) | (331,523) | 72.00 | (238,693) | 41,480,924 | 26,483 |
| NYLC | It manufactures and sells ready-mixed concrete and cement - related products | RMB60,000 (equivalent to NT$273,232 thousand) | (2) | - | - | - | - | (20,499) | 68.40 | (14,020) | 425,668 | - |
| NYDC | It manufactures and sells cement, slag powder and slag cement. | RMB90,000 (equivalent to NT$409,847 thousand) | (2) | - | - | - | - | (23,595) | 52.20 | (12,314) | 316,675 | - |
| SIYDCCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$368,340 (equivalent to NT$12,057,610 thousand) | (2) | US$94,594 (equivalent to NT$3,096,535 thousand) | - | - | US$94,594 (equivalent to NT$3,096,535 thousand) | 761,296 | 72.00 | 548,133 | 19,324,970 | 4,208,416 |
| CYCPCL | It manufactures and sells ready-mixed concrete and cement - related products | US$4,100 (equivalent to NT$134,214 thousand) | (2) | US$2,100 (equivalent to NT$68,744 thousand) | - | - | US$2,100 (equivalent to NT$68,744 thousand) | (31,319) | 72.00 | (22,552) | 211,636 | 12,216 |
| JYLTC | Transportation | RMB12,500 (equivalent to NT$56,923 thousand) | (2) | - | - | - | - | 1,706 | 70.13 | 1,196 | 108,163 | - |
| HYDCCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$154,800 (equivalent to NT$5,067,378 thousand) | (2) | US$57,600 (equivalent to NT$1,885,536 thousand) | - | - | US$57,600 (equivalent to NT$1,885,536 thousand) | (884,025) | 72.00 | (636,497) | 5,974,979 | 1,669,456 |
| CYSPC | Slag powder | N/A | N/A | US$980 (equivalent to NT$32,080 thousand) | - | - | US$980 (equivalent to NT$32,080 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$108,026 thousand) | (2) | US$2,970 (equivalent to NT$97,223 thousand) | - | - | US$2,970 (equivalent to NT$97,223 thousand) | 12,106 | 72.00 | 8,713 | 53,116 | - |
| SYTCL | Transportation | US$3,500 (equivalent to NT$114,573 thousand) | (2) | US$3,150 (equivalent to NT$103,115 thousand) | - | - | US$3,150 (equivalent to NT$103,115 thousand) | (8,303) | 72.00 | (5,979) | 140,655 | 32,473 |

(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, 2024 | Remittance of Funds | | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 1) | Carrying Amount as of December 31, 2024 | Accumulated Repatriation of Investment Income as of December 31, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Outward | Inward | | | | | | |
| YYDCCL | Cement, slag powder and ready-mixed concrete (including cement - related products) | US$35,530 (equivalent to NT$1,163,075 thousand) | (2) | US$15,849 (equivalent to NT$518,817 thousand) | $ - | $ - | US$15,849 (equivalent to NT$518,817 thousand) | $ (18,703) | 72.00 | $ (13,465) | $ 1,094,352 | $ 238,620 |
| HGYDC | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$86,170 (equivalent to NT$2,820,775 thousand) | (2) | US$15,350 (equivalent to NT$502,482 thousand) | - | - | US$15,350 (equivalent to NT$502,482 thousand) | 135,516 | 72.00 | 97,573 | 5,001,181 | 909,584 |
| HYTCL | Transportation | RMB13,000 (equivalent to NT$59,200 thousand) | (2) | - | - | - | - | (8,266) | 72.00 | (5,952) | 39,887 | - |
| WYCPCL | It manufactures and sells ready-mixed concrete and cement - related products | RMB60,000 (equivalent to NT$273,232 thousand) | (2) | - | - | - | - | (26,870) | 72.00 | (19,348) | 230,548 | - |
| WYXC | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | RMB90,000 (equivalent to NT$409,847 thousand) | (2) | - | - | - | - | (169,651) | 64.80 | (111,421) | 280,208 | - |
| HZYCCL | It manufactures and sells ready-mixed concrete and cement - related products | RMB30,000 (equivalent to NT$136,616 thousand) | (2) | - | - | - | - | 153 | 28.80 | 45 | 61,996 | - |
| WAMTC | Marine transportation | RMB35,500 (equivalent to NT$161,662 thousand) | (2) | - | - | - | - | 8,217 | 34.20 | 2,951 | 120,359 | - |
| TZOCCL | Cement - related products | US$16,000 (equivalent to NT$523,760 thousand) | (2) | - | - | - | - | 7,955 | 72.00 | 5,442 | 357,683 | - |
| SLCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | RMB600,000 (equivalent to NT$2,732,316 thousand) | (2) | - | - | - | - | 190,466 | 72.00 | 128,112 | 6,544,102 | - |
| SLCCL | Cement - related products | RMB20,000 (equivalent to NT$91,077 thousand) | (2) | - | - | - | - | (7,779) | 72.00 | (5,600) | (95,963) | - |
| YDES | Real estate leasing and management | RMB1,763,425 (equivalent to NT$8,030,391 thousand) | (2) | - | - | - | - | (938,307) | 28.80 | (270,234) | 1,610,714 | - |
| RYNM | Building materials, products and construction waste | RMB2,000 (equivalent to NT$9,108 thousand) | (2) | - | - | - | - | 297,681 | 68.40 | 203,615 | 226,573 | - |
| JRNMC | Mineral resource mining, port management, waterway general goods transportation and construction | RMB10,000 (equivalent to NT$45,539 thousand) | (2) | - | - | - | - | (33,937) | 30.78 | (10,446) | 96,004 | - |
| JYDCCL | It manufactures and sells cement grinding, slag powder, doping powder and other building material products | RMB80,000 (equivalent to NT$364,309 thousand) | (2) | - | - | - | - | 1,002 | 61.20 | 614 | 265,827 | - |
| WYMCL | Building materials, products and construction waste | (Note 6) | (Note 6) | - | - | - | - | N/A | N/A | N/A | N/A | - |

(Continued)

| Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|---|---|
| US$648,051 (Note 3)<br>(Equivalent to NT$21,213,949 thousand) | US$3,424,502<br>(Equivalent to NT$112,101,073 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, 2024, 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, 2024. The foreign currency amount of net income is expressed in New Taiwan dollars at average exchange rate for the year ended December 31, 2024.

Note 6: As of December 31, 2024, the Group has not yet injected capital.

(Concluded)

TABLE 10

## ASIA CEMENT CORPORATION AND SUBSIDIARIES

**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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 | $ 2,566,870 | Based on regular terms | 3 |
| | | | 1 | Accounts receivable | 610,489 | Based on regular terms | - |
| | | ACSPL | 1 | Sales | 505,424 | Based on regular terms | 1 |
| | | YSRMC | 1 | Sales | 228,011 | Based on regular terms | - |
| 1 | NHC | The Corporation | 2 | Sales | 263,623 | Based on regular terms | - |
| 2 | YLT | The Corporation | 2 | Sales | 188,676 | Based on regular terms | - |
| 3 | OIHPL | ACCHC | 2 | Other receivables | 203,703 | Based on regular terms | - |
| 4 | JYDC | YYDCCL | 3 | Sales | 1,494,244 | Based on regular terms | 2 |
| | | ACIHPL | 3 | Other receivables | 976,099 | Based on regular terms | - |
| | | RYNM | 1 | Sales | 638,030 | Based on regular terms | 1 |
| | | TZOCCL | 3 | Sales | 620,810 | Based on regular terms | 1 |
| | | WYDC | 3 | Sales | 253,484 | Based on regular terms | - |
| | | YYDCCL | 3 | Accounts receivable | 155,448 | Based on regular terms | - |
| | | SHYLCP | 3 | Other receivables | 104,838 | Based on regular terms | - |
| 5 | HGYDC | ACCHC | 2 | Other receivables | 1,154,569 | Based on regular terms | - |
| | | JYDC | 3 | Sales | 405,562 | Based on regular terms | 1 |
| | | HYDCCL | 3 | Sales | 248,337 | Based on regular terms | - |
| 6 | HYDCCL | ACCHC | 2 | Other receivables | 1,153,277 | Based on regular terms | - |
| 7 | SIYDCCL | SLCL | 1 | Sales | 422,514 | Based on regular terms | 1 |
| | | SYCPCL | 3 | Other receivables | 205,118 | Based on regular terms | - |
| 8 | WYDC | ACCHC | 2 | Other receivables | 230,795 | Based on regular terms | - |
| 9 | JYLTC | JYDC | 2 | Sales | 199,963 | Based on regular terms | - |
| 10 | SLCL | SLCCL | 1 | Other receivables | 177,769 | Based on regular terms | - |
| 11 | NYDC | JYDC | 2 | Sales | 150,268 | Based on regular terms | - |
| 12 | SYTCL | SLCL | 3 | Sales | 144,434 | Based on regular terms | - |

Note: 1. Parent to subsidiary.
2. Subsidiary to parent.
3. Between subsidiaries.

**TABLE 11**

# ASIA CEMENT CORPORATION

**INFORMATION OF MAJOR SHAREHOLDERS**
**DECEMBER 31, 2024**

| Name of Major Shareholder | Shares | |
|---|---|---|
| | Number of Shares | Percentage of Ownership (%) |
| FENC | 750,511,324 | 21.16 |
| Yuanta/P-shares Taiwan Dividend Plus ETF | 189,027,430 | 5.32 |
| 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

## Parent Company Only Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors’ Report

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Asia Cement Corporation

### Opinion

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

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024 and 2023, 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 Parent Company Only 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 parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only 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 parent company only financial statements for the year ended December 31, 2024 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, 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 parent company only 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 recalculated the fair value of investment properties.

**Other Matter**

As of December 31, 2024 and 2023, 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, 2024 and 2023, the aggregate carrying amount of the equity-method investments in CSCGL was NT$16,376,156 thousand and NT$15,867,704 thousand, representing 6.4% and 6.2%, respectively, of the total assets. For the years ended December 31, 2024 and 2023, the share of profit or loss of CSCGL was NT$(213,179) thousand and NT$(770,763) thousand, representing (1.6%) and (6.8%), respectively, of the profit before income tax.

**Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company only 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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 Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent company only 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 parent company only 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 parent company only 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 parent company only 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 parent company only financial statements, including the disclosures, and whether the parent company only 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 parent company only 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 parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tai, Hsin-Wei and Jui-Chuan Chi.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 17, 2025

*Notice to Readers*

*The accompanying parent company only 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 parent company only financial statements are those generally applied in the Republic of China.*

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

## ASIA CEMENT CORPORATION

**PARENT COMPANY ONLY BALANCE SHEETS**
**DECEMBER 31, 2024 AND 2023**
**(In Thousands of New Taiwan Dollars)**

| | 2024 | | 2023 | |
|---|---|---|---|---|
| **ASSETS** | **Amount** | **%** | **Amount** | **%** |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 6 and 31) | $ 2,205,587 | 1 | $ 3,917,101 | 2 |
| Financial assets at fair value through profit or loss - current (Note 7) | 5,572,998 | 2 | 13,341,659 | 5 |
| Financial assets at fair value through other comprehensive income - current (Note 8) | 2,774,473 | 1 | 2,476,543 | 1 |
| Financial assets at amortized cost - current (Notes 9 and 31) | 5,230,640 | 2 | 4,978,295 | 2 |
| Note receivable - third parties | 119,850 | - | 102,785 | - |
| Trade receivables | | | | |
| Third parties (Note 10) | 570,695 | - | 403,751 | - |
| Related parties (Notes 10 and 31) | 686,995 | 1 | 801,575 | - |
| Other receivables (Note 31) | 289,984 | - | 226,616 | - |
| Inventories (Note 11) | 1,754,638 | 1 | 1,675,436 | 1 |
| Prepayments (Note 31) | 85,475 | - | 166,754 | - |
| Other current assets | 2,287 | - | 2,388 | - |
| Total current assets | 19,293,622 | 8 | 28,092,903 | 11 |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Note 8) | 6,539,154 | 2 | 6,704,087 | 3 |
| Investments accounted for using the equity method (Notes 12, 31 and 32) | 173,997,110 | 68 | 165,320,651 | 65 |
| Property, plant and equipment (Notes 13, 31 and 32) | 5,421,171 | 2 | 5,148,625 | 2 |
| Right-of-use assets (Note 14) | 286,419 | - | 398,019 | - |
| Investment properties (Notes 15 and 32) | 45,443,754 | 18 | 44,149,087 | 17 |
| Intangible assets (Note 16) | 11,104 | - | 6,277 | - |
| Deferred tax assets (Note 26) | 118,834 | - | 161,548 | - |
| Other non-current assets (Notes 17, 22 and 31) | 4,712,548 | 2 | 4,570,221 | 2 |
| Total non-current assets | 236,530,094 | 92 | 226,458,515 | 89 |
| TOTAL | $ 255,823,716 | 100 | $ 254,551,418 | 100 |
| **LIABILITIES AND EQUITY** | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Note 18) | $ 700,000 | 1 | $ - | - |
| Short-term bills payable (Note 19) | 13,361,798 | 5 | 20,312,517 | 8 |
| Contract liabilities - current (Note 24) | 57,630 | - | 104,713 | - |
| Accounts payable and accrued expenses | | | | |
| Third parties | 1,866,705 | 1 | 1,994,710 | 1 |
| Related parties (Note 31) | 194,627 | - | 256,297 | - |
| Dividends and bonuses payable | 253,554 | - | 256,906 | - |
| Current tax liabilities (Note 26) | 258,423 | - | 505,931 | - |
| Lease liabilities - current (Note 14) | 19,129 | - | 91,789 | - |
| Deferred revenue - current (Note 21) | 29,265 | - | 33,152 | - |
| Current portion of long-term liabilities (Note 20) | 18,600,000 | 7 | 10,000,000 | 4 |
| Total current liabilities | 35,341,131 | 14 | 33,556,015 | 13 |
| NON-CURRENT LIABILITIES | | | | |
| Bonds payable (Note 20) | 24,200,000 | 9 | 39,100,000 | 16 |
| Long-term borrowings (Note 20) | 4,010,000 | 2 | 2,060,000 | 1 |
| Provisions - non-current | 83,691 | - | 133,756 | - |
| Deferred tax liabilities (Note 26) | 10,236,357 | 4 | 9,877,033 | 4 |
| Lease liabilities - non-current (Note 14) | 19,453 | - | 38,581 | - |
| Deferred revenue - non-current (Note 21) | 557,741 | - | 587,006 | - |
| Other non-current liabilities | 27,896 | - | 29,131 | - |
| Total non-current liabilities | 39,135,138 | 15 | 51,825,507 | 21 |
| Total liabilities | 74,476,269 | 29 | 85,381,522 | 34 |
| EQUITY (Note 23) | | | | |
| Share capital | 35,465,629 | 14 | 35,465,629 | 14 |
| Capital surplus | 8,239,344 | 3 | 8,574,119 | 3 |
| Retained earnings | | | | |
| Legal reserve | 23,671,390 | 9 | 22,558,401 | 9 |
| Special reserve | 66,329,134 | 26 | 66,660,987 | 26 |
| Unappropriated earnings | 34,444,618 | 14 | 28,691,020 | 11 |
| Total retained earnings | 124,445,142 | 49 | 117,910,408 | 46 |
| Other equity | 13,197,332 | 5 | 7,219,740 | 3 |
| Total equity | 181,347,447 | 71 | 169,169,896 | 66 |
| TOTAL | $ 255,823,716 | 100 | $ 254,551,418 | 100 |

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

(With Deloitte & Touche auditors' report dated March 17, 2025)

# ASIA CEMENT CORPORATION

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

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| OPERATING REVENUE (Notes 24 and 31) | $ 10,972,740 | 100 | $ 11,140,246 | 100 |
| OPERATING COSTS (Notes 11, 24, 25 and 31) | 9,085,830 | 83 | 9,291,434 | 83 |
| GROSS PROFIT | 1,886,910 | 17 | 1,848,812 | 17 |
| REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES | 2,110 | - | (4,089) | - |
| REALIZED GROSS PROFIT | 1,889,020 | 17 | 1,844,723 | 17 |
| OPERATING EXPENSES | | | | |
| Administrative expenses (Notes 25 and 31) | 593,693 | 5 | 610,194 | 6 |
| Expected credit (gain) loss (Note 10) | (3,639) | - | 2,582 | - |
| Total operating expenses | 590,054 | 5 | 612,776 | 6 |
| OPERATING INCOME | 1,298,966 | 12 | 1,231,947 | 11 |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Other income (Note 25) | 1,084,575 | 10 | 1,020,343 | 9 |
| Other gains and losses (Note 25) | 2,931,974 | 27 | 2,271,171 | 20 |
| Finance costs (Note 25) | (723,234) | (7) | (641,785) | (6) |
| Share of profit of subsidiaries and associates | 8,723,431 | 79 | 7,024,008 | 63 |
| Interest income | 360,397 | 3 | 378,648 | 4 |
| Total non-operating income and expenses | 12,377,143 | 112 | 10,052,385 | 90 |
| PROFIT BEFORE INCOME TAX | 13,676,109 | 124 | 11,284,332 | 101 |
| INCOME TAX EXPENSE (Note 26) | 786,381 | 7 | 401,506 | 3 |
| NET INCOME FOR THE YEAR | 12,889,728 | 117 | 10,882,826 | 98 |

(Continued)

## ASIA CEMENT CORPORATION

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

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| OTHER COMPREHENSIVE INCOME, NET | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Unrealized valuation gain on investments in equity instruments at fair value through other comprehensive income | $ 132,997 | 1 | $ 1,077,198 | 10 |
| Remeasurement of defined benefit plans | 82,043 | 1 | 70,454 | - |
| Share of other comprehensive income of subsidiaries and associates | 548,728 | 5 | 3,233,211 | 29 |
| | 763,768 | 7 | 4,380,863 | 39 |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Share of other comprehensive income (loss) of subsidiaries and associates | 6,339,781 | 58 | (1,308,896) | (12) |
| Other comprehensive income for the year, net of income tax | 7,103,549 | 65 | 3,071,967 | 27 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | $ 19,993,277 | 182 | $ 13,954,793 | 125 |
| EARNINGS PER SHARE (Note 27) | | | | |
| Basic | $ 3.86 | | $ 3.28 | |
| Diluted | $ 3.85 | | $ 3.28 | |

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

(With Deloitte & Touche auditors' report dated March 17, 2025) (Concluded)

## ASIA CEMENT CORPORATION

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

| | Share Capital Issued | | | Retained Earnings | | | Other Equity | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | Gain on Property Revaluation | Cash Flow Hedges | Total | Total Equity |
| BALANCE AT JANUARY 1, 2023 | 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 | 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 |
| Appropriation of 2023 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,112,989 | - | (1,112,989) | - | - | - | - | - | - |
| Special reserve | - | - | - | - | 1,025,861 | (1,025,861) | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | - | (7,447,782) | - | - | - | - | - | (7,447,782) |
| Net profit for the year ended December 31, 2024 | - | - | - | - | - | 12,889,728 | - | - | - | - | - | 12,889,728 |
| Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax | - | - | - | - | - | 158,056 | 6,327,922 | 646,018 | (23,980) | (4,467) | 6,945,493 | 7,103,549 |
| Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method | - | - | (335,698) | - | - | - | - | - | - | - | - | (335,698) |
| Actual acquisition of interests in subsidiaries | - | - | 923 | - | - | (29) | - | - | - | - | - | 894 |
| Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates | - | - | - | - | - | 687,854 | - | (687,854) | - | - | (687,854) | - |
| Other changes in equity from investments in subsidiaries and associates accounted for using the equity method | - | - | - | - | - | 246,907 | - | - | (280,047) | - | (280,047) | (33,140) |
| Special reserve reversed | - | - | - | - | (1,357,714) | 1,357,714 | - | - | - | - | - | - |
| BALANCE AT DECEMBER 31, 2024 | 3,546,563 | $ 35,465,629 | $ 8,239,344 | $ 23,671,390 | $ 66,329,134 | $ 34,444,618 | $ 1,909,916 | $ 9,340,495 | $ 1,893,293 | $ 53,628 | $ 13,197,332 | $ 181,347,447 |

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

(With Deloitte & Touche auditors' report dated March 17, 2025)

# ASIA CEMENT CORPORATION

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

| | 2024 | 2023 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | $ 13,676,109 | $ 11,284,332 |
| Adjustments for: | | |
| Depreciation expenses | 614,346 | 486,824 |
| Amortization expenses | 1,949 | 1,334 |
| Expected credit (reversed) loss recognized on trade receivables | (3,639) | 2,582 |
| Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss | (1,117,124) | (1,072,577) |
| Finance costs | 723,234 | 641,785 |
| Interest income | (360,397) | (378,648) |
| Dividend income | (787,003) | (848,823) |
| Share of profit of subsidiaries and associates | (8,723,431) | (7,024,008) |
| Gain on disposal of property, plant and equipment | (7) | (2,975) |
| Gain on disposal of investments accounted for using equity method | (232,933) | - |
| (Realized) unrealized on transactions with subsidiaries and associates | (2,110) | 4,089 |
| Unrealized (gain) loss on foreign exchange | (490,805) | 52,061 |
| Gain on changes in fair value of investment properties | (1,292,123) | (839,686) |
| 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 | 8,885,785 | (10,027,610) |
| Notes receivable | (17,065) | (23,869) |
| Trade receivables | (44,918) | (132,025) |
| Other receivables | (10,998) | (69,503) |
| Inventories | (86,622) | (34,345) |
| Prepayments | 108,328 | (31,103) |
| Other current assets | 101 | (1,031) |
| Net defined benefit assets | (38,971) | (49,177) |
| Contract liabilities | (47,083) | (36,159) |
| Accounts payable and accrued expenses | (149,727) | 200,520 |
| Provisions | (50,065) | 60,440 |
| Deferred revenue | (33,152) | (75,911) |
| Cash generated from (used in) operations | 10,521,679 | (8,761,386) |
| Interest received | 308,027 | 379,950 |
| Dividends received | 6,006,008 | 7,848,917 |
| Interest paid | (719,220) | (591,197) |
| Income tax paid | (652,362) | (574,877) |
| Net cash generated from (used in) operating activities | 15,464,132 | (1,698,593) |

(Continued)

# ASIA CEMENT CORPORATION

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

| | 2024 | 2023 |
|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of financial assets at amortized cost | $ - | $ (151,131) |
| Proceeds from sale of financial assets at amortized cost | 62,662 | - |
| Proceeds from sale of associates | 1,592,491 | - |
| Proceeds from capital reduction of investments accounted for using equity method | - | 567,841 |
| Payments for property, plant and equipment | (832,989) | (1,108,193) |
| Proceeds from disposal of property, plant and equipment | 22 | 11,768 |
| Increase in refundable deposits | (802) | (3,766) |
| Payments for intangible assets | (6,776) | (4,766) |
| Payments for investment properties | (2,544) | (1,367) |
| Proceeds from the sale of derivatives held for non-trading purposes | - | 48,500 |
| Net cash generated from (used in) investing activities | 812,064 | (641,114) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase (decrease) in short-term bank borrowings | 700,000 | (500,000) |
| (Decrease) increase in short-term bills payable | (6,960,000) | 3,880,000 |
| Proceeds from issuance of bonds | 3,700,000 | 4,000,000 |
| Repayments of issuance of bonds | (10,000,000) | - |
| Proceeds from long-term borrowings | 6,130,000 | 2,460,000 |
| Repayments of long-term borrowings | (4,180,000) | (400,000) |
| (Decrease) increase in guarantee deposits received | (1,235) | 656 |
| Repayment of the principal portion of lease liabilities | (91,788) | (90,727) |
| Dividends paid | (7,447,762) | (8,155,562) |
| Acquisition of additional interests in subsidiaries | (8,916) | (754) |
| Net cash (used in) generated from financing activities | (18,159,701) | 1,193,613 |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES | 171,991 | (22,070) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (1,711,514) | (1,168,164) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 3,917,101 | 5,085,265 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | $ 2,205,587 | $ 3,917,101 |

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

(With Deloitte & Touche auditors’ report dated March 17, 2025) (Concluded)

# ASIA CEMENT CORPORATION

**NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS**
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**
**(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.

The parent company only financial statements are presented in the Corporation's functional currency, the New Taiwan dollar.

## 2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Corporation's board of directors and authorized for issue on March 11, 2025.

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

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

   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 2025

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

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

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

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

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

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

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

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

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Corporation is continuously assessing the other impacts of the above amended 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 the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

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.

<u>Financial assets</u>

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, debt instruments at amortized cost and refundable deposits, 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.

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 or directly recognized in equity, in which case, the current tax and deferred tax are also recognized in other comprehensive income or directly recognized in equity, 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 | |
|---|---|---|
| | **2024** | **2023** |
| Checking accounts and demand deposits | $ 1,238,798 | $ 1,363,630 |
| Petty cash | 790 | 790 |
| Cash on hand | 369 | 346 |
| Cash equivalents (investments with original maturities of 3 months or less) | | |
| Time deposits | 634,068 | 2,241,388 |
| Repurchase agreements collateralized by bonds | 331,562 | 310,947 |
| | $ 2,205,587 | $ 3,971,101 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Time deposits | 2.05%-4.74% | 2.72%-5.58% |
| Repurchase agreements collateralized by bonds | 4.80% | 5.58% |

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Financial assets mandatorily classified as at FVTPL | | |
| Non-derivative financial assets | | |
| Beneficiary certificates | $ 753,071 | $ 730,167 |
| Domestic and overseas listed shares | 4,819,927 | 12,611,492 |
| | $ 5,572,998 | $ 13,341,659 |

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.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | December 31 | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Current | Non-current | Current | Non-current |
| Domestic investments | | | | |
| Listed shares | $ 2,774,473 | $ 5,536,927 | $ 2,476,543 | $ 5,759,834 |
| Unlisted shares | - | 915,268 | - | 856,770 |
| | 2,774,473 | 6,452,195 | 2,476,543 | 6,616,604 |
| Overseas investments | | | | |
| Unlisted shares | - | 86,959 | - | 87,483 |
| | $ 2,774,473 | $ 6,539,154 | $ 2,476,543 | $ 6,704,087 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Time deposits with original maturities of more than 3 months | $ 5,230,640 | $ 4,978,295 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| At amortized cost | | |
| Trade receivables - sales | $ 1,138,395 | $ 1,107,497 |
| Operating lease receivable | 123,542 | 105,715 |
| Less: Allowance for impairment loss - sales | (4,247) | (7,886) |
| | $ 1,257,690 | $ 1,205,326 |

**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, 2024

| | Up to 90 Days | 91 to 180 Days | 181 to 365 Days | Over 366 Days | Total |
|---|---|---|---|---|---|
| Gross carrying amount | $ 1,138,395 | $ - | $ - | $ - | $ 1,138,395 |
| Loss allowance (lifetime ECLs) | (4,247) | - | - | - | (4,247) |
| Amortized cost | $ 1,134,148 | $ - | $ - | $ - | $ 1,134,148 |

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) | (7,886) | - | - | - | (7,886) |
| Amortized cost | $ 1,099,611 | $ - | $ - | $ - | $ 1,099,611 |

The above aging schedule was based on the invoice date.

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

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 7,886 | $ 5,304 |
| Add: Net remeasurement of loss allowance | - | 2,582 |
| Less: Reversal of impairment losses recognized on receivables | (3,639) | - |
| Balance at December 31 | $ 4,247 | $ 7,886 |

## 11. INVENTORIES

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Finished goods | $ 254,976 | $ 209,571 |
| Work in progress | 581,462 | 461,419 |
| Raw materials | 540,919 | 548,618 |
| Supplies | 377,281 | 455,828 |
| | $ 1,754,638 | $ 1,675,436 |

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 was $8,927,058 thousand and $9,127,411 thousand, respectively.

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Investments in subsidiaries | $ 106,177,040 | $ 99,649,374 |
| Investments in associates | 71,847,047 | 69,214,965 |
| | 178,024,087 | 168,864,339 |
| Less: Effect of investment properties at fair value method | 4,026,977 | 3,543,688 |
| | $ 173,997,110 | $ 165,320,651 |

a. Investments in subsidiaries

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Listed shares | | |
| Asia Cement (China) Holdings Corp. (ACCHC) | $ 50,234,221 | $ 48,798,708 |
| Unlisted shares | | |
| Der Ching Investment Corp. (DCI) | 17,891,679 | 16,594,311 |
| Chiahui Power Corp. (CHP) | 11,539,552 | 10,902,935 |
| Asia Investment Corp. (AIC) | 7,923,166 | 7,002,990 |
| Asia Cement (Singapore) Pte. Ltd. (ACSPL) | 6,965,985 | 6,210,676 |
| Ya Tung Ready-Mixed Concrete Corp. (YTRMC) | 5,740,198 | 4,807,572 |
| Yuan Long Stainless Steel Corp. (YLSS) | 2,515,485 | 2,379,045 |
| Fu Ming Transport Corp. (FMT) | 2,098,331 | 1,852,992 |
| Nan Hwa Cement Corp. (NHC) | 396,898 | 340,402 |
| Yali Transport Corp. (YLT) | 330,841 | 294,518 |
| Ya Li Precast and Prestressed Concrete Industries Corp. (YLPPC) | 253,348 | 223,867 |
| Asia Engineering Corp. (AEE) | 210,158 | 177,896 |
| Sunrise Industrial Holdings Ltd. (SIHL) | 77,178 | 63,462 |
| | 55,942,819 | 50,850,666 |
| | $ 106,177,040 | $ 99,649,374 |

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 2024 | December 31 2023 |
|---|---|---|
| ACCHC | 67.73% | 67.73% |
| DCI | 99.99% | 99.99% |
| CHP | 99.79% | 99.70% |
| AIC | 100.00% | 100.00% |
| ACSPL | 100.00% | 100.00% |
| YTRMC | 99.99% | 99.99% |
| YLSS | 100.00% | 100.00% |
| FMT | 99.96% | 99.95% |
| NHC | 99.98% | 99.98% |
| YLT | 51.61% | 51.61% |
| YLPPC | 83.97% | 83.97% |
| AEE | 99.93% | 99.93% |
| SIHL | 100.00% | 100.00% |

For the year ended December 31, 2024, the Corporation acquired non-controlling interests in its subsidiaries, including FMT, and CHP. Refer to Note 28 for the details.

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.

Fair values (Level 1) of investments in subsidiaries with available published price quotation are summarized as follows:

| Name of Subsidiary | December 31 2024 | December 31 2023 |
|---|---|---|
| ACCHC | $ 10,498,670 | $ 10,095,877 |

b. Investment in associates

| | December 31 2024 | December 31 2023 |
|---|---|---|
| Material associates | | |
| Listed shares | | |
| Far Eastern New Century Corporation (FENC) | $ 40,449,957 | $ 40,923,992 |
| U-Ming Marine Transport Corp. (U-Ming) | 15,880,864 | 13,226,464 |
| CSCGL | 7,148,052 | 6,926,148 |
| | 63,478,873 | 61,076,604 |

(Continued)

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates that are not individually material | | |
| Unlisted shares | | |
| Yuan Ding Leasing Corp. (YDC) | $ 3,249,420 | $ 3,210,877 |
| Yue Yuan Investment Corp. (YYI) | 2,619,272 | 2,536,323 |
| Oriental Securities Corp. (OSC) | 1,411,451 | 1,323,421 |
| FEDS Development Ltd. (FEDSDL) | 602,056 | 588,630 |
| Yuan Ding Leasing Corp. (YDLC) | 388,203 | 383,596 |
| Everstrong Iron & Steel Foundry Ltd. (EISF) | 97,772 | 95,514 |
| | 8,368,174 | 8,138,361 |
| | $ 71,847,047 | $ 69,214,965 |

(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** | **2024** | **2023** |
| FENC | 22.92% | 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 22.92% 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, 2024 and 2023, 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** | **2024** | **2023** |
| FENC | $ 38,771,465 | $ 39,695,045 |
| U-Ming | $ 19,271,837 | $ 17,281,630 |
| CSCGL | $ 681,705 | $ 724,636 |

2) The summarized financial information in respect of the Corporation's material associates is set out below:

FENC:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | $ 33,699,350 | $ 31,246,560 |
| Non-current assets | 348,219,617 | 338,807,084 |
| Current liabilities | 26,834,103 | 23,020,673 |
| Non-current liabilities | 121,355,035 | 121,845,358 |
| Equity | 233,729,829 | 225,187,613 |
| Proportion of the Corporation's ownership | 22.92% | 23.77% |
| Equity attributable to the Corporation | 53,570,877 | 53,527,096 |
| Cross shareholdings | (13,120,920) | (12,603,104) |
| Carrying amount | $ 40,449,957 | $ 40,923,992 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | $ 43,554,473 | $ 42,846,673 |
| Net profit for the year | $ 10,031,844 | $ 8,229,199 |
| Other comprehensive income | 6,112,163 | 5,314,942 |
| Total comprehensive income for the year | $ 16,144,007 | $ 13,544,141 |
| Dividends received from FENC | $ 1,717,574 | $ 1,717,574 |

U-Ming:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | $ 2,746,006 | $ 2,728,912 |
| Non-current assets | 68,314,747 | 61,073,332 |
| Current liabilities | 10,171,647 | 13,783,807 |
| Non-current liabilities | 20,428,306 | 16,320,438 |
| Equity | 40,460,800 | 33,697,999 |
| Proportion of the Corporation's ownership | 39.25% | 39.25% |
| Carrying amount | $ 15,880,864 | $ 13,226,464 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | $ 1,820,284 | $ 1,873,771 |
| Net profit for the year | $ 4,681,466 | $ 2,738,915 |
| Other comprehensive income | 4,126,932 | 788,491 |
| Total comprehensive income for the year | $ 8,808,398 | $ 3,527,406 |
| Dividends received from U-Ming | $ 796,083 | $ 995,103 |

CSCGL and its subsidiaries:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current assets | $ 36,659,652 | $ 36,633,583 |
| Non-current assets | 100,919,326 | 96,701,864 |
| Current liabilities | 42,138,060 | 46,461,911 |
| Non-current liabilities | 12,596,159 | 7,074,231 |
| Non-controlling interests | 75,407 | 318,898 |
| Equity attributable to CSCGL | 82,769,352 | 79,480,407 |
| Proportion of the Corporation's ownership | 7.62% | 7.62% |
| Equity attributable to the Corporation | 6,337,059 | 6,058,549 |
| Goodwill | 810,993 | 810,993 |
| Quarry right | - | 56,606 |
| Carrying amount | $ 7,148,052 | $ 6,926,148 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenue | $ 65,471,998 | $ 79,992,726 |
| Net loss for the year | $ (852,998) | $ (4,637,360) |
| Other comprehensive (loss) income | (59,016) | 379,790 |
| Total comprehensive loss for the year | $ (912,014) | $ (4,257,570) |

3) Aggregate information of associates that are not individually material

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| The Corporation's share of: | | |
| Profit for the year | $ 342,024 | $ 243,991 |
| Other comprehensive income | 132,292 | 201,385 |
| Total comprehensive income for the year | $ 474,316 | $ 445,376 |

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, 2024 and 2023 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 |
|---|---|---|---|---|---|---|
| Cost | | | | | | |
| Balance at January 1, 2024 | $ 2,774,304 | $ 4,208,428 | $ 17,143,269 | $ 6,867,650 | $ 853,237 | $ 31,846,888 |
| Additions | - | - | 28,301 | 123,389 | 623,617 | 775,307 |
| Disposals | - | (28,462) | (329,923) | (10,785) | - | (369,170) |
| Transferred from completed construction | - | - | 218,646 | 346,019 | (564,665) | - |
| Balance at December 31, 2024 | 2,774,304 | 4,179,966 | 17,060,293 | 7,326,273 | 912,189 | 32,253,025 |
| Accumulated depreciation and impairment | | | | | | |
| Balance at January 1, 2024 | - | 3,864,796 | 16,823,682 | 6,009,785 | - | 26,698,263 |
| Disposals | - | (28,462) | (329,923) | (10,770) | - | (369,155) |
| Depreciation expense | - | 34,449 | 147,565 | 320,732 | - | 502,746 |
| Balance at December 31, 2024 | - | 3,870,783 | 16,641,324 | 6,319,747 | - | 26,831,854 |
| Carrying amounts at December 31, 2024 | $ 2,774,304 | $ 309,183 | $ 418,969 | $ 1,006,526 | $ 912,189 | $ 5,421,171 |
| Cost | | | | | | |
| 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 | 2,774,304 | 4,208,428 | 17,143,269 | 6,867,650 | 853,237 | 31,846,888 |
| Accumulated depreciation and impairment | | | | | | |
| 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 | - | 3,864,796 | 16,823,682 | 6,009,785 | - | 26,698,263 |
| Carrying amounts at December 31, 2023 | $ 2,774,304 | $ 343,632 | $ 319,587 | $ 857,865 | $ 853,237 | $ 5,148,625 |

No impairment assessment was performed for the years ended December 31, 2024 and 2023 as there was no indication of impairment.

As of December 31, 2024, 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 | |
|---|---|---|
| | 2024 | 2023 |
| Carrying amounts | | |
| Land | $ 13,689 | $ 18,807 |
| Buildings | 248,248 | 288,270 |
| Equipment | 24,482 | 90,942 |
| | $ 286,419 | $ 398,019 |

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Additions to right-of-use assets | $ - | $ 45,285 |
| Depreciation charge for right-of-use assets | | |
| Land | $ 5,118 | $ 5,077 |
| Buildings | 40,022 | 40,022 |
| Equipment | 66,460 | 66,570 |
| | $ 111,600 | $ 111,669 |

b. Lease liabilities

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Carrying amounts | | |
| Current | $ 19,129 | $ 91,789 |
| Non-current | $ 19,453 | $ 38,581 |

Range of discount rate for lease liabilities was as follows:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Land | 1.30%-1.73% | 1.30%-1.73% |
| Buildings | 1.32% | 1.32% |
| Equipment | 1.32%-1.73% | 1.32%-1.73% |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Expenses relating to short-term leases | $ 95,732 | $ 95,458 |
| Expenses relating to low-value asset leases | $ 51 | $ 51 |
| Total cash outflow for leases | $ 188,675 | $ 187,927 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Measured at fair value | | |
| Leased investment properties | $ 33,982,643 | $ 33,021,826 |
| Unleased investment properties | 11,461,111 | 11,127,261 |
| | $ 45,443,754 | $ 44,149,087 |

The movements of investment property were as follows:

| | Leased Investment Properties | Unleased Investment Properties | Total |
|---|---|---|---|
| Balance at January 1, 2024 | $ 33,021,826 | $ 11,127,261 | $ 44,149,087 |
| Changes in fair value of investment properties | 1,144,273 | 147,850 | 1,292,123 |
| Additions | 2,544 | - | 2,544 |
| Reclassification | (186,000) | 186,000 | - |
| Balance at December 31, 2024 | $ 33,982,643 | $ 11,461,111 | $ 45,443,754 |
| 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 | (4,971,500) | 4,971,500 | - |
| Balance at December 31, 2023 | $ 33,021,826 | $ 11,127,261 | $ 44,149,087 |

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. YDC's land use rights expired on March 30, 2024, and it changed to lease 38% of the land held by the Corporation and FERD, respectively, with a lease term ending on March 31, 2034. YDC is still entrusted in the operation and management of Taipei Metro, and the Corporation, FERD, and YDC recognize 12%, 12% and 76% of the operating results, respectively, based on their respective ownership of land and buildings.

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 demolished in 2024 and scheduled for reconstruction.

The Corporation's unleased investment properties included a parcel of land located in Lin-Ya, Kaohsiung, and Yanping South Road, Taipei, land and buildings on Chenggong Road, Tainan and Zhongshan Road, Chiayi.

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, 2024 and 2023 were determined by qualified professional appraisers, Mr. Chang from Savills (Taiwan) Limited on February 18, 2025 and February 29, 2024, respectively, and Mr. Tsai and Ms. Hu from DTZ real estate appraisers firm on February 18, 2025 and February 17, 2024, respectively.

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

| | Leased Investment Properties | Unleased Investment Properties | Total |
|---|---|---|---|
| Balance at January 1, 2024 | $ 33,021,826 | $ 11,127,261 | $ 44,149,087 |
| Recognized in profit or loss (gain or loss from changes in fair value of investment property) | 1,144,273 | 147,850 | 1,292,123 |
| Purchases | 2,544 | - | 2,544 |
| Transfers into Level 3 | (186,000) | 186,000 | - |
| Balance at December 31, 2024 | $ 33,982,643 | $ 11,461,111 | $ 45,443,754 |
| 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 | (4,971,500) | 4,971,500 | - |
| Balance at December 31, 2023 | $ 33,021,826 | $ 11,127,261 | $ 44,149,087 |

The fair value measurement of unleased 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 | |
|---|---|---|
| | 2024 | 2023 |
| Estimated total selling price | $ 44,124,717 | $ 42,225,686 |
| Rate of return | 16%-22% | 16%-22% |
| Overall capital interest rate | 6.75%-6.92% | 6.41%-6.67% |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Expected future cash inflows | $ 43,820,356 | $ 42,252,224 |
| Expected future cash outflows | 1,518,328 | 1,484,916 |
| Expected future cash inflows, net | $ 42,302,028 | $ 40,767,308 |
| Discount rate | 2.47%-4.90% | 2.47%-4.90% |

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, 2024 and 2023 was $535,660 thousand and $417,422 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, 2024 and 2023, the risk premiums were 0.00%-2.43% and 0.13%-2.55%, 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 | |
|---|---|---|
| | **2024** | **2023** |
| Computer software | $ 11,104 | $ 6,277 |

| | **Computer Software** |
|---|---|
| Cost | |
| Balance at January 1, 2024 | $ 115,206 |
| Additions | 6,776 |
| Balance at December 31, 2024 | 121,982 |
| Accumulated amortization and impairment | |
| Balance at January 1, 2024 | 108,929 |
| Amortization expense | 1,949 |
| Balance at December 31, 2024 | 110,878 |
| Carrying amounts at December 31, 2024 | $ 11,104 |

(Continued)

| | Computer Software |
|---|---|
| Cost | |
| Balance at January 1, 2023 | $ 109,716 |
| Additions | 4,766 |
| Transferred from property under construction | 750 |
| Disposals | (26) |
| Balance at December 31, 2023 | 115,206 |
| Accumulated amortization and impairment | |
| Balance at January 1, 2023 | 107,621 |
| Amortization expense | 1,334 |
| Disposals | (26) |
| Balance at December 31, 2023 | 108,929 |
| Carrying amounts at December 31, 2023 | $ 6,277 |

(Concluded)

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 3 to 5 years.

## 17. OTHER ASSETS - NON-CURRENT

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Net defined benefit assets (Note 22) | $ 3,278,268 | $ 3,136,743 |
| Prepaid investments | 1,294,905 | 1,294,905 |
| Refundable deposits | 139,244 | 138,442 |
| Others | 131 | 131 |
| | $ 4,712,548 | $ 4,570,221 |

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. 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, 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 (first 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 first arbitral proceedings. On May 17, 2018, the High Court of Hong Kong set aside the order before the final award of the first arbitration. The first 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 was scheduled to be heard in the Hong Kong Court of Appeal on April 30, 2024. However, on March 12, 2024, Chan Hongqing requested to withdraw his application for appeal. On March 14, 2024, the Hong Kong Court of Appeal dismissed Chan Hongqing's application for appeal and the associated hearing and ordered Chan Hongqing to pay the Company related litigation expenses.

However, on May 30, 2022, Chan Hongqing reapplied for arbitration ("second arbitration") with the Arbitration Committee in Beijing, requesting the other four shareholders of CSI to comply with the pledge and guarantee agreements related to CSI shares. On January 27 and February 17, 2025, the Arbitration Committee issued orders prohibiting three of the four CSI shareholders from transferring their registered shares to the Company without Chan Hongqing's written consent until the end of the second arbitration. Subsequently, on February 4 and February 18, 2025, the Hong Kong High Court, upon Chan Hongqing's request, issued orders enforcing these interlocutory reliefs in Hong Kong. The registration of the share transfer for the four CSI shareholders still requires completion.

## 18. SHORT-TERM BORROWINGS

| | December 31, 2024 |
|---|---|
| Unsecured | $ 700,000 |
| Interest rate | 1.80% |
| Final repayment date: | |
| Unsecured | 2025.02.10 |

## 19. SHORT-TERM BILLS PAYABLE

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Commercial paper | $ 13,370,000 | $ 20,330,000 |
| Less: Unamortized discounts on bills payable | 8,202 | 17,483 |
| | $ 13,361,798 | $ 20,312,517 |
| Interest rate | 1.77%-1.90% | 1.43%-1.62% |

## 20. LONG-TERM LIABILITIES

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Bank loans | $ 4,010,000 | $ 2,060,000 |
| Bonds | | |
| Domestic bonds | | |
| 1st unsecured bonds issued in 2019 | - | 6,500,000 |
| 2nd unsecured bonds issued in 2019 | - | 3,500,000 |
| 1st unsecured bonds issued in 2020 | 7,700,000 | 7,700,000 |
| 2nd unsecured bonds issued in 2020-A | 2,800,000 | 2,800,000 |
| 2nd unsecured bonds issued in 2020-B | 2,700,000 | 2,700,000 |
| 3rd unsecured bonds issued in 2020-A | 4,000,000 | 4,000,000 |
| 3rd unsecured bonds issued in 2020-B | 2,200,000 | 2,200,000 |
| 4th unsecured bonds issued in 2020-A | 4,100,000 | 4,100,000 |
| 4th unsecured bonds issued in 2020-B | 5,300,000 | 5,300,000 |
| 1st unsecured bonds issued in 2021 | 6,300,000 | 6,300,000 |
| 1st unsecured bonds issued in 2023 | 4,000,000 | 4,000,000 |
| 1st unsecured bonds issued in 2024-A | 1,800,000 | - |
| 1st unsecured bonds issued in 2024-B | 1,900,000 | - |
| | 42,800,000 | 49,100,000 |
| | 46,810,000 | 51,160,000 |
| Less: Current portion | 18,600,000 | 10,000,000 |
| | $ 28,210,000 | $ 41,160,000 |

a. Bank loans are repayable in installments at varying amounts or in one lump-sum payment prior to December 17, 2026. The Corporation has signed long-term revolving credit facilities with banks. As of December 31, 2024 and 2023, interest rate intervals were 1.79%-1.95% and 1.65%-1.66%.

b. Domestic bonds are repayable in installments at varying amounts or in one lump-sum on maturity prior to April 26, 2031. As of December 31, 2024 and 2023, interest rates were 0.57%-1.77% and 0.57%-1.60%, respectively.

c. 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 | |
|---|---|---|
| | 2024 | 2023 |
| Land use right | $ 493,086 | $ 518,412 |
| Others | 93,920 | 101,746 |
| | $ 587,006 | $ 620,158 |
| Current | $ 29,265 | $ 33,152 |
| Non-current | 557,741 | 587,006 |
| | $ 587,006 | $ 620,158 |

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. The land use rights expired on March 30, 2024.

## 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 | |
|---|---|---|
| | 2024 | 2023 |
| Present value of defined benefit obligation | $ 489,913 | $ 529,862 |
| Fair value of plan assets | (3,768,181) | (3,666,605) |
| Surplus | (3,278,268) | (3,136,743) |
| Net defined benefit asset | $ (3,278,268) | $ (3,136,743) |

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, 2024 | $ 529,862 | $ (3,666,605) | $ (3,136,743) |
| Service cost | | | |
| Current service cost | 2,213 | - | 2,213 |
| Net interest expense (income) | 6,623 | (45,832) | (39,209) |
| Recognized in profit or loss | 8,836 | (45,832) | (36,996) |
| Remeasurement | | | |
| Return on plan assets (excluding amounts included in net interest) | - | (100,623) | (100,623) |
| Actuarial gain - changes in financial assumptions | (11,663) | - | (11,663) |
| Actuarial loss - experience adjustments | 9,732 | - | 9,732 |
| Recognized in other comprehensive income | (1,931) | (100,623) | (102,554) |
| Benefits paid | (46,854) | 44,879 | (1,975) |
| Balance at December 31, 2024 | $ 489,913 | $ (3,768,181) | $ (3,278,268) |
| Balance at January 1, 2023 | $ 609,989 | $ (3,609,487) | $ (2,999,498) |
| Service cost | | | |
| Current service cost | 2,777 | - | 2,777 |
| Net interest expense (income) | 7,625 | (45,119) | (37,494) |
| Recognized in profit or loss | 10,402 | (45,119) | (34,717) |
| Remeasurement | | | |
| Return on plan assets (excluding amounts included in net interest) | - | (80,535) | (80,535) |
| Actuarial gain - experience adjustments | (7,533) | - | (7,533) |
| Recognized in other comprehensive income | (7,533) | (80,535) | (88,068) |
| Benefits paid | (82,996) | 68,536 | (14,460) |
| Balance at December 31, 2023 | $ 529,862 | $ (3,666,605) | $ (3,136,743) |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Discount rates | 1.60% | 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 | |
|---|---|---|
| | **2024** | **2023** |
| Discount rate | | |
| 0.25% increase | $ (8,073) | $ (9,483) |
| 0.25% decrease | $ 8,287 | $ 9,747 |
| Expected rate of salary increase/decrease | | |
| 1.00% increase | $ 33,835 | $ 39,728 |
| 1.00% decrease | $ (31,109) | $ (36,355) |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Equity instruments | 73.11 | 75.10 |
| Deposited in financial institutions | 22.09 | 20.33 |
| Others | 4.80 | 4.57 |
| | 100.00 | 100.00 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Expected contributions to the plan for the next year | $ - | $ - |
| Average duration of the defined benefit obligation | 7.4 years | 7.9 years |

## 23. EQUITY

a. Share capital

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Number of shares authorized (in thousands) | 4,000,000 | 4,000,000 |
| Shares authorized | $ 40,000,000 | $ 40,000,000 |
| Number of shares issued and fully paid (in thousands) | 3,546,563 | 3,546,563 |
| Shares issued | $ 35,465,629 | $ 35,465,629 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| 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 | 4,704,190 |
| The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition or disposal | 57,115 | 56,192 |
| Changes in ownership interests in subsidiaries | 6 | 6 |
| Change of capital surplus of subsidiaries and associates accounted for using the equity method (2) | 1,644,276 | 1,759,766 |
| | 6,447,377 | 6,561,944 |
| May be used to offset a deficit only | | |
| Change of capital surplus of subsidiaries and associates accounted for using the equity method (3) | 1,650,927 | 1,735,502 |
| May not be used for any purpose | | |
| Change of capital surplus of subsidiaries and associates accounted for using the equity method | 141,040 | 276,673 |
| | $ 8,239,344 | $ 8,574,119 |

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 and treasury shares transactions 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 2023 and 2022 respectively, were as follows:

| | Appropriation of Earnings For the Year Ended December 31 | |
|---|---|---|
| | **2023** | **2022** |
| Legal reserve | $ 1,112,989 | $ 1,240,057 |
| Special reserve | 1,025,861 | 377,005 |
| Cash dividends | 7,447,782 | 8,155,633 |
| Cash dividends per share (NT$) | $2.10 | $2.30 (Note) |

Note: The number of outstanding ordinary shares increased according to the conversion of the Corporation's convertible bond into ordinary shares in 2023. Therefore, the cash dividends were adjusted to NT$2.29958798 per ordinary share for 2022.

The above 2022 appropriations of earnings and cash dividends had been resolved by the shareholders in their meeting on June 27, 2023. The above 2023 appropriation for cash dividends had been resolved by the Corporation's board of directors on March 5, 2024; the other proposed appropriations for 2023 had also been resolved by the shareholders in their meeting on June 25, 2024.

The appropriation of earnings for 2024 had been proposed by the Corporation's board of directors on March 11, 2025. The proposed appropriation of earnings and dividend per share were as follows:

| | **For the Year Ended December 31, 2024** |
|---|---|
| Legal reserve | $ 1,534,023 |
| Special reserve | $ 1,093,508 |
| Cash dividends | $ 7,802,438 |
| Cash dividends per share (NT$) | $ 2.2 |

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$3.63 for the year ended December 31, 2024.

The appropriations of earnings for 2024 are subject to the resolution of the shareholders' meeting to be held on May 28, 2025.

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 $2,509,890 thousand as of December 31, 2024.

e. Other equity items

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

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Balance at January 1 | $ (4,418,006) | $ (3,084,376) |
| Share of exchange difference of subsidiaries and associates accounted for using the equity method | 6,327,922 | (1,333,630) |
| Balance at December 31 | $ 1,909,916 | $ (4,418,006) |

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

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Balance at January 1 | $ 9,382,331 | $ 6,270,727 |
| Recognized for the year | | |
| Unrealized valuation gain of equity instruments | 132,997 | 1,077,198 |
| Share from associates accounted for using the equity method | | |
| Equity instruments | 496,695 | 1,842,203 |
| Debt instruments | 16,326 | 24,945 |
| Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal by associates | (687,854) | 167,258 |
| Balance at December 31 | $ 9,340,495 | $ 9,382,331 |

3) Cash flow hedges

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 58,095 | $ 58,307 |
| Share from subsidiaries and associates accounted for using the equity method | (4,467) | (212) |
| Balance at December 31 | $ 53,628 | $ 58,095 |

4) Gains on property revaluation

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Balance at January 1 | $ 2,197,320 | $ 912,006 |
| Share from subsidiaries and associates accounted for using the equity method | (23,980) | 1,285,314 |
| Accumulated gains and gain on disposals transferred to retained earnings by associates | (280,047) | - |
| Balance at December 31 | $ 1,893,293 | $ 2,197,320 |

## 24. OPERATING REVENUE AND COSTS

a. Detail of client revenues contract

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenues | | |
| Sales of goods | $ 10,434,980 | $ 10,721,116 |
| Rental revenue | 537,760 | 419,130 |
| Total operating revenue, net | 10,972,740 | 11,140,246 |
| Operating costs | | |
| Cost of goods sold | 8,927,058 | 9,127,411 |
| Rental cost | 158,772 | 164,023 |
| Total operating cost | 9,085,830 | 9,291,434 |
| Gross profit | $ 1,886,910 | $ 1,848,812 |

b. Contract balances

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Contract liabilities | $ 57,630 | $ 104,713 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Dividends | $ 787,003 | $ 848,823 |
| Government grants | 16,900 | 20,000 |
| Others | 280,672 | 151,520 |
| | $ 1,084,575 | $ 1,020,343 |

b. Other gains and losses

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Gain on changes in fair value of investment properties (Note 15) | $ 1,292,123 | $ 839,686 |
| Net gain on financial assets and liabilities designated as at FVTPL | 1,117,124 | 1,072,577 |
| Net foreign exchange gains (losses) | 499,792 | (67,133) |
| Gain on disposal of investments accounted for using equity method | 232,933 | - |
| Bank charges | (29,925) | (31,903) |
| Gain on disposal of property, plant and equipment | 7 | 2,975 |
| Day 1 gains for financial instruments (Note 7) | - | 847,560 |
| Miscellaneous expenses | (180,080) | (392,591) |
| | $ 2,931,974 | $ 2,271,171 |

c. Finance costs

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Interest on bank loans | $ 727,324 | $ 642,733 |
| Amortization of discount on bonds payable | - | 99 |
| Interest on lease liabilities | 1,104 | 1,691 |
| Less: Amounts included in the cost of qualifying assets (capitalized interest) | (5,104) | (2,738) |
| | $ 723,234 | $ 641,785 |

Information about capitalized interest was as follows:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Capitalized interest | $ 5,104 | $ 2,738 |
| Capitalization rate | 1.027%-1.226% | 0.882%-1.060% |

d. Depreciation and amortization

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| An analysis of depreciation by function | | |
| Operating costs | $ 611,124 | $ 481,514 |
| Operating expenses | 2,632 | 4,652 |
| Non-operating expenses | 590 | 658 |
| | $ 614,346 | $ 486,824 |
| An analysis of amortization by function | | |
| Operating expenses | $ 1,949 | $ 1,334 |

e. Operating expenses directly related to investment properties

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Direct operating expenses of investment properties generating rental income | $ 102,744 | $ 122,433 |
| Direct operating expenses of investment properties not generating rental income | 55,663 | 41,570 |
| | $ 158,407 | $ 164,003 |

f. Employee benefits expense

| | For the Year Ended December 31, 2024 | | | |
|---|---|---|---|---|
| | Operating Costs | Operating Expenses | Non-operating Expenses | Total |
| Post-employment benefits (Note 22) | | | | |
| Defined contribution plans | $ 11,120 | $ 3,959 | $ 334 | $ 15,413 |
| Defined benefit plans | (22,207) | (14,789) | - | (36,996) |
| Short-term benefits | | | | |
| Salary | 416,032 | 158,714 | 9,211 | 583,957 |
| Remuneration of directors | - | 143,868 | - | 143,868 |
| Labor and health insurance | 29,469 | 12,015 | 424 | 41,908 |
| Other employees-related expenses | 20,453 | 6,494 | - | 26,947 |
| | $ 454,867 | $ 310,261 | $ 9,969 | $ 775,097 |

| | 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 | 19,871 | 7,275 | - | 27,146 |
| | $ 418,905 | $ 311,815 | $ 14,461 | $ 745,181 |

1) For the years of 2024 and 2023, the Corporation had an average of 480 and 484 employees, respectively, which included both 12 non-employee directors.

2) The Corporation's average labor cost were $1,349 thousand and $1,299 thousand, respectively, for the years ended 2024 and 2023. Average salary and bonus were $1,248 thousand and $1,188 thousand, respectively, for the years ended 2024 and 2023. The Corporation's average salary and bonus increase by 5.1% year over year.

3) The Corporation did not have supervisors for the years ended December 31, 2024 and 2023.

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, 2024 and 2023 which have been approved by the Corporation's board of directors on March 11, 2025 and March 5, 2024, respectively, were as follows:

| | For the Year Ended December 31 | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Cash | Share | Cash | Share |
| Employees' compensation | $ 162,748 | $ - | $ 148,126 | $ - |
| Remuneration of directors | 142,404 | - | 130,714 | - |

If there is a change in the amounts after the annual parent company only 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 parent company only financial statements for the years ended December 31, 2023 and 2022.

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 | |
|---|---|---|
| | 2024 | 2023 |
| Current tax | | |
| In respect of the current year | $ 307,325 | $ 392,604 |
| Income tax on unappropriated earnings | 83,887 | 135,728 |
| Adjustments for prior years | 13,642 | 88,877 |
| | 404,854 | 617,209 |
| Deferred tax | | |
| In respect of the current year | 381,527 | (215,703) |
| Income tax expense recognized in profit or loss | $ 786,381 | $ 401,506 |

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

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Profit before tax from continuing operations | $ 13,676,109 | $ 11,284,332 |
| Income tax expense calculated at the statutory rate | $ 2,735,222 | $ 2,256,866 |
| Nondeductible expenses in determining taxable income | 7,353 | 6,314 |
| Tax-exempt income | (2,546,488) | (1,773,471) |
| Unrecognized temporary differences | 185,664 | (336,106) |
| Tax on changes in fair value of investment properties | 323,594 | 68,092 |
| Income tax on unappropriated earnings | 83,887 | 135,728 |
| Adjustments for prior years' tax | 13,642 | 88,877 |
| Tax credit - income from sources in Mainland China | (16,493) | (44,794) |
| Income tax expense recognized in profit or loss | $ 786,381 | $ 401,506 |

b. Income tax recognized in other comprehensive income

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Deferred tax | | |
| In respect of the current year: | | |
| Remeasurement on defined benefit plans | $ 20,511 | $ 17,614 |

c. Current tax assets and liabilities

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Current tax liabilities | | |
| Income tax payable | $ 258,423 | $ 505,931 |

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, 2024

| Deferred tax assets | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Closing Balance |
|---|---|---|---|---|
| Temporary differences | | | | |
| Other financial assets and liabilities | $ 36,253 | $ (36,253) | $ - | $ - |
| Property, plant and equipment | 2,352 | (434) | - | 1,918 |
| Proposed dividend of overseas stocks | 83,378 | - | - | 83,378 |
| Others | 39,565 | (6,027) | - | 33,538 |
| | $ 161,548 | $ (42,714) | $ - | $ 118,834 |

(Continued)

| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Closing Balance |
|---|---|---|---|---|
| Deferred tax liabilities | | | | |
| Temporary differences | | | | |
| Investment properties | $ 3,959,584 | $ 323,594 | $ - | $ 4,283,178 |
| Land value increment tax | 3,427,438 | - | - | 3,427,438 |
| Unappropriated earnings of subsidiaries and associates | 1,857,836 | (43,315) | - | 1,814,521 |
| Defined benefit obligation | 587,637 | 7,794 | 20,511 | 615,942 |
| Property, plant and equipment | 44,382 | 19,399 | - | 63,781 |
| Other financial assets and liabilities | - | 31,066 | - | 31,066 |
| Allowance for impairment loss | 156 | 275 | - | 431 |
| | $ 9,877,033 | $ 338,813 | $ 20,511 | $ 10,236,357 |

(Concluded)

For the year ended December 31, 2023

| | Opening Balance | Recognized in Profit or Loss | Recognized in Other Comprehensive Income | Closing Balance |
|---|---|---|---|---|
| Deferred tax assets | | | | |
| Temporary differences | | | | |
| Other financial assets and liabilities | $ - | $ 36,253 | $ - | $ 36,253 |
| Property, plant and equipment | 2,776 | (424) | - | 2,352 |
| Proposed dividend of overseas stocks | - | 83,378 | - | 83,378 |
| Others | 1,126 | 38,439 | - | 39,565 |
| | $ 3,902 | $ 157,646 | $ - | $ 161,548 |
| Deferred tax liabilities | | | | |
| 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 | 564 | (564) | - | - |
| | $ 9,917,476 | $ (58,057) | $ 17,614 | $ 9,877,033 |

e. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized:

As of December 31, 2024 and 2023, the taxable temporary differences associated with investments in subsidiaries and associates for which no deferred tax liabilities have been recognized were $8,954,602 thousand and $8,624,184 thousand, respectively.

f. The income tax returns through 2022 have been assessed by the tax authorities.

## 27. EARNINGS PER SHARE

**Unit: NT$ Per Share**

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Basic earnings per share | $ 3.86 | $ 3.28 |
| Diluted earnings per share | $ 3.85 | $ 3.28 |

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 | |
|---|---|---|
| | **2024** | **2023** |
| Profit for the period attributable to owners of the Corporation | $ 12,889,728 | $ 10,882,826 |
| Earnings used in the computation of diluted earnings per share | $ 12,889,728 | $ 10,882,826 |

Weighted average number of ordinary shares outstanding (in thousand shares):

| | For the Year Ended December 31 | |
|---|---|---|
| | **2024** | **2023** |
| Weighted average number of ordinary shares in computation of basic earnings per share | 3,340,268 | 3,316,177 |
| Effect of potentially dilutive ordinary shares: | | |
| Employees' compensation | 4,675 | 4,166 |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | 3,344,943 | 3,320,343 |

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, 2024 and 2023, 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, 2024.

## 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, 2024

| | Carrying Amount | Fair Value | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities | | | | | |
| Financial liabilities measured at amortized cost | | | | | |
| Bonds payable (included current portion) | $ 42,800,000 | $ 42,408,280 | $ - | $ - | $ 42,408,280 |

December 31, 2023

| | Carrying Amount | Fair Value | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities | | | | | |
| Financial liabilities measured at amortized cost | | | | | |
| Bonds payable (included current portion) | $ 49,100,000 | $ 48,448,474 | $ - | $ - | $ 48,448,474 |

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

1) Fair value hierarchy

December 31, 2024

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Financial assets at FVTPL | | | | |
| Domestic and overseas listed shares | $ 4,819,927 | $ - | $ - | $ 4,819,927 |
| Beneficiary certificates | 512,900 | 240,171 | - | 753,071 |
| | $ 5,332,827 | $ 240,171 | $ - | $ 5,572,998 |
| Financial assets at FVTOCI | | | | |
| Investments in equity instruments at FVTOCI | | | | |
| Domestic listed shares | $ 8,311,400 | $ - | $ - | $ 8,311,400 |
| Domestic unlisted shares | - | - | 915,268 | 915,268 |
| Overseas unlisted shares | - | - | 86,959 | 86,959 |
| | $ 8,311,400 | $ - | $ 1,002,227 | $ 9,313,627 |

December 31, 2023

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Financial assets at FVTPL | | | | |
| Domestic and overseas listed shares | $ 12,611,492 | $ - | $ - | $ 12,611,492 |
| Beneficiary certificates | 424,500 | 305,667 | - | 730,167 |
| | $ 13,035,992 | $ 305,667 | $ - | $ 13,341,659 |
| 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 | - | - | 87,483 | 87,483 |
| | $ 8,236,377 | $ - | $ 944,253 | $ 9,180,630 |

There were no transfers between Levels 1 and 2 for the years ended December 31, 2024 and 2023.

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

| | Financial Assets at FVTOCI |
|---|---|
| | Equity Instruments |
| Balance at January 1, 2024 | $ 944,253 |
| Recognized in other comprehensive income | |
| Unrealized gain on financial instruments at FVTOCI | 54,974 |
| Balance at December 31, 2024 | $ 1,002,227 |

| | Financial Instruments at FVTPL | Financial Assets at FVTOCI | |
|---|---|---|---|
| | Derivatives | 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 | (48,500) | - | (48,500) |
| Balance at December 31, 2023 | $ - | $ 944,253 | $ 944,253 |

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

| Financial Instruments | Valuation Techniques and Inputs |
|---|---|
| Overseas beneficiary certificates | 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

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Financial assets | | |
| Financial assets at FVTPL | $ 5,572,998 | $ 13,341,659 |
| Financial assets at amortized cost (1) | 9,242,995 | 10,568,565 |
| Financial assets at FVTOCI | 9,313,627 | 9,180,630 |
| Financial liabilities | | |
| Financial liabilities at amortized cost (2) | 62,961,026 | 73,752,654 |

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables, other receivables, and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables and accrued expenses, long-term borrowings including current portion, bonds payable, and guarantee deposits received.

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 35.

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 December 31** | | **For the Year Ended December 31** | |
| | **2024** | **2023** | **2024** | **2023** |
| Increase (decrease) in pre-tax profit | $ 85,563 | $ 80,832 | $ 246,180 | $ 326,021 |

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** | |
|---|---|---|
| | **2024** | **2023** |
| Fair value interest rate risk | | |
| Financial assets | $ 6,231,918 | $ 7,565,360 |
| Financial liabilities | 60,110,380 | 71,602,887 |
| Cash flow interest rate risk | | |
| Financial assets | 1,037,937 | 1,049,594 |
| Financial liabilities | 800,000 | - |

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, 2024 and 2023 would have decreased/increased by $64 thousand and $145 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, 2024 and 2023 would have increased/decreased by $55,730 thousand and $133,417 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, 2024 and 2023 would have increased/decreased by $83,114 thousand and $82,364 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.

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, 2024

| | On Demand or Less than 1 Month | 1-3 Months | 3 Months to 1 Year | 1-5 Years | 5+ Years |
|---|---|---|---|---|---|
| Non-derivative financial liabilities | | | | | |
| Non-interest bearing | $ 971,016 | $ 492,576 | $ 595,030 | $ 1,941 | $ 769 |
| Lease liabilities | 1,629 | 3,258 | 14,663 | 12,278 | 8,146 |
| Variable interest rate liabilities | - | - | - | 800,000 | - |
| Fixed interest rate liabilities | 13,361,798 | 700,000 | 18,600,000 | 25,510,000 | 1,900,000 |
| | $ 14,334,443 | $ 1,195,834 | $ 19,209,693 | $ 26,324,219 | $ 1,908,915 |

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 | $ 19,550 | $ 12,278 | $ 5,819 | $ 2,327 | $ - | $ - |

December 31, 2023

| | On Demand or Less than 1 Month | 1-3 Months | 3 Months to 1 Year | 1-5 Years | 5+ Years |
|---|---|---|---|---|---|
| Non-derivative financial liabilities | | | | | |
| 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 |
| Fixed interest rate liabilities | 17,469,079 | 2,843,438 | 10,000,000 | 41,160,000 | - |
| | $ 18,491,018 | $ 3,298,290 | $ 10,673,588 | $ 41,373,099 | $ 20,395 |

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 | $ 92,892 | $ 30,664 | $ 5,819 | $ 3,491 | $ - | $ - |

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.

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 |

(Continued)

| Related Party Name | Related Party Category |
|---|---|
| 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 |
| 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 |
| Richard Yang | Related party in substance |
| Frederica Yang | Related party in substance |
| Ruey Huey 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 | |
|---|---|---|
| | 2024 | 2023 |
| Operating revenues | | |
| Subsidiaries | | |
| YTRMC | $ 2,566,870 | $ 2,821,589 |
| Others | 821,547 | 920,534 |
| | 3,388,417 | 3,742,123 |
| Associates | 387,132 | 250,493 |
| Others | 174,979 | 194,790 |
| | $ 3,950,528 | $ 4,187,406 |
| Operating cost | | |
| Subsidiaries | $ 558,151 | $ 625,975 |
| Associates | 664,100 | 576,646 |
| Others | 248,124 | 377,754 |
| | $ 1,470,375 | $ 1,580,375 |

Receivables from related parties (including trade receivables and other receivables):

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Subsidiaries | | |
| YTRMC | $ 610,489 | $ 619,470 |
| Others | 73,136 | 175,642 |
| | 683,625 | 795,112 |
| Associates | 11,519 | 22,681 |
| Others | 168,448 | 151,000 |
| | $ 863,592 | $ 968,793 |

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

Accounts payable and accrued expenses to related parties:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Subsidiaries | $ 70,060 | $ 82,552 |
| Associates | 83,473 | 116,891 |
| Others | 41,094 | 56,854 |
| | $ 194,627 | $ 256,297 |

The outstanding trade payables to related parties are unsecured.

Prepayments:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 15,000 | $ 15,000 |

c. Transactions with FEIB

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Bank deposits (Note) | $ 2,215,629 | $ 2,296,489 |

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, 2024 and 2023 were as follows:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Short-term employee benefits | $ 183,766 | $ 178,017 |
| Post-employment benefits | 432 | 558 |
| | $ 184,198 | $ 178,575 |

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 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ - | $ 520 |
| Others | 86,299 | 146,890 |
| | $ 86,299 | $ 147,410 |

2) Lease agreement

Operating expense - rental

| | For the Year Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Associates | $ 44,532 | $ 44,676 |
| Others | 4,395 | 3,846 |
| | $ 48,927 | $ 48,522 |

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) 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.

4) For the year ended December 31, 2024, the Corporation acquired additional non-controlling interests in subsidiaries, FMT and CHP, from a related party in substance with a total amount of $8,916 thousand; refer to Note 12 for the details.

5) 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, 2024 included the acquisition of $210,043 thousand.

## 32. ASSETS PLEDGED AS COLLATERAL

The following assets are provided as collaterals for short-term and long-term bank borrowings:

| | December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Investment properties | $ 14,781,769 | $ 14,547,709 |
| Investments accounted for using the equity method | 8,588,243 | 8,010,070 |
| Property, plant and equipment, net | 295,215 | 302,293 |
| | $ 23,665,227 | $ 22,860,072 |

## 33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2024, the Corporation had the following significant commitments and contingencies:

a. Unused letters of credit of US$408 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. OTHER ITEMS

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

## 35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2024

| | Foreign Currency | Exchange Rate | New Taiwan Dollars |
|---|---|---|---|
| Financial assets | | | |
| Monetary items | | | |
| RMB | $ 375,770 | 4.554 | $ 1,711,257 |
| USD | 150,408 | 32.735 | 4,923,606 |
| Non-monetary items | | | |
| HKD | 105,422 | 4.192 | 441,929 |
| USD | 7,337 | 32.735 | 240,177 |

December 31, 2023

| | Foreign Currency | Exchange Rate | New Taiwan Dollars |
|---|---|---|---|
| Financial assets | | | |
| 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 |

For the years ended December 31, 2024 and 2023, the total amounts of realized and unrealized net foreign exchange gains (losses) were $499,792 thousand and $(67,133) 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.

## 36. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding 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, 2024**
**(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 | $ 202,189 | $ 200,370 | $ 200,370 | 3.58% | Necessary for short-term financing | $ - | Operating capital | $ - | - | $ - | 20% of net worth $11,581,923 | 50% of net worth $28,954,808 |
| 2 | JYDC | HGYDC | Other receivables | Y | 137,856 | 136,616 | 104,739 | 3.35% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $5,934,975 | 50% of net worth $14,837,438 |
| | | SHYLCP | Other receivables | Y | 45,952 | 45,539 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | Same as above | Same as above |
| | | TZOCCL | Other receivables | Y | 1,378,563 | 1,366,158 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | Same as above | Same as above |
| 3 | HYDCCL | ACCHC | Other receivables | Y | 1,508,991 | 1,138,465 | 1,138,465 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,659,717 | 50% of net worth $4,149,292 |
| 4 | WYDC | WYCPCL | Other receivables | Y | 320,089 | 227,693 | 227,693 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $560,163 | 50% of net worth $1,400,408 |
| 5 | HGYDC | ACCHC | Other receivables | Y | 1,148,803 | 1,138,465 | 1,138,465 | 3.14% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,389,217 | 50% of net worth $3,473,044 |
| 6 | SLCL | ACCHC | Other receivables | Y | 206,784 | 204,924 | 177,601 | 3.10% | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $1,286,651 | 50% of net worth $3,216,627 |
| 7 | SIYDCCL | ACCHC | Other receivables | Y | 1,378,563 | 1,366,158 | - | - | Necessary for short-term financing | - | Operating capital | - | - | - | 20% of net worth $5,368,048 | 50% of net worth $13,420,119 |
| | | SLCCL | Other receivables | Y | 355,087 | 273,232 | 204,924 | 3.10% | 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, 2024.

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, 2024.

Note 4: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2024.

**TABLE 2**

## ASIA CEMENT CORPORATION

**ENDORSEMENTS/GUARANTEES PROVIDED**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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 ($90,673,723) | $ 27,186,000 | $ 23,547,000 | $ 13,770,000 | None | 12.98 | 100% of net worth ($181,347,447) | Y | - | - |
| | | DCI | b | Same as above | 27,398,000 | 24,018,800 | 10,835,000 | None | 13.24 | Same as above | Y | - | - |
| | | NHC | b | Same as above | 1,193,925 | 1,193,675 | 270,000 | None | 0.66 | 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 | 550,000 | 220,000 | None | 0.30 | Same as above | Y | - | - |
| | | YLPPC | b | Same as above | 450,000 | 300,000 | 7,000 | None | 0.17 | Same as above | Y | - | - |
| 1 | DCI | FSMS | b | 50% of net worth ($8,945,929) | 100,000 | 100,000 | 65,000 | None | 0.56 | 100% of net worth ($17,891,858) | Y | - | - |
| | | ACL | b | Same as above | 255,600 | - | - | None | - | Same as above | Y | - | - |
| 2 | AIC | ACP | b | 50% of net worth ($3,967,751) | 255,600 | - | - | None | - | 100% of net worth ($7,935,503) | Y | - | - |
| 3 | JYDC | JRNMC | f | 50% of net worth ($14,837,438) | 909,852 | 901,664 | 555,343 | None | 3.04 | 100% of net worth ($29,674,875) | Y | - | Y |

Note 1: The net value was calculated based on audited/reviewed financial statements as of December 31, 2024.

Note 2: The foreign currency amounts are expressed in New Taiwan dollars at exchange rate as of December 31, 2024.

Note 3: The relationship between guarantor and guarantee are as follows:

a. A company with which the Corporation engages business.
b. A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
d. A company in which the Corporation directly and indirectly holds more than 90% of the voting shares.
e. 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.
f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. 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.

## ASIA CEMENT CORPORATION

**MARKETABLE SECURITIES HELD**
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars, Unless Share (Units) or Stated Otherwise)**

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | 49,943,573 | $ 4,464,956 | 1.39 | $ 4,464,956 | |
| | Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund | - | Financial assets at fair value through profit or loss - current | 10,000,000 | 512,900 | - | 512,900 | |
| | China Conch Venture Holdings Ltd. | - | Financial assets at fair value through profit or loss - current | 11,443,000 | 320,913 | 0.63 | 320,913 | |
| | Opas Fund Segregated Portfolio Tranche C | Related party in substance | Financial assets at fair value through profit or loss - current | 2,217 | 240,171 | - | 240,171 | |
| | China Conch Environment Protection Holdings Ltd. | - | Financial assets at fair value through profit or loss - current | 11,443,000 | 34,058 | 0.63 | 34,058 | |
| | 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 | 2,774,473 | 0.86 | 2,774,473 | |
| | 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 | 1,801,191 | 5.65 | 1,801,191 | |
| | 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 | 1,529,960 | 9.17 | 1,529,960 | |
| | 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 | 98,023,891 | 1,293,915 | 2.29 | 1,293,915 | |
| | 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 | 911,861 | 7.20 | 911,861 | |
| | Taiwan Stock Exchange Corp. | - | Financial assets at fair value through other comprehensive income - noncurrent | 15,418,347 | 784,332 | 1.16 | 784,331 | |
| | China Shanshui Investment Corp. | - | Financial assets at fair value through other comprehensive income - noncurrent | 49,928 | 86,958 | 4.99 | 86,959 | |
| | 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 | 56,584 | 5.70 | 56,584 | |
| | 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 | 33,837 | 1.36 | 33,837 | |
| | L' Hotel de Chine Hotel | - | Financial assets at fair value through other comprehensive income - noncurrent | 598,121 | 20,594 | 0.20 | 20,594 | |
| | 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 | 16,020 | 0.53 | 16,020 | |
| | 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 | 4,856,076 | - | 4,856,076 | |
| | Taiwan Semiconductor Manufacturing Corp. | - | Financial assets at fair value through profit or loss - current | 300,000 | 322,500 | - | 322,500 | |
| | Yuanta Taiwan High Dividend Low Volatility ETF | - | Financial assets at fair value through profit or loss - current | 5,550,000 | 294,983 | - | 294,983 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | Note |
|---|---|---|---|---|---|---|---|---|
| | | | | Shares or Units | Carrying Amount | Percentage of Ownership (%) | Fair Value | |
| DCI | Yuanta/P-shares Taiwan Dividend Plus ETF | - | Financial assets at fair value through profit or loss - current | 8,000,000 | $ 293,440 | - | $ 293,440 | |
| | Realtek Semiconductor Corporation | - | Financial assets at fair value through profit or loss - current | 310,000 | 176,080 | 0.06 | 176,080 | |
| | Chung Hsin Electric & Machinery Mfg. Corp. | - | Financial assets at fair value through profit or loss - current | 1,020,000 | 157,080 | 0.20 | 157,080 | |
| | ASE Technology Holding Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 900,000 | 145,800 | 0.02 | 145,800 | |
| | Taiwan Hon Chuan Enterprise Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 981,349 | 144,749 | 0.61 | 144,749 | |
| | Yuanta US 20+ Year AAA-A Corporate Bond ETF | - | Financial assets at fair value through profit or loss - current | 4,250,000 | 143,693 | - | 143,693 | |
| | MediaTek Inc. | - | Financial assets at fair value through profit or loss - current | 100,000 | 141,500 | 0.01 | 141,500 | |
| | ASMedia Technology Inc. | - | Financial assets at fair value through profit or loss - current | 70,000 | 138,950 | 0.10 | 138,950 | |
| | ASUSTEK COMPUTER INC. | - | Financial assets at fair value through profit or loss - current | 195,000 | 120,120 | 0.03 | 120,120 | |
| | DELTA ELECTRONICS, INC. | - | Financial assets at fair value through profit or loss - current | 275,000 | 118,388 | 0.01 | 118,388 | |
| | Bora Pharmaceuticals Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 125,000 | 94,000 | 0.12 | 94,000 | |
| | CALIWAY BIOPHARMACEUTICALS CO., LTD. | - | Financial assets at fair value through profit or loss - current | 150,000 | 92,250 | 0.10 | 92,250 | |
| | STARLUX AIRLINES CO., LTD. | - | Financial assets at fair value through profit or loss - current | 3,300,000 | 91,080 | 0.11 | 91,080 | |
| | Unimicron Technology Corp. | - | Financial assets at fair value through profit or loss - current | 590,000 | 83,190 | 0.06 | 83,190 | |
| | HIWIN TECHNOLOGIES CORP. | | Financial assets at fair value through profit or loss - current | 240,000 | 78,960 | 0.07 | 78,960 | |
| | Polaris Taiwan Top 50 Tracker Fund | - | Financial assets at fair value through profit or loss - current | 400,000 | 78,300 | - | 78,300 | |
| | Anhui Conch Cement Company Limited | - | Financial assets at fair value through profit or loss - current | 880,000 | 73,337 | 0.02 | 73,337 | |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | - | Financial assets at fair value through profit or loss - current | 3,000,000 | 66,540 | - | 66,540 | |
| | GIANT MANUFACTURING CO., LTD. | - | Financial assets at fair value through profit or loss - current | 420,000 | 59,430 | 0.11 | 59,430 | |
| | China Resources Cement Holdings Limited | - | Financial assets at fair value through profit or loss - current | 5,376,000 | 35,833 | 0.08 | 35,833 | |
| | 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 | 42,121,781 | 556,008 | 0.99 | 556,008 | |
| | Tripod Technology Corporation | - | Financial assets at fair value through other comprehensive income - current | 860,000 | 169,849 | 0.16 | 169,849 | |
| | 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 | 19,221 | 0.01 | 19,221 | |
| | 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 | 590 | - | 590 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | 125,810,362 | $ 1,660,697 | 2.94 | $ 1,660,697 | |
| | 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 | |
| | 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 | 322,920 | 1.94 | 322,920 | |
| | 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 | 306,697 | 0.96 | 306,697 | 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 - noncurrent | 10,506,792 | 150,247 | 1.19 | 150,247 | |
| | 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 | 19,482,020 | 140,271 | 2.80 | 140,271 | |
| | 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 | 3,373,782 | 48,245 | 0.38 | 48,245 | |
| | 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 | 26,679 | 0.08 | 26,679 | |
| | 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 | 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 | 46,534 | 0.37 | 46,534 | |
| | 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 | 21,038 | 0.07 | 21,038 | |
| | 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 | 4,039,555 | - | 4,039,555 | |
| | Taiwan Semiconductor Manufacturing Corp. | - | Financial assets at fair value through profit or loss - current | 300,000 | 322,500 | - | 322,500 | |
| | Yuanta Taiwan High Dividend Low Volatility ETF | - | Financial assets at fair value through profit or loss - current | 5,550,000 | 294,983 | - | 294,983 | |
| | Yuanta/P-shares Taiwan Dividend Plus ETF | - | Financial assets at fair value through profit or loss - current | 8,000,000 | 293,440 | - | 293,440 | |
| | Realtek Semiconductor Corporation | - | Financial assets at fair value through profit or loss - current | 310,000 | 176,080 | 0.06 | 176,080 | |
| | Chung Hsin Electric & Machinery Mfg. Corp. | - | Financial assets at fair value through profit or loss - current | 1,020,000 | 157,080 | 0.20 | 157,080 | |
| | ASE Technology Holding Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 900,000 | 145,800 | 0.02 | 145,800 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | Note |
|---|---|---|---|---|---|---|---|---|
| | | | | Shares or Units | Carrying Amount | Percentage of Ownership (%) | Fair Value | |
| AIC | Taiwan Hon Chuan Enterprise Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 981,349 | $ 144,749 | 0.61 | $ 144,749 | |
| | Opas Fund Segregated Portfolio Tranche C | Related party in substance | Financial assets at fair value through profit or loss - current | 1,330 | 144,103 | - | 144,103 | |
| | Yuanta US 20+ Year AAA-A Corporate Bond ETF | - | Financial assets at fair value through profit or loss - current | 4,250,000 | 143,693 | - | 143,693 | |
| | MediaTek Inc. | - | Financial assets at fair value through profit or loss - current | 100,000 | 141,500 | 0.01 | 141,500 | |
| | ASMedia Technology Inc. | - | Financial assets at fair value through profit or loss - current | 70,000 | 138,950 | 0.10 | 138,950 | |
| | ASUSTEK COMPUTER INC. | - | Financial assets at fair value through profit or loss - current | 195,000 | 120,120 | 0.03 | 120,120 | |
| | DELTA ELECTRONICS, INC. | - | Financial assets at fair value through profit or loss - current | 275,000 | 118,388 | 0.01 | 118,388 | |
| | Bora Pharmaceuticals Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 125,000 | 94,000 | - | 94,000 | |
| | CALIWAY BIOPHARMACEUTICALS CO., LTD. | - | Financial assets at fair value through profit or loss - current | 150,000 | 92,250 | 0.10 | 92,250 | |
| | STARLUX AIRLINES CO., LTD. | - | Financial assets at fair value through profit or loss - current | 3,300,000 | 91,080 | 0.11 | 91,080 | |
| | Unimicron Technology Corp. | - | Financial assets at fair value through profit or loss - current | 590,000 | 83,190 | 0.06 | 83,190 | |
| | HIWIN TECHNOLOGIES CORP. | - | Financial assets at fair value through profit or loss - current | 240,000 | 78,960 | 0.07 | 78,960 | |
| | Anhui Conch Cement Company Limited | - | Financial assets at fair value through profit or loss - current | 880,000 | 73,337 | 0.02 | 73,337 | |
| | Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF | - | Financial assets at fair value through profit or loss - current | 3,000,000 | 66,540 | - | 66,540 | |
| | GIANT MANUFACTURING CO., LTD. | - | Financial assets at fair value through profit or loss - current | 420,000 | 59,430 | 0.11 | 59,430 | |
| | China Resources Cement Holdings Limited | - | Financial assets at fair value through profit or loss - current | 5,376,000 | 35,833 | 0.08 | 35,833 | |
| | Hsing Ta Cement Co., Ltd. | - | Financial assets at fair value through profit or loss - current | 1,044,650 | 18,490 | 0.31 | 18,490 | |
| | Tripod Technology Corporation | - | Financial assets at fair value through other comprehensive income - current | 860,000 | 169,850 | 0.16 | 169,850 | |
| | 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 | 127,512 | 0.04 | 127,512 | |
| | 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 | 167,952,348 | 2,216,971 | 3.93 | 2,216,971 | |
| | 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 | 391,188 | 18.00 | 391,188 | |
| | 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 | 255,644 | 0.80 | 255,644 | |
| | 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 | 22,196 | 0.18 | 22,196 | |
| | 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, 2024 | | | | 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 | $ 333,989 | - | $ 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,242 | - | 331,242 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| | Cementon Micronesia L.L.C. | - | Financial assets at fair value through other comprehensive income - noncurrent | 100 | 127,666 | 10.00 | 127,666 | |
| ACP II | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP III | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,243 | - | 331,243 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACP IV | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Grand Power Fund | - | Financial assets at fair value through profit or loss - current | 9,960 | 331,243 | - | 331,243 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 5,000 | 166,145 | - | 166,145 | |
| ACM | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | $ 333,989 | - | $ 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACM III | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACM IV | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| ACL | Fides Global Fund SPC-Innovation SP3 | - | Financial assets at fair value through profit or loss - current | 10,000 | 333,989 | - | 333,989 | |
| | Nova Horizon Capital SPC - Clean Energy SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 332,290 | - | 332,290 | |
| | Noah Global SPC - Ark SP1 | - | Financial assets at fair value through profit or loss - current | 10,000 | 321,369 | - | 321,369 | |
| 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 | 68,512 | - | 68,512 | |
| | 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 | 3,754,092 | 49,554 | 0.09 | 49,554 | |
| KCC | CSOP FTSE China A50 ETF | - | Financial assets at fair value through profit or loss - current | 300,000 | 16,248 | - | 16,248 | |
| KCCL | Allianz US High Yield Fund | - | Financial assets at fair value through profit or loss - current | 97,741 | 18,262 | - | 18,262 | |
| ACSPL | Opas Fund Segregated Portfolio Tranche B | Related party in substance | Financial assets at fair value through profit or loss - current | 6,660 | 337,470 | - | 337,470 | |
| | United Emerging Markets Bond Funds | - | Financial assets at fair value through profit or loss - current | 3,232,758 | 72,734 | - | 72,734 | |
| | United Growth Fund | - | Financial assets at fair value through profit or loss - current | 745,068 | 77,363 | - | 77,363 | |
| | DBS Group | - | Financial assets at fair value through profit or loss - current | 37,835 | 39,766 | - | 39,766 | |

(Continued)

| Holding Company Name | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2024 | | | | 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 | $ 936 | - | $ 936 | |
| | Hong Leong Asia | - | Financial assets at fair value through profit or loss - current | 20,000 | 438 | - | 438 | |
| | INTRACO | - | Financial assets at fair value through profit or loss - current | 46,875 | 434 | - | 434 | |
| | Engro Corp Ltd. | - | Financial assets at fair value through profit or loss - current | 2,000 | 34 | - | 34 | |
| OCPL | Hiap Hoe Ltd. | - | Financial assets at fair value through profit or loss - current | 44,160 | 615 | - | 615 | |
| ACCHC | Opas Fund Segregated Portfolio Tranche B | Related party in substance | Financial assets at fair value through profit or loss - current | 7,308 | 379,573 | - | 379,573 | |
| | Opas Fund Segregated Portfolio Tranche A | Related party in substance | Financial assets at fair value through profit or loss - current | 4,202 | 236,634 | - | 236,634 | |

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: 13,631 thousand shares ($306,697 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, 2024**
**(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 | (Note) | - | 153,543,573 | $ 12,252,777 | - | $ - | 103,600,000 | $ 8,675,742 | $ 6,765,899 | $ 1,909,843 | 49,943,573 | $ 4,464,955 |
| | FENC | Investments accounted for using the equity method | (Note) | - | 1,272,277,085 | 40,923,992 | - | - | 45,332,000 | 1,592,491 | 1,359,558 | 232,933 | 1,226,945,085 | 40,449,957 |
| DCI | FENC | Investments accounted for using the equity method | (Note) | - | 82,812,887 | 2,630,146 | - | - | 82,812,887 | 2,853,854 | 2,520,296 | 333,558 | - | - |

Note: Securities are sold from centralized trading markets.

**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, 2024**
**(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 | | | |
| YTRMC | Land and building | March 19, 2024 | $ 526,786 | Based on contract terms | Xinsen Industrial Co., Ltd. | - | NA | NA | NA | NA | Market value and valuation report | For operation | - |

## 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, 2024**
**(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 | $ (2,451,812) | (22) | Purchase 45 days after monthly closing | $ - | - | $ 498,346 | 36 | |
| | U-Ming | An investee accounted for by equity method | Sales freight expense | 592,901 | 7 | Purchase 30 days after monthly closing | - | - | (49,756) | (2) | |
| | ACSPL | A subsidiary of the Corporation | Sales | (505,424) | (5) | Average 30 days | - | - | - | - | |
| | NHC | A subsidiary of the Corporation | Purchase | 263,623 | 3 | Purchase 45 days after monthly closing | - | - | (26,529) | (1) | |
| | YSRMC | A sub-subsidiary of the Corporation | Sales | (228,011) | (2) | Purchase 45 days after monthly closing | - | - | 45,717 | 3 | |
| | U-Ming Singapore | A subsidiary of an investee accounted for by equity method | Freight-in | 216,672 | 2 | Average 10 days | - | - | - | - | |
| | YLT | A subsidiary of the Corporation | Sales freight expense | 188,676 | 2 | Average 30 days | - | - | (31,581) | (2) | |
| | CHC Resources Corporation | Other related party | Sales | (169,659) | (2) | Purchase 45 days after monthly closing | - | - | 19,177 | 1 | |
| YTRMC | The Corporation | Parent company | Purchase | 2,451,812 | 23 | Purchase 45 days after monthly closing | - | - | (498,346) | (21) | |
| | CHC Resources Corporation | Other related party | Purchase | 610,471 | 6 | Purchase 45 days after monthly closing | - | - | (73,905) | (3) | |
| | Far Eastern General Construction Inc. | Other related party | Sales | (257,046) | (2) | Average 90 days | - | - | 118,927 | 3 | |
| ACSPL | Alliance Concrete Singapore Pte. Ltd. | An investee accounted for by equity method | Sales | (933,820) | (82) | Average 60 days | - | - | 163,879 | 77 | |
| | The Corporation | Parent company | Purchase | 505,424 | 51 | Average 30 days | - | - | - | - | |
| FMT | FENC | An investee accounted for by equity method | Sales | (297,658) | (26) | Purchase 30 days after monthly closing | - | - | 29,544 | 20 | |
| | Air Liquide Far Eastern Co. | Other related party | Sales | (239,344) | (21) | Purchase 90 days after monthly closing | - | - | 51,320 | 35 | |
| NHC | The Corporation | Parent company | Sales | (263,623) | (40) | Purchase 45 days after monthly closing | - | - | 26,529 | 21 | |
| | CHC Resources Corporation | Other related party | Sales | (111,161) | (17) | Purchase 45 days after monthly closing | - | - | 14,920 | 12 | |
| YSRMC | The Corporation | Parent company | Purchase | 228,011 | 28 | Purchase 45 days after monthly closing | - | - | (45,717) | (34) | |
| YLT | CHC Resources Corporation | Other related party | Sales | (225,090) | (52) | Purchase 30 days after monthly closing | - | - | 25,553 | 48 | |
| | The Corporation | Parent company | Sales | (188,676) | (44) | Average 30 days | - | - | 31,581 | 60 | |
| FDT | Oriental Petrochemical (Taiwan) Co., Ltd. | Other related party | Sales | (160,608) | (19) | Purchase 110 days after monthly closing | - | - | 51,687 | 40 | |
| | Oriental Union Chemical Corp | Other related party | Sales | (150,097) | (17) | Purchase 75 days after monthly closing | - | - | 16,200 | 13 | |
| JYDC | YYDCCL | The same ultimate parent company | Sales | (1,494,244) | (12) | Within 50 days | - | - | 155,448 | 20 | |
| | RYNM | A subsidiary of the Corporation | Sales | (638,030) | (5) | Within 50 days | - | - | 68,358 | 9 | |
| | TZOCCL | The same ultimate parent company | Sales | (620,810) | (5) | Within 50 days | - | - | 88,448 | 12 | |
| | HGYDC | The same ultimate parent company | Purchase | 405,562 | 3 | Within 50 days | - | - | (9,173) | - | |
| | WAMTC | The same ultimate parent company | Freight-in | 264,542 | 2 | Within 90 days | - | - | (56,905) | (2) | |
| | WYDC | An investee accounted for by equity method | Sales | (253,484) | (2) | Within 50 days | - | - | 36,550 | 5 | |
| | JYLTC | A subsidiary of the Corporation | Purchase | 199,963 | 2 | Within 50 days | - | - | (26,871) | (1) | |
| | NYDC | A subsidiary of the Corporation | Purchase | 150,268 | 1 | Within 50 days | - | - | (15,689) | - | |
| YYDCCL | JYDC | The same ultimate parent company | Purchase | 1,494,244 | 73 | Within 50 days | - | - | (155,448) | (75) | |
| RYNM | JYDC | Parent company | Purchase | 638,030 | 99 | Within 50 days | - | - | (68,358) | (93) | |
| TZOCCL | JYDC | The same ultimate parent company | Purchase | 620,810 | 94 | Within 50 days | - | - | (88,448) | (86) | |
| SIYDCCL | SLCL | The same ultimate parent company | Sales | (422,514) | (9) | Within 90 days | - | - | 36,840 | 3 | |
| SLCL | SIYDCCL | The same ultimate parent company | Purchase | 422,514 | 16 | Within 90 days | - | - | (36,840) | (12) | |

(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 | |
| HGYDC | JYDC | The same ultimate parent company | Sales | $ (405,562) | (16) | Within 50 days | $ - | - | $ 9,173 | 10 | |
| WYDC | JYDC | The same ultimate parent company | Purchase | 253,484 | 52 | Within 50 days | - | - | (36,550) | (49) | |
| HGYDC | HYDCCL | The same ultimate parent company | Sales | (248,337) | (10) | Within 50 days | - | - | 63,361 | 68 | |
| HYDCCL | HGYDC | The same ultimate parent company | Purchase | 248,337 | 7 | Within 50 days | - | - | (63,361) | (21) | |
| JYLTC | JYDC | Parent company | Sales | (199,963) | (82) | Within 50 days | - | - | 26,871 | 80 | |
| NYDC | JYDC | Parent company | Sales | (150,268) | (100) | Within 50 days | - | - | 15,689 | 100 | |
| SYTCL | SLCL | The same ultimate parent company | Sales | (144,434) | (70) | Within 90 days | - | - | 14,520 | 45 | |
| SLCL | SYTCL | The same ultimate parent company | Purchase | 144,434 | 5 | Within 90 days | - | - | (14,520) | (5) | |

(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, 2024**
**(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 | $ 610,489 | 4.74 times | $ - | - | $ 610,267 | $ - |
| ACSPL | Alliance Concrete Singapore Pte. Ltd. | An investee accounted for by equity method | 163,879 | 5.29 times | - | - | 160,576 | - |
| YTRMC | Far Eastern General Construction Inc. | Other related party | 118,927 | 2.26 times | - | - | 45,732 | - |
| JYDC | YYDCCL | The same ultimate parent company | 155,448 | 11.96 times | - | - | - | - |
| HGYDC | ACCHC | Parent company | 1,154,569 | Note 1 | - | - | - | - |
| HYDCCL | ACCHC | Parent company | 1,153,277 | Note 1 | - | - | - | - |
| JYDC | ACIHPL | The same ultimate parent company | 976,099 | Note 2 | - | - | - | - |
| WYDC | ACCHC | Parent company | 230,795 | Note 1 | - | - | - | - |
| SIYDCCL | SYCPCL | The same ultimate parent company | 205,522 | Note 1 | - | - | - | - |
| OIHPL | ACCHC | Parent company | 203,703 | Note 1 | - | - | - | - |
| SLCL | SLCCL | A subsidiary of the Corporation | 177,769 | Note 1 | - | - | - | - |
| JYDC | SHYLCP | The same ultimate parent company | 104,838 | Note 1 | - | - | - | - |

Note 1: Accounts receivable from financing.

Note 2: Other receivables.

TABLE 8

## ASIA CEMENT CORPORATION

**NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| The Corporation | ACCHC | Cayman | Investment | $ 13,660,637 | $ 13,660,637 | 1,061,209,202 | 67.73 | $ 50,234,221 | $ (1,337,167) | $ (905,663) | A subsidiary of the Corporation |
| | FENC | Taiwan | Textile | 3,336,513 | 3,459,787 | 1,226,945,085 | 22.92 | 40,449,957 | 10,031,844 | 1,708,404 | |
| | DCI | Taiwan | Investment | 2,556,220 | 2,556,220 | 838,793,548 | 99.99 | 17,891,679 | 1,044,403 | 1,044,393 | A subsidiary of the Corporation |
| | CHP | Taiwan | Power plant | 8,510,748 | 8,502,050 | 568,804,972 | 99.79 | 11,539,552 | 1,594,454 | 1,591,030 | A subsidiary of the Corporation |
| | U-Ming | Taiwan | Marine transportation | 510,236 | 510,236 | 331,701,152 | 39.25 | 15,880,864 | 4,681,466 | 1,837,512 | |
| | CSCGL | Cayman | Investment | 4,821,008 | 4,821,008 | 331,878,315 | 7.62 | 7,148,052 | (634,457) | (93,038) | |
| | ACSPL | Singapore | Cement | 188,508 | 188,508 | 10,500,000 | 100.00 | 6,965,985 | 482,413 | 482,413 | A subsidiary of the Corporation |
| | AIC | Taiwan | Investment | 1,212,679 | 1,212,679 | 508,416,358 | 100.00 | 7,935,503 | 515,768 | 515,768 | A subsidiary of the Corporation |
| | YDC | Taiwan | Investment | 2,232,220 | 2,232,220 | 178,707,648 | 35.50 | 3,249,420 | 454,910 | 156,295 | |
| | YTRMC | Taiwan | Ready-mixed concrete, cement - related products | 1,042,274 | 1,042,274 | 199,992,732 | 99.99 | 5,742,822 | 2,100,067 | 2,100,024 | A subsidiary of the Corporation |
| | YYI | Taiwan | Investment | 911,059 | 911,059 | 155,000,830 | 29.92 | 2,619,272 | 266,922 | 79,863 | |
| | YLSS | Taiwan | Stainless steel | 2,661,240 | 2,661,240 | 200,000,000 | 100.00 | 2,515,485 | 144,727 | 136,440 | A subsidiary of the Corporation |
| | OSC | Taiwan | Broker | 90,157 | 90,157 | 79,929,133 | 18.93 | 1,411,451 | 211,038 | 39,946 | |
| | FMT | Taiwan | Transportation | 70,496 | 70,279 | 81,348,307 | 99.96 | 2,098,331 | 254,456 | 254,353 | A subsidiary of the Corporation |
| | FEDSDL | Taiwan | Retails | 500,000 | 500,000 | 53,250,000 | 25.00 | 602,056 | 156,796 | 39,199 | |
| | YDLC | Taiwan | Leasing | 309,049 | 309,049 | 34,640,189 | 43.60 | 388,203 | 24,308 | 10,598 | |
| | NHC | Taiwan | Cement, granulated blast-furnace slag | 411,108 | 411,108 | 26,139,000 | 99.98 | 397,043 | 97,882 | 97,863 | A subsidiary of the Corporation |
| | YLT | Taiwan | Transportation | 25,015 | 25,015 | 5,160,817 | 51.61 | 330,841 | 76,132 | 39,291 | A subsidiary of the Corporation |
| | AEE | Taiwan | Engineering | 8,223 | 8,223 | 8,108,397 | 99.93 | 210,158 | 17,573 | 17,560 | A subsidiary of the Corporation |
| | YLPPC | Taiwan | Cement - related products | 145,166 | 145,166 | 16,271,969 | 83.97 | 254,143 | 29,333 | 24,631 | A subsidiary of the Corporation |
| | EISF | Taiwan | Iron and steel | 31,463 | 31,463 | 3,199,823 | 40.40 | 97,772 | 39,906 | 16,123 | |
| | SIHL | B.V.I. | Investment | 2,898 | 2,898 | 90,000 | 100.00 | 77,178 | 13,716 | 13,716 | A subsidiary of the Corporation |
| DCI | FEC | Taiwan | Construction | 140,138 | 140,138 | 168,346,143 | 33.76 | 5,659,136 | 1,097,587 | Not applicable | |
| | CSCGL | Cayman | Investment | 872,619 | 872,619 | 56,297,000 | 1.29 | 1,211,557 | (634,457) | Not applicable | |
| | YDC | Taiwan | Investment | 289,987 | 289,987 | 72,989,438 | 14.50 | 1,335,663 | 454,910 | Not applicable | |
| | KCC | Hong Kong | Cement | 36,024 | 36,024 | 1,127,000 | 49.00 | 592,599 | 90,456 | Not applicable | A sub-subsidiary of the Corporation |
| | Drive Catalyst SPC-SP Tranche Three | Cayman | Investment | 236,880 | 236,880 | 8,000 | 25.00 | 230,131 | 3,332 | Not applicable | |
| | FSMS | Taiwan | Mining excavation, mineral processing and sales | 112,096 | 112,096 | 1,294,270 | 99.56 | 118,181 | (5,759) | Not applicable | A sub-subsidiary of the Corporation |
| | Drive Catalyst SPC-SP Tranche Two | Cayman | Investment | 223,440 | 223,440 | 8,000 | 25.00 | 235,873 | (139,888) | Not applicable | |
| | Drive Catalyst SPC-SP Tranche One | Cayman | Investment | 123,120 | 123,120 | 4,000 | 25.00 | 148,828 | 18,656 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 27,619 | 27,619 | 468,486 | 0.06 | 39,135 | 4,681,466 | Not applicable | |
| | ACL | B.V.I. | Investment | 1,171,463 | 1,127,257 | 39,800,000 | 81.56 | 1,436,645 | (19,828) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM | B.V.I. | Investment | 1,150,549 | 1,106,342 | 39,100,000 | 81.29 | 1,338,582 | (18,446) | 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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| DCI | ACM II | B.V.I. | Investment | $ 883,876 | $ 842,828 | 30,500,000 | 77.22 | $ 1,035,285 | $ (14,219) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM III | B.V.I. | Investment | 882,298 | 842,828 | 30,450,000 | 77.19 | 1,073,321 | (14,794) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM IV | B.V.I. | Investment | 1,101,093 | 1,058,465 | 37,450,000 | 80.62 | 1,451,374 | (20,270) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 10.18 | 344,365 | (39,871) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP II | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.81 | 336,163 | (20,016) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP III | B.V.I. | Investment | 367,532 | 272,804 | 12,000,000 | 23.81 | 391,143 | (29,142) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP IV | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 20.00 | 312,565 | (22,810) | Not applicable | A sub-subsidiary of the Corporation |
| | ACE | B.V.I. | Investment | 367,532 | 272,804 | 12,000,000 | 23.38 | 347,872 | (26,137) | Not applicable | A sub-subsidiary of the Corporation |
| NHC | CSCGL | Cayman | Investment | 282,957 | 282,957 | 9,250,000 | 0.21 | 198,330 | (634,457) | Not applicable | |
| | PGIC | Taiwan | Granulated blast-furnace slag | 36,771 | 36,771 | 3,287,550 | 31.00 | 56,180 | 19,018 | Not applicable | |
| | FENC | Taiwan | Textile | 15,240 | 15,240 | 1,739,978 | 0.03 | 43,977 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 1,027 | 1,027 | 64,143 | 0.01 | 2,303 | 4,681,466 | Not applicable | |
| YTRMC | YTV | Vietnam | Ready-mixed concrete | 201,823 | 201,823 | (Note) | 100.00 | 310,486 | (9,804) | Not applicable | A sub-subsidiary of the Corporation |
| | YSRMC | Taiwan | Ready-mixed concrete | 69,955 | 69,955 | 69,950,000 | 69.95 | 225,859 | 130,527 | Not applicable | A sub-subsidiary of the Corporation |
| | AOG | Guam | Investment | 236,240 | 236,240 | (Note) | 95.04 | (19,556) | 260 | Not applicable | A sub-subsidiary of the Corporation |
| FMT | FDT | Taiwan | Transportation | 31,463 | 31,463 | 37,972,227 | 99.97 | 716,456 | 103,337 | Not applicable | A sub-subsidiary of the Corporation |
| | FENC | Taiwan | Textile | 14,409 | 28,773 | 1,580,299 | 0.03 | 42,839 | 10,031,844 | Not applicable | |
| FDT | YDEC | Taiwan | Retail | 160,424 | 160,424 | 36,588,627 | 26.95 | 665,908 | 108,368 | Not applicable | |
| | FENC | Taiwan | Textile | 31,322 | 31,322 | 1,020,000 | 0.02 | 33,508 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 1,891 | 1,891 | 50,000 | 0.01 | 3,167 | 4,681,466 | Not applicable | |
| AEE | CSCGL | Cayman | Investment | 266,942 | 266,942 | 8,368,000 | 0.19 | 179,428 | (634,457) | Not applicable | |
| | ACCHC | Cayman | Investment | 50,541 | 50,541 | 3,161,500 | 0.20 | 110,298 | (1,337,167) | Not applicable | A subsidiary of the Corporation |
| | U-Ming | Taiwan | Marine transportation | 38,931 | 38,931 | 3,485,997 | 0.41 | 91,282 | 4,681,466 | Not applicable | |
| YLPPC | YDEC | Taiwan | Retail | 20,776 | 20,776 | 5,282,199 | 3.89 | 96,042 | 108,368 | Not applicable | |
| | AOG | Guam | Investment | 66,816 | 66,816 | (Note) | 4.96 | (1,021) | 260 | Not applicable | A sub-subsidiary of the Corporation |
| AIC | CSCGL | Cayman | Investment | 556,895 | 556,895 | 31,528,000 | 0.72 | 677,589 | (634,457) | Not applicable | |
| | FENC | Taiwan | Textile | 405,473 | 405,473 | 15,430,293 | 0.29 | 684,502 | 10,031,844 | Not applicable | |
| | U-Ming | Taiwan | Marine transportation | 77,446 | 77,446 | 7,796,914 | 0.92 | 197,726 | 4,681,466 | Not applicable | |
| | EISF | Taiwan | Iron and steel | 15,649 | 15,649 | 660,000 | 8.33 | 20,159 | 39,906 | Not applicable | |
| | CHP | Taiwan | Power plant | 376 | 376 | 45,568 | 0.01 | 850 | 1,594,454 | Not applicable | A subsidiary of the Corporation |
| | FMT | Taiwan | Transportation | 176 | 176 | 13,761 | 0.02 | 272 | 254,456 | Not applicable | A subsidiary of the Corporation |
| | FDT | Taiwan | Transportation | 110 | 110 | 9,717 | 0.03 | 199 | 103,337 | Not applicable | A sub-subsidiary of the Corporation |
| | FSMS | Taiwan | Mining excavation, mineral processing and sales | 119 | 119 | 5,000 | 0.38 | 125 | (5,759) | Not applicable | A sub-subsidiary of the Corporation |
| | AEE | Taiwan | Engineering | 116 | 116 | 6,000 | 0.07 | 120 | 17,573 | Not applicable | A subsidiary of the Corporation |

(Continued)

| Investor Company | Investee Company | Location | Main Businesses and Products | Original Investment Amount | | Balance as of December 31, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| AIC | NHC | Taiwan | Cement, granulated blast-furnace slag | $ 78 | $ 78 | 5,000 | 0.02 | $ 80 | $ 97,882 | Not applicable | A subsidiary of the Corporation |
| | DCI | Taiwan | Investment | 76 | 76 | 7,605 | - | 76 | 1,044,403 | Not applicable | A subsidiary of the Corporation |
| | YTRMC | Taiwan | Ready-mixed concrete, cement - related products | 53 | 53 | 7,268 | - | 53 | 2,100,067 | Not applicable | A subsidiary of the Corporation |
| | YSRMC | Taiwan | Ready-mixed concrete | 37 | 37 | 5,000 | 0.05 | 44 | 130,527 | Not applicable | A sub-subsidiary of the Corporation |
| | ACP | B.V.I. | Investment | 2,399,827 | 2,368,331 | 79,450,000 | 89.82 | 3,038,392 | (39,871) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP II | B.V.I. | Investment | 1,140,043 | 1,103,822 | 38,850,000 | 81.19 | 1,450,987 | (20,016) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP III | B.V.I. | Investment | 1,140,327 | 849,828 | 38,400,000 | 76.19 | 1,251,624 | (29,142) | Not applicable | A sub-subsidiary of the Corporation |
| | ACP IV | B.V.I. | Investment | 1,070,554 | 849,522 | 36,000,000 | 80.00 | 1,250,258 | (22,810) | Not applicable | A sub-subsidiary of the Corporation |
| | ACE | B.V.I. | Investment | 1,168,221 | 878,454 | 39,315,000 | 76.62 | 1,140,032 | (26,137) | Not applicable | A sub-subsidiary of the Corporation |
| | ACL | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.44 | 324,813 | (19,828) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 18.71 | 308,093 | (18,446) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM II | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 22.78 | 305,410 | (14,219) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM III | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 22.81 | 317,171 | (14,794) | Not applicable | A sub-subsidiary of the Corporation |
| | ACM IV | B.V.I. | Investment | 272,804 | 272,804 | 9,000,000 | 19.38 | 348,891 | (20,270) | Not applicable | A sub-subsidiary of the Corporation |
| YLT | U-Ming | Taiwan | Marine transportation | 58,840 | 58,840 | 6,348,103 | 0.75 | 410,572 | 4,681,466 | Not applicable | |
| ACE | CSCGL | Cayman | Investment | 266,882 | 266,882 | 7,480,000 | 0.17 | 160,448 | (634,457) | Not applicable | |
| | Opas Fund Segregated Portfolio Company | Cayman | Investment | 1,531 | 1,531 | 33 | 33.00 | 1,965 | 253 | Not applicable | |
| | Drive Catalyst SPC | Cayman | Investment | 494 | 494 | 33 | 33.00 | 596 | 61 | Not applicable | |
| ACP | CSCGL | Cayman | Investment | 1,959,250 | 1,959,250 | 107,536,000 | 2.47 | 2,316,487 | (634,457) | Not applicable | |
| ACP II | CSCGL | Cayman | Investment | 544,689 | 544,689 | 36,865,000 | 0.85 | 795,351 | (634,457) | Not applicable | |
| ACP III | CSCGL | Cayman | Investment | 290,967 | 290,967 | 14,790,000 | 0.34 | 318,707 | (634,457) | Not applicable | |
| ACP IV | CSCGL | Cayman | Investment | 292,032 | 292,032 | 18,514,000 | 0.43 | 400,611 | (634,457) | Not applicable | |
| ACL | CSCGL | Cayman | Investment | 567,556 | 567,556 | 35,569,000 | 0.82 | 767,346 | (634,457) | Not applicable | |
| ACM | CSCGL | Cayman | Investment | 554,533 | 554,533 | 30,251,000 | 0.70 | 653,599 | (634,457) | Not applicable | |
| ACM II | CSCGL | Cayman | Investment | 293,393 | 293,393 | 16,058,000 | 0.37 | 346,352 | (634,457) | Not applicable | |
| ACM III | CSCGL | Cayman | Investment | 292,743 | 292,743 | 18,477,000 | 0.42 | 396,364 | (634,457) | Not applicable | |
| ACM IV | CSCGL | Cayman | Investment | 504,078 | 504,078 | 37,410,000 | 0.86 | 806,142 | (634,457) | Not applicable | |
| KCC | KCCL | Hong Kong | Ready-mixed concrete | 42 | 39 | 10,000 | 100.00 | 253,771 | 51,368 | Not applicable | A sub-subsidiary of the Corporation |
| | JFTL | B.V.I. | Investment | 78,882 | 73,369 | 2,427,307 | 100.00 | 9,233 | 1,344 | 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, 2024 | | | Net Income (Loss) of the Investee | Investment Income (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | December 31, 2024 | December 31, 2023 | Shares | Percentage of Ownership | Carrying Amount | | | |
| JFTL | Profit Enterprises Int'l Ltd. | Hong Kong | Barge transportation | $ 5,112 | $ 4,755 | 6,100,000 | 50.00 | $ 6,625 | $ 2,949 | Not applicable | |
| AOG | Perez-Mtec-ACC, LLC | Guam | Ready-mixed concrete | 9,821 | 9,197 | - | 33.33 | 46 | - | Not applicable | |
| | AOC | Guam | Ready-mixed concrete | 260,243 | 243,707 | - | 71.68 | (33,937) | 368 | Not applicable | A sub-subsidiary of the Corporation |
| ACSPL | ACCHC | Cayman | Investment | 654,700 | 613,100 | 63,790,798 | 4.07 | 3,018,652 | (1,337,167) | Not applicable | A subsidiary of the Corporation |
| | Alliance Concrete Singapore Pte. Ltd. | Singapore | Ready-mixed concrete | 168,280 | 162,400 | 6,000,000 | 50.00 | 528,376 | 512,804 | Not applicable | |
| | OCPL | Singapore | Ready-mixed concrete, leasing | 408,680 | 394,400 | 17,000,000 | 100.00 | 310,327 | 9,407 | Not applicable | A sub-subsidiary of the Corporation |
| ACCHC | PIHPL | B.V.I. | Investment | 28,826,867 | 26,995,192 | 9,719,535 | 100.00 | 82,234,054 | (644,335) | 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, 2024**
**(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, 2024 | Remittance of Funds | | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 1) | Carrying Amount as of December 31, 2024 | Accumulated Repatriation of Investment Income as of December 31, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Outward | Inward | | | | | | |
| SHYLCP | It manufactures and sells ready-mixed concrete and cement - related products | US$15,000 (equivalent to NT$491,025 thousand) | (2) | US$12,000 (equivalent to NT$392,820 thousand) | $ - | $ - | US$12,000 (equivalent to NT$392,820 thousand) | $ (4,602) | 72.00 | $ (3,316) | $ 86,756 | $ 26,188 |
| JYDC | It manufactures and sells cement, clinker and ready-mixed concrete (including cement - related products). | US$356,104 (equivalent to NT$11,657,064 thousand) | (2) | US$143,817 (equivalent to NT$4,707,849 thousand) | - | - | US$143,817 (equivalent to NT$4,707,849 thousand) | 608,187 | 68.40 | 415,997 | 20,297,615 | 7,992,268 |
| WYDC | It manufactures and sells cement, slag powder and slag cement. | US$36,140 (equivalent to NT$1,183,043 thousand) | (2) | US$26,550 (equivalent to NT$869,114 thousand) | - | - | US$26,550 (equivalent to NT$869,114 thousand) | (37,172) | 72.00 | (26,762) | 2,016,590 | 162,382 |
| SHYFCP | It manufactures and sells ready-mixed concrete and cement - related products | N/A | N/A | US$1,270 (equivalent to NT$41,573 thousand) | - | - | US$1,270 (equivalent to NT$41,573 thousand) | N/A | N/A | N/A | N/A | - |
| OHC | Investment | US$838,793 (equivalent to NT$27,457,889 thousand) | (2) | US$55,000 (equivalent to NT$1,800,425 thousand) | - | - | US$55,000 (equivalent to NT$1,800,425 thousand) | (331,523) | 72.00 | (238,693) | 41,480,924 | 26,483 |
| NYLC | It manufactures and sells ready-mixed concrete and cement - related products | RMB60,000 (equivalent to NT$273,232 thousand) | (2) | - | - | - | - | (20,499) | 68.40 | (14,020) | 425,668 | - |
| NYDC | It manufactures and sells cement, slag powder and slag cement. | RMB90,000 (equivalent to NT$409,847 thousand) | (2) | - | - | - | - | (23,595) | 52.20 | (12,314) | 316,675 | - |
| SIYDCCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$368,340 (equivalent to NT$12,057,610 thousand) | (2) | US$94,594 (equivalent to NT$3,096,535 thousand) | - | - | US$94,594 (equivalent to NT$3,096,535 thousand) | 761,296 | 72.00 | 548,133 | 19,324,970 | 4,208,416 |
| CYCPCL | It manufactures and sells ready-mixed concrete and cement - related products | US$4,100 (equivalent to NT$134,214 thousand) | (2) | US$2,100 (equivalent to NT$68,744 thousand) | - | - | US$2,100 (equivalent to NT$68,744 thousand) | (31,319) | 72.00 | (22,552) | 211,636 | 12,216 |
| JYLTC | Transportation | RMB12,500 (equivalent to NT$56,923 thousand) | (2) | - | - | - | - | 1,706 | 70.13 | 1,196 | 108,163 | - |
| HYDCCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$154,800 (equivalent to NT$5,067,378 thousand) | (2) | US$57,600 (equivalent to NT$1,885,536 thousand) | - | - | US$57,600 (equivalent to NT$1,885,536 thousand) | (884,025) | 72.00 | (636,497) | 5,974,979 | 1,669,456 |
| CYSPC | Slag powder | N/A | N/A | US$980 (equivalent to NT$32,080 thousand) | - | - | US$980 (equivalent to NT$32,080 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$108,026 thousand) | (2) | US$2,970 (equivalent to NT$97,223 thousand) | - | - | US$2,970 (equivalent to NT$97,223 thousand) | 12,106 | 72.00 | 8,713 | 53,116 | - |
| SYTCL | Transportation | US$3,500 (equivalent to NT$114,573 thousand) | (2) | US$3,150 (equivalent to NT$103,115 thousand) | - | - | US$3,150 (equivalent to NT$103,115 thousand) | (8,303) | 72.00 | (5,979) | 140,655 | 32,473 |

(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, 2024 | Remittance of Funds | | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 1) | Carrying Amount as of December 31, 2024 | Accumulated Repatriation of Investment Income as of December 31, 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Outward | Inward | | | | | | |
| YYDCCL | Cement, slag powder and ready-mixed concrete (including cement - related products) | US$35,530 (equivalent to NT$1,163,075 thousand) | (2) | US$15,849 (equivalent to NT$518,817 thousand) | $ - | $ - | US$15,849 (equivalent to NT$518,817 thousand) | $ (18,703) | 72.00 | $ (13,465) | $ 1,094,352 | $ 238,620 |
| HGYDC | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | US$86,170 (equivalent to NT$2,820,775 thousand) | (2) | US$15,350 (equivalent to NT$502,482 thousand) | - | - | US$15,350 (equivalent to NT$502,482 thousand) | 135,516 | 72.00 | 97,573 | 5,001,181 | 909,584 |
| HYTCL | Transportation | RMB13,000 (equivalent to NT$59,200 thousand) | (2) | - | - | - | - | (8,266) | 72.00 | (5,952) | 39,887 | - |
| WYCPCL | It manufactures and sells ready-mixed concrete and cement - related products | RMB60,000 (equivalent to NT$273,232 thousand) | (2) | - | - | - | - | (26,870) | 72.00 | (19,348) | 230,548 | - |
| WYXC | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | RMB90,000 (equivalent to NT$409,847 thousand) | (2) | - | - | - | - | (169,651) | 64.80 | (111,421) | 280,208 | - |
| HZYCCL | It manufactures and sells ready-mixed concrete and cement - related products | RMB30,000 (equivalent to NT$136,616 thousand) | (2) | - | - | - | - | 153 | 28.80 | 45 | 61,996 | - |
| WAMTC | Marine transportation | RMB35,500 (equivalent to NT$161,662 thousand) | (2) | - | - | - | - | 8,217 | 34.20 | 2,951 | 120,359 | - |
| TZOCCL | Cement - related products | US$16,000 (equivalent to NT$523,760 thousand) | (2) | - | - | - | - | 7,955 | 72.00 | 5,442 | 357,683 | - |
| SLCL | Cement, clinker, slag powder and ready-mixed concrete (including cement - related products) | RMB600,000 (equivalent to NT$2,732,316 thousand) | (2) | - | - | - | - | 190,466 | 72.00 | 128,112 | 6,544,102 | - |
| SLCCL | Cement - related products | RMB20,000 (equivalent to NT$91,077 thousand) | (2) | - | - | - | - | (7,779) | 72.00 | (5,600) | (95,963) | - |
| YDES | Real estate leasing and management | RMB1,763,425 (equivalent to NT$8,030,391 thousand) | (2) | - | - | - | - | (938,307) | 28.80 | (270,234) | 1,610,714 | - |
| RYNM | Building materials, products and construction waste | RMB2,000 (equivalent to NT$9,108 thousand) | (2) | - | - | - | - | 297,681 | 68.40 | 203,615 | 226,573 | - |
| JRNMC | Mineral resource mining, port management, waterway general goods transportation and construction | RMB10,000 (equivalent to NT$45,539 thousand) | (2) | - | - | - | - | (33,937) | 30.78 | (10,446) | 96,004 | - |
| JYDCCL | It manufactures and sells cement grinding, slag powder, doping powder and other building material products | RMB80,000 (equivalent to NT$364,309 thousand) | (2) | - | - | - | - | 1,002 | 61.20 | 614 | 265,827 | - |
| WYMCL | Building materials, products and construction waste | (Note 6) | (Note 6) | - | - | - | - | N/A | N/A | N/A | N/A | - |

(Continued)

| Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|---|---|---|
| US$648,051 (Note 3)<br>(Equivalent to NT$21,213,949 thousand) | US$3,424,502<br>(Equivalent to NT$112,101,073 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, 2024, 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, 2024. The foreign currency amount of net income is expressed in New Taiwan dollars at average exchange rate for the year ended December 31, 2024.

Note 6: As of December 31, 2024, the Corporation has not yet injected capital.

(Concluded)

**TABLE 10**

# ASIA CEMENT CORPORATION

**INFORMATION OF MAJOR SHAREHOLDERS**
**DECEMBER 31, 2024**

| Name of Major Shareholder | Shares | |
|---|---|---|
| | Number of Shares | Percentage of Ownership (%) |
| FENC | 750,511,324 | 21.16 |
| Yuanta/P-shares Taiwan Dividend Plus ETF | 189,027,430 | 5.32 |
| 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.

**STATEMENT 1**

# ASIA CEMENT CORPORATION

**STATEMENT OF CASH AND CASH EQUIVALENTS**
**DECEMBER 31, 2024**
**(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$690,180 thousand, US$16,459 thousand, RMB2,045 thousand, EUR3 thousand, JPY7 thousand and HK$103 thousand) | | | $ 1,238,798 |
| Time deposits (including US$8,987 thousand, RMB50,497 thousand and HK$26,222) | 2025.3.5 | 2.05%-4.74% | 634,068 |
| Petty cash | | | 790 |
| Cash on hand (including US$10 thousand and RMB13 thousand) (Note) | | | 369 |
| Cash equivalents (Note) | | | |
| Repurchase agreements collateralized by bonds (US$10,129 thousand) | 2025.4.16 | 4.80% | 331,562 |
| | | | $ 2,205,587 |

Note: The rates of exchanges were US$1=$32.735, EUR1=$33.94, SGD1=$24.04, JPY1=$0.2079, HK$1=$4.192, and RMB1=$4.554.

# ASIA CEMENT CORPORATION

### STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
### DECEMBER 31, 2024
### (In Thousands of New Taiwan Dollars, Excluding Number of Shares, Par Value and Unit Price)

| | | | | Fair Value | | |
|---|---|---|---|---|---|---|
| **Name of Financial Instruments** | **Unit** | **Total Amount** | **Cost of Acquisition** | **Unit Price (Note 1)** | **Total Amount** | **Note** |
| Beneficiary certificate - open-end fund | | | | | | |
| Deutsche Far Eastern DWS Taiwan Flagship Security Investment Trust Fund | 10,000,000 | $ 512,900 | $ 100,000 | 51.29 | $ 512,900 | Note 2 |
| Opas Fund Segregated Portfolio Tranche C | 2,217 | 240,171 | 138,150 | 108,345.87 | 240,171 | Note 2 |
| Domestic listed shares | | | | | | |
| Far EasTone. | 49,943,573 | 4,464,956 | 3,261,710 | 89.40 | 4,464,956 | Note 2 |
| Overseas listed shares | | | | | | |
| China Conch Venture Holdings Ltd. | 11,443,000 | 320,913 | 557,036 | 28.04 | 320,913 | Note 2 |
| China Conch Environment Protection Holdings Ltd. | 11,443,000 | 34,058 | 41,927 | 2.98 | 34,058 | |
| | | $ 5,572,998 | $ 4,098,823 | | $ 5,572,998 | |

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, 2024.

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, 2024**
**(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 Unit Price (Note 1) | Fair Value Total Amount | Note |
|---|---|---|---|---|---|---|---|
| Domestic listed shares | | | | | | | |
| Far EasTone. | 31,034,372 | $10 | $ 2,774,473 | $ 798,361 | $89.40 | $ 2,774,473 | Note 2 |

Note 1: The listed shares were calculated based on the closing price on December 31, 2024.

Note 2: All financial instruments were unsecured and unpledged.

# ASIA CEMENT CORPORATION

**STATEMENT OF FINANCIAL ASSETS AT AMORTIZED COST - CURRENT**
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Name of Financial Instruments | Par Value | Total Amount | Rate | Carrying Amount | Note |
|---|---|---|---|---|---|
| United Overseas Bank | $ 364,471 | $ 364,471 | 4.86% | $ 364,471 | |
| CTBC Bank Co., Ltd. | 184,593 | 184,593 | 4.80% | 184,593 | |
| Bank of China Limited | 341,655 | 341,655 | 5.36% | 341,655 | |
| Bank of China Limited | 327,350 | 327,350 | 5.33% | 327,350 | |
| Bank of China Limited | 515,740 | 515,740 | 4.46% | 515,740 | |
| BNP Paribas | 47,697 | 47,697 | 3.26% | 47,697 | |
| Taishin International Bank Co., Ltd. | 336,614 | 336,614 | 4.90% | 336,614 | |
| Taishin International Bank Co., Ltd. | 261,524 | 261,524 | 2.60% | 261,524 | |
| Taishin International Bank Co., Ltd. | 227,693 | 227,693 | 2.45% | 227,693 | |
| Bank of Taiwan | 38,726 | 38,726 | 4.80% | 38,726 | |
| E.SUN Commercial Bank, Ltd. | 110,112 | 110,112 | 2.40% | 110,112 | |
| E.SUN Commercial Bank, Ltd. | 350,948 | 350,948 | 1.55% | 350,948 | |
| First Commercial Bank | 140,459 | 140,459 | 1.70% | 140,459 | |
| Mizuho Bank | 327,350 | 327,350 | 5.45% | 327,350 | |
| Chang Hwa Commercial Bank | 497,736 | 497,736 | 4.90% | 497,736 | |
| Far Eastern International Bank | 327,350 | 327,350 | 5.40% | 327,350 | |
| Far Eastern International Bank | 327,350 | 327,350 | 5.33% | 327,350 | |
| Far Eastern International Bank | 333,443 | 333,443 | 1.63% | 333,443 | |
| Australia and New Zealand Banking Group Limited | 169,829 | 169,829 | 4.75% | 169,829 | |
| | $ 5,230,640 | $ 5,230,640 | | $ 5,230,640 | |

**STATEMENT 5**

# ASIA CEMENT CORPORATION

**STATEMENT OF NOTES RECEIVABLE**
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars)**

| Client Name | Amount |
|---|---|
| Third parties | |
| Lucky Cement Co., Ltd. | $ 27,720 |
| Chong cheng building materials Co., Ltd. | 19,961 |
| Lihtai Construction Enterprise Co., Ltd | 13,289 |
| Nan Shing Colour Co., Ltd. | 7,873 |
| Shangde Building Materials Co., Ltd. | 7,160 |
| Yu Chen Co., Ltd. | 6,411 |
| Hou Sin Co., Ltd. | 6,348 |
| Others (Note) | 31,088 |
| | $ 119,850 |

Note: The balance of each individual client included in others does not exceed 5% of the account balance.

STATEMENT 6

# ASIA CEMENT CORPORATION

**STATEMENT OF TRADE RECEIVABLES**
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars)**

| Client Name | Amount |
|---|---|
| Related parties | |
| Domestic sales | |
| YTRMC | $ 498,347 |
| YSRMC | 45,717 |
| Others (Note) | 19,389 |
| | 563,453 |
| Rental | |
| YTRMC | 112,142 |
| Others (Note) | 11,400 |
| | 123,542 |
| | 686,995 |
| Third parties | |
| Domestic sales | |
| RUENTEX MATERIALS CO., LTD. | 95,572 |
| CHIA HSIN CEMENT CORP. | 70,730 |
| Others (Note) | 408,640 |
| Loss: Loss allowance | (4,247) |
| | 570,695 |
| Net profit for the year | $ 1,257,690 |

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, 2024**
**(In Thousands of New Taiwan Dollars)**

| Item | Amount | |
|---|---|---|
| | Cost | Market Value (Note) |
| Finished goods | $ 254,976 | $ 325,548 |
| Work in progress | 581,462 | 1,182,389 |
| Raw materials | 540,919 | 658,287 |
| Supplies | 377,281 | 377,281 |
| | $ 1,754,638 | $ 2,543,505 |

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, 2024**
**(In Thousands of New Taiwan Dollars, Excluding Unit Prices Are New Taiwan Dollars and Hong Kong Dollars)**

| | Balance, January 1, 2024 | | Addition | | Decrease | | Reclassification | | Changes in Equity Method | Balance, December 31, 2024 | | | Market Price or Net Equity Value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name of Investee Company | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | (Note 1) | Shares | Ownership | Amount | Unit Price | Total Amount | Collateral | Note |
| Stocks | | | | | | | | | | | | | | | | |
| Listed shares | | | | | | | | | | | | | | | | |
| ACCHC | 1,061,209,202 | $ 48,798,708 | - | $ - | - | $ - | - | $ - | $ 1,435,513 | 1,061,209,202 | 67.73% | $ 50,234,221 | HK 2.36 | $ 10,498,670 | | Note 3 |
| FENC | 1,272,277,085 | 40,923,992 | - | - | (45,332,000) | (1,469,652) | - | - | 995,617 | 1,226,945,085 | 22.92% | 40,449,957 | 31.60 | 38,771,465 | Note 2 | Notes 3 and 6 |
| U-Ming | 331,701,152 | 13,226,464 | - | - | - | - | - | - | 2,654,400 | 331,701,152 | 39.25% | 15,880,864 | 58.10 | 19,271,837 | Note 2 | Note 3 |
| CSCGL | 331,878,315 | 6,926,148 | - | - | - | - | - | - | 221,904 | 331,878,315 | 7.62% | 7,148,052 | HK 0.49 | 681,705 | | Note 3 |
| Unlisted shares | | | | | | | | | | | | | | | | |
| DCI | 775,225,091 | 16,594,311 | 63,568,457 | - | - | - | - | - | 1,297,368 | 838,793,548 | 99.99% | 17,891,679 | | 17,891,679 | | Notes 4 and 5 |
| CHP | 568,307,076 | 10,902,935 | 497,896 | 8,699 | - | - | - | - | 627,918 | 568,804,972 | 99.79% | 11,539,552 | | 11,213,251 | | Note 4 |
| YYI | 155,000,830 | 2,536,323 | - | - | - | - | - | - | 82,949 | 155,000,830 | 29.92% | 2,619,272 | | 2,619,272 | | Note 4 |
| YDC | 178,707,648 | 3,210,877 | - | - | - | - | - | - | 38,543 | 178,707,648 | 35.50% | 3,249,420 | | 3,249,420 | | Note 4 |
| ACSPL | 10,500,000 | 6,210,676 | - | - | - | - | - | - | 755,309 | 10,500,000 | 100.00% | 6,965,985 | | 6,965,985 | | Note 4 |
| AIC | 499,426,678 | 7,002,990 | 8,989,680 | - | - | - | - | - | 920,176 | 508,416,358 | 100.00% | 7,923,166 | | 7,935,503 | | Notes 4 and 5 |
| OSC | 79,929,133 | 1,323,421 | - | - | - | - | - | - | 88,030 | 79,929,133 | 18.93% | 1,411,451 | | 1,411,451 | | Note 4 |
| YTRMC | 199,992,732 | 4,807,572 | - | - | - | - | - | - | 932,626 | 199,992,732 | 99.99% | 5,740,198 | | 5,742,822 | | Note 4 |
| YLSS | 200,000,000 | 2,379,045 | - | - | - | - | - | - | 136,440 | 200,000,000 | 100.00% | 2,515,485 | | 2,391,411 | | Note 4 |
| FMT | 58,520,371 | 1,852,992 | 22,827,936 | 217 | - | - | - | - | 245,122 | 81,348,307 | 99.96% | 2,098,331 | | 2,098,331 | | Notes 4 and 5 |
| FEDSDL | 53,250,000 | 588,630 | - | - | - | - | - | - | 13,426 | 53,250,000 | 25.00% | 602,056 | | 602,056 | | Note 4 |
| NHC | 26,139,000 | 340,402 | - | - | - | - | - | - | 56,496 | 26,139,000 | 99.98% | 396,898 | | 397,043 | | Note 4 |
| YDLC | 34,640,189 | 383,596 | - | - | - | - | - | - | 4,607 | 34,640,189 | 43.60% | 388,203 | | 388,203 | | Note 4 |
| YLT | 5,160,817 | 294,518 | - | - | - | - | - | - | 36,323 | 5,160,817 | 51.61% | 330,841 | | 310,061 | | Note 4 |
| AEE | 8,108,397 | 177,896 | - | - | - | - | - | - | 32,262 | 8,108,397 | 99.93% | 210,158 | | 210,158 | | Note 4 |
| EISF | 3,199,823 | 95,514 | - | - | - | - | - | - | 2,258 | 3,199,823 | 40.40% | 97,772 | | 97,772 | | Note 4 |
| YLPPC | 16,271,969 | 223,867 | - | - | - | - | - | - | 29,481 | 16,271,969 | 83.97% | 253,348 | | 254,143 | | Note 4 |
| SIHL | 90,000 | 63,462 | - | - | - | - | - | - | 13,716 | 90,000 | 100.00% | 77,178 | | 77,178 | | Note 4 |
| | | 168,864,339 | | 8,916 | | (1,469,652) | | - | 10,620,484 | | | 178,024,087 | | 133,079,416 | | |
| Less: Effect of investment properties at fair value method | | 3,543,688 | | - | | - | | - | 483,289 | | | 4,026,977 | | - | | |
| | | $ 165,320,651 | | $ 8,916 | | $ (1,469,652) | | $ - | $ 10,137,195 | | | $ 173,997,110 | | $ 133,079,416 | | |

Note 1: Including

| | | |
|---|---|---|
| a. | Changes in the Corporation’s share of profit of investees (excluding effect of investment properties at fair value method) | $ 9,206,720 |
| b. | Changes in capital surplus | (212,639) |
| c. | Financial assets at FVTOCI - unrealized gain or loss on equity instruments | 496,694 |
| d. | Financial assets at FVTOCI - unrealized gain or loss on debt instruments | 14,735 |
| e. | Changes in exchange differences from translation of foreign operations | 6,316,957 |
| f. | Cash dividends declared and distributed by investees | (5,219,005) |
| g. | Changes in retained earnings | (34,025) |
| h. | Remeasurement of defined benefit plans | 76,013 |
| i. | Unrealized gain or loss on cash flow hedges | (3,096) |
| j. | Recognition of revaluation surplus | (23,980) |
| k. | Adjustment of the unrealized profit | 2,110 |
| | | $ 10,620,484 |

Note 2: 182,082 thousand shares of FENC (NT$6,002,884 thousand) and 54,000 thousand shares of U-Ming (NT$2,585,359 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, 2024.

Note 4: The amounts of net asset value were based on audited financial statements on December 31, 2024.

Note 5: DCI, AIC and FMT resolved to distribute share dividends in 2024, and the number of shares held by the Corporation in the investees increased by 63,568,457 shares, 8,989,680 shares and 22,824,345 shares, respectively.

Note 6: 45,332 shares of FENC stock were sold in 2024.

## ASIA CEMENT CORPORATION

**STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars, Excluding Number of Shares, Par Value and Unit Price)**

| | Balance, January 1, 2024 | | Addition | | | Decrease | | Reclassification | | Balance, December 31, 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name | 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 | Collateral | Note |
| Listed shares | | | | | | | | | | | | | |
| Far Eastern Department Store Ltd. | 80,502,950 | $ 1,981,311 | - | $ - | $ - | - | $ (180,120) | - | $ - | 80,502,950 | $ 1,801,191 | Note 1 | Note 2 |
| Oriental Union Chemical Corp. | 63,766,522 | 1,284,895 | - | - | - | - | (373,034) | - | - | 63,766,522 | 911,861 | Note 1 | Note 2 |
| CHC Resources Corporation | 22,801,185 | 1,313,348 | - | - | 216,612 | - | - | - | - | 22,801,185 | 1,529,960 | Note 1 | Note 2 |
| Far Eastern International Bank (FEIB) | 93,302,771 | 1,180,280 | 4,721,120 | - | 113,635 | - | - | - | - | 98,023,891 | 1,293,915 | 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. | 13,407,259 | 714,875 | 2,011,088 | - | 69,456 | - | - | - | - | 15,418,347 | 784,331 | Note 1 | |
| China Trade & Development Corp. | 250,003 | 3,902 | - | - | - | - | - | - | - | 250,003 | 3,902 | Note 1 | |
| Pan Asia Engineers & Constructors Corp. | 1,551,395 | 30,935 | - | - | 2,902 | - | - | - | - | 1,551,395 | 33,837 | Note 1 | |
| L'Hotel de Chine Hotel | 598,121 | 30,044 | - | - | - | - | (9,451) | - | - | 598,121 | 20,593 | Note 1 | |
| Kaohsiung Rapid Transit | 15,873,243 | 60,994 | - | - | - | - | (4,409) | - | - | 15,873,243 | 56,585 | Note 1 | |
| Linkou Recreation Corporation | 5 | - | - | - | - | - | - | - | - | 5 | - | Note 1 | |
| China Shanshui Investment Corp | 49,928 | 87,483 | - | - | - | - | (524) | - | - | 49,928 | 86,959 | Note 1 | |
| | | $ 6,704,087 | | $ - | $ 402,605 | | $ (567,538) | | $ - | | $ 6,539,154 | | |

Note 1: All financial instruments were unsecured and unpledged.

Note 2: The listed shares were calculated based on the closing price on December 31, 2024.

STATEMENT 10

# ASIA CEMENT CORPORATION

## STATEMENT OF ACCOUNTS PAYABLE AND ACCRUE EXPENSES
**DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars)**

| Item | Amount |
|---|---|
| Payables for operating expenses | $ 572,259 |
| Payables for manufacturing costs | 527,378 |
| Accounts payable | 230,140 |
| Payables for professional fees | 190,277 |
| Interest payable | 180,135 |
| Payables for selling costs | 168,285 |
| Others (Note) | 192,858 |
| | $ 2,061,332 |

Note: The balance of each individual vendor included in others does not exceed 5% of the account balance.

STATEMENT 11

## ASIA CEMENT CORPORATION

**STATEMENT OF BONDS PAYABLE**
**DECEMBER 31, 2024**
**(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 Expired within A Year | Outstanding Balance Expired after A Year | Outstanding Balance Total Amount | Collateral | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domestic bonds | | | | | | | | | | | | | |
| 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 | |
| Unsecured bonds-113-1-A | CTBC Bank Co., Ltd. | 2024.4.26-2029.4.26 | Lump sum repayment on maturity | 1.70 | 1,800,000 | - | - | - | - | 1,800,000 | 1,800,000 | None | |
| Unsecured bonds-113-1-B | CTBC Bank Co., Ltd. | 2024.4.26-2031.4.26 | Lump sum repayment on maturity | 1.77 | 1,900,000 | - | - | - | - | 1,900,000 | 1,900,000 | None | |
| | | | | | $ 42,800,000 | $ - | $ - | $ - | $ 18,600,000 | $ 24,200,000 | $ 42,800,000 | | |

# ASIA CEMENT CORPORATION

**STATEMENT OF OPERATING REVENUE**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

| Item | Unit (Thousand Tons) | Amount |
|---|---|---|
| Cement and clinker | 3,491 | $ 9,865,818 |
| Slag powder | 394 | 461,984 |
| Slag | 118 | 69,895 |
| Less: Sales returns and allowances | | 1,969 |
| Net sales of goods | | 10,395,728 |
| Rental revenue | | 537,760 |
| Others | | 39,252 |
| | | $ 10,972,740 |

STATEMENT 13

# ASIA CEMENT CORPORATION

**STATEMENT OF OPERATING COSTS**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars)**

| Item | Amount |
|---|---|
| Direct raw materials - rough stone | $ 533,612 |
| - plaster | 189,038 |
| - others | 27,961 |
| | 750,611 |
| Direct labor | 80,334 |
| Production overheads | 5,240,116 |
| Manufacturing costs | 6,071,061 |
| Add: Finished goods, balance at January 1 | 681,519 |
| Outsourcing costs | 473,368 |
| Less: Finished goods, balance at December 31 | (849,531) |
| Cost of cement and clinker | 6,376,417 |
| Cost of slag powder | 370,337 |
| Cost of slag | 26,694 |
| Others | 2,565 |
| Selling costs | 2,151,045 |
| Rental costs | 158,772 |
| Operating costs | $ 9,085,830 |

**STATEMENT 14**

# ASIA CEMENT CORPORATION

**STATEMENT OF OPERATING EXPENSES**
**FOR THE YEAR ENDED DECEMBER 31, 2024**
**(In Thousands of New Taiwan Dollars)**

| Item | Amount |
|---|---|
| Salaries and wages | $ 158,714 |
| Remuneration of directors | 143,868 |
| Rentals | 50,829 |
| Apportioned charges of affiliates | 93,312 |
| Others (Note) | 143,331 |
| | $ 590,054 |

Note: The amount of each item in others does not exceed 5% of the amount balance.