

**Chia Hsin Cement Corporation and  
Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2024 and 2023 and  
Independent Auditors' Review Report**

## INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders  
Chia Hsin Cement Corporation

### Introduction

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

### Scope of Review

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

### Basis for Qualified Conclusion

As disclosed in Note 14 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of September 30, 2024 and 2023, the combined total assets of these non-significant subsidiaries were NT\$8,217,950 thousand and NT\$7,724,942 thousand, respectively, representing 22.83% and 21.41%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$958,126 thousand and NT\$876,515 thousand, respectively, representing 7.07% and 6.22%, respectively, of the consolidated total liabilities; for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the amounts of combined comprehensive income (loss) of these subsidiaries were NT\$147,978 thousand, NT\$(40,252) thousand, NT\$242,763 thousand and NT\$96,232 thousand, respectively, representing 47.95%, 2.76%, 66.80% and 48.79%, respectively, of the consolidated total comprehensive income (loss). In addition, as disclosed in Note 15 to the consolidated financial statements, as of September 30, 2024 and 2023, the amounts of investments accounted for using the equity method were NT\$4,002,713 thousand and NT\$3,678,282 thousand,

respectively, and for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the amounts of the share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method were NT\$81,176 thousand, NT\$(40,534) thousand, NT\$205,877 thousand and NT\$126,738 thousand, respectively. The abovementioned amounts were recognized according to the unreviewed financial statements for the same accounting periods of the aforementioned investee companies. The related information disclosed in Note 41 to the consolidated financial statements and the information of the aforementioned subsidiaries and investee companies were also not reviewed by the auditors.

### Qualified Conclusion

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

The engagement partners on the reviews resulting in this independent auditors’ review report are Chiang Hsun Chen and Sheng Tai Liang.

Chiang Hsun Chen

Sheng - Tai Liang

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 7, 2024

### Notice to Readers

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

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

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,971,529	6	\$ 2,054,339	6	\$ 2,268,484	6
Financial assets at fair value through profit or loss - current (Note 7)	1,437,239	4	1,435,732	4	1,492,895	4
Financial assets at fair value through other comprehensive income - current (Note 8)	2,448,676	7	2,478,000	7	2,374,450	7
Financial assets at amortized cost - current (Note 9)	3,795,097	11	3,945,242	11	3,856,654	11
Notes receivable from unrelated parties (Notes 10 and 26)	148,960	-	199,758	1	160,008	-
Trade receivables from unrelated parties (Notes 10 and 26)	126,997	-	158,202	-	107,877	-
Trade receivables from related parties (Notes 10, 26 and 35)	4,063	-	8,899	-	7,104	-
Finance lease receivables - current (Note 12)	865	-	1,111	-	1,846	-
Other receivables from unrelated parties (Note 11)	60,945	-	47,811	-	66,418	-
Other receivables from related parties (Note 35)	215	-	215	-	68	-
Current tax assets (Note 4)	8,408	-	1,122	-	2,917	-
Inventories (Note 13)	133,258	-	97,473	-	168,208	1
Prepayments (Note 20)	109,302	-	120,923	-	130,769	-
Other current assets (Note 20)	<u>1,225</u>	<u>-</u>	<u>229</u>	<u>-</u>	<u>3,894</u>	<u>-</u>
Total current assets	<u>10,246,779</u>	<u>28</u>	<u>10,549,056</u>	<u>29</u>	<u>10,641,592</u>	<u>29</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	9,653,890	27	9,881,018	27	9,451,741	27
Financial assets at amortized cost - non-current (Notes 9 and 36)	16,753	-	19,175	-	27,221	-
Investments accounted for using the equity method (Note 15)	4,002,713	11	3,787,444	10	3,678,282	10
Property, plant and equipment (Notes 16 and 36)	4,102,211	11	4,250,010	12	4,343,061	12
Right-of-use assets (Note 17)	1,281,877	4	1,340,366	4	1,382,362	4
Investment properties (Notes 18 and 36)	6,334,552	18	6,223,380	17	6,195,936	17
Intangible assets (Note 19)	1,884	-	3,845	-	4,503	-
Deferred tax assets (Note 4)	284,945	1	334,360	1	276,584	1
Net defined benefit assets - non-current (Notes 4 and 24)	16,305	-	16,149	-	18,732	-
Other non-current assets (Notes 10 and 20)	<u>61,571</u>	<u>-</u>	<u>59,531</u>	<u>-</u>	<u>60,048</u>	<u>-</u>
Total non-current assets	<u>25,756,701</u>	<u>72</u>	<u>25,915,278</u>	<u>71</u>	<u>25,438,470</u>	<u>71</u>
TOTAL	<u>\$ 36,003,480</u>	<u>100</u>	<u>\$ 36,464,334</u>	<u>100</u>	<u>\$ 36,080,062</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 21)	\$ 1,136,750	3	\$ 1,356,040	4	\$ 1,422,362	4
Short-term bills payable (Note 21)	-	-	744,106	2	549,081	2
Contract liabilities (Note 26)	57,366	-	41,608	-	34,072	-
Notes payable to unrelated parties (Note 22)	3,646	-	3,337	-	3,197	-
Trade payables to unrelated parties (Note 22)	92,515	-	96,221	-	141,958	-
Trade payables to related parties (Note 35)	107,121	1	110,955	-	124,810	-
Other payables to unrelated parties (Notes 23 and 32)	201,732	1	197,128	1	188,956	1
Other payables to related parties (Note 35)	159	-	-	-	5	-
Current tax liabilities (Notes 4 and 28)	5,634	-	17,857	-	10,461	-
Lease liabilities - current (Note 17)	106,154	-	112,628	-	114,574	-
Current portion of long-term borrowings (Notes 21 and 36)	702,972	2	571,452	2	995,982	3
Other current liabilities (Note 23)	<u>40,209</u>	<u>-</u>	<u>50,411</u>	<u>-</u>	<u>53,136</u>	<u>-</u>
Total current liabilities	<u>2,454,258</u>	<u>7</u>	<u>3,301,743</u>	<u>9</u>	<u>3,638,594</u>	<u>10</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 21 and 36)	7,749,905	22	7,386,018	20	7,035,386	20
Deferred tax liabilities (Note 4)	1,618,750	4	1,604,585	5	1,613,296	4
Lease liabilities - non-current (Note 17)	1,316,828	4	1,353,352	4	1,394,015	4
Deferred revenue - non-current (Notes 23 and 31)	311,563	1	311,098	1	311,882	1
Other non-current liabilities - other (Notes 23 and 35)	<u>94,042</u>	<u>-</u>	<u>88,980</u>	<u>-</u>	<u>93,767</u>	<u>-</u>
Total non-current liabilities	<u>11,091,088</u>	<u>31</u>	<u>10,744,033</u>	<u>30</u>	<u>10,448,346</u>	<u>29</u>
Total liabilities	<u>13,545,346</u>	<u>38</u>	<u>14,045,776</u>	<u>39</u>	<u>14,086,940</u>	<u>39</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)						
Share capital						
Ordinary shares	<u>7,902,474</u>	<u>22</u>	<u>7,902,474</u>	<u>22</u>	<u>7,902,474</u>	<u>22</u>
Capital surplus	<u>1,375,977</u>	<u>4</u>	<u>1,318,181</u>	<u>3</u>	<u>1,273,309</u>	<u>3</u>
Retained earnings						
Legal reserve	2,579,114	7	2,571,235	7	2,571,235	7
Special reserve	2,256,181	6	2,257,048	6	2,257,048	7
Unappropriated earnings	<u>5,546,772</u>	<u>16</u>	<u>5,430,295</u>	<u>15</u>	<u>5,486,950</u>	<u>15</u>
Total retained earnings	<u>10,382,067</u>	<u>29</u>	<u>10,258,578</u>	<u>28</u>	<u>10,315,233</u>	<u>29</u>
Other equity	<u>3,107,286</u>	<u>8</u>	<u>3,280,168</u>	<u>9</u>	<u>2,859,400</u>	<u>8</u>
Treasury shares	<u>(1,055,710)</u>	<u>(3)</u>	<u>(1,077,950)</u>	<u>(3)</u>	<u>(1,077,950)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	21,712,094	60	21,681,451	59	21,272,466	59
NON-CONTROLLING INTERESTS (Note 25)	<u>746,040</u>	<u>2</u>	<u>737,107</u>	<u>2</u>	<u>720,656</u>	<u>2</u>
Total equity	<u>22,458,134</u>	<u>62</u>	<u>22,418,558</u>	<u>61</u>	<u>21,993,122</u>	<u>61</u>
TOTAL	<u>\$ 36,003,480</u>	<u>100</u>	<u>\$ 36,464,334</u>	<u>100</u>	<u>\$ 36,080,062</u>	<u>100</u>

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

(With Deloitte & Touche review report dated November 7, 2024)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 35)	\$ 775,735	100	\$ 738,527	100	\$ 2,213,179	100	\$ 2,115,231	100
OPERATING COSTS (Notes 13, 27 and 35)	<u>(648,372)</u>	<u>(84)</u>	<u>(630,635)</u>	<u>(86)</u>	<u>(1,862,363)</u>	<u>(84)</u>	<u>(1,866,223)</u>	<u>(88)</u>
GROSS PROFIT	<u>127,363</u>	<u>16</u>	<u>107,892</u>	<u>14</u>	<u>350,816</u>	<u>16</u>	<u>249,008</u>	<u>12</u>
OPERATING EXPENSES (Notes 10, 27 and 35)								
Selling and marketing expenses	(11,186)	(1)	(10,597)	(1)	(31,819)	(2)	(33,275)	(2)
General and administrative expenses	(170,665)	(22)	(124,244)	(17)	(400,924)	(18)	(342,172)	(16)
Expected credit gain (loss)	<u>(7)</u>	<u>-</u>	<u>244</u>	<u>-</u>	<u>912</u>	<u>-</u>	<u>(115)</u>	<u>-</u>
Total operating expenses	<u>(181,858)</u>	<u>(23)</u>	<u>(134,597)</u>	<u>(18)</u>	<u>(431,831)</u>	<u>(20)</u>	<u>(375,562)</u>	<u>(18)</u>
LOSS FROM OPERATIONS	<u>(54,495)</u>	<u>(7)</u>	<u>(26,705)</u>	<u>(4)</u>	<u>(81,015)</u>	<u>(4)</u>	<u>(126,554)</u>	<u>(6)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 15 and 27)								
Interest income	45,461	6	42,616	6	134,523	6	117,543	5
Other income	407,817	52	211,583	29	453,027	21	248,667	12
Other gains and losses	97,804	13	(70,164)	(10)	45,246	2	(58,291)	(3)
Finance costs	(53,925)	(7)	(51,278)	(7)	(158,527)	(7)	(151,929)	(7)
Share of profit (loss) of associates and joint ventures	<u>94,710</u>	<u>12</u>	<u>26,134</u>	<u>4</u>	<u>206,191</u>	<u>9</u>	<u>120,458</u>	<u>6</u>
Total non-operating income and expenses	<u>591,867</u>	<u>76</u>	<u>158,891</u>	<u>22</u>	<u>680,460</u>	<u>31</u>	<u>276,448</u>	<u>13</u>
PROFIT BEFORE INCOME TAX	537,372	69	132,186	18	599,445	27	149,894	7
INCOME TAX EXPENSE (Notes 4 and 28)	<u>(26,863)</u>	<u>(3)</u>	<u>(10,608)</u>	<u>(1)</u>	<u>(56,744)</u>	<u>(3)</u>	<u>(2,353)</u>	<u>-</u>
NET PROFIT (LOSS)	<u>510,509</u>	<u>66</u>	<u>121,578</u>	<u>17</u>	<u>542,701</u>	<u>24</u>	<u>147,541</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (Notes 4, 25 and 28)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(176,702)	(23)	(1,621,849)	(220)	(303,752)	(14)	(50,452)	(2)
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	<u>(12,802)</u>	<u>(1)</u>	<u>(68,539)</u>	<u>(9)</u>	<u>(5)</u>	<u>-</u>	<u>4,514</u>	<u>-</u>
	<u>(189,504)</u>	<u>(24)</u>	<u>(1,690,388)</u>	<u>(229)</u>	<u>(303,757)</u>	<u>(14)</u>	<u>(45,938)</u>	<u>(2)</u>

(Continued)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	\$ (12,688)	(2)	\$ 145,752	20	\$ 164,916	8	\$ 119,735	5
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	(732)	-	1,871	-	(309)	-	1,766	-
Income tax related to items that may be reclassified subsequently to profit or loss	<u>1,017</u>	<u>-</u>	<u>(36,199)</u>	<u>(5)</u>	<u>(40,113)</u>	<u>(2)</u>	<u>(25,864)</u>	<u>(1)</u>
	<u>(12,403)</u>	<u>(2)</u>	<u>111,424</u>	<u>15</u>	<u>124,494</u>	<u>6</u>	<u>95,637</u>	<u>4</u>
Other comprehensive income (loss) for the period, net of income tax	<u>(201,907)</u>	<u>(26)</u>	<u>(1,578,964)</u>	<u>(214)</u>	<u>(179,263)</u>	<u>(8)</u>	<u>49,699</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 308,602</u>	<u>40</u>	<u>\$ (1,457,386)</u>	<u>(197)</u>	<u>\$ 363,438</u>	<u>16</u>	<u>\$ 197,240</u>	<u>9</u>
NET INCOME								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 484,597	63	\$ 117,448	17	\$ 517,895	23	\$ 135,442	6
Non-controlling interests	<u>25,912</u>	<u>3</u>	<u>4,130</u>	<u>-</u>	<u>24,806</u>	<u>1</u>	<u>12,099</u>	<u>1</u>
	<u>\$ 510,509</u>	<u>66</u>	<u>\$ 121,578</u>	<u>17</u>	<u>\$ 542,701</u>	<u>24</u>	<u>\$ 147,541</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 290,966	38	\$ (1,404,038)	(190)	\$ 345,013	15	\$ 183,592	9
Non-controlling interests	<u>17,636</u>	<u>2</u>	<u>(53,348)</u>	<u>(7)</u>	<u>18,425</u>	<u>1</u>	<u>13,648</u>	<u>-</u>
	<u>\$ 308,602</u>	<u>40</u>	<u>\$ (1,457,386)</u>	<u>(197)</u>	<u>\$ 363,438</u>	<u>16</u>	<u>\$ 197,240</u>	<u>9</u>
EARNINGS PER SHARE								
(Note 29)								
From continuing operations								
Basic	<u>\$ 0.74</u>		<u>\$ 0.18</u>		<u>\$ 0.79</u>		<u>\$ 0.21</u>	
Diluted	<u>\$ 0.73</u>		<u>\$ 0.18</u>		<u>\$ 0.78</u>		<u>\$ 0.21</u>	

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

(With Deloitte & Touche review report dated November 7, 2024)

(Concluded)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
	Retained Earnings					Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity
						Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE, JANUARY 1, 2023	\$ 7,747,805	\$ 1,238,426	\$ 2,571,235	\$ 2,257,996	\$ 5,737,233	\$ (648,722)	\$ 3,459,972	\$ (1,077,950)	\$ 21,285,995	\$ 713,432	\$ 21,999,427
Appropriation of 2022 earnings (Note 25)											
Cash dividends distributed by the Company	-	-	-	-	(232,004)	-	-	-	(232,004)	-	(232,004)
Share dividends distributed by the Company	154,669	-	-	-	(154,669)	-	-	-	-	-	-
Reverse of special reserve	-	-	-	(948)	948	-	-	-	-	-	-
Changes in equity of associates accounted for using the equity method (Note 25)	-	1,580	-	-	-	-	-	-	1,580	-	1,580
Unclaimed dividends extinguished by prescription (Note 25)	-	(10)	-	-	-	-	-	-	(10)	-	(10)
Net profit for the nine months ended September 30, 2023	-	-	-	-	135,442	-	-	-	135,442	12,099	147,541
Other comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	-	88,834	(40,684)	-	48,150	1,549	49,699
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	135,442	88,834	(40,684)	-	183,592	13,648	197,240
Changes in capital surplus due to cash dividends of the Company paid to subsidiaries (Note 25)	-	33,313	-	-	-	-	-	-	33,313	-	33,313
Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	(6,424)	(6,424)
BALANCE, SEPTEMBER 30, 2023	<u>\$ 7,902,474</u>	<u>\$ 1,273,309</u>	<u>\$ 2,571,235</u>	<u>\$ 2,257,048</u>	<u>\$ 5,486,950</u>	<u>\$ (559,888)</u>	<u>\$ 3,419,288</u>	<u>\$ (1,077,950)</u>	<u>\$ 21,272,466</u>	<u>\$ 720,656</u>	<u>\$ 21,993,122</u>
BALANCE, JANUARY 1, 2024	\$ 7,902,474	\$ 1,318,181	\$ 2,571,235	\$ 2,257,048	\$ 5,430,295	\$ (670,392)	\$ 3,950,560	\$ (1,077,950)	\$ 21,681,451	\$ 737,107	\$ 22,418,558
Appropriation of 2023 earnings (Note 25)											
Legal reserve	-	-	7,879	-	(7,879)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(394,406)	-	-	-	(394,406)	-	(394,406)
Reverse of special reserve	-	-	-	(867)	867	-	-	-	-	-	-
Changes in equity of associates accounted for using the equity method (Note 25)	-	952	-	-	-	-	-	-	952	-	952
Unclaimed dividends extinguished by prescription (Note 25)	-	(712)	-	-	-	-	-	-	(712)	(90)	(802)
Net profit for the nine months ended September 30, 2024	-	-	-	-	517,895	-	-	-	517,895	24,806	542,701
Other comprehensive income (loss) for the nine months ended September 30, 2024 (Note 25)	-	-	-	-	-	117,679	(290,561)	-	(172,882)	(6,381)	(179,263)
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	517,895	117,679	(290,561)	-	345,013	18,425	363,438
Changes in capital surplus due to cash dividends of the Company paid to subsidiaries (Note 25)	-	56,631	-	-	-	-	-	-	56,631	-	56,631
Share-based payment (Notes 25 and 30)	-	1,275	-	-	-	-	-	-	1,275	45	1,320
Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	(9,447)	(9,447)
Reissuance of treasury shares (Notes 25 and 30)	-	(350)	-	-	-	-	-	22,240	21,890	-	21,890
BALANCE, SEPTEMBER 30, 2024	<u>\$ 7,902,474</u>	<u>\$ 1,375,977</u>	<u>\$ 2,579,114</u>	<u>\$ 2,256,181</u>	<u>\$ 5,546,772</u>	<u>\$ (552,713)</u>	<u>\$ 3,659,999</u>	<u>\$ (1,055,710)</u>	<u>\$ 21,712,094</u>	<u>\$ 746,040</u>	<u>\$ 22,458,134</u>

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

(With Deloitte & Touche review report dated November 7, 2024)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 599,445	\$ 149,894
Adjustments for:		
Depreciation expenses	324,345	345,954
Amortization expenses	1,944	2,047
Expected credit loss (reversed) recognized on trade receivables	(912)	115
Net gain on fair value changes of financial assets at fair value through profit or loss	(10,514)	(10,551)
Finance costs	158,527	151,929
Interest income	(134,523)	(117,543)
Dividend income	(398,391)	(201,105)
Compensation costs arising from share-based payment	1,320	-
Share of profit of associates and joint ventures	(206,191)	(120,458)
Gain on disposal of property, plant and equipment	(132)	(62)
Gain on disposal of investment properties	(9,165)	-
Gain on disposal of right-of-use assets	(112)	(5)
Income from the subleasing of right-of-use assets	(455)	-
Loss on prepayments for equipment	1,674	-
Realized gain on deferred revenue	(6,525)	(6,891)
Net gain on foreign currency exchange	(19,889)	(5,667)
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(5,022)	(162,402)
Notes receivable from unrelated parties	51,351	(18,454)
Trade receivables from unrelated parties	32,777	(1,598)
Trade receivables from related parties	4,836	(2,228)
Other receivables from unrelated parties	2,847	700
Inventories	(35,580)	(4,852)
Prepayments	12,805	(17,263)
Other current assets	(944)	(2,246)
Contract liabilities	15,441	6,485
Notes payable to unrelated parties	309	1,290
Trade payables to unrelated parties	(3,744)	55,398
Trade payables to related parties	(3,834)	41,581
Other payables to unrelated parties	5,986	7,639
Other payables to related parties	152	5
Advance receipts	495	2,132
Other current liabilities	(344)	(2,394)
Net defined benefit liabilities	(156)	(153)
Cash generated from operations	377,821	91,297
Interest paid	(140,985)	(133,646)
Income tax paid	(52,807)	(116,792)
Net cash generated from (used in) operating activities	184,029	(159,141)

(Continued)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2024	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	\$ (30,000)	\$ -
Purchase of financial assets at amortized cost (Note 9)	(224,049)	(2,067,750)
Proceeds from sale of financial assets at amortized cost (Note 9)	479,767	270
Acquisition of associates accounted for using the equity method	(56,424)	(27,056)
Payments for property, plant and equipment	(14,568)	(36,871)
Proceeds from disposal of property, plant and equipment	1,700	102
Decrease (increase) in refundable deposits	16,744	(17,559)
Payments for intangible assets	-	(202)
Payments for investment properties	(99,307)	(42,908)
Proceeds from investment properties	10,999	-
Decrease in finance lease receivables	2,219	2,181
Decrease in other non-current assets	83	232
Increase in prepayments for equipment	(20,207)	(10,090)
Interest received	121,932	89,131
Dividends received	<u>463,850</u>	<u>235,105</u>
Net cash generated from (used in) investing activities	<u>652,739</u>	<u>(1,875,415)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayments of) proceeds from short-term borrowings	(226,583)	(240,400)
(Repayments of) proceeds from short-term bills payable	(745,000)	422,000
Proceeds from long-term borrowings	1,580,000	90,000
Repayments of long-term borrowings	(1,149,989)	(200,883)
(Refunds of) proceeds from guarantee deposits received	(5,456)	13,630
Repayments of the principal portion of lease liabilities	(69,845)	(68,832)
Dividend paid to owners of the Company	(337,775)	(198,691)
Proceeds from reissuance of treasury shares	21,890	-
Dividends paid to non-controlling interests	(9,267)	(6,301)
Return of unclaimed dividends extinguished by prescription	<u>(802)</u>	<u>(10)</u>
Net cash used in financing activities	<u>(942,827)</u>	<u>(189,487)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>23,249</u>	<u>29,131</u>

(Continued)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

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	For the Nine Months Ended September 30	
	2024	2023
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (82,810)	\$ (2,194,912)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,054,339</u>	<u>4,463,396</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,971,529</u>	<u>\$ 2,268,484</u>

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

(With Deloitte & Touche review report dated November 7, 2024)

(Concluded)

# CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

Chia Hsin Cement Corporation (the “Company”; the Company and the entities controlled by the Company are referred to as the “Group”) was incorporated in the Republic of China (ROC) with capital of \$24,000 thousand in December 1954. Over the years, the Company has increased its capital through capital contributions in cash, undistributed earnings, and asset revaluation increments. As of September 30, 2024, the Company has authorized capital of \$15,000,000 thousand and paid-in capital of \$7,902,474 thousand. The Group’s business activities include cement manufacturing, wholesale of building materials, retail sale of building materials, non-metallic mining, mixed-concrete products manufacturing, international trade, construction and development of residences and buildings, lease, construction and development of industrial factory buildings, real estate commerce, real estate rental and leasing, reconstruction within the renewal area and warehousing and storage, healthcare, fitness and training, manufacture of beverages and bakery products, hotel management and energy technology services.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since November 1969.

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

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 7, 2024.

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

- a. 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 a material impact on the Group’s accounting policies.

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

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

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

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

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

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

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

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

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

Except for the above impact of IFRS 18 "Presentation and Disclosure in Financial Statements" on financial statements presentation, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the above standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

For the convenience of readers, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the ROC. 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 financial statements shall prevail.

##### a. Statement of compliance

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

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit 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 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. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the 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 Company.

See Note 14 and Table 7 and Table 8 in Note 41 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

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

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

Current assets include:

- Assets expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- 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:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period; and
- 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.

2) Retirement benefits

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

### 3) Income tax expense

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

## 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 the economic environment implications 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.

Refer to the consolidated financial statements for the year ended December 31, 2023 for the material accounting judgments and key sources of estimation uncertainty.

## 6. CASH AND CASH EQUIVALENTS

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Cash on hand	\$ 4,213	\$ 4,686	\$ 4,474
Checking accounts and demand deposits	838,116	1,227,793	1,170,693
Cash equivalents			
Commercial paper	245,423	144,379	150,638
Time deposits with original maturities of 3 months or less	<u>883,777</u>	<u>677,481</u>	<u>942,679</u>
	<u>\$ 1,971,529</u>	<u>\$ 2,054,339</u>	<u>\$ 2,268,484</u>

The market rate intervals of commercial paper and cash in the bank at the end of the reporting period were as follows:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Commercial paper	1.22%-1.40%	1.05%-1.20%	1.06%-1.18%
Cash in the bank	0.001%-5.25%	0.001%-5.30%	0.001%-5.33%

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

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets mandatorily classified as at fair value through profit or loss (FVTPL) - current			
Domestic listed shares	\$ 793,076	\$ 817,713	\$ 780,171
Overseas listed shares	176,746	139,505	167,257
Overseas mutual funds - beneficiary certificates	467,417	448,592	515,467
Domestic convertible bonds	<u>-</u>	<u>29,922</u>	<u>30,000</u>
	<u>\$ 1,437,239</u>	<u>\$ 1,435,732</u>	<u>\$ 1,492,895</u>

As of September 30, 2024, the Group held 356,542,623 shares of Taiwan Cement Corporation accounted for as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income at carrying amount of \$793,073 thousand and \$11,258,068 thousand, respectively. Information for other price risk and sensitivity analysis is provided in Note 34.

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

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Investments in equity instruments - current</u>			
Domestic investments			
Listed shares and emerging market shares	<u>\$ 2,448,676</u>	<u>\$ 2,478,000</u>	<u>\$ 2,374,450</u>
<u>Investments in equity instruments - non-current</u>			
Domestic investments			
Listed shares and emerging market shares	\$ 9,107,049	\$ 9,389,961	\$ 8,958,857
Unlisted shares	<u>546,841</u>	<u>491,057</u>	<u>492,884</u>
	<u>\$ 9,653,890</u>	<u>\$ 9,881,018</u>	<u>\$ 9,451,741</u>

These investments in equity instruments are held for medium- to long-term strategic purposes, and expected to render long-term paybacks. 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.

The Group purchased ordinary shares of BIONET Therapeutics Corp. in the amount of \$30,000 thousand in July 2024. The investment is held for medium- to long-term strategic purposes. Accordingly, the management designated these investments as at FVTOCI.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 3,795,097</u>	<u>\$ 3,945,242</u>	<u>\$ 3,856,654</u>
<u>Non-current</u>			
Restricted deposits	<u>\$ 16,753</u>	<u>\$ 19,175</u>	<u>\$ 27,221</u>
<u>Interest rate range</u>			
Time deposits with original maturities of more than 3 months	0.08%-5.46%	0.03%-5.52%	0.03%-5.50%
Restricted deposits	0.72%-1.70%	0.60%-1.575%	0.60%-1.575%

- a. The Group has tasked its credit management committee to develop a credit risk grading framework to determine whether the credit risk of the financial assets at amortized cost increases significantly since the last period to the reporting date as well as to measure the expected credit losses. The credit rating information may be obtained from independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information to rate the debtors. In the consideration of an analysis of the debtor's current financial position and the forecasted direction of economic conditions in the industry, the Group forecasts both 12-month expected credit losses or lifetime expected credit losses of financial assets at amortized cost. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group assessed the expected credit loss rate as 0%.
- b. Refer to Note 36 for the carrying amounts of financial assets pledged by the Group to secure obligations.

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

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 150,463	\$ 201,762	\$ 161,611
Less: Allowance for impairment loss	<u>(1,503)</u>	<u>(2,004)</u>	<u>(1,603)</u>
	<u>\$ 148,960</u>	<u>\$ 199,758</u>	<u>\$ 160,008</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 127,480	\$ 159,089	\$ 108,312
Less: Allowance for impairment loss	<u>(483)</u>	<u>(887)</u>	<u>(435)</u>
	<u>\$ 126,997</u>	<u>\$ 158,202</u>	<u>\$ 107,877</u>

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Overdue receivables (Note)</u>			
At amortized cost			
Gross carrying amount	\$ 7,546	\$ 7,243	\$ 13,409
Less: Allowance for impairment loss	<u>(7,546)</u>	<u>(7,243)</u>	<u>(13,409)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
			(Concluded)

Note: The overdue receivables are classified to other assets. Please refer to Note 20.

### Notes Receivable

The average number of days of cashing the notes is 30 to 90 days. In order to mitigate credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure that follow-up action is taken to recover overdue debt. In addition, the Group reviews the recoverable amount of each individual notes receivable at the end of the reporting period to ensure that adequate allowance is provided for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for notes receivable at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on notes receivable are estimated by reference to the past default experience of the debtor, an analysis of the debtor's current financial position, and economic conditions.

### Trade Receivables

The average credit period of the sales of goods was 30 to 90 days, and no interest was charged on overdue trade receivables. In determining the recoverability of the trade receivables, the Group considered any change in the credit quality of the trade receivables since the date credit was initially granted to the end of the reporting period. From historical experience, most of the receivables were recovered.

Before accepting new customers, the Group assesses that the credit quality of the potential customer complied with the administration regulations of customer credit, and set up the credits limit for each customer. The credit rating of customers would then be assessed by the supervisors and given an ultimate credit limit.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the debtors, the debtors' current financial position, economic conditions of the industry in which the debtors operate, as well as an assessment of both the current and the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation, or when the trade receivables are over one year past due. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. When recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of receivables (including receivables from related parties) based on the Group's provision matrix:

September 30, 2024

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.70%	1.20%	-	100%	
Gross carrying amount	\$ 281,839	\$ 167	\$ -	\$ 7,546	\$ 289,552
Loss allowance (Lifetime ECLs)	<u>(1,984)</u>	<u>(2)</u>	<u>-</u>	<u>(7,546)</u>	<u>(9,532)</u>
Amortized cost	<u>\$ 279,855</u>	<u>\$ 165</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,020</u>

December 31, 2023

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.78%	0%	-	100%	
Gross carrying amount	\$ 369,714	\$ 36	\$ -	\$ 7,243	\$ 376,993
Loss allowance (Lifetime ECLs)	<u>(2,891)</u>	<u>-</u>	<u>-</u>	<u>(7,243)</u>	<u>(10,134)</u>
Amortized cost	<u>\$ 366,823</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 366,859</u>

September 30, 2023

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0.73%	1.06%	-	100%	
Gross carrying amount	\$ 276,175	\$ 852	\$ -	\$ 13,409	\$ 290,436
Loss allowance (Lifetime ECLs)	<u>(2,029)</u>	<u>(9)</u>	<u>-</u>	<u>(13,409)</u>	<u>(15,447)</u>
Amortized cost	<u>\$ 274,146</u>	<u>\$ 843</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 274,989</u>

The movements of the loss allowance of receivables (including receivables from related parties) were as follows:

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 10,134	\$ 15,093
Add: Net remeasurement of loss allowance	-	175
Less: Net remeasurement of loss allowance reversed	(912)	(60)
Foreign exchange gains and losses	<u>310</u>	<u>239</u>
Balance at September 30	<u>\$ 9,532</u>	<u>\$ 15,447</u>

## 11. OTHER RECEIVABLES

	September 30, 2024	December 31, 2023	September 30, 2023
Interest receivable	\$ 49,017	\$ 35,424	\$ 52,010
Refund of capital reduction receivable	1,542	-	-
VAT refund receivable	-	2,799	2,799
Others	11,211	10,380	13,556
Less: Allowance of impairment loss	<u>(825)</u>	<u>(792)</u>	<u>(1,947)</u>
	<u>\$ 60,945</u>	<u>\$ 47,811</u>	<u>\$ 66,418</u>

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

	For the Nine Months Ended September 30	
	2024	2023
Balance at January 1	\$ 792	\$ 1,911
Foreign exchange gains and losses	<u>33</u>	<u>36</u>
Balance at September 30	<u>\$ 825</u>	<u>\$ 1,947</u>

The following table details the loss allowance of other receivables based on the Group's provision matrix:

### September 30, 2024

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 60,945	\$ -	\$ -	\$ 825	\$ 61,770
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(825)</u>	<u>(825)</u>
Amortized cost	<u>\$ 60,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,945</u>

### December 31, 2023

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 47,811	\$ -	\$ -	\$ 792	\$ 48,603
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(792)</u>	<u>(792)</u>
Amortized cost	<u>\$ 47,811</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,811</u>

September 30, 2023

	Not Overdue	Overdue within 90 Days	Overdue 91-360 Days	Overdue 1 Year or More	Total
Expected credit loss rate	0%	-	-	100%	
Gross carrying amount	\$ 66,418	\$ -	\$ -	\$ 1,947	\$ 68,365
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,947)</u>	<u>(1,947)</u>
Amortized cost	<u>\$ 66,418</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,418</u>

Other receivables were mainly interest receivable. The Group only transacts with counterparties who have good credit ratings. The Group continues to monitor the conditions of the receivables and refers to the past default experience of the debtor and the analysis of the debtor's current financial position in determining whether the credit risk of the other receivables increased significantly since the initial recognition as well as in measuring the ECLs.

## 12. FINANCE LEASE RECEIVABLES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Undiscounted lease payments</u>			
Year 1	\$ 867	\$ 1,114	\$ 1,857
	867	1,114	1,857
Less: Unearned finance income	<u>(2)</u>	<u>(3)</u>	<u>(11)</u>
Lease payments receivable	<u>865</u>	<u>1,111</u>	<u>1,846</u>
Net investment in leases presented as finance lease receivables	<u>\$ 865</u>	<u>\$ 1,111</u>	<u>\$ 1,846</u>
<u>Lease payments receivable</u>			
Not more than 1 year	<u>\$ 865</u>	<u>\$ 1,111</u>	<u>\$ 1,846</u>

The Group has been subleasing its building to Gping Wellness Co., Ltd. since August 2015. As the Group subleases the retail stores for all the remaining lease term of the main lease to the sublease, the sublease contract is classified as a finance lease.

The interest rates inherent in the leases are fixed at the contract dates for the entire term of the lease. As of September 30, 2024, December 31, 2023 and September 30, 2023, the interest rate inherent in the finance leases were both approximately 2.25% per annum.

To reduce the residual asset risk related to the leased building at the end of the relevant lease, the lease contract includes general risk management strategy.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of September 30, 2024, December 31, 2023 and September 30, 2023, no finance lease receivables were 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 lessee operates, together with the value of collateral held over these finance lease receivables.

### 13. INVENTORIES

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods	\$ 128,185	\$ 91,956	\$ 163,485
Raw materials	329	336	333
Supplies	<u>1,578</u>	<u>2,015</u>	<u>1,224</u>
	<u>130,092</u>	<u>94,307</u>	<u>165,042</u>
Land held for construction	<u>3,166</u>	<u>3,166</u>	<u>3,166</u>
	<u>\$ 133,258</u>	<u>\$ 97,473</u>	<u>\$ 168,208</u>

The cost of inventories recognized as cost of goods sold for the three months ended September 30, 2024 and 2023 and the nine months ended September 30, 2024 and 2023 was \$292,851 thousand, \$299,895 thousand, \$852,304 thousand and \$886,467 thousand, respectively.

### 14. SUBSIDIARIES

#### a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
Chia Hsin Cement Corporation	Tong Yang Chia Hsin International Corporation	General international trade (all business items that are not prohibited or restricted by law, except those that are subject to special approval)	87.18	87.18	87.18	-
Chia Hsin Cement Corporation	Chia Hsin Property Management & Development Corporation	Wholesale and retail business of machinery; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Pei International Corporation	Mining; wholesale of building materials; nonmetallic mining; retail sale of building materials; international trade; rental and leasing business; retail sale of other machinery and equipment	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Hsin Pacific Limited	Holding company	74.16	74.16	74.16	Exchange rate risk
Chia Hsin Cement Corporation	BlueSky. Co., Ltd.	International trade; real estate trading; real estate leasing	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	YJ International Corporation (Note 1)	Real estate rental and leasing; real estate management; realtor agent	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Jaho Life Plus+ Management Corp., Ltd. (Note 2)	Management consulting service	100.00	100.00	100.00	-
Chia Hsin Cement Corporation	Chia Hsin Green Electricity Corporation (Notes 3 and 4)	Electricity generation; self-use renewable energy generation equipment; electrical installation; electrical equipment inspection and maintenance; energy technology service	100.00	100.00	100.00	-
YJ International Corporation	CHC Ryukyu Development GK	Real estate rental and leasing; management consulting service	100.00	100.00	100.00	Exchange rate risk
YJ International Corporation	CHC Ryukyu COLLECTIVE KK (Note 5)	Hotel management	100.00	100.00	100.00	Exchange rate risk
Tong Yang Chia Hsin International Corporation	Tong Yang Chia Hsin Marine Corp.	Shipping service	100.00	100.00	100.00	Exchange rate risk
Tong Yang Chia Hsin International Corporation	Chia Hsin Pacific Limited	Holding company	24.18	24.18	24.18	Exchange rate risk
Tong Yang Chia Hsin Marine Corp.	Jiangsu Jiaguo Construction Material Storage Co., Ltd.	Engaging in overland delivery of ordinary goods and the processing, manufacturing and selling of cement and other construction material	100.00	100.00	100.00	Exchange rate risk and political risk arising from cross-strait relations
Jiangsu Jiaguo Construction Material Storage Co., Ltd.	Jiangsu Chia Hsin Real Estate Co., Ltd. (Note 6)	Developing and operating real estate and providing property management service	-	-	-	Exchange rate risk and political risk arising from cross-strait relations
Chia Hsin Property Management & Development Corporation	Chia Sheng Construction Corp.	Wholesale and retail business of machinery; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	100.00	100.00	100.00	-

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2024	December 31, 2023	September 30, 2023	
Chia Hsin Property Management & Development Corporation	Chuang Neng Technology Co., Ltd. (Note 7)	Energy technology service	100.00	100.00	100.00	-
Chia Hsin Pacific Limited	Effervesce Investment Pte. Ltd.	Investment and holding company	100.00	100.00	100.00	Exchange rate risk
Effervesce Investment Pte. Ltd.	Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Consulting for developing information system for business and finance purpose	100.00	100.00	100.00	Exchange rate risk and political risk arising from cross-strait relations
Effervesce Investment Pte. Ltd.	Shanghai Chia Hsin Ganghui Co., Ltd.	Warehousing and packaging bulk cement and formulating and delivering high-strength cement	100.00	100.00	100.00	Exchange rate risk and political risk arising from cross-strait relations
Effervesce Investment Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd. (Note 8)	Processing, manufacturing and selling of cement, concrete and other related products	68.00	68.00	68.00	Exchange rate risk and political risk arising from cross-strait relations
Chia Hsin Pacific Limited	Sparkview Pte. Ltd.	Investment and holding company	100.00	100.00	100.00	Exchange rate risk
Sparkview Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd. (Note 8)	Processing, manufacturing and selling of cement, concrete and other related products	32.00	32.00	32.00	Exchange rate risk and political risk arising from cross-strait relations
Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. (Note 9)	Consulting for management of healthcare and hotel business	100.00	100.00	100.00	Exchange rate risk and political risk arising from cross-strait relations
Shanghai Chia Peng Healthcare Management Consulting Co., Ltd.	Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd. (Note 10)	Maternity and infant health care; sales of mother & baby supplies; life & beauty services	100.00	100.00	100.00	Exchange rate risk and political risk arising from cross-strait relations

(Concluded)

Note 1: The Company increased its investment by \$657,000 thousand on August 21, 2024.

Note 2: The Company increased its investment by \$50,000 thousand on January 16, 2024.

Note 3: On June 27, 2023, Chia Hsin Green Electricity Corporation received an investment of \$5,000 thousand from the Company, and it was legally registered by the Taipei City Government on July 11, 2023.

Note 4: The Company increased its investment by \$100,000 thousand on February 15, 2024.

Note 5: On August 26, 2024, YJ International Corporation increased its investment in CHC Ryukyu COLLECTIVE KK by JPY3,000,000 thousand.

Note 6: The liquidation of the company was resolved by the board of directors of Jiangsu Chia Hsin Real Estate Co., Ltd. on April 26, 2023. The cancellation of registration was completed on August 29, 2023.

Note 7: On August 23, 2023, Chia Hsin Property Management & Development Corporation increased its investment in Chuang Neng Technology Co., Ltd. by \$17,500 thousand.

Note 8: The shareholders of Shanghai Jia Huan Concrete Co., Ltd. approved the reduction of its capital by US\$7,960 thousand which were remitted to its investor on August 1, 2023.

Note 9: On June 18, 2023, Chia Hsin Business Consulting (Shanghai) Co., Ltd. increased its investment in Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. by RMB4,000 thousand.

Note 10: On March 1, 2023 and June 21, 2023, Shanghai Chia Peng Healthcare Management Consulting Co., Ltd. increased its investment in Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd. by RMB3,000 thousand, RMB2,000 thousand, respectively.

Note 11: Except for Chia Hsin Property Management & Development Corporation, Tong Yang Chia Hsin International Corporation, and the significant subsidiaries including Chia Pei International Corporation, YJ International Corporation (not reviewed by the independent auditors from January 1, 2023 to September 30, 2023) and CHC Ryukyu COLLECTIVE KK, which are reviewed by the independent auditors, the other non-significant subsidiaries included in the consolidated financial report for the nine months ended September 30, 2024 and 2023 are presented using unreviewed financial statements from each entity. As of September 30, 2024 and 2023, combined total assets of these non-significant subsidiaries were \$8,217,950 thousand and \$7,724,942 thousand, respectively, representing 22.83% and 21.41%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were \$958,126 thousand and \$876,515 thousand, respectively, representing 7.07% and 6.22%, respectively, of the consolidated total liabilities; for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023, the amounts of combined comprehensive income (loss) of these subsidiaries were \$147,978 thousand, \$(40,252) thousand, \$242,763 thousand and \$96,232 thousand, respectively, representing 47.95%, 2.76%, 66.80% and 48.79%, respectively, of the consolidated total comprehensive income.

Any transaction, account balance, revenue and expense between the consolidated entities are eliminated and not shown on the consolidated financial statements.

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-Controlling Interests		
	September 30, 2024	December 31, 2023	September 30, 2023
Tong Yang Chia Hsin International Corporation	12.82%	12.82%	12.82%

Refer to Note 41, Table 7 “Information on Investees” for the nature of activities, principal places of business and countries of incorporation of the subsidiaries and associates.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Nine Months Ended September 30		Accumulated Non-controlling Interests		
	2024	2023	September 30, 2024	December 31, 2023	September 30, 2023
Tong Yang Chia Hsin International Corporation	<u>\$ 24,488</u>	<u>\$ 12,596</u>	<u>\$ 845,733</u>	<u>\$ 839,177</u>	<u>\$ 820,173</u>

The summarized financial information below represents amounts before intragroup eliminations.

Tong Yang Chia Hsin International Corporation

	September 30, 2024	December 31, 2023	September 30, 2023	
Current assets	\$ 1,767,272	\$ 1,822,281	\$ 1,736,686	
Non-current assets	4,990,407	5,003,726	4,947,148	
Current liabilities	(18,651)	(142,808)	(138,596)	
Non-current liabilities	<u>(143,836)</u>	<u>(139,121)</u>	<u>(149,391)</u>	
Equity	<u>\$ 6,595,192</u>	<u>\$ 6,544,078</u>	<u>\$ 6,395,847</u>	
Equity attributable to:				
Owners of the Group	\$ 5,749,459	\$ 5,704,901	\$ 5,575,674	
Non-controlling interests of Tong Yang Chia Hsin International Corporation	<u>845,733</u>	<u>839,177</u>	<u>820,173</u>	
	<u>\$ 6,595,192</u>	<u>\$ 6,544,078</u>	<u>\$ 6,395,847</u>	
	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	
			<b>2023</b>	
Operating revenue	<u>\$ 29,382</u>	<u>\$ 28,103</u>	<u>\$ 93,115</u>	<u>\$ 84,078</u>
Net profit for the period	\$ 194,230	\$ 31,980	\$ 191,017	\$ 98,253
Other comprehensive (loss) income	<u>(72,597)</u>	<u>(792,990)</u>	<u>(176,265)</u>	<u>190,548</u>
Total comprehensive income (loss) for the period	<u>\$ 121,633</u>	<u>\$ (761,010)</u>	<u>\$ 14,752</u>	<u>\$ 288,801</u>
Profit attributable to:				
Owners of the Group	\$ 169,330	\$ 27,880	\$ 166,529	\$ 85,657
Non-controlling interests of Tong Yang Chia Hsin International Corporation	<u>24,900</u>	<u>4,100</u>	<u>24,488</u>	<u>12,596</u>
	<u>\$ 194,230</u>	<u>\$ 31,980</u>	<u>\$ 191,017</u>	<u>\$ 98,253</u>
Total comprehensive income (loss) attributable to:				
Owners of the Group	\$ 106,040	\$ (663,448)	\$ 12,861	\$ 251,777
Non-controlling interests of Tong Yang Chia Hsin International Corporation	<u>15,593</u>	<u>(97,562)</u>	<u>1,891</u>	<u>37,024</u>
	<u>\$ 121,633</u>	<u>\$ (761,010)</u>	<u>\$ 14,752</u>	<u>\$ 288,801</u>

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Net cash inflow (outflow) from:		
Operating activities	\$ 25,338	\$ 8,190
Investing activities	169,774	96,698
Financing activities	<u>(196,628)</u>	<u>(114,054)</u>
Net cash outflow	<u>\$ (1,516)</u>	<u>\$ (9,166)</u>

## 15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

### a. Investments in associates

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Material associates			
LDC ROME HOTELS S.R.L.	\$ 518,616	\$ 417,997	\$ 392,651
L'Hotel De Chine Corporation	1,362,308	1,325,570	1,268,955
Chia Hsin Construction & Development Corp.	1,858,894	1,806,338	1,784,061
Associates that are not individually material	<u>262,895</u>	<u>237,539</u>	<u>232,615</u>
	<u>\$ 4,002,713</u>	<u>\$ 3,787,444</u>	<u>\$ 3,678,282</u>

#### 1) Material associates

	<b>Proportion of Ownership and Voting Rights</b>		
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
LDC ROME HOTELS S.R.L.	40.00%	40.00%	40.00%
Chia Hsin Construction & Development Corp.	46.18%	46.18%	46.18%
L'Hotel De Chine Corporation	23.10%	23.10%	23.10%

Refer to Note 41, Table 7 “Information on Investees” for the nature of activities, principal places of business and countries of incorporation of the associates.

All the associates were accounted for using the equity method.

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

LDC ROME HOTELS S.R.L.

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Current assets	\$ 395,297	\$ 505,775	\$ 492,146
Non-current assets	1,909,064	1,551,878	1,586,250
Current liabilities	(294,340)	(267,957)	(346,168)
Non-current liabilities	<u>(713,481)</u>	<u>(744,704)</u>	<u>(750,601)</u>
Equity	<u>\$ 1,296,540</u>	<u>\$ 1,044,992</u>	<u>\$ 981,627</u>
Proportion of the Group's ownership	40.00%	40.00%	40.00%
Equity attributable to the Group	<u>\$ 518,616</u>	<u>\$ 417,997</u>	<u>\$ 392,651</u>
Carrying amount	<u>\$ 518,616</u>	<u>\$ 417,997</u>	<u>\$ 392,651</u>

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Operating revenue	<u>\$ 227,180</u>	<u>\$ 208,728</u>	<u>\$ 615,231</u>	<u>\$ 578,012</u>
Net income for the period	\$ 29,058	\$ 14,490	\$ 65,914	\$ 40,130
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>\$ 29,058</u>	<u>\$ 14,490</u>	<u>\$ 65,914</u>	<u>\$ 40,130</u>

On August 15 2024, April 30 2024, December 8 2023 and June 26, 2023, the Group increased its investment in LDC ROME HOTELS S.R.L. by EUR800 thousand (equivalent to \$28,440 thousand, \$27,984 thousand, \$27,214 thousand and \$27,056 thousand), respectively.

Chia Hsin Construction & Development Corp.

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Current assets	\$ 1,842,286	\$ 1,771,361	\$ 1,558,879
Non-current assets	2,713,249	2,410,323	2,444,286
Current liabilities	(237,395)	(284,103)	(56,024)
Non-current liabilities	<u>(319,801)</u>	<u>(13,046)</u>	<u>(110,845)</u>
Equity	<u>\$ 3,998,339</u>	<u>\$ 3,884,535</u>	<u>\$ 3,836,296</u>
Proportion of the Group's ownership	46.18%	46.18%	46.18%

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Equity attributable to the Group	\$ 1,846,438	\$ 1,793,882	\$ 1,771,605
Premium representing the difference between fair value and book value of remaining equity investments	<u>12,456</u>	<u>12,456</u>	<u>12,456</u>
Carrying amount	<u>\$ 1,858,894</u>	<u>\$ 1,806,338</u>	<u>\$ 1,784,061</u> (Concluded)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Operating revenue	<u>\$ 27,087</u>	<u>\$ 26,058</u>	<u>\$ 80,951</u>	<u>\$ 77,919</u>
Net income (loss) for the period	\$ 59,866	\$ (12,104)	\$ 201,702	\$ 44,499
Other comprehensive (loss) income	<u>(12,038)</u>	<u>(115,559)</u>	<u>(19,737)</u>	<u>33,810</u>
Total comprehensive income (loss) for the period	<u>\$ 47,828</u>	<u>\$ (127,663)</u>	<u>\$ 181,965</u>	<u>\$ 78,309</u>

L'Hotel De Chine Corporation

	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 1,570,697	\$ 576,846	\$ 366,959
Non-current assets	6,596,423	7,530,975	7,542,000
Current liabilities	(1,491,057)	(1,550,084)	(1,235,969)
Non-current liabilities	<u>(778,582)</u>	<u>(819,318)</u>	<u>(1,179,655)</u>
Equity	<u>\$ 5,897,481</u>	<u>\$ 5,738,419</u>	<u>\$ 5,493,335</u>
Proportion of the Group's ownership	23.10%	23.10%	23.10%
Equity attributable to the Group	<u>\$ 1,362,308</u>	<u>\$ 1,325,570</u>	<u>\$ 1,268,955</u>
Carrying amount	<u>\$ 1,362,308</u>	<u>\$ 1,325,570</u>	<u>\$ 1,268,955</u>

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Operating revenue	<u>\$ 255,502</u>	<u>\$ 274,808</u>	<u>\$ 738,526</u>	<u>\$ 824,380</u>
Net income for the period	\$ 200,585	\$ 86,566	\$ 268,847	\$ 312,226
Other comprehensive loss	<u>          -</u>	<u>          -</u>	<u>     (9,054)</u>	<u>     (223)</u>
Total comprehensive income for the period	<u>\$ 200,585</u>	<u>\$ 86,566</u>	<u>\$ 259,793</u>	<u>\$ 312,003</u>

2) Aggregate information of associates that are not individually material

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
The Group's share of:				
Profit from continuing operations	\$ 5,854	\$ 2,679	\$ 14,819	\$ 1,976
Other comprehensive income (loss)	<u>     (7,828)</u>	<u>    (13,676)</u>	<u>    10,536</u>	<u>    (9,646)</u>
Total comprehensive income (loss) for the period	<u>\$ (1,974)</u>	<u>\$ (10,997)</u>	<u>\$ 25,355</u>	<u>\$ (7,670)</u>

- b. The investments were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023 were calculated based on financial statements which have not been reviewed.

## 16. PROPERTY, PLANT AND EQUIPMENT

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Assets used by the Group	\$ 4,041,650	\$ 4,189,948	\$ 4,280,122
Assets leased under operating leases	<u>     60,561</u>	<u>     60,062</u>	<u>     62,939</u>
	<u>\$ 4,102,211</u>	<u>\$ 4,250,010</u>	<u>\$ 4,343,061</u>

a. Assets used by the Group

	Land	Building	Machinery and Equipment	Transportation Equipment	Leasehold Improvement	Other Equipment	Property under Construction	Total
<u>Cost</u>								
Balance at January 1, 2023	\$ 883,221	\$ 3,085,233	\$ 781,422	\$ 17,621	\$ 2,996,454	\$ 625,857	\$ 883	\$ 8,390,691
Additions	-	228	240	-	1,172	5,264	-	6,904
Disposals	-	-	(2,031)	(439)	-	(40,525)	-	(42,995)
Reclassified from prepayments	-	-	-	-	-	111	-	111
Reclassified from property under construction	-	-	-	-	883	-	(883)	-
Effect of foreign currency exchange differences	(61,241)	(215,289)	(10,173)	126	2,582	(22,766)	-	(306,761)
Balance at September 30, 2023	<u>\$ 821,980</u>	<u>\$ 2,870,172</u>	<u>\$ 769,458</u>	<u>\$ 17,308</u>	<u>\$ 3,001,091</u>	<u>\$ 567,941</u>	<u>\$ -</u>	<u>\$ 8,047,950</u>
<u>Revaluation</u>								
Balance at January 1, 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230	\$ -	\$ 230
Disposals	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 230</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2023	\$ -	\$ 370,823	\$ 563,720	\$ 12,634	\$ 1,993,040	\$ 424,483	\$ -	\$ 3,364,700
Depreciation expenses	-	87,983	23,301	609	87,770	52,245	-	251,908
Disposals	-	-	(2,031)	(439)	-	(40,485)	-	(42,955)
Effect of foreign currency exchange differences	-	(29,312)	(3,216)	76	271	(15,056)	-	(47,237)
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 429,494</u>	<u>\$ 581,774</u>	<u>\$ 12,880</u>	<u>\$ 2,081,081</u>	<u>\$ 421,187</u>	<u>\$ -</u>	<u>\$ 3,526,416</u>
<u>Accumulated impairment</u>								
Balance at January 1, 2023	\$ -	\$ -	\$ 56,079	\$ -	\$ 185,325	\$ -	\$ -	\$ 241,404
Effect of foreign currency exchange differences	-	-	176	-	62	-	-	238
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,255</u>	<u>\$ -</u>	<u>\$ 185,387</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 241,642</u>
Carrying amount at January 1, 2023	<u>\$ 883,221</u>	<u>\$ 2,714,410</u>	<u>\$ 161,623</u>	<u>\$ 4,987</u>	<u>\$ 818,089</u>	<u>\$ 201,604</u>	<u>\$ 883</u>	<u>\$ 4,784,817</u>
Carrying amount at September 30, 2023	<u>\$ 821,980</u>	<u>\$ 2,440,678</u>	<u>\$ 131,429</u>	<u>\$ 4,428</u>	<u>\$ 734,623</u>	<u>\$ 146,984</u>	<u>\$ -</u>	<u>\$ 4,280,122</u>
<u>Cost</u>								
Balance at January 1, 2024	\$ 825,760	\$ 2,883,452	\$ 770,094	\$ 17,141	\$ 2,996,267	\$ 570,986	\$ -	\$ 8,063,700
Additions	-	2,719	1,521	-	1,268	2,420	-	7,928
Disposals	-	-	-	(2,380)	(1,695)	(407)	-	(4,482)
Effect of foreign currency exchange differences	19,280	67,924	6,150	149	5,459	7,519	-	106,481
Balance at September 30, 2024	<u>\$ 845,040</u>	<u>\$ 2,954,095</u>	<u>\$ 777,765</u>	<u>\$ 14,910</u>	<u>\$ 3,001,299</u>	<u>\$ 580,518</u>	<u>\$ -</u>	<u>\$ 8,173,627</u>
<u>Revaluation</u>								
Balance at January 1, 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230	\$ -	\$ 230
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 230</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2024	\$ -	\$ 459,863	\$ 587,908	\$ 12,989	\$ 2,106,986	\$ 437,100	\$ -	\$ 3,604,846
Depreciation expenses	-	83,284	22,246	494	78,070	49,205	-	233,299
Disposals	-	-	-	(2,380)	(212)	(322)	-	(2,914)
Effect of foreign currency exchange differences	-	14,733	4,163	44	690	7,179	-	26,809
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 557,880</u>	<u>\$ 614,317</u>	<u>\$ 11,147</u>	<u>\$ 2,185,534</u>	<u>\$ 493,162</u>	<u>\$ -</u>	<u>\$ 3,862,040</u>

(Continued)

	Land	Building	Machinery and Equipment	Transportation Equipment	Leasehold Improvement	Other Equipment	Property under Construction	Total
<u>Accumulated impairment</u>								
Balance at January 1, 2024	\$ -	\$ -	\$ 55,926	\$ -	\$ 213,210	\$ -	\$ -	\$ 269,136
Effect of foreign currency exchange differences	-	-	375	-	656	-	-	1,031
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,301</u>	<u>\$ -</u>	<u>\$ 213,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,167</u>
Carrying amount at January 1, 2024	<u>\$ 825,760</u>	<u>\$ 2,423,589</u>	<u>\$ 126,260</u>	<u>\$ 4,152</u>	<u>\$ 676,071</u>	<u>\$ 134,116</u>	<u>\$ -</u>	<u>\$ 4,189,948</u>
Carrying amount at September 30, 2024	<u>\$ 845,040</u>	<u>\$ 2,396,215</u>	<u>\$ 107,147</u>	<u>\$ 3,763</u>	<u>\$ 601,899</u>	<u>\$ 87,586</u>	<u>\$ -</u>	<u>\$ 4,041,650</u>
(Concluded)								

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

Buildings	
Office building	20 years
Storage and plant	20 years
Others	6-47 years
Machinery and equipment	2-20 years
Transportation equipment	3-8 years
Leasehold improvement	
Office building	4-40 years
Storage and plant	7-24 years
Others	3-24 years
Other equipment	2-20 years

b. Assets leased under operating leases

	Machinery and Equipment	Leasehold Improvement	Other Equipment	Total
<u>Cost</u>				
Balance at January 1, 2023	\$ 237,830	\$ 83,643	\$ 2,412	\$ 323,885
Additions	-	-	98	98
Effect of foreign currency exchange differences	<u>4,590</u>	<u>1,614</u>	<u>48</u>	<u>6,252</u>
Balance at September 30, 2023	<u>\$ 242,420</u>	<u>\$ 85,257</u>	<u>\$ 2,558</u>	<u>\$ 330,235</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2023	\$ 206,880	\$ 43,333	\$ 2,159	\$ 252,372
Depreciation expenses	849	1,098	20	1,967
Effect of foreign currency exchange differences	<u>4,009</u>	<u>857</u>	<u>42</u>	<u>4,908</u>
Balance at September 30, 2023	<u>\$ 211,738</u>	<u>\$ 45,288</u>	<u>\$ 2,221</u>	<u>\$ 259,247</u>

(Continued)

	<b>Machinery and Equipment</b>	<b>Leasehold Improvement</b>	<b>Other Equipment</b>	<b>Total</b>
<u>Accumulated impairment</u>				
Balance at January 1, 2023	\$ -	\$ 7,897	\$ -	\$ 7,897
Effect of foreign currency exchange differences	-	152	-	152
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 8,049</u>	<u>\$ -</u>	<u>\$ 8,049</u>
Carrying amount at January 1, 2023	<u>\$ 30,950</u>	<u>\$ 32,413</u>	<u>\$ 253</u>	<u>\$ 63,616</u>
Carrying amount at September 30, 2023	<u>\$ 30,682</u>	<u>\$ 31,920</u>	<u>\$ 337</u>	<u>\$ 62,939</u>
<u>Cost</u>				
Balance at January 1, 2024	\$ 233,826	\$ 82,234	\$ 2,468	\$ 318,528
Effect of foreign currency exchange differences	9,787	3,442	103	13,332
Balance at September 30, 2024	<u>\$ 243,613</u>	<u>\$ 85,676</u>	<u>\$ 2,571</u>	<u>\$ 331,860</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2024	\$ 204,510	\$ 44,042	\$ 2,150	\$ 250,702
Depreciation expenses	867	1,122	21	2,010
Effect of foreign currency exchange differences	8,562	1,846	90	10,498
Balance at September 30, 2024	<u>\$ 213,939</u>	<u>\$ 47,010</u>	<u>\$ 2,261</u>	<u>\$ 263,210</u>
<u>Accumulated impairment</u>				
Balance at January 1, 2024	\$ -	\$ 7,764	\$ -	\$ 7,764
Effect of foreign currency exchange differences	-	325	-	325
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 8,089</u>	<u>\$ -</u>	<u>\$ 8,089</u>
Carrying amount at January 1, 2024	<u>\$ 29,316</u>	<u>\$ 30,428</u>	<u>\$ 318</u>	<u>\$ 60,062</u>
Carrying amount at September 30, 2024	<u>\$ 29,674</u>	<u>\$ 30,577</u>	<u>\$ 310</u>	<u>\$ 60,561</u>
(Concluded)				

Operating leases relate to lease of machinery and equipment, leasehold improvement, and other equipment in the Port of Longwu, Shanghai, with lease terms from 2019 to 2023 and continuing to lease for an additional 5 years until 2028. The operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating lease payments was as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Year 1	\$ 31,829	\$ 31,178	\$ 7,459
Year 2	31,927	31,270	-
Year 3	32,029	31,367	-
Year 4	32,137	31,469	-
Year 5	<u>8,041</u>	<u>31,576</u>	<u>-</u>
	<u>\$ 135,963</u>	<u>\$ 156,860</u>	<u>\$ 7,459</u>

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

Machinery and equipment	10-15 years
Leasehold improvement	
Office building	40 years
Storage and plant	37-40 years
Others	40 years
Other equipment	2-5 years

- c. Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 36.

## 17. LEASE ARRANGEMENTS

- a. Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Land	\$ 487,306	\$ 503,999	\$ 513,773
Land improvement	669,549	695,547	704,479
Building	117,474	140,631	163,796
Transportation equipment	<u>7,548</u>	<u>189</u>	<u>314</u>
	<u>\$ 1,281,877</u>	<u>\$ 1,340,366</u>	<u>\$ 1,382,362</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Additions to right-of-use assets			<u>\$ 23,248</u>	<u>\$ 2,977</u>
Depreciation charge for				
Right-of-use assets				
Land	\$ 6,491	\$ 6,491	\$ 19,450	\$ 19,497
Land improvement	8,132	9,096	25,997	28,760

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Building	\$ 11,814	\$ 12,355	\$ 36,010	\$ 36,995
Transportation equipment	<u>747</u>	<u>190</u>	<u>1,548</u>	<u>835</u>
	<u>\$ 27,184</u>	<u>\$ 28,132</u>	<u>\$ 83,005</u>	<u>\$ 86,087</u>
Income from sublease for right-of-use assets (recognized under other gains and losses)	<u>\$ 341</u>	<u>\$ -</u>	<u>\$ 455</u>	<u>\$ -</u>

(Concluded)

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2024 and 2023. From January 1 to September 30, 2024 and 2023, the Group terminated part of the lease contracts in advance, resulting in a decrease of \$2,431 thousand and \$354 thousand in right-of-use assets, and recognized \$112 thousand and \$5 thousand of gain on disposal of right-of-use assets under other gains and losses, respectively.

b. Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Carrying amount</u>			
Current	<u>\$ 106,154</u>	<u>\$ 112,628</u>	<u>\$ 114,574</u>
Non-current	<u>\$ 1,316,828</u>	<u>\$ 1,353,352</u>	<u>\$ 1,394,015</u>

Ranges of discount rates for lease liabilities were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	1.38%-5.46%	1.38%-5.46%	1.38%-5.46%
Land improvement	1.38%-1.58%	1.38%-1.58%	1.38%-1.58%
Building	1.38%-4.99%	1.30%-4.99%	1.30%-4.99%
Transportation equipment	2.00%-3.70%	2.00%-6.12%	2.00%-6.12%

c. Material lease activities and terms

1) Warehousing and storage service at the wharves

In order to operate in cargo loading, unloading, storage and transit business, the Group entered into two lease contracts in December 2009 and December 2014, respectively, to lease the first bulk and general cargo center in Port of Taipei ("Port of Taipei") from Port of Keelung Taiwan International Ports Corporation Ltd., and to lease the wharf and equipment attached in the Port of Taichung from Port of Taichung Taiwan International Ports Corporation Ltd. ("Port of Taichung"). The lease term for Port of Taipei lasts for 35 years and 5 months that commenced on December 10, 2009; the lease term for Port of Taichung lasts from December 1, 2014 to December 31, 2024. The rentals for lands in Port of Taipei are calculated on the basis of the regional average rent and the annual rental ratio

of the market price of each square meter announced by the government. The leases are adjusted in line with the regional rent and ratio of the market price announced publicly. The rentals for buildings are adjusted in accordance with annual “Construction Cost Index” published by the Directorate General of Budget, Accounting and Statistics (DGBAS), the Executive Yuan of the ROC.

The rentals for the land in Port of Taichung are calculated based on land value of the area and the annual rate of rent approved by the government, and will adapt to any adjustments made by the government. The rent for the equipment of Port of Taichung is adjusted yearly based on the Annual Wholesale Price Indices of Taiwan, and the percentage of changes is limited to 2 percent.

According to the abovementioned contracts, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessors’ consent. At the end of the contract terms, the Group has the right to apply for extension, and a new contract can be signed at both parties’ consent.

#### Joint operating agreement

In order to operate a bulk cement business in China, the Group entered into a joint operating agreement with Shanghai International Port (Group) Co., Ltd. (“Longwu Harbor”). According to the agreement, Longwu Harbor should lease the land use right of its pier to the Group. The lease term lasts for 40 years, commencing on the date the joint venture company, established by the two parties, obtains its business license. Beginning on the sixth year of the lease term, the rent should be adjusted annually based on the increasing rate of the average annual cement price listed on the Shanghai Construction Engineering Cost Information System. When the cement price decreased, no rental adjustment should be made. At the end of the contract term, the contract can be extended and registered with relevant government agencies according to the agreement between both parties.

#### 2) Healthcare business

In order to develop its healthcare business, the Group entered into leasing contracts of buildings for operation purposes in both Taiwan and China. The lease terms range from 10 to 15 years. At the end of the lease term, the Group has the right to apply for extension and bargain renewal options. However, the Group has no bargain purchase options and is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessors’ consent.

#### d. Other lease information

The Group’s leases as lessor of property, plant and equipment and investment properties under operating leases are set out in Notes 16 and 18, respectively; finance leases of assets are set out in Note 12.

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Expenses relating to short-term leases	\$ 1,709	\$ 1,081	\$ 4,693	\$ 3,214
Expenses relating to low-value asset leases	\$ 242	\$ 344	\$ 890	\$ 1,072
Total cash outflow for leases	\$ (30,454)	\$ (31,004)	\$ (96,895)	\$ (96,252)

The Group’s leases of certain office equipment, transportation equipment and buildings qualify as short-term and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 18. INVESTMENT PROPERTIES

	Land	Building	Investment Property under Construction	Total
<u>Cost</u>				
Balance at January 1, 2023	\$ 2,151,316	\$ 297,530	\$ 266,488	\$ 2,715,334
Additions	-	-	50,784	50,784
Disposals	-	(2,495)	-	(2,495)
Effect of foreign currency exchange differences	<u>(24,088)</u>	<u>1,240</u>	<u>(19,522)</u>	<u>(42,370)</u>
Balance at September 30, 2023	<u>\$ 2,127,228</u>	<u>\$ 296,275</u>	<u>\$ 297,750</u>	<u>\$ 2,721,253</u>
<u>Revaluation</u>				
Balance at January 1, 2023	\$ 3,691,636	\$ 151,010	\$ -	\$ 3,842,646
Disposals	<u>-</u>	<u>(1,285)</u>	<u>-</u>	<u>(1,285)</u>
Balance at September 30, 2023	<u>\$ 3,691,636</u>	<u>\$ 149,725</u>	<u>\$ -</u>	<u>\$ 3,841,361</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2023	\$ -	\$ 351,877	\$ -	\$ 351,877
Depreciation expenses	-	5,992	-	5,992
Disposals	-	(3,780)	-	(3,780)
Effect of foreign currency exchange differences	<u>-</u>	<u>593</u>	<u>-</u>	<u>593</u>
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 354,682</u>	<u>\$ -</u>	<u>\$ 354,682</u>
<u>Accumulated impairment</u>				
Balance at January 1, 2023	\$ -	\$ 11,769	\$ -	\$ 11,769
Effect of foreign currency exchange differences	<u>-</u>	<u>227</u>	<u>-</u>	<u>227</u>
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 11,996</u>	<u>\$ -</u>	<u>\$ 11,996</u>
Carrying amount at January 1, 2023	<u>\$ 5,842,952</u>	<u>\$ 84,894</u>	<u>\$ 266,488</u>	<u>\$ 6,194,334</u>
Carrying amount at September 30, 2023	<u>\$ 5,818,864</u>	<u>\$ 79,322</u>	<u>\$ 297,750</u>	<u>\$ 6,195,936</u>

(Continued)

	<b>Land</b>	<b>Building</b>	<b>Investment Property under Construction</b>	<b>Total</b>
<u>Cost</u>				
Balance at January 1, 2024	\$ 2,128,715	\$ 293,953	\$ 326,503	\$ 2,749,171
Additions	-	-	100,203	100,203
Disposals	(421)	-	-	(421)
Effect of foreign currency exchange differences	<u>7,583</u>	<u>2,644</u>	<u>10,375</u>	<u>20,602</u>
Balance at September 30, 2024	<u>\$ 2,135,877</u>	<u>\$ 296,597</u>	<u>\$ 437,081</u>	<u>\$ 2,869,555</u>
<u>Revaluation</u>				
Balance at January 1, 2024	\$ 3,691,636	\$ 149,725	\$ -	\$ 3,841,361
Disposals	<u>(1,413)</u>	<u>-</u>	<u>-</u>	<u>(1,413)</u>
Balance at September 30, 2024	<u>\$ 3,690,223</u>	<u>\$ 149,725</u>	<u>\$ -</u>	<u>\$ 3,839,948</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2024	\$ -	\$ 355,581	\$ -	\$ 355,581
Depreciation expenses	-	6,031	-	6,031
Effect of foreign currency exchange differences	<u>-</u>	<u>1,284</u>	<u>-</u>	<u>1,284</u>
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 362,896</u>	<u>\$ -</u>	<u>\$ 362,896</u>
<u>Accumulated impairment</u>				
Balance at January 1, 2024	\$ -	\$ 11,571	\$ -	\$ 11,571
Effect of foreign currency exchange differences	<u>-</u>	<u>484</u>	<u>-</u>	<u>484</u>
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 12,055</u>	<u>\$ -</u>	<u>\$ 12,055</u>
Carrying amount at January 1, 2024	<u>\$ 5,820,351</u>	<u>\$ 76,526</u>	<u>\$ 326,503</u>	<u>\$ 6,223,380</u>
Carrying amount at September 30, 2024	<u>\$ 5,826,100</u>	<u>\$ 71,371</u>	<u>\$ 437,081</u>	<u>\$ 6,334,552</u>
				(Concluded)

The abovementioned investment properties are depreciated on a straight-line basis over their estimated useful lives from 5 to 60 years.

The investment properties are not evaluated by an independent valuer but valued by the Group's management using the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties and by discounted cash flow analysis. The significant unobservable inputs used include discount rates. The appraised fair value is as follows:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
The fair values of investment properties	\$ 13,271,845	\$ 12,870,981	\$ 12,574,842
Discount rate	7.2468%	7.3742%	8.1921%

The Group's investment properties under construction are located on the seaside, Toyosaki Japan. Because the location is still in the development stage, the comparable market transactions occur infrequently and no substitute estimated fair value can be obtained. As a result, the Group cannot reliably determine the fair value of investment property under construction.

All of the Group's investment properties are freehold properties. The investment properties pledged as collateral for bank borrowings are set out in Note 36.

## 19. INTANGIBLE ASSETS

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Computer software	<u>\$ 1,884</u>	<u>\$ 3,845</u>	<u>\$ 4,503</u>

Except for amortization, the Group did not have significant addition, disposal, or impairment of intangible assets during the nine months ended September 30, 2024 and 2023.

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

Computer software	5 years
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	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
An analysis of amortization by function				
General and administrative expenses	<u>\$ 638</u>	<u>\$ 669</u>	<u>\$ 1,944</u>	<u>\$ 2,047</u>

## 20. OTHER ASSETS

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Prepayments			
Prepaid guarantee for freight	\$ 54,800	\$ 75,077	\$ 81,952
Overpaid sales tax	32,797	26,473	23,982
Office supplies	11,465	9,877	10,440
Prepayment for purchase	429	468	6,623
Prepaid rents	652	756	929
Others	<u>9,159</u>	<u>8,272</u>	<u>6,843</u>
	<u>\$ 109,302</u>	<u>\$ 120,923</u>	<u>\$ 130,769</u>
Other current assets			
Refundable deposits	\$ 15	\$ 14	\$ 15
Others	<u>1,210</u>	<u>215</u>	<u>3,879</u>
	<u>\$ 1,225</u>	<u>\$ 229</u>	<u>\$ 3,894</u>
<u>Non-current</u>			
Other non-current assets			
Refundable deposits	\$ 30,415	\$ 46,863	\$ 46,961
Prepayments for equipment	30,683	12,150	12,435
Others	473	518	652
Overdue receivables (Note 10)	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 61,571</u>	<u>\$ 59,531</u>	<u>\$ 60,048</u>

## 21. BORROWINGS

### a. Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Unsecured borrowings	<u>\$ 1,136,750</u>	<u>\$ 1,356,040</u>	<u>\$ 1,422,362</u>

The ranges of interest rates on bank loans were 1.55%-2.04%, 1.25%-1.92% and 1.25%-1.91%, per annum as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively.

b. Short-term bills payable

	September 30, 2024	December 31, 2023	September 30, 2023
Commercial paper	\$ -	\$ 745,000	\$ 550,000
Less: Unamortized discounts on bills payable	<u>-</u>	<u>(894)</u>	<u>(919)</u>
	<u>\$ -</u>	<u>\$ 744,106</u>	<u>\$ 549,081</u>

Outstanding short-term bills payable were as follows:

December 31, 2023

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate Range	Collateral
<u>Commercial paper</u>					
Mega Bills	\$ 200,000	\$ (197)	\$ 199,803	1.898%	None
China Bills	200,000	(169)	199,831	1.928%	None
Ta Ching Bills	200,000	(243)	199,757	1.928%	None
International Bills	<u>145,000</u>	<u>(285)</u>	<u>144,715</u>	1.928%	None
	<u>\$ 745,000</u>	<u>\$ (894)</u>	<u>\$ 744,106</u>		

September 30, 2023

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate Range	Collateral
<u>Commercial paper</u>					
China Bills	\$ 200,000	\$ (189)	\$ 199,811	1.82%	None
Mega Bills	200,000	(538)	199,462	1.89%	None
Ta Ching Bills	<u>150,000</u>	<u>(192)</u>	<u>149,808</u>	1.87%	None
	<u>\$ 550,000</u>	<u>\$ (919)</u>	<u>\$ 549,081</u>		

c. Long-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Secured borrowings</u>			
Bank loans (1)	\$ 5,818,524	\$ 4,773,282	\$ 4,909,754
Loans from governments (2)	1,790,749	1,789,268	1,830,894
<u>Unsecured borrowings</u>			
Bank loans (3)	<u>843,604</u>	<u>1,394,920</u>	<u>1,290,720</u>
	8,452,877	7,957,470	8,031,368
Less: Current portion	<u>(702,972)</u>	<u>(571,452)</u>	<u>(995,982)</u>
Long-term borrowings	<u>\$ 7,749,905</u>	<u>\$ 7,386,018</u>	<u>\$ 7,035,386</u>

- 1) The Group signed medium-term secured loan contracts with First Commercial Bank, Cathay United Bank, Bank SinoPac, China Trust Commercial Bank, and Taiwan Cooperative Bank, respectively. The bank loans are to be repaid at once or in installments according to the agreements. As of September 30, 2024, December 31, 2023 and September 30, 2023, the annual interest rates are 1.55%-2.12%, 1.27%-1.99% and 1.25%-2.11%, respectively. The loan is repayable in 3 to 7 years, and the final maturity date of the loan is September 8, 2030.
- 2) The Group entered into a secured government loan facility contract with Okinawa Development Finance Corporation. The loan is to be repaid in installments according to the repayment schedule in the contract. As of September 30, 2024, December 31, 2023 and September 30, 2023, the annual interest rates are 0.2%-0.7%, 0.2% and 0.2%, respectively. The final maturity date of the loan is June 25, 2042.
- 3) The Group signed medium-term unsecured loan contracts with Bank SinoPac, Taishin Bank and China Trust Commercial Bank. The bank loans are to be repaid at once or in installments according to the agreements. As of September 30, 2024, December 31, 2023 and September 30, 2023, the annual interest rates are 1.55%-2.03%, 1.26%-1.80% and 1.25%-1.80%, respectively. The loan is repayable in 3 to 5 years, and the final maturity date of the loan is June 21, 2029.
- 4) Refer to Note 36 for information on collaterals for the abovementioned borrowings.

## 22. NOTES PAYABLE AND TRADE PAYABLES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Notes payable</u>			
Operating	\$ 3,646	\$ 3,337	\$ 3,197
<u>Trade payables</u>			
Operating	\$ 92,515	\$ 96,221	\$ 141,958

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## 23. OTHER LIABILITIES

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 89,995	\$ 73,550	\$ 63,566
Payables for machinery and equipment and construction in progress (Note 32)	250	6,519	13,413
Payables for VAT	48,652	43,400	53,238
Payables for interests	5,523	3,692	4,174
			(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Payables for dividends (Note 32)	\$ 1,384	\$ 1,204	\$ 1,204
Payables for professional fees	3,701	16,028	3,318
Payables for insurance	5,375	5,765	4,756
Others	<u>46,852</u>	<u>46,970</u>	<u>45,287</u>
	<u>\$ 201,732</u>	<u>\$ 197,128</u>	<u>\$ 188,956</u>
Other liabilities			
Refundable deposits (Note 35)	\$ 32,152	\$ 42,573	\$ 40,287
Advanced receipts	3,659	3,155	8,762
Receipts under custody	<u>4,398</u>	<u>4,683</u>	<u>4,087</u>
	<u>\$ 40,209</u>	<u>\$ 50,411</u>	<u>\$ 53,136</u>
<u>Non-current</u>			
Deferred revenue			
Government grants (Note 31)	<u>\$ 311,563</u>	<u>\$ 311,098</u>	<u>\$ 311,882</u>
Other liabilities			
Refundable deposits (Note 35)	<u>\$ 94,042</u>	<u>\$ 88,980</u>	<u>\$ 93,767</u>
			(Concluded)

## 24. RETIREMENT BENEFIT PLANS

### a. Defined contribution plan

The Company and the Group's subsidiaries in Taiwan adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in mainland China are members of a state-managed retirement benefit plan operated by the government of the People's Republic of China, which is a defined contribution plan.

The employees of the Group's subsidiaries in Japan are members of a state-managed retirement benefit plan operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

For the three months ended September 30, 2024 and 2023 and the nine months ended September 30, 2024 and 2023, the amounts included in the consolidated statements of comprehensive income in respect of the Group's defined contribution plan were \$3,568 thousand, \$3,329 thousand, \$10,220 thousand and \$10,061 thousand, respectively.

b. Defined benefit plan

For the three months ended September 30, 2024 and 2023 and the nine months ended September 30, 2024 and 2023, the pension expenses of defined benefit plans were \$191 thousand, \$334 thousand, \$574 thousand and \$1,003 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2023 and 2022, respectively.

## 25. EQUITY

a. Share capital

Ordinary shares

	September 30, 2024	December 31, 2023	September 30, 2023
Shares authorized (in thousands of shares)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Amount of shares authorized	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>	<u>\$ 15,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>790,247</u>	<u>790,247</u>	<u>790,247</u>
Amount of shares issued and fully paid	<u>\$ 7,902,474</u>	<u>\$ 7,902,474</u>	<u>\$ 7,902,474</u>

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

The Company's shareholders resolved to distribute share dividends of \$154,669 thousand in May 2023, which were approved by the FSC. The subscription base date was August 2, 2023 as determined by the board of directors.

b. Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
<u>May only be used to offset a deficit (1)</u>			
Treasury share transactions	\$ 367,772	\$ 367,772	\$ 367,772
Unclaimed dividends extinguished by prescription	12,492	12,589	9,782
Unclaimed dividends extinguished by prescription of subsidiaries	3,277	3,892	3,106
Changes in equity of associates accounted for using the equity method	73,579	72,627	31,348
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (2)</u>			
Treasury share transactions			
Dividends paid to subsidiaries	872,921	816,290	816,290
Disposal of treasury shares	24,479	24,829	24,829

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Share-based payment	\$ 16,123	\$ 15,428	\$ 15,428
Share-based payment of subsidiaries	5,327	4,747	4,747
Difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal	<u>7</u>	<u>7</u>	<u>7</u>
	<u>\$ 1,375,977</u>	<u>\$ 1,318,181</u>	<u>\$ 1,273,309</u> (Concluded)

- 1) Such capital surplus may only be used to offset a deficit.
- 2) Such capital surplus may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Group's paid-in capital each year).

For the nine months ended September 30, 2024 and 2023, the Company distributed cash dividends to subsidiaries, with capital surplus - treasury shares adjusted by the amounts of \$56,631 thousand and \$33,313 thousand, respectively.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Articles of Incorporation of the Company, when the Company makes the financial statement to obtain after-tax surplus earnings in a fiscal year, it shall make up its accumulated losses, set aside a sum as legal reserve, set aside or reverse a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors, refer to Note 27(g).

The remaining dividend policy is taken by the Company. In consideration of the future business expansion and capital needs, an appropriate amount of earnings can be retained. If there are undistributed earnings remained after the appropriation, distribution of earnings can be made.

For the distribution of shareholders' dividends, cash dividends shall be more than 10% of total dividends distributed in the current year, the remainders will be in stock dividends.

According to the Company Act No. 237, the Company shall recognize as legal reserve 10% of the remaining profit, until the accumulated legal reserve equals the total amount of paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings. The sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient.

The appropriations of earnings for 2023 and 2022 approved in the shareholders' regular meetings on May 24, 2024 and May 30, 2023 were as follows:

	<b>Appropriation of Earnings</b>	
	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Legal reserve	\$ 7,879	\$ -
Cash dividends	394,406	232,004
Cash dividends per share (NT\$)	0.50	0.30
Share dividends	-	154,669
Share dividends per share (NT\$)	-	0.20

d. Special reserve

If a special reserve appropriated on the first-time adoption of IFRS Accounting Standards relates to investment properties other than land, the special reserve may be reversed continuously over the period of use or may be reversed upon the disposal or reclassification of the related assets. The special reserve related to land may be reversed on the disposal or reclassification of the land.

The special reserves recognized as of September 30, 2024, December 31, 2023 and September 30, 2023 were as follows:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Appropriation in respect of the Articles of Incorporation of the Company	\$ 295,756	\$ 295,756	\$ 295,756
First application of Rule issued by the FSC			
Revaluation of investment properties (Note)	1,791,635	1,792,502	1,792,502
Exchange differences on translation of the financial statements of foreign operations	<u>168,790</u>	<u>168,790</u>	<u>168,790</u>
	<u>\$ 2,256,181</u>	<u>\$ 2,257,048</u>	<u>\$ 2,257,048</u>

Note: In the third quarter of 2024 and 2023, the Group completed subsequent disposal transactions and recognized a reversal of \$867 thousand and \$948 thousand, respectively, on revaluation of investment properties due to the initial application of the IFRS Accounting Standards.

e. Other equity items

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

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	<u>\$ (670,392)</u>	<u>\$ (648,722)</u>
Recognized for the period		
Exchange differences on translation of the financial statements of foreign operations	156,912	111,721
Share from associates accounted for using the equity method	(309)	1,766
Related income tax	<u>(38,924)</u>	<u>(24,653)</u>
Other comprehensive income recognized for the period	<u>117,679</u>	<u>88,834</u>
Balance at September 30	<u>\$ (552,713)</u>	<u>\$ (559,888)</u>

2) Unrealized gain on financial assets at FVTOCI

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	<u>\$ 3,950,560</u>	<u>\$ 3,459,972</u>
Recognized for the period		
Unrealized loss on financial assets at FVTOCI	(290,027)	(45,830)
Unrealized (loss) gain on financial assets at FVTOCI held by associates accounted for using the equity method	<u>(534)</u>	<u>5,146</u>
Other comprehensive loss recognized for the period	<u>(290,561)</u>	<u>(40,684)</u>
Balance at September 30	<u>\$ 3,659,999</u>	<u>\$ 3,419,288</u>

f. Non-controlling interests

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at January 1	\$ 737,107	\$ 713,432
Share in profit for the period	24,806	12,099
Other comprehensive income (loss) during the period		
Exchange differences on translation of the financial statements of foreign entities	8,004	8,014
Related income tax	(1,189)	(1,211)
Unrealized loss on financial assets at FVTOCI	(13,725)	(4,622)
Unrealized gain (loss) on financial assets at FVTOCI held by associates accounted for using the equity method	529	(632)

(Continued)

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Adjustments of capital surplus due to unclaimed dividends extinguished by prescription	\$ (90)	\$ -
Adjustments of capital surplus due to dividend paid to subsidiaries	45	-
Cash dividends	<u>(9,447)</u>	<u>(6,424)</u>
Balance at September 30	<u>\$ 746,040</u>	<u>\$ 720,656</u> (Concluded)

g. Treasury shares

<b>Purpose of Buy-back</b>	<b>Shares Transferred to Employees (In Thousands of Shares)</b>	<b>Shares Held by Subsidiaries (In Thousands of Shares)</b>	<b>Total (In Thousands of Shares)</b>
Number of shares at January 1, 2023	1435	127,371	128,806
Increase during the period (Note)	-	2,547	2,547
Decrease during the period	<u>-</u>	<u>-</u>	<u>-</u>
Number of shares at September 30, 2023	<u>1435</u>	<u>129,918</u>	<u>131,353</u>
Number of shares at January 1, 2024	1,435	129,918	131,353
Increase during the period	-	-	-
Decrease during the period	<u>(1,435)</u>	<u>-</u>	<u>(1,435)</u>
Number of shares at September 30, 2024	<u>-</u>	<u>129,918</u>	<u>129,918</u>

Note: The shares dividend distributed by the Company of the year 2023.

As of September 30, 2024, the Company transferred all 1,435 thousand treasury shares repurchased during the first buyback in 2020 at the price of \$15.3 per share to employees of the Company and its subsidiaries. The Group recognized the compensation cost of \$1,320 thousand on the grant date and recognized the capital surplus - treasury share transactions of \$(350) thousand on the share settlement date.

Refer to Note 30 for information on share-based payment arrangement.

Prior to the amendment of the Company Act at the end of 2001, subsidiaries purchased shares of the Company on the open market in line with government policy and in order to maintain the stability of the share price on the open market. The relevant information on the holding of the Company's shares is as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Based on the Shareholding Ratio	
		Carrying Amount	Market Price
<u>September 30, 2024</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 2,061,373</u>
<u>December 31, 2023</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 2,157,646</u>
<u>September 30, 2023</u>			
<u>By direct investment</u>			
Tong Yang Chia Hsin International Corporation	129,918	<u>\$ 1,055,710</u>	<u>\$ 2,101,015</u>

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to receive dividends and to vote. The subsidiaries holding treasury shares, however, are bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

## 26. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from the sale of goods	\$ 306,366	\$ 310,434	\$ 883,724	\$ 909,566
Revenue from the rent	74,986	73,694	224,299	214,246
Revenue from rendering of services	203,812	189,474	573,246	519,382
Revenue from catering and hospitality	<u>190,571</u>	<u>164,925</u>	<u>531,910</u>	<u>472,037</u>
	<u>\$ 775,735</u>	<u>\$ 738,527</u>	<u>\$ 2,213,179</u>	<u>\$ 2,115,231</u>

a. Contract information

Revenue from the sale of goods

The main operating revenue of the Group is from the sales of cement and other goods. All goods are sold at their respective fixed price as agreed in the contracts.

Revenue from the rent

The rental income comes from the lease of property, plant and equipment. The Group recognizes the revenue according to the contract on accrual basis.

Revenue from rendering of services

The Group operates the cement silo and other storage and transport facilities in the wharves to provide warehousing and storage services. The fee is calculated based on the actual number of goods delivered and the agreed price in the signed contracts.

Revenue from catering and hospitality services

The Group recognizes the revenue from catering services once the merchandise is sold to the client. The consideration is collected from the client upon occurrence of the purchase transaction.

The Group recognizes the revenue from hospitality services once the service is rendered to the client. The contractual consideration is collected according to the agreed time schedule.

b. Contract balances

	September 30, 2024	December 31, 2023	September 30, 2023	January 1, 2023
Notes receivable and trade				
receivables from unrelated				
parties (Note 10)	\$ 275,957	\$ 357,960	\$ 267,885	\$ 250,625
Trade receivables from related				
parties (Note 35)	\$ 4,063	\$ 8,899	\$ 7,104	\$ 4,876
Contract liabilities - current	\$ 57,366	\$ 41,608	\$ 34,072	\$ 27,860

c. Disaggregation of revenue

For information on disaggregation of revenue, please refer to Note 42.

## 27. NET PROFIT

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Bank deposits	\$ 45,461	\$ 42,616	\$ 134,523	\$ 117,543

b. Other income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Rental income	\$ 10,129	\$ 9,500	\$ 26,014	\$ 24,990
Dividends	393,238	198,965	398,391	201,105
Government grants (Note 31)	2,222	2,235	6,525	6,891
Remuneration of directors (Note 35)	251	-	13,454	9,626
Others	<u>1,977</u>	<u>883</u>	<u>8,643</u>	<u>6,055</u>
	<u>\$ 407,817</u>	<u>\$ 211,583</u>	<u>\$ 453,027</u>	<u>\$ 248,667</u>

c. Other gains and losses

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Gain (loss) on disposal of property, plant and equipment	\$ 56	\$ (9)	\$ 132	\$ 62
Gain on disposal of investment properties	5,639	-	9,165	-
Net foreign exchange gains (losses) (Note 27-h)	83,046	24,863	27,405	(63,904)
Gain (loss) on financial assets mandatorily classified as at FVTPL	10,409	(93,966)	10,514	10,551
Gain on disposal of right-of-use assets	-	-	112	5
Income from the subleasing of right-of-use assets	341	-	455	-
Others	<u>(1,687)</u>	<u>(1,052)</u>	<u>(2,537)</u>	<u>(5,005)</u>
	<u>\$ 97,804</u>	<u>\$ (70,164)</u>	<u>\$ 45,246</u>	<u>\$ (58,291)</u>

d. Finance costs

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Interest on bank loans	\$ 47,132	\$ 43,899	\$ 137,804	\$ 128,936
Interest on lease liabilities	7,071	7,446	21,467	23,134
Less: Capitalized interest amount	<u>(278)</u>	<u>(67)</u>	<u>(744)</u>	<u>(141)</u>
	<u>\$ 53,925</u>	<u>\$ 51,278</u>	<u>\$ 158,527</u>	<u>\$ 151,929</u>

Information on capitalized interest is as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Capitalized interest amount	\$ 278	\$ 67	\$ 744	\$ 141
Capitalization rate	1.92%-2.04%	1.68%-2.04%	1.80%-2.16%	1.68%-2.04%

e. Depreciation and amortization

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Property, plant and equipment	\$ 78,267	\$ 80,509	\$ 235,309	\$ 253,875
Investment properties	2,013	1,987	6,031	5,992
Right-of-use assets	27,184	28,132	83,005	86,087
Intangible assets	<u>638</u>	<u>669</u>	<u>1,944</u>	<u>2,047</u>
	<u>\$ 108,102</u>	<u>\$ 111,297</u>	<u>\$ 326,289</u>	<u>\$ 348,001</u>
An analysis of depreciation by function				
Operating costs	\$ 92,188	\$ 95,658	\$ 279,379	\$ 299,771
Operating expenses	<u>15,276</u>	<u>14,970</u>	<u>44,966</u>	<u>46,183</u>
	<u>\$ 107,464</u>	<u>\$ 110,628</u>	<u>\$ 324,345</u>	<u>\$ 345,954</u>
An analysis of amortization by function				
Operating expenses	<u>\$ 638</u>	<u>\$ 669</u>	<u>\$ 1,944</u>	<u>\$ 2,047</u>

f. Employee benefits expense

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Short-term benefits	\$ 165,742	\$ 125,463	\$ 403,845	\$ 361,900
Post-employment benefits (Note 24)				
Defined contribution plans	3,568	3,329	10,220	10,061
Defined benefit plans	191	334	574	1,003
Share-based payment				
Equity settlement	1,320	-	1,320	-
Other employee benefits	<u>4,934</u>	<u>4,553</u>	<u>14,071</u>	<u>13,129</u>
	<u>\$ 175,755</u>	<u>\$ 133,679</u>	<u>\$ 430,030</u>	<u>\$ 386,093</u>

(Continued)

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
An analysis of employee benefits expense by function				
Operating costs	\$ 60,914	\$ 59,294	\$ 175,919	\$ 175,972
Operating expenses	<u>114,841</u>	<u>74,385</u>	<u>254,111</u>	<u>210,121</u>
	<u>\$ 175,755</u>	<u>\$ 133,679</u>	<u>\$ 430,030</u>	<u>\$ 386,093</u>
				(Concluded)

g. Compensation of employees and remuneration of directors

According to the Company's Articles of Incorporation, the Company accrues compensation of employees at rates of no less than 0.01% and no higher than 3%, and remuneration of directors at rates of no higher than 3% of net profit before income tax, compensation of employees and remuneration of directors.

The compensation of employees and remuneration of directors for the three months ended September 30, 2024 and 2023 and nine months ended September 30, 2024 and 2023, are as follows:

Accrual rate

	<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>
Compensation of employees	2.87%	1.39%
Remuneration of directors	2.87%	1.39%

Amount

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Compensation of employees	<u>\$ 15,140</u>	<u>\$ 1,541</u>	<u>\$ 15,800</u>	<u>\$ 1,541</u>
Remuneration of directors	<u>\$ 15,140</u>	<u>\$ 1,541</u>	<u>\$ 15,800</u>	<u>\$ 1,541</u>

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

The Company had loss before income tax for the year ended December 31, 2022. Therefore, no compensation of employees and remuneration of directors was accrued for the relevant year. The compensation of employees and remuneration of directors for the year ended December 31, 2023, which were approved by the Company's board of directors on February 27, 2024, is as follows:

Amount

	<b>For the Year Ended December 31, 2023</b>	
	<b>Cash</b>	<b>Shares</b>
Compensation of employees	\$ 700	\$ -
Remuneration of directors	700	-

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

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

h. Gains and losses on foreign currency exchange

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Foreign exchange gains	\$ 144,464	\$ 36,782	\$ 182,118	\$ 43,147
Foreign exchange losses	<u>(61,418)</u>	<u>(11,919)</u>	<u>(154,713)</u>	<u>(107,051)</u>
Net foreign exchange gains (losses)	<u>\$ 83,046</u>	<u>\$ 24,863</u>	<u>\$ 27,405</u>	<u>\$ (63,904)</u>

## 28. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current tax				
In respect of the current period	\$ 5,613	\$ (951)	\$ 10,412	\$ 16,996
Income tax on unappropriated earnings	-	-	1,836	-
Adjustments for prior years	-	-	749	123
Land value increment tax	202	-	284	-
Withholding tax on dividend	<u>218</u>	<u>-</u>	<u>19,865</u>	<u>-</u>
	<u>6,033</u>	<u>(951)</u>	<u>33,146</u>	<u>17,119</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Deferred tax				
In respect of the current period	\$ 20,962	\$ 11,559	\$ 23,835	\$ (14,766)
Land value increment tax	<u>(132)</u>	<u>-</u>	<u>(237)</u>	<u>-</u>
	<u>20,830</u>	<u>11,559</u>	<u>23,598</u>	<u>(14,766)</u>
Income tax expense recognized in profit or loss	<u>\$ 26,863</u>	<u>\$ 10,608</u>	<u>\$ 56,744</u>	<u>\$ 2,353</u>

(Concluded)

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
<u>Deferred tax</u>				
In respect of the current years				
Translation of foreign operations	<u>\$ 1,017</u>	<u>\$ (36,199)</u>	<u>\$ (40,113)</u>	<u>\$ (25,864)</u>
Total income tax recognized in other comprehensive income	<u>\$ 1,017</u>	<u>\$ (36,199)</u>	<u>\$ (40,113)</u>	<u>\$ (25,864)</u>

c. Income tax assessments

- 1) The income tax returns of the Company and its subsidiaries, Chia Hsin Property Management & Development Corporation, through 2021 have been assessed by the tax authorities. The income tax returns of Tong Yang Chia Hsin International Corporation, Chia Pei International Corporation, Chia Sheng Construction Corp., Jaho Life Plus+ Management Corp., Ltd., BlueSky. Co., Ltd. and YJ International Corporation through 2022 have been assessed by the tax authorities. Except for the abovementioned issues, the Company and the abovementioned subsidiaries do not involve in material pending action in regard of taxation.
- 2) Other overseas entities in the Group do not involve in any material pending action in regard of taxation.

## 29. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Basic earnings per share	<u>\$ 0.74</u>	<u>\$ 0.18</u>	<u>\$ 0.79</u>	<u>\$ 0.21</u>
Diluted earnings per share	<u>\$ 0.73</u>	<u>\$ 0.18</u>	<u>\$ 0.78</u>	<u>\$ 0.21</u>

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

**Net Profit for the Period**

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Profit for the period attributable to owners of the Company	\$ 484,597	\$ 117,448	\$ 517,895	\$ 135,442
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit used in the computation of diluted earnings per share from continuing operations	<u>\$ 484,597</u>	<u>\$ 117,448</u>	<u>\$ 517,895</u>	<u>\$ 135,442</u>

**Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)**

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	659,175	658,894	658,989	658,894
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u>868</u>	<u>83</u>	<u>876</u>	<u>83</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>660,043</u>	<u>658,977</u>	<u>659,865</u>	<u>658,977</u>

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

### 30. SHARE-BASED PAYMENT ARRANGEMENTS

#### Transaction of Treasury Shares Granted to Employees

To motivate the employees and enhance the internal cohesion in the Group, in the third quarter of 2024, the Group registered to transfer to its employees who met specific criteria a total of 1,435,000 shares; the shares were repurchased in 2020 under the first repurchase plan. The related information was as follows:

	For the Nine Months Ended September 30, 2024	
	Number of Shares (In Thousands of Shares)	Weighted- average Exercise Price (\$) (Note)
<b>Treasury Shares Granted to Employees</b>		
Balance at January 1	-	
Shares granted	1,435	\$ 15.3
Shares exercised	(1,435)	15.3
Shares expired	<u>-</u>	
Balance at September 30	<u>-</u>	
Shares exercisable, end of the period	<u>-</u>	
Weighted-average fair value of shares granted (\$)	<u>\$ 0.92</u>	

Note: The transfer price is adjusted based on the average price of the actual repurchased shares, taking into account the cost of funds and the capitalization of earnings.

The Group used the Black-Scholes pricing model to value the treasury shares granted to its employees in the third quarter of 2024. Inputs used in the model were as follows:

	Granted on August 8, 2024
Exercise price (\$)	\$15.3
Fair value (\$)	\$0.92
Expected rate of volatility	18.30%
Duration	15 days
Risk-free rate of interest	1.29%

The Company and its subsidiaries recognized \$695 thousand and \$625 thousand of compensation costs on the grant date, respectively, and recognized a deduction of \$350 thousand of capital surplus - treasury share transactions on the share settlement date.

### 31. GOVERNMENT GRANTS

In order to finance the construction of Hotel COLLECTIVE in Okinawa, the Group applied for a loan from Okinawa Development Finance Corporation. The loan facility was JPY10,500,000 thousand. The term of the loan lasts for 25 years, and the loan is to be repaid semi-annually in 42 installments, with the first installment commencing in the fourth year after the first drawdown date on December 20, 2017. The Group had drawn JPY10,500,000 thousand in total. The fair value of the borrowing was JPY8,873,333 thousand discounted at the market interest rate at the borrowing date. The difference of JPY1,626,667 thousand between the proceeds and the fair value of the loan is the benefit derived from the low-interest loan and has been recognized as deferred revenue. As of September 30, 2024, December 31, 2023 and September 30, 2023, the amount of deferred revenue was JPY1,401,544 thousand, JPY1,432,310 thousand and JPY1,442,565 thousand (equivalent to \$311,563 thousand, \$311,098 thousand and \$311,882 thousand), respectively. The deferred revenue will be reclassified to other revenue gradually along with the depreciation recognized over the estimated useful lives of buildings acquired. For the three months ended September 30, 2024 and 2023, and the nine months ended September 30, 2024 and 2023, the Group has recognized JPY10,255 thousand, JPY10,255 thousand, JPY30,765 thousand and JPY30,765 thousand (equivalent to \$2,222 thousand, \$2,235 thousand, \$6,525 thousand and \$6,891 thousand) was recognized under other income, respectively.

### 32. CASH FLOW INFORMATION

#### a. Non-cash transactions

For the nine months ended September 30, 2024 and 2023, the Group entered into the following non-cash investing and financing activities which were not reflected in the statements of cash flows:

- 1) As of September 30, 2024, December 31, 2023 and September 30, 2023, the payables for equipment - property, plant and equipment were \$250 thousand, \$6,519 thousand and \$13,413 thousand, respectively.
- 2) As of September 30, 2024, December 31, 2023 and September 30, 2023, the dividends declared but not yet paid to non-controlling interests - unrelated party were \$1,384 thousand, \$1,204 thousand and \$1,204 thousand, respectively.
- 3) As of September 30, 2024, December 31, 2023 and September 30, 2023, the refund of capital reduction for financial assets measured at fair value through other comprehensive income is recognized as other receivables, amounting to \$1,542 thousand, \$0 thousand, and \$0 thousand, respectively.

#### b. Changes in liabilities arising from financing activities

For the nine months ended September 30, 2024

	Opening Balance	Cash Flows	Non-cash Changes				Others	Closing Balance
			New Leases	Amortization of Interest Expense	Lease Modifications	Change in Exchange Rate		
Short-term borrowings	\$ 1,356,040	\$ (226,583)	\$ -	\$ -	\$ -	\$ 7,293	\$ -	\$ 1,136,750
Short-term bills payable	744,106	(745,000)	-	894	-	-	-	-
Long-term borrowings	7,957,470	430,011	-	15,615	-	49,781	-	8,452,877
Guarantee deposits received	131,553	(5,456)	-	-	-	97	-	126,194
Lease liabilities	1,465,980	(69,845)	23,248	21,467	(771)	6,913	(24,010)	1,422,982
	<u>\$ 11,655,149</u>	<u>\$ (616,873)</u>	<u>\$ 23,248</u>	<u>\$ 37,976</u>	<u>\$ (771)</u>	<u>\$ 64,084</u>	<u>\$ (24,010)</u>	<u>\$ 11,138,803</u>

For the nine months ended September 30, 2023

			Non-cash Changes					
	Opening Balance	Cash Flows	New Leases	Amortization of Interest Expense	Lease Modifications	Change in Exchange Rate	Others	Closing Balance
Short-term borrowings	\$ 1,673,664	\$ (240,400)	\$ -	\$ -	\$ -	\$ (10,902)	\$ -	\$ 1,422,362
Short-term bills payable	127,614	422,000	-	(533)	-	-	-	549,081
Long-term borrowings	8,372,718	(110,883)	-	17,279	-	(247,746)	-	8,031,368
Guarantee deposits received	120,399	13,630	-	-	-	25	-	134,054
Lease liabilities	<u>1,653,656</u>	<u>(68,832)</u>	<u>2,977</u>	<u>23,134</u>	<u>(82,142)</u>	<u>2,930</u>	<u>(23,134)</u>	<u>1,508,589</u>
	<u>\$ 11,948,051</u>	<u>\$ 15,515</u>	<u>\$ 2,977</u>	<u>\$ 39,880</u>	<u>\$ (82,142)</u>	<u>\$ (255,693)</u>	<u>\$ (23,134)</u>	<u>\$ 11,645,454</u>

### 33. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remained unchanged in recent years.

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 management of the Group periodically reviews its capital structure. As part of the review, the management considers the cost of capital and related risks in determining the proper structure for its capital. Followed the management's suggestion, the Group balances its overall capital structure by obtaining financing facilities from financial institutions and adjusting the amount of dividends paid to the shareholders.

### 34. FINANCIAL INSTRUMENTS

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

The Group's management believes that the carrying amount of financial assets and financial liabilities recognized in the financial statements which are not measured at fair value approximates their fair value or that the fair value of such assets and liabilities cannot be reliably measured.

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

1) Fair value hierarchy

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares in domestic market	\$ 793,076	\$ -	\$ -	\$ 793,076
Listed shares in foreign market	176,746	-	-	176,746
Mutual funds	<u>25,200</u>	<u>-</u>	<u>442,217</u>	<u>467,417</u>
	<u>\$ 995,022</u>	<u>\$ -</u>	<u>\$ 442,217</u>	<u>\$ 1,437,239</u>

(Continued)

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Listed shares in domestic market	\$ 11,555,725	\$ -	\$ -	\$ 11,555,725
Unlisted shares in domestic market	<u>-</u>	<u>-</u>	<u>546,841</u>	<u>546,841</u>
	<u>\$ 11,555,725</u>	<u>\$ -</u>	<u>\$ 546,841</u>	<u>\$ 12,102,566</u> (Concluded)

December 31, 2023

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Listed shares in domestic market	\$ 817,713	\$ -	\$ -	\$ 817,713
Listed shares in foreign market	139,505	-	-	139,505
Mutual funds	21,059	-	427,533	448,592
Convertible bonds	<u>-</u>	<u>-</u>	<u>29,922</u>	<u>29,922</u>
	<u>\$ 978,277</u>	<u>\$ -</u>	<u>\$ 457,455</u>	<u>\$ 1,435,732</u>

Financial assets at FVTOCI				
Listed shares in domestic market	\$ 11,867,961	\$ -	\$ -	\$ 11,867,961
Unlisted shares in domestic market	<u>-</u>	<u>-</u>	<u>491,057</u>	<u>491,057</u>
	<u>\$ 11,867,961</u>	<u>\$ -</u>	<u>\$ 491,057</u>	<u>\$ 12,359,018</u>

September 30, 2023

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Listed shares in domestic market	\$ 780,171	\$ -	\$ -	\$ 780,171
Listed shares in foreign market	167,257	-	-	167,257
Mutual funds	20,508	-	494,959	515,467
Convertible bonds	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
	<u>\$ 967,936</u>	<u>\$ -</u>	<u>\$ 524,959</u>	<u>\$ 1,492,895</u>

Financial assets at FVTOCI				
Listed shares in domestic market	\$ 11,333,307	\$ -	\$ -	\$ 11,333,307
Unlisted shares in domestic market	<u>-</u>	<u>-</u>	<u>492,884</u>	<u>492,884</u>
	<u>\$ 11,333,307</u>	<u>\$ -</u>	<u>\$ 492,884</u>	<u>\$ 11,826,191</u>

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

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

For the nine months ended September 30, 2024

<b>Financial Assets</b>	<b>Financial Assets at FVTPL Mutual Funds</b>	<b>Financial Assets at FVTPL Convertible Bonds</b>	<b>Financial Assets at FVTOCI Equity Instruments</b>	<b>Total</b>
Balance at January 1, 2024	\$ 427,533	\$ 29,922	\$ 491,057	\$ 948,512
Purchases	-	-	30,000	30,000
Convert	-	(18,842)	18,842	-
Recognized in profit or loss	14,684	(11,080)	-	3,604
Recognized in other comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>6,942</u>	<u>6,942</u>
Balance at September 30, 2024	<u>\$ 442,217</u>	<u>\$ -</u>	<u>\$ 546,841</u>	<u>\$ 989,058</u>
Unrealized gain for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ 14,684</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,684</u>

For the nine months ended September 30, 2023

<b>Financial Assets</b>	<b>Financial Assets at FVTPL Mutual Funds</b>	<b>Financial Assets at FVTPL Convertible Bonds</b>	<b>Financial Assets at FVTOCI Equity Instruments</b>	<b>Total</b>
Balance at January 1, 2023	\$ 468,839	\$ -	\$ 467,097	\$ 935,936
Purchases	-	30,000	-	30,000
Recognized in profit or loss	26,120	-	-	26,120
Recognized in other comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>25,787</u>	<u>25,787</u>
Balance at September 30, 2023	<u>\$ 494,959</u>	<u>\$ 30,000</u>	<u>\$ 492,884</u>	<u>\$ 1,017,843</u>
Unrealized gain for the current year included in profit or loss relating to assets held at the end of the period	<u>\$ 26,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,120</u>

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

The fair value of mutual funds is determined using the method and hypothesis described below:

The fair value is determined by the use of valuation techniques or the price quotations from various counterparties. The fair value measurement using valuation techniques uses as reference the published current fair value of instruments with similar terms and characteristics, or uses discounted cash flow method or other valuation methods, including the use of a valuation model using market information available at the balance sheet date.

The Group holds unlisted shares. The significant unobservable input in the measurement of such investments is liquidity discount. The fair value of unlisted shares is determined using market approach where the fair value of the shares of similar or peer companies is used as reference. As of September 30, 2024, December 31, 2023 and September 30, 2023, the ranges of liquidity discount used were 11.88%-30.00%, 20.00%-30.00% and 17.51%-30.00%, respectively.

#### c. Categories of financial instrument

	September 30, 2024	December 31, 2023	September 30, 2023
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 1,437,239	\$ 1,435,732	\$ 1,492,895
Financial assets measured at amortized cost (1)	6,154,989	6,477,719	6,538,011
Financial assets at FVTOCI			
Equity instruments	12,102,566	12,359,018	11,826,191
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (2)	9,975,588	10,472,891	10,473,027

1) The balances include financial assets, which comprise cash and cash equivalent, notes receivable from unrelated parties, trade receivables from unrelated parties, trade receivables from related parties, other receivables from unrelated parties (excluding tax refund receivables), other receivables from related parties, financial assets at amortized cost, and refundable deposits.

2) The balances include financial liabilities, which comprise short-term loans, short-term bills payable, notes payable to unrelated parties, trade payables to unrelated parties, trade payables to related parties, other payables to unrelated parties (excluding payable for salaries and bonus, tax payable, payable for insurance, and payable for dividends), other payables to related parties, current portion of long-term borrowings payable, long-term borrowings, and guarantee deposits.

#### d. Financial risk management objectives and policies

The Group's major financial instruments include equity securities, trade receivables, financial assets at amortized cost, trade payables, lease liabilities and borrowings. 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 corporation's treasury function keeps close attention, and continuously tracks financial information and acts in concert with investment projects, plans and diversifies the positions of major international currencies to effectively manage the risks of interest rate and exchange rate changes and achieve the purpose of reducing risks. Also, the corporate treasury function reports regularly to the Group's management, which monitors risks and implements policies to mitigate risk exposures.

#### 1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price (see (c) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

##### a) Foreign currency risk

The Group has foreign currency transactions, which exposes the Group to foreign currency risk. Exchange rate exposures are managed by the delegated team, which regularly monitors and properly adjusts the assets and liabilities affected by the exchange rate to manage foreign currency risk.

Since the Group's net investments in foreign operations are strategic investments, the Group does not seek to hedge against the currency risk.

The carrying amounts of the Group's foreign-currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 38.

##### Sensitivity analysis

The Group was mainly exposed to the USD and JPY.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 5%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 5% against the relevant currency. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	<b>USD Impact (i)</b>		<b>JPY Impact (ii)</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Profit or loss	\$ 70,149	\$ 55,863	\$ 35,924	\$ 62,841

i. The result was mainly attributable to the exposure on outstanding cash and cash equivalents and other receivables in USD that were not hedged at the end of the period.

ii. The result was mainly attributable to the exposure on outstanding cash and cash equivalents in JPY that were not hedged at the end of the period.

The above results of the Group's tests of sensitivity to changes in foreign exchange rates during the current period were mainly due to the increase in financial assets in USD, and the decrease in financial assets in JPY.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow 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.

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

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Fair value interest rate risk			
Financial assets	\$ 4,816,564	\$ 4,669,399	\$ 4,857,820
Financial liabilities	3,743,759	4,901,546	4,732,876
Cash flow interest rate risk			
Financial assets	889,722	1,252,662	1,202,208
Financial liabilities	7,268,850	6,622,050	6,778,524

Sensitivity analysis

The sensitivity analysis below is based on the Group's exposure to interest rates of derivative and non-derivative instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of the liabilities outstanding at the end of the year was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2024 and 2023 would have decreased/increased by \$11,961 thousand and \$10,456 thousand, respectively.

For the nine months ended September 30, 2024, the Group's sensitivity to interest rate increased in current period mainly due to the increase in floating rate liabilities.

c) Other price risk

The Group is exposed to equity price risk through its investments in equity securities and mutual funds. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below is based on the exposure to equity price risk at the end of the period.

If equity prices (except for equity securities of Taiwan Cement Corporation) had been 1% higher/lower, the pre-tax profit or loss for the nine months ended September 30, 2024 would have increased/decreased by \$6,442 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the nine months ended September 30, 2024 would have increased/decreased by \$8,445 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices of Taiwan Cement Corporation had been 1% higher/lower, the pre-tax profit or loss for the nine months ended September 30, 2024 would have increased/decreased by \$7,931 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the nine months ended September 30, 2024 would have increased/decreased by \$112,581 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices (except for equity securities of Taiwan Cement Corporation) had been 1% higher/lower, the pre-tax profit or loss for the nine months ended September 30, 2023 would have increased/decreased by \$7,127 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the nine months ended September 30, 2023 would have increased/decreased by \$7,513 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices of Taiwan Cement Corporation had been 1% higher/lower, the pre-tax profit or loss for the nine months ended September 30, 2023 would have increased/decreased by \$7,802 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income before tax for the nine months ended September 30, 2023 would have increased/decreased by \$110,749 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

Except for equity securities of Taiwan Cement Corporation, the Group's sensitivity to equity price of the financial assets increased due to the increase in the amount of such equity securities.

The difference of the Group's sensitivity to equity price of Taiwan Cement Corporation due to the change from the price of such equity securities.

## 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of the accounting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to failure of counterparties to discharge their obligations and due to the financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets and the amount that could arise as liabilities on financial guarantees provided by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and financial institution to obtain sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group also delegates a special team to monitor the credit risk exposures and the credit amount of the counterparties and, therefore, does not expect any material credit risk.

The credit risk was mainly concentrated on the top 10 customers of the Group. As of September 30, 2024, December 31, 2023 and September 30, 2023, trade receivables from the top 10 customers were 58%, 56% and 62%, respectively, of total receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, as of the end of the accounting period, the Group reviews the recoverability of the receivables and provides proper allowance for assessed irrecoverable receivables. In view of the methods mentioned above, the management considered the Group's credit risk has materially declined.

Transactions with banks of high credit ratings given by international rating agencies are mostly free from credit risks.

### 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.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had available unutilized bank loan facilities set out in (b) below.

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

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

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

#### September 30, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing liabilities	\$ 112,264	\$ 157,607	\$ 23,432	\$ 34,118	\$ 59,924
Fixed interest rate liabilities	250,849	339,992	59,037	469,944	1,443,452
Lease liabilities	25,071	9,880	98,137	397,037	1,141,806
Variable interest rate liabilities	<u>16,625</u>	<u>453,911</u>	<u>859,474</u>	<u>4,946,180</u>	<u>1,444,872</u>
	<u>\$ 404,809</u>	<u>\$ 961,390</u>	<u>\$ 1,040,080</u>	<u>\$ 5,847,279</u>	<u>\$ 4,090,054</u>

Additional information on the maturity analysis for lease liabilities:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
Lease liabilities	<u>\$ 133,088</u>	<u>\$ 397,037</u>	<u>\$ 419,214</u>	<u>\$ 355,462</u>	<u>\$ 327,890</u>	<u>\$ 39,240</u>

December 31, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing liabilities	\$ 182,619	\$ 120,716	\$ 24,164	\$ 29,876	\$ 59,104
Fixed interest rate liabilities	710,392	940,544	115,583	459,683	1,467,498
Lease liabilities	25,806	4,491	110,164	402,558	1,190,627
Variable interest rate liabilities	<u>189,910</u>	<u>19,264</u>	<u>816,260</u>	<u>4,915,144</u>	<u>1,056,013</u>
	<u>\$ 1,108,727</u>	<u>\$ 1,085,015</u>	<u>\$ 1,066,171</u>	<u>\$ 5,807,261</u>	<u>\$ 3,773,242</u>

Additional information on the maturity analysis for lease liabilities:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
Lease liabilities	<u>\$ 140,461</u>	<u>\$ 402,558</u>	<u>\$ 415,545</u>	<u>\$ 358,765</u>	<u>\$ 327,890</u>	<u>\$ 88,427</u>

September 30, 2023

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing liabilities	\$ 196,791	\$ 152,132	\$ 28,730	\$ 34,457	\$ 59,310
Fixed interest rate liabilities	631,244	823,214	57,558	458,088	1,517,713
Lease liabilities	20,145	20,245	138,985	425,314	1,181,024
Variable interest rate liabilities	<u>434,223</u>	<u>437,934</u>	<u>698,307</u>	<u>4,417,688</u>	<u>1,122,089</u>
	<u>\$ 1,282,403</u>	<u>\$ 1,433,525</u>	<u>\$ 923,580</u>	<u>\$ 5,335,547</u>	<u>\$ 3,880,136</u>

Additional information on the maturity analysis for lease liabilities:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
Lease liabilities	<u>\$ 179,375</u>	<u>\$ 425,314</u>	<u>\$ 420,423</u>	<u>\$ 327,889</u>	<u>\$ 327,890</u>	<u>\$ 104,822</u>

b) Financing facilities

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Unsecured bank overdraft facilities, reviewed annually and payable on demand:			
Amount used	\$ 1,980,354	\$ 3,495,960	\$ 3,263,082
Amount unused	<u>4,816,840</u>	<u>3,515,720</u>	<u>3,292,438</u>
	<u>\$ 6,797,194</u>	<u>\$ 7,011,680</u>	<u>\$ 6,555,520</u>

(Continued)

	September 30, 2024	December 31, 2023	September 30, 2023
Secured bank overdraft facilities:			
Amount used	\$ 7,811,283	\$ 6,775,915	\$ 6,958,503
Amount unused	<u>890,000</u>	<u>1,260,000</u>	<u>1,340,000</u>
	<u>\$ 8,701,283</u>	<u>\$ 8,035,915</u>	<u>\$ 8,298,503</u>
			(Concluded)

### 35. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

Related Party Name	Related Party Category
Taiwan Cement Corporation	The Company acts as a member of the board of directors (B.O.D.)
Overseas Investment & Development Crop.	The Company acts as a member of the board of directors (B.O.D.) (Note)
International Chia Hsin Corporation	Associate
Chia Hsin Construction & Development Corp.	Associate
LDC ROME HOTELS S.R.L.	Associate
FDC International Hotels Corporation	Associate
L'Hotel de Chine Corporation	Associate
Chia Hsin Winn Corp.	Substantive related party
Sung Ju Investment Corp.	Substantive related party
La Trinite Naturelle Corp.	Substantive related party
Chia Hsin Foundation	Substantive related party
Pak Lion Investment Co., Ltd	Substantive related party
Taiwan Transport & Storage Corp.	The Company acts as a member of the B.O.D. of its ultimate parent company
TCC Energy Storage Technology Corporation	The Company acts as a member of the B.O.D. of its ultimate parent company
Pan Asian (Engineers & Constructors) Corporation	The Company acts as a supervisor

Note: Starting from June 8, 2023, the Company did not act as a member of B.O.D., and therefore, from that date onward, the Company was no longer considered a related party of the Group.

b. Revenue

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
Rental revenue	Associates	\$ 2,732	\$ 3,235	\$ 10,087	\$ 11,062
	Substantive related parties	2,442	2,443	7,328	7,328
	The Company acts as a member of the B.O.D.	13	-	13	-
	The Company acts as a member of the B.O.D. of its ultimate parent company	<u>644</u>	<u>631</u>	<u>1,932</u>	<u>1,892</u>
		<u>\$ 5,831</u>	<u>\$ 6,309</u>	<u>\$ 19,360</u>	<u>\$ 20,282</u>
Service revenue	The Company acts as a member of the B.O.D.	<u>\$ 8,051</u>	<u>\$ 8,968</u>	<u>\$ 24,833</u>	<u>\$ 27,843</u>

The Group leases out the office and factory buildings to related parties at market price. The lease agreements were negotiated by both sides. The rentals are collected monthly.

The Group renders cement warehousing and storage service to a related party. The agreement for the service was negotiated by both sides. The fee is collected monthly.

c. Cost of goods sold

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
Purchases of goods	The Company acts as a member of the B.O.D.				
	Taiwan Cement Corporation	\$ 167,841	\$ 165,541	\$ 424,791	\$ 432,441
	Substantive related parties	<u>54</u>	<u>172</u>	<u>2,629</u>	<u>501</u>
		<u>\$ 167,895</u>	<u>\$ 165,713</u>	<u>\$ 427,420</u>	<u>\$ 432,942</u>

The purchase prices and payment terms to related parties were not significantly different from those of purchase from third parties. The payment term is 60 days after the purchase of goods.

d. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Trade receivables	Associates			
	FDC International Hotels Corporation	\$ 945	\$ 1,426	\$ 630
	Others	80	14	14

(Continued)

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
	The Company acts as a member of the B.O.D.			
	Taiwan Cement Corporation	\$ 3,033	\$ 7,455	\$ 6,456
	Substantive related parties	<u>5</u>	<u>4</u>	<u>4</u>
		<u>\$ 4,063</u>	<u>\$ 8,899</u>	<u>\$ 7,104</u>
Other receivables - other	Associates	<u>\$ 215</u>	<u>\$ 215</u>	<u>\$ 68</u>
				(Concluded)

The outstanding trade and other receivables from related parties are unsecured. For the nine months ended September 30, 2024 and 2023, no impairment loss was recognized for trade and other receivables from related parties.

e. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Trade payables	The Company acts as a member of the B.O.D.			
	Taiwan Cement Corporation	\$ 107,121	\$ 110,880	\$ 124,740
	Substantive related parties	<u>-</u>	<u>75</u>	<u>70</u>
		<u>\$ 107,121</u>	<u>\$ 110,955</u>	<u>\$ 124,810</u>
Other payables - other	Substantive related parties	<u>\$ 159</u>	<u>\$ -</u>	<u>\$ 5</u>

The outstanding trade payables to related parties are unsecured.

f. Lease arrangements

The Group is lessor under operating leases

The Group leases out the office buildings and factory buildings to its related parties under operating leases. The lease agreements were negotiated by both sides. The rentals were paid monthly.

Future lease payment receivables are as follows:

<b>Related Party Category/Name</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Associates	\$ 62,448	\$ 1,035	\$ 1,335
Substantive related parties	18,348	25,668	27,049
The Company acts as a member of the B.O.D.	9,348	-	-
The Company acts as a member of the B.O.D. of its ultimate parent company	<u>7,708</u>	<u>1,468</u>	<u>2,097</u>
	<u>\$ 97,852</u>	<u>\$ 28,171</u>	<u>\$ 30,481</u>

g. Others

1)

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Refundable deposits	Substantive related parties	\$ 764	\$ 764	\$ 764
	Associates	4,471	971	971
	The Company acts as a member of the B.O.D.	535	-	-
	The Company acts as a member of the B.O.D. of its ultimate parent company	<u>423</u>	<u>423</u>	<u>423</u>
		<u>\$ 6,193</u>	<u>\$ 2,158</u>	<u>\$ 2,158</u>

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Dividends revenue	The Company acts as a member of the B.O.D.				
	Taiwan Cement Corporation	\$ 356,543	\$ 178,171	\$ 356,543	\$ 178,171
	Others	-	2,000	-	2,000
	The Company acts as a supervisor	<u>5,436</u>	<u>-</u>	<u>5,436</u>	<u>-</u>
		<u>\$ 361,979</u>	<u>\$ 180,171</u>	<u>\$ 361,979</u>	<u>\$ 180,171</u>
Other income	The Company acts as a member of the B.O.D. of its ultimate parent company	<u>\$ 948</u>	<u>\$ -</u>	<u>\$ 948</u>	<u>\$ -</u>

- 2) The Group acts as a member of the B.O.D. of related parties. The receipts of remuneration of directors recognized as other income are as follows:

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
Other income	The Company acts as a member of the B.O.D.				
	Taiwan Cement Corporation	\$ -	\$ -	\$ 13,203	\$ 9,243
	Others	-	-	-	383
	The Company acts as a supervisor	<u>251</u>	<u>-</u>	<u>251</u>	<u>-</u>
		<u>\$ 251</u>	<u>\$ -</u>	<u>\$ 13,454</u>	<u>\$ 9,626</u>

3)

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2024	2023	2024	2023
General and administrative expenses	Substantive related parties	<u>\$ 2,255</u>	<u>\$ 2,070</u>	<u>\$ 6,627</u>	<u>\$ 7,281</u>

h. Endorsements and guarantees

Endorsements and guarantees provided by the Group

	September 30, 2024		December 31, 2023		September 30, 2023	
	Amount Utilized	Amount Endorsed	Amount Utilized	Amount Endorsed	Amount Utilized	Amount Endorsed
Associates						
LDC ROME						
HOTELS S.R.L.	<u>\$ 268,888</u>	<u>\$ 340,000</u>	<u>\$ 258,248</u>	<u>\$ 340,000</u>	<u>\$ 284,844</u>	<u>\$ 340,000</u>

i. Remuneration of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 36,211	\$ 18,241	\$ 52,360	\$ 31,828
Post-employment benefits	165	156	480	381
Share-based payment equity settlement	<u>673</u>	<u>-</u>	<u>673</u>	<u>-</u>
	<u>\$ 37,049</u>	<u>\$ 18,397</u>	<u>\$ 53,513</u>	<u>\$ 32,209</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and with reference to market trends.

### 36. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The amounts of restricted assets of the Group that were provided as guarantees are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets at amortized cost - non-current	\$ 16,753	\$ 19,175	\$ 27,221
Carrying amount of property, plant and equipment	<u>2,677,069</u>	<u>2,655,717</u>	<u>2,656,784</u>
Land	840,372	821,092	817,312
Buildings	1,836,697	1,834,625	1,839,472
Carrying amount of investment properties	<u>3,157,552</u>	<u>3,153,385</u>	<u>3,153,037</u>
Land - after revaluation	3,130,036	3,122,452	3,120,965
Buildings - after revaluation	<u>27,516</u>	<u>30,933</u>	<u>32,072</u>
	<u>\$ 5,851,374</u>	<u>\$ 5,828,277</u>	<u>\$ 5,837,042</u>

### 37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

- a. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group had bank guarantees of \$139,288 thousand, issued under its name for the operations in the ports.
- b. Unrecognized commitments were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Property under construction	<u>\$ 176,647</u>	<u>\$ 204,572</u>	<u>\$ 161,312</u>

As of September 30, 2024, December 31, 2023 and September 30, 2023, the abovementioned unrecognized commitments also include contractual commitments of CHC Ryukyu Development GK for Tomigusuku development project in the amounts of \$78,058 thousand, \$151,375 thousand and \$101,563 thousand, respectively.

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

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

September 30, 2024

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount (In NTD)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 26,974	31.65 (USD:NTD)	\$ 853,743
USD	17,353	1.2851 (USD:SGD)	549,229
JPY	2,336,824	0.0070 (JPY:USD)	519,498
JPY	895,148	0.2223 (JPY:NTD)	198,991
Non-monetary items			
Investments accounted for using the equity method			
EUR	14,658	35.38 (EUR:NTD)	518,616
Financial assets at FVTPL			
USD	10,025	31.65 (USD:NTD)	317,281
HKD	8,317	4.0713 (HKD:NTD)	33,863
EUR	4,244	35.38 (EUR:NTD)	150,136

December 31, 2023

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount (In NTD)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 30,295	30.705 (USD:NTD)	\$ 930,218
USD	12,872	1.3196 (USD:SGD)	395,226
JPY	2,336,359	0.0071 (JPY:USD)	507,474
JPY	3,593,942	0.2172 (JPY:NTD)	780,604
Non-monetary items			
Investments accounted for using the equity method			
EUR	12,301	33.98 (EUR:NTD)	417,997
Financial assets at FVTPL			
USD	9,932	30.705 (USD:NTD)	304,949
HKD	6,567	3.9320 (HKD:NTD)	25,820
EUR	4,227	33.98 (EUR:NTD)	143,643

September 30, 2023

	Foreign Currency	Exchange Rate	Carrying Amount (In NTD)
<u>Financial assets</u>			
Monetary items			
USD	\$ 29,709	32.27 (USD:NTD)	\$ 958,706
USD	4,913	1.3713 (USD:SGD)	158,550
EUR	53	33.91 (EUR:NTD)	1,800
JPY	2,336,229	0.0067 (JPY:USD)	505,113
JPY	3,476,904	0.2162 (JPY:NTD)	751,707
Non-monetary items			
Investments accounted for using the equity method			
EUR	11,579	33.91 (EUR:NTD)	392,651
Financial assets at FVTPL			
USD	11,180	32.27 (USD:NTD)	360,767
HKD	7,589	4.124 (HKD:NTD)	31,300
EUR	4,563	33.91 (EUR:NTD)	154,700

For the three months ended September 30, 2024 and 2023 and nine months ended September 30, 2024 and 2023, realized and unrealized net foreign exchange gains (losses) were \$83,046 thousand, \$24,863 thousand, \$27,405 thousand and \$(63,904) thousand, respectively. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of functional currencies of the entities in the Group.

### 39. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group, as approved by the board of directors on November 7, 2024, has decided to sign a lease agreement with Taiwan International Ports Co., Ltd. The agreement extends the lease of the land and cement storage facilities behind Wharf 33 West at Keelung Port with the Port of Keelung for a period of 10 years, starting from July 7, 2024 to July 6, 2034. During the lease term, the annual payments will include \$3,157 thousand for land rent, \$510 thousand for pipeline land rent, and \$43,543 thousand for facility rent, as stipulated in the contract. Additionally, a management fee of \$30.09 per ton will be charged based on the volume of cargo handled. If the cargo handling volume falls below the guaranteed throughput, the management fee will still be calculated based on the guaranteed volume at the rate of \$30.09 per ton.

### 40. OTHERS

#### Important Contracts

- The Group as lessee leased the East Wharf Nos. 13, 14 and 15 in the Port of Taipei from Taiwan International Ports Co., Ltd. and committed to constructing East Wharf No. 16 and its related office, silos and transportation equipment. The leased land is 65,000 square meters and is used in operation of the subsidiary, Chia Pei International Corporation, to load and unload coal, sandstone, bulk and others. The lease term is 35 years and 5 months from December 10, 2009, the date of the transfer of the titles of related constructed equipment to Taiwan International Ports Co., Ltd. The annual minimum guaranteed volume for transportation is 1,200 thousand tons of coal and 5,950 thousand tons of sandstone.

The Group settled with Taiwan International Ports Co., Ltd. on December 27, 2016 and agreed that the Group's annual guaranteed transportation volume of sand and gravel can be replaced by the actual transportation of coal or other bulk cargoes during the year. (The annual replaceable limit shall be 4,050 thousand tons of guaranteed volume for transporting eastern sand and gravel to the north).

To promote the transporting of eastern sand and gravel to the north, Taiwan International Ports Co., Ltd. suspended Group's priority right to berth and provided Cargo the choice to berth their sand and gravel at Taipei Port First Bulk Cargo Center or Taipei Port Second Bulk Cargo Center according to their willingness instead. Meanwhile, Taiwan International Ports Co., Ltd. suspended 1,900 thousand tons of guaranteed volume for sand and gravel from January 1, 2020 to December 31, 2025.

- b. In order to satisfy the demand for cement in the northern part of Taiwan, the Group leased from Taiwan International Ports Co., Ltd. the land measuring 5,900.35 square meters at the West Wharf No. 33 of the Port of Keelung. The Group committed to build silos, loading and unloading equipment at the Wharf No. 33 under the name of Keelung Harbor Bureau, Transportation Department of Taiwan Government and the title of the property belongs to the Keelung Harbor Bureau, while the Group has the right to use the property free of charge within the lease term for operating the business of loading and unloading, transporting and storing cement. The lease term is 23 years and 9 months from October 7, 2000, the date of the transfer of the titles of related constructed equipment to Keelung Harbor Bureau. The minimum guaranteed transporting volume is 900,000 tons of cement per year and the management fees will be charged based on the minimum guaranteed volume of 900,000 tons regardless if the Group reached the volume or not. The rental is charged based on the average rental rate in the port and 5% of the rental rate published by the Taiwanese government. The Group has priority to lease the property when the lease contract has expired. In addition, during the lease period, the Group should pay the land use and administrative fees monthly, which will be adjusted according to the adjustment of the loading fee in the port. The aforementioned contract expired on July 6, 2024. Both parties agree that the rights and obligations under the original lease agreement shall remain in effect for six months after the expiration of the original contract until a new lease agreement is signed. Currently, both parties have reached an agreement to renew the lease for 10 years, from July 7, 2024, to July 6, 2034. The signing of the lease agreement was approved by the board of directors on November 7, 2024.
- c. In order to satisfy the demand for cement in Taichung and its surrounding area, the Group leased, from Taichung Harbor Bureau, Taiwan International Ports Corporation Ltd, the land, cement warehouses and facilities at Wharf No. 27, Port of Taichung through its subsidiary, Tong Yang Chia Hsin International Corporation to operate the business of loading and unloading, transporting and storing cement. The lease period started from December 1, 2014 to December 31, 2024 and the Group has priority to lease the property when the lease contract has expired. In addition, during the lease period, the Group should pay the land use and administrative fees monthly, which will be adjusted according to the adjustment of loading fee in the Port.
- d. In order to further establish the core development and transformation to the resort industry, the Group developed nearly 37 thousand square meters beach-side resorts at Toyosaki, Okinawa. On August 17, 2019, the Group and the Japan subsidiary of InterContinental Hotels Group (IHG), a large international hotel chain, signed a long-term management service contract for the management of InterContinental Okinawa Chura SUN Resort with the service period of 20 years from the completion of the resorts. It is expected to introduce the entrusted management of the resort from IHG.

#### **41. SEPARATELY DISCLOSED ITEMS**

- a. Information about significant transactions and b. investees:
  - 1) Financing provided to others (None)
  - 2) Endorsements/guarantees provided (Table 1)

- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 2)
  - 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 3)
  - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
  - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
  - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
  - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
  - 9) Trading in derivative instruments (None)
  - 10) Other: Business relationships and inter-company transactions between the parent company and the subsidiaries (Table 6)
  - 11) Information on investees (Table 7)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income and limit on the amount of investment in the mainland China area (Table 8)
  - 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: (None)
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
    - 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 period and the purposes.
    - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to 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.

- 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 9)

## 42. 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. Specifically, the Group's reportable segments were as follows:

Cement segment - in charge of cement sale.

Real estate segment - in charge of real estate trading and leasing.

Warehousing and storage segment - in charge of loading and unloading, warehousing and storage business in the port.

Hospitality and catering services segment - in charge of catering and room service in the hotel and the maternal and childcare center.

Each of the abovementioned segment includes a number of direct operations, which were considered a separate operating segment by the chief operating decision maker (CODM). For the purposes of financial statement presentation, the individual operating segments of cement, real estate, warehousing and storage, and hospitality and catering services have been aggregated into a single operating segment, taking into account the following factors:

- These operating segments have similar long-term gross profit margins.
- The nature of the products and production processes are similar.
- The methods used to distribute the products to the customers are the same.

The segment information reported on the following pages:

### Segment revenue and results

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

	<b>Segment Revenue</b>		<b>Segment Profit or Loss</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Cement segment	\$ 882,926	\$ 908,883	\$ (2,489)	\$ (7,833)
Real estate segment	222,754	211,402	123,885	116,486
Warehousing and storage segment	513,669	472,584	53,853	32,690
Hospitality and catering services segment	593,830	522,362	(62,315)	(124,266)
Other segment	-	-	(24,297)	(18,733)
Revenue from continuing operation	<u>\$ 2,213,179</u>	<u>\$ 2,115,231</u>		
Interest income			134,523	117,543
Other income			453,027	248,667

(Continued)

	<b>Segment Revenue</b>		<b>Segment Profit or Loss</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Other gains and losses			\$ 45,246	\$ (58,291)
Finance costs			(158,527)	(151,929)
Share of profit or loss of associates and joint ventures accounted for using the equity method			206,191	120,458
General and administrative expenses and remuneration of director			<u>(169,652)</u>	<u>(124,898)</u>
Profit income tax from continuing operation			<u>\$ 599,445</u>	<u>\$ 149,894</u>

(Concluded)

The abovementioned revenue was the transactions between entities in the Group and the third parties. All inter-segment transactions for the nine months ended September 30, 2024 and 2023 were eliminated through the consolidation.

Segment profit represents the profit before tax earned by each segment without allocation of general and administrative expenses and remuneration of directors, interest income, other income, other gains and losses, finance costs, share of profit or loss of associates and joint ventures accounted for using the equity method and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

TABLE 1

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit	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 5)										
0	Chia Hsin Cement Corporation (Note 2)	LDC ROME HOTELS S.R.L.	f.	\$ 7,902,474 (Paid-in capital)	\$ 340,000	\$ 340,000	\$ 268,888	\$ -	1.57%	\$ 21,712,094	No	No	No
	Chia Hsin Cement Corporation (Notes 2 and 6)	CHC Ryukyu Development GK	b.	7,902,474 (Paid-in capital)	733,590	733,590	414,590	-	3.38%	21,712,094	Yes	No	No
		CHC Ryukyu COLLECTIVE KK	b.	7,902,474 (Paid-in capital)	1,344,388	789,429	595,764	-	3.64%	21,712,094	Yes	No	No
1	Chia Hsin Property Management & Development Corporation (Notes 3 and 6)	Chia Hsin Cement Corporation	c.	21,712,094	6,440,000	6,440,000	5,380,000	6,440,000	29.66%	21,712,094	No	Yes	No
2	Jaho Life Plus+ Management Corp., Ltd. (Note 4)	Gemcare Maternity Center	a.	16,770	2,500	-	-	-	0.00%	450,000	No	No	No
		Gemcare Dunhua Maternity Center	a.	38,024	1,000	1,000	1,000	1,000	0.00%	450,000	No	No	No

Note 1: a. The Company is coded “0.”  
b. The investees are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: The amount of guarantee to any individual entity shall not exceed the paid-in capital of the Company. The total amount of guarantees shall not exceed the net worth of the Company.

Note 3: The amount of guarantees from Chia Hsin Property Management & Development Corporation shall not exceed the net worth of the Company.

Note 4: The amount of guarantees from Jaho Life Plus+ Management Corp., Ltd. shall not exceed the paid-in capital of the company. The amounts of guarantee to any individual entity shall not exceed the half of paid-in capital of the company. The amounts of guarantee for the business relationship shall not exceed the total amount of transaction one operating cycle.

Note 5: The seven types of relationships between the endorser/guarantor and endorsee/guarantee indicated as numbers in the table above are as follows:

a. Having a business relationship.  
b. The endorser/guarantor owns directly or indirectly more than 50% of the ordinary shares of the endorsee/guarantee.  
c. The endorsee/guarantee owns directly or indirectly more than 50% of the ordinary shares of the endorser/guarantor.  
d. The endorser/guarantor owns directly or indirectly more than 90% of the ordinary shares of the endorsee/guarantee.  
e. Mutually endorsed/guaranteed companies for the construction project based on the construction contract.  
f. Due to joint venture, each shareholder provides endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.  
g. Companies in the same industry that are liable for joint endorsements/guarantees of the preconstruction house contract under the consumer protection law.

Note 6: The listed amounts were eliminated upon consolidation.

**TABLE 2**

**CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2024**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Chia Hsin Cement Corporation	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTPL - current	8,513,782	\$ 287,766	0.11	\$ 287,766	
	Asia Cement Corporation		Financial assets at FVTPL - current	71	3	0.00	3	
	<u>Foreign shares</u> Anhui Conch Cement Co., Ltd.		Financial assets at FVTPL - current	364,000	33,863	0.01	33,863	
	<u>Foreign fund</u> JPMorgan Funds - Russia		Financial assets at FVTPL - current	81,593	-	-	-	
	JPMorgan Funds - ASEAN Fund		Financial assets at FVTPL - current	2,697	14,348	-	14,348	
	JPMorgan Pacific Technology Fund		Financial assets at FVTPL - current	3,769	10,852	-	10,852	
	The Partners Fund - Class N-N (SERIES 27)		Financial assets at FVTPL - current	2,453	114,088	-	114,088	
	Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC-Class A ACC - (Series 14)		Financial assets at FVTPL - current	1,420	70,360	-	70,360	
	Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC-Class A ACC - (Series 30)		Financial assets at FVTPL - current	1,147	56,822	-	56,822	
	Gopher US Venture Fund III		Financial assets at FVTPL - current	-	50,811	-	50,811	
	Barings Europe Core Property Fund		Financial assets at FVTPL - current	4,266	150,136	-	150,136	
	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - current	27,939,039	944,340	0.36	944,340	
	CHC Resources Corporation		Financial assets at FVTOCI - current	4,285,694	283,713	1.72	283,713	
	Chien Kuo Construction Co., Ltd.	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - current	617,005	13,944	0.31	13,944	
	Taiwan Cement Corporation		Financial assets at FVTOCI - non-current	203,176,955	6,867,381	2.62	6,867,381	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Tong Yang Chia Hsin International Corporation	<u>Shares</u> B Current Impact Investment Fund 3	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	1,000,000	\$ 10,696	10.00	\$ 10,696	Has been eliminated upon consolidation
	Pan Asian (Engineers & Constructors) Corporation	The Company acts as a member of the supervisor	Financial assets at FVTOCI - non-current	2,718,217	40,039	2.38	40,039	
	Chia Hsin Ready-Mixed Concrete Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	13,163,585	278,410	13.71	278,410	
	Overseas Investment & Development Corp.		Financial assets at FVTOCI - non-current	2,000,000	18,880	2.22	18,880	
	Smart Ageing Tech Co., Ltd.		Financial assets at FVTOCI - non-current	4,753,846	67,324	11.77	67,324	
	Gping Wellness Co., Ltd.		Financial assets at FVTOCI - non-current	494,512	91,653	18.00	91,653	
	BIONET Therapeutics Corp.		Financial assets at FVTOCI - non-current	750,000	31,500	1.20	31,500	
	Asia Pacific Gongshanglian Corporation Limited		Financial assets at FVTOCI - non-current	21,090	-	0.03	-	
	Chia Hsin Livestock Corp.		Financial assets at FVTOCI - non-current	6,600,000	-	1.17	-	
	Huatung Heping River Mining Industry Development Co., Ltd.		Financial assets at FVTOCI - non-current	9,350	-	1.87	-	
	<u>Shares</u> Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTPL - current	14,949,915	505,307	0.19	505,307	
	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - current	35,700,561	1,206,679	0.46	1,206,679	
	Chia Hsin Cement Corporation	Parent company	Financial assets at FVTOCI - non-current	129,917,726	2,364,503	16.44	2,364,503	
	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Financial assets at FVTOCI - non-current	66,262,371	2,239,668	0.85	2,239,668	
	IBT Second Venture Capital Co., Ltd.		Financial assets at FVTOCI - non-current	725,493	5,816	4.17	5,816	
	Kaohsiung Tug and Port Service Corp.		Financial assets at FVTOCI - non-current	350,000	2,523	0.88	2,523	
Chia Hsin Business Consulting (Shanghai) Co., Ltd.	<u>Foreign Shares</u> Anhui Conch Cement Co., Ltd.		Financial assets at FVTPL - current	1,210,200	142,883	0.02	142,883	

Note: For the information about subsidiaries, associates and joint ventures, refer to Table 7 and Table 8.

(Concluded)

TABLE 3

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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				Other Adjustments		Ending Balance		Relationship
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount	Number of Shares	Amount	
Chia Hsin Cement Corporation	YJ International Corporation	Investment accounted for using the equity method	-	Subsidiary	228,000,000	\$ 369,300	65,700,000	\$ 657,000	-	\$ -	\$ -	\$ -	-	\$ (72,319)	293,700,000	\$ 953,981	(Notes 1 and 2)
YJ International Corporation	CHC Ryukyu COLLECTIVE KK	Investment accounted for using the equity method	-	Subsidiary	-	190,811	-	663,000	-	-	-	-	-	(65,857)	-	787,954	(Notes 1 and 2)

Note 1: The ending balance including the gains and losses recognized by using the equity method and other equity related adjustments.

Note 2: The transaction has been eliminated through consolidation.

**TABLE 4**

**CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)**

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes Receivable (Payable)/Trade Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Chia Hsin Cement Corporation	Taiwan Cement Corporation	The Company acts as a member of the B.O.D.	Purchases	\$ 424,791	48	60 days from the purchase day	NA (equal to the price for other clients)	NA (same as the term for other clients)	\$ (107,121)	(61)	

**TABLE 5**

**CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
Chia Hsin Cement Corporation	Chia Pei International Corporation	Subsidiary	\$ 1,167,561 (Notes 1 and 3)	-	\$ -	-	\$ 15,152	\$ -

Note 1: The amount is finance lease receivable from the sublease of the wharf in the Port of Taipei.

Note 2: The amount received in subsequent period as of November 7, 2024.

Note 3: The transaction has been eliminated through consolidation.

TABLE 6

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

PARENT-SUBSIDIARY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount (Note 5)	Payment Terms	% of Total Sales or Assets (Note 3)
0	Chia Hsin Cement Corporation	Chia Pei International Corporation	a.	Warehousing and storage service revenue	\$ 84,726	The fee is billed monthly and paid quarterly with receipts issued in the same month when the fee is billed.	3.83
		Chia Pei International Corporation	a.	Finance lease receivables	1,167,561		3.24
		Chia Pei International Corporation	a.	Interest income from sublease	13,780		0.62
		CHC Ryukyu Development GK	a.	Endorsement or guarantee	733,590		2.04
		CHC Ryukyu COLLECTIVE KK	a.	Endorsement or guarantee	789,429	Every May (linked tax payments)	2.19
		Chia Hsin Property Management & Development Corporation	a.	Other receivables	24,392		0.07
		Chia Hsin Property Management & Development Corporation	a.	Investment accounted for using the equity method	126,000	Cash dividends	0.35
		Jaho Life Plus+ Management Corp., Ltd.	a.	Investment accounted for using the equity method	50,000	Cash injection	0.14
		Chia Hsin Green Electricity Corporation	a.	Investment accounted for using the equity method	100,000	Cash injection	0.28
		YJ International Corporation	a.	Investment accounted for using the equity method	657,000	Cash injection	1.82
1	Chia Pei International Corporation	Chia Hsin Cement Corporation	a.	Investment accounted for using the equity method	64,268	Cash dividends	0.18
		Tong Yang Chia Hsin International Corporation	a.	Investment accounted for using the equity method			
1	Chia Pei International Corporation	Chia Hsin Cement Corporation	b.	Service revenue	10,811	Billed and paid quarterly	0.49
2	Tong Yang Chia Hsin International Corporation	Chia Hsin Cement Corporation	b.	Service revenue	54,310	The fee is billed monthly and collected in the next month.	2.45
		Chia Hsin Cement Corporation	b.	Dividend revenue	56,631	Cash dividends	2.56
3	Chia Hsin Property Management & Development Corporation	Chia Hsin Cement Corporation	b.	Endorsement or guarantee	6,440,000		17.89
4	YJ International Corporation	CHC Ryukyu COLLECTIVE KK	c.	Investment accounted for using the equity method	663,000	Cash injection	1.84
5	Chia Hsin Pacific Limited	Sparksvie Pte. Ltd.	c.	Investment accounted for using the equity method	44,800	Cash dividends	0.12

(Continued)

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount (Note 5)	Payment Terms	% of Total Sales or Assets (Note 3)
6	Effervesce Investment Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd.	c.	Investment accounted for using the equity method	\$ 133,223	Cash dividends	0.37
7	Sparksvieview Pte. Ltd.	Shanghai Jia Huan Concrete Co., Ltd.	c.	Investment accounted for using the equity method	62,693	Cash dividends	0.17

Transactions with amounts above \$10 million are listed in this table.

Note 1: The Company and the subsidiaries listed on the table are coded according to the following rules:

- a. The Company is coded “0.”
- b. The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: The three types of relationships are as follows:

- a. The parent company to the subsidiary.
- b. The subsidiary to the parent company.
- c. The subsidiary to the subsidiary.

Note 3: For the calculation of percentage, percentage for balance sheet items is calculated by dividing the period-end balance with consolidated assets. Percentage for income items is calculated by dividing the accumulated sum with total operating income for the period.

Note 4: The amounts of cash injection and cash dividends listed above were translated using the original rate. The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of September 30, 2024: US\$1=NT\$31.650, JPY1=NT\$0.2223, RMB1=NT\$4.516660; net income items denominated in foreign currencies are translated using the average exchange rate for the nine months ended September 30, 2024: US\$1=NT\$32.034, JPY1=NT\$0.2121, RMB1=NT\$4.506426.

Note 5: The transaction has been eliminated through consolidation.

(Concluded)

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars, or Otherwise Stated)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2024			Net Income/(Loss) of the Investee	Share of Profit/(Loss) of Investee	Remark
				September 30, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
Chia Hsin Cement Corporation	Chia Hsin Construction & Development Corp.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Office buildings construction and lease and sale of public housings	\$ 656,292	\$ 656,292	31,458,920	46.18	\$ 1,858,894	\$ 201,702	\$ 93,146	(Notes 4 and 6)
	Tong Yang Chia Hsin International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	General international trade (all business items that are not prohibited or restricted by law, except those that are subject to special approval)	1,600,159	1,600,159	257,073,050	87.18	4,693,749	191,017	166,529	Subsidiary (Notes 3 and 5)
	Chia Hsin Property Management & Development Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Wholesale and retail business of machinery; warehousing; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	1,000,000	1,000,000	100,000,000	100.00	3,971,512	109,103	109,103	Subsidiary (Note 3)
	Chia Pei International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Mining; wholesale of building materials; nonmetallic mining; retail sale of building materials; international trade; rental and leasing business; retail sale of other machinery and equipment	120,000	120,000	19,560,000	100.00	235,753	23,248	23,248	Subsidiary (Note 3)
	BlueSky. Co., Ltd.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	International trade; real estate trading; real estate leasing	81,561	81,561	8,300,000	100.00	84,122	452	452	Subsidiary (Note 3)
	Chia Hsin Pacific Limited	Cayman Islands	Holding company	969,104	969,104	19,186,070	74.16	2,488,159	19,151	14,202	Subsidiary (Note 3)
	YJ International Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Real estate rental and leasing; real estate management; realtor agent	2,937,000	2,280,000	293,700,000	100.00	953,981	(78,004)	(78,004)	Subsidiary (Note 3)
	Jaho Life Plus+ Management Corp., Ltd.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Management consulting service	450,000	400,000	45,000,000	100.00	132,830	(2,167)	(2,167)	Subsidiary (Note 3)
	Chia Hsin Green Electricity Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Electricity generation; self-use renewable energy generation equipment; electrical installation; electrical equipment inspection and maintenance; energy technology service	105,000	5,000	10,500,000	100.00	105,158	165	165	Subsidiary (Note 3)
	LDC ROME HOTELS S.R.L.	Rome, Italy	Hotel management	869,479	813,055	-	40.00	518,616	65,914	26,366	(Note 4)
	L'Hotel De Chine Corporation	11F, No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Hotel and tourism	1,157,340	1,157,340	67,998,915	23.10	1,362,308	268,847	71,860	(Notes 4 and 6)
	International Chia Hsin Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	International trade; general investment	69,341	69,341	5,800,000	19.33	125,940	37,508	7,250	
Chia Hsin Property Management & Development Corporation	Chia Sheng Construction Corp.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Wholesale and retail business of machinery; residence, factory buildings and office buildings leasing and selling; PPE leasing and selling	250,000	250,000	25,000,000	100.00	256,465	4,456	4,456	Subsidiary (Note 3)
	Chuang Neng Technology Co., Ltd.	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	Energy technology service	22,500	22,500	2,250,000	100.00	19,380	(2,907)	(2,907)	Subsidiary (Note 3)
YJ International Corporation	CHC Ryukyu Development GK	2-5-7 Matsuo, Naha-shi, Okinawa, Japan	Real estate rental and leasing; management consulting service	269,931	269,931	-	100.00	100,820	(8,256)	(8,256)	Subsidiary (Note 3)
	CHC Ryukyu COLLECTIVE KK	2-5-7 Matsuo, Naha-shi, Okinawa, Japan	Hotel management	2,611,968	1,948,968	-	100.00	787,954	(70,831)	(70,831)	Subsidiary (Note 3)
Chia Hsin Pacific Limited	Effervesce Investment Pte. Ltd.	Singapore	Investment and holding company	NT\$ 983,639	NT\$ 983,639	53,274,892	100.00	NT\$ 1,343,532	NT\$ (6,184)	NT\$ (6,184)	Subsidiary (Note 3)
				(US\$ 31,078,656)	(US\$ 31,078,656)			(US\$ 42,449,682)	(US\$ -193,049)	(US\$ -193,049)	
	Sparksvieview Pte. Ltd.	Singapore	Investment and holding company	NT\$ 90,909	NT\$ 90,909	3,763,350	100.00	NT\$ 133,106	NT\$ (6,296)	NT\$ (6,296)	Subsidiary (Note 3)
				(US\$ 2,872,328)	(US\$ 2,872,328)			(US\$ 4,205,548)	(US\$ -196,545)	(US\$ -196,545)	
Tong Yang Chia Hsin International Corporation	International Chia Hsin Corporation	No. 96, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City	International trade; general investment	36,642	36,642	6,052,636	20.18	136,955	37,508	7,569	
	Tong Yang Chia Hsin Marine Corp.	Panama	Shipping service	78,490	78,490	2,700	100.00	505,501	11,550	11,550	Subsidiary (Note 3)
	Chia Hsin Pacific Limited	Cayman Islands	Holding company	626,119	626,119	6,257,179	24.18	811,467	19,151	4,632	Subsidiary (Note 3)

- Note 1: For information on investments in mainland China, refer to Table 8.
- Note 2: The original investment amounts listed above were translated using the original investment rate. The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of September 30, 2024: US\$1=NT\$31.650, JPY1=NT\$0.2223, EUR1=NT\$35.38; net income items denominated in foreign currencies are translated using the average exchange rate for the nine months ended September 30, 2024: US\$1=NT\$32.034, JPY1=NT\$0.2121, EUR1=NT\$34.82.
- Note 3: The investment has been eliminated upon consolidation.
- Note 4: Material associates.
- Note 5: The carrying amount is deducted the treasury shares of parent company held by subsidiaries.
- Note 6: The carrying amount and the profit or loss of investment includes the amortization of discount and premium.

TABLE 8

CHIA HSIN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024  
(In Thousands of New Taiwan Dollars, or in Thousands of Foreign Currencies)

a. 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, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1 (a.))	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Note 1 (a.))	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024 (Note 1 (a.))	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1 (a.) and Note 6)	Carrying Amount as of September 30, 2024 (Note 1 (a.))	Accumulated Repatriation of Investment Income as of September 30, 2024	Note
					Outward (Note 1 (a.))	Inward (Note 1 (a.))							
Shanghai Jia Huan Concrete Co., Ltd.	Processing, manufacturing and selling of cement, concrete and other related products	\$ 15,825 (US\$ 500)	b. and c.	\$ 402,651 (US\$ 12,722)	\$ - (US\$ -)	\$ - (US\$ -)	\$ 402,651 (US\$ 12,722)	\$ 1,402 (US\$ 44)	95.23	\$ 1,402 (US\$ 44)	\$ 94,232 (US\$ 2,977)	\$ - (US\$ -)	(Note 1 (b.) (3) and Note 5)
Shanghai Chia Hsin Ganghui Co., Ltd.	Warehousing and packing bulk cement and formulating and delivering high-strength cement	332,325 (US\$ 10,500)	b.	508,489 (US\$ 16,066)	- (US\$ -)	- (US\$ -)	508,489 (US\$ 16,066)	8,974 (US\$ 280)	95.23	8,974 (US\$ 280)	429,319 (US\$ 13,565)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Chia Hsin Business Consulting (Shanghai) Co., Ltd.	Consulting for developing information system for business and finance purpose	547,862 (US\$ 17,310)	b.	838,630 (US\$ 26,497)	- (US\$ -)	- (US\$ -)	838,630 (US\$ 26,497)	(648) (US\$ -20)	95.23	(95) (US\$ -3)	390,162 (US\$ 12,327)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Shanghai Chia Peng Healthcare Management Consulting Co., Ltd.	Consulting for management of healthcare and hospitality business	338,750 (RMB 75,000)	e. Investor: Chia Hsin Business Consulting (Shanghai) Co., Ltd.	- (US\$ -)	- (US\$ -)	- (US\$ -)	- (US\$ -)	(21,534) (RMB -4,779)	95.23	(21,534) (RMB -4,779)	97,019 (RMB 21,480)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd.	Maternity and infant health care; sales of mother & baby supplies; life & beauty services	252,933 (RMB 56,000)	e. Investor: Shanghai Chia Peng Healthcare Management Consulting Co., Ltd	- (US\$ -)	- (US\$ -)	- (US\$ -)	- (US\$ -)	(19,604) (RMB -4,350)	95.23	(19,604) (RMB -4,350)	93,753 (RMB 20,757)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)
Jiangsu Jiaguo Construction Material Storage Co., Ltd.	Engaging in overland delivery of ordinary goods and the processing, manufacturing and selling of cement and other construction material	126,600 (US\$ 4,000)	d.	438,258 (US\$ 13,847)	- (US\$ -)	- (US\$ -)	438,258 (US\$ 13,847)	(1,120) (US\$ -35)	87.18	(1,120) (US\$ -35)	174,842 (US\$ 5,524)	- (US\$ -)	(Note 1 (b.) (3) and Note 5)

b. Limit on the amount of investments in the mainland China area:

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Notes 3 and 4)
\$ 7,268,992 (US\$ 229,668)	\$ 7,346,725 (US\$ 232,124)	\$ 13,474,880

(Continued)

c. Significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area: None.

- Note 1:
- a. The balance sheet items denominated in foreign currencies are translated into NTD using the exchange rate as of September 30, 2024: US\$1=\$31.650, RMB1=\$4.516660; net income items denominated in foreign currencies are translated using the average exchange rate for the nine months ended September 30, 2024: US\$1=\$32.034, RMB1=\$4.506426.
  - b. The basis for investment income (loss) recognition includes the following:
    - 1) The investment income (loss) is recognized based on the financial statements reviewed and attested by an international accounting firm which has cooperative relationship with an accounting firm in the ROC.
    - 2) The investment income (loss) is recognized based on the financial statements reviewed and attested by the parent company's CPA in the ROC.
    - 3) Other.

Note 2: The method of investment includes the following:

- a. Direct investment in mainland China.
- b. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Chia Hsin Pacific Limited, which then invest in Effervesce Investment Pte. Ltd., the company that invests in mainland China.
- c. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Chia Hsin Pacific Limited, which then invest in Sparksvie Pte. Ltd., the company that invests in mainland China.
- d. Indirect investment in mainland China through companies registered in a third region. The Company and Tong Yang Chia Hsin International Corporation invest in Tong Yang Chia Hsin Marine Corp., which then invests in mainland China.
- e. Other method.

Note 3: Calculated by the 60% of consolidated net worth of Chia Hsin Cement Corporation according to the letter No. 09704604680 issued by Ministry of Economic Affairs.

Note 4: The Company conducted a stock-for-stock transaction with Taiwan Cement Corporation to get rid of the investment via TCC International Holdings Ltd in mainland China. The result of the stock-for-stock transaction will be a decrease in investment in mainland China. On May 17, 2018, the aforementioned write-off of the amount and the ratio of investment was approved by the Investment Commission, Ministry of Economic Affairs.

Note 5: The transaction has been eliminated upon consolidation.

Note 6: Including the gains and losses recognized by using the equity method and the gains and losses on internal unrealized transactions.

(Concluded)

**TABLE 9****CHIA HSIN CEMENT CORPORATION****INFORMATION OF MAJOR SHAREHOLDERS  
SEPTEMBER 30, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Tong Yang Chia Hsin International Corporation	129,917,726	16.44
Sung Ju Investment Corp.	70,155,843	8.87
Yung-Ping Chang	42,583,141	5.38

Note: The information of major shareholders comes from the summary of shareholders holding more than 5% of total ordinary and special shares registered as dematerialized security (including treasury shares) in the centralized securities depository enterprise as of the last business day of the reporting period. Based on different calculation method, the number of shares recorded in the consolidated financial statements could be different from that registered as dematerialized security.