

**Taiwan Cement Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2021 and 2020 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Taiwan Cement Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Taiwan Cement Corporation and its subsidiaries (collectively, the "Group") as of March 31, 2021 and 2020, the related consolidated statements of comprehensive income, the related consolidated statements of changes in equity and cash flows for the three months then ended and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting". 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 Statement of Auditing Standards No. 65 "Review of 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 were not reviewed. As of March 31, 2021 and 2020, the combined total assets of these non-significant subsidiaries were NT\$84,971,343 thousand and NT\$76,940,126 thousand, respectively, representing 22% and 21%, respectively, of the Group's consolidated total assets, and the combined total liabilities of these non-significant subsidiaries as of March 31, 2021 and 2020 were NT\$14,934,702 thousand and NT\$14,778,672 thousand, respectively, representing 9% and 10%, respectively, of the Group's consolidated total liabilities; for the three months ended March 31, 2021 and 2020, the net comprehensive gain (loss) of these subsidiaries were NT\$406,281 thousand and NT\$(17,973) thousand, respectively, representing 13% and 2%, respectively, of the Group's consolidated comprehensive income.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of March 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting”.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chih-Ming Shao and Hui-Min Huang.

Chih-ming, Shao Hui-Min Huang

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 12, 2021

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.

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2021 (Reviewed)		December 31, 2020 (Audited)		March 31, 2020 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 58,958,539	15	\$ 51,433,522	13	\$ 33,747,714	10
Financial assets at fair value through profit or loss (Notes 7 and 31)	344,694	-	353,986	-	442,509	-
Financial assets at fair value through other comprehensive income (Notes 8, 31 and 33)	5,721,861	2	5,596,471	1	4,665,973	1
Financial assets for hedging (Note 9)	-	-	-	-	281,203	-
Financial assets at amortized cost (Notes 6 and 33)	9,459,089	3	15,769,277	4	13,473,933	4
Notes receivable (Note 10)	24,230,789	6	29,518,807	8	22,765,906	6
Accounts receivable (Notes 10 and 11)	8,671,152	2	9,522,642	3	9,103,485	3
Notes and accounts receivable from related parties (Note 32)	257,663	-	273,866	-	252,452	-
Other receivables	651,122	-	1,073,289	-	1,008,610	-
Other receivables from related parties (Note 32)	4,056	-	3,785	-	386,980	-
Inventories (Note 13)	7,779,906	2	7,941,755	2	8,504,002	2
Prepayments	3,545,177	1	2,135,702	1	2,751,436	1
Disposal groups held for sale (Notes 4, 12 and 33)	10,453,562	3	-	-	-	-
Other current assets	<u>631,348</u>	<u>-</u>	<u>686,069</u>	<u>-</u>	<u>698,583</u>	<u>-</u>
Total current assets	<u>130,708,958</u>	<u>34</u>	<u>124,309,171</u>	<u>32</u>	<u>98,082,786</u>	<u>27</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (Notes 8, 31 and 33)	32,628,494	8	31,903,287	8	36,074,411	10
Financial assets at amortized cost (Notes 6 and 33)	16,830,712	4	16,475,021	4	16,180,161	5
Investments accounted for using the equity method (Notes 15 and 33)	48,566,560	13	50,133,844	13	47,007,645	13
Property, plant and equipment (Notes 16, 25 and 33)	87,517,403	22	92,108,972	24	89,273,486	25
Right-of-use assets (Notes 17 and 25)	13,544,117	4	13,451,125	4	12,338,691	4
Investment properties (Notes 18, 25 and 33)	5,446,310	1	5,451,434	1	5,468,639	2
Intangible assets (Notes 19 and 25)	19,485,447	5	19,563,960	5	19,374,775	5
Prepayments for property, plant and equipment (Notes 16, 32 and 34)	6,125,232	2	5,426,869	1	3,702,292	1
Long-term finance lease receivables (Note 11)	26,510,088	7	26,975,117	7	28,825,532	8
Net defined benefit assets (Note 4)	1,567,799	-	1,572,025	-	1,436,011	-
Other non-current assets	<u>1,141,797</u>	<u>-</u>	<u>2,135,411</u>	<u>1</u>	<u>1,474,197</u>	<u>-</u>
Total non-current assets	<u>259,363,959</u>	<u>66</u>	<u>265,197,065</u>	<u>68</u>	<u>261,155,840</u>	<u>73</u>
TOTAL	<u>\$ 390,072,917</u>	<u>100</u>	<u>\$ 389,506,236</u>	<u>100</u>	<u>\$ 359,238,626</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term loans (Notes 20, 29 and 33)	\$ 34,341,574	9	\$ 34,675,454	9	\$ 31,805,225	9
Short-term bills payable (Note 20)	5,244,925	1	6,247,029	2	5,156,183	2
Contract liabilities (Note 12)	4,797,343	1	5,226,637	1	4,764,361	1
Notes and accounts payable (Note 32)	6,461,632	2	6,137,904	2	7,037,205	2
Other payables (Notes 16 and 22)	8,689,161	2	10,661,629	3	8,020,734	2
Other payables to related parties (Note 32)	6,155	-	8,284	-	240,331	-
Current income tax liabilities (Note 4)	3,559,196	1	3,914,955	1	3,505,995	1
Liabilities directly associated with disposal groups held for sale (Notes 4, 12 and 32)	6,654,095	2	-	-	-	-
Lease liabilities (Notes 17 and 32)	334,155	-	315,451	-	350,023	-
Long-term loans - current portion (Notes 20, 29 and 33)	4,520,000	1	4,805,000	1	3,198,714	1
Other current liabilities	<u>43,933</u>	<u>-</u>	<u>111,365</u>	<u>-</u>	<u>96,749</u>	<u>-</u>
Total current liabilities	<u>74,652,169</u>	<u>19</u>	<u>72,103,708</u>	<u>19</u>	<u>64,175,520</u>	<u>18</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 21)	49,555,822	13	53,897,370	14	35,792,756	10
Long-term loans (Notes 20, 29 and 33)	20,500,521	5	24,998,481	6	25,778,768	7
Lease liabilities (Notes 17 and 32)	2,129,894	1	1,978,361	1	1,944,905	1
Deferred income tax liabilities (Note 4)	11,685,987	3	11,754,270	3	11,622,501	3
Long-term bills payable (Note 20)	4,991,392	1	4,991,327	1	11,805,234	3
Net defined benefit liabilities (Note 4)	68,546	-	72,845	-	77,788	-
Other non-current liabilities (Notes 15 and 16)	<u>858,572</u>	<u>-</u>	<u>879,821</u>	<u>-</u>	<u>703,031</u>	<u>-</u>
Total non-current liabilities	<u>89,790,734</u>	<u>23</u>	<u>98,572,475</u>	<u>25</u>	<u>87,724,983</u>	<u>24</u>
Total liabilities	<u>164,442,903</u>	<u>42</u>	<u>170,676,183</u>	<u>44</u>	<u>151,900,503</u>	<u>42</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE CORPORATION						
(Note 24)						
Share capital	60,956,456	16	59,414,007	15	56,656,192	16
Certificate of entitlement to new shares from convertible bonds	617,947	-	688,542	-	-	-
Capital surplus	52,019,465	13	49,122,450	13	48,015,947	14
Retained earnings	77,166,710	20	74,199,518	19	68,725,701	19
Other equity	20,449,164	5	21,146,991	5	19,145,877	5
Treasury shares	<u>(499,691)</u>	<u>-</u>	<u>(499,691)</u>	<u>-</u>	<u>(348,959)</u>	<u>-</u>
Equity attributable to shareholders of the Corporation	210,710,051	54	204,071,817	52	192,194,758	54
NON-CONTROLLING INTERESTS (Note 24)	<u>14,919,963</u>	<u>4</u>	<u>14,758,236</u>	<u>4</u>	<u>15,143,365</u>	<u>4</u>
Total equity	<u>225,630,014</u>	<u>58</u>	<u>218,830,053</u>	<u>56</u>	<u>207,338,123</u>	<u>58</u>
TOTAL	<u>\$ 390,072,917</u>	<u>100</u>	<u>\$ 389,506,236</u>	<u>100</u>	<u>\$ 359,238,626</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 12, 2021)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Note 32)	\$ 22,037,652	100	\$ 19,800,812	100
OPERATING COSTS (Notes 13, 23, 25 and 32)	<u>16,512,812</u>	<u>75</u>	<u>13,791,991</u>	<u>70</u>
GROSS PROFIT	<u>5,524,840</u>	<u>25</u>	<u>6,008,821</u>	<u>30</u>
OPERATING EXPENSES (Notes 23, 25 and 32)				
Marketing	173,130	1	151,824	1
General and administrative	<u>1,144,134</u>	<u>5</u>	<u>1,074,932</u>	<u>5</u>
Total operating expenses	<u>1,317,264</u>	<u>6</u>	<u>1,226,756</u>	<u>6</u>
INCOME FROM OPERATIONS	<u>4,207,576</u>	<u>19</u>	<u>4,782,065</u>	<u>24</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates and joint ventures (Note 15)	714,592	3	318,243	2
Interest income	354,116	2	293,342	1
Other income	135,434	1	223,971	1
Finance costs (Note 25)	(417,888)	(2)	(504,494)	(3)
Other expenses	(107,774)	(1)	(34,769)	-
Net loss on disposal of property, plant and equipment	(5,574)	-	(3,729)	-
Foreign exchange gains (losses), net	(21,281)	-	51,314	-
Net loss on financial assets and liabilities at fair value through profit or loss	<u>(4,128)</u>	<u>-</u>	<u>(59,496)</u>	<u>-</u>
Total non-operating income and expenses	<u>647,497</u>	<u>3</u>	<u>284,382</u>	<u>1</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	4,855,073	22	5,066,447	25
INCOME TAX EXPENSE (Note 26)	<u>1,113,682</u>	<u>5</u>	<u>1,242,396</u>	<u>6</u>
NET INCOME FROM CONTINUING OPERATIONS	3,741,391	17	3,824,051	19
LOSS FROM DISCONTINUED OPERATIONS	<u>(11,154)</u>	<u>-</u>	<u>(342,932)</u>	<u>(2)</u>
NET INCOME	<u>3,730,237</u>	<u>17</u>	<u>3,481,119</u>	<u>17</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Note 24)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ 851,853	4	\$ (1,555,724)	(8)
Loss on hedging instruments (Note 9)	-	-	(192)	-
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	<u>91,778</u>	<u>-</u>	<u>(197,062)</u>	<u>(1)</u>
	<u>943,631</u>	<u>4</u>	<u>(1,752,978)</u>	<u>(9)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(105,125)	-	(2,106,479)	(10)
Share of other comprehensive loss of associates and joint ventures accounted for using the equity method	<u>(1,531,530)</u>	<u>(7)</u>	<u>(745,406)</u>	<u>(4)</u>
	<u>(1,636,655)</u>	<u>(7)</u>	<u>(2,851,885)</u>	<u>(14)</u>
Other comprehensive income (loss) for the period	<u>(693,024)</u>	<u>(3)</u>	<u>(4,604,863)</u>	<u>(23)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 3,037,213</u>	<u>14</u>	<u>\$ (1,123,744)</u>	<u>(6)</u>
NET INCOME ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 3,318,974	15	\$ 2,999,822	15
Non-controlling interests	<u>411,263</u>	<u>2</u>	<u>481,297</u>	<u>3</u>
	<u>\$ 3,730,237</u>	<u>17</u>	<u>\$ 3,481,119</u>	<u>18</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 2,621,147	12	\$ (1,489,310)	(8)
Non-controlling interests	<u>416,066</u>	<u>2</u>	<u>365,566</u>	<u>2</u>
	<u>\$ 3,037,213</u>	<u>14</u>	<u>\$ (1,123,744)</u>	<u>(6)</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2021		2020	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 27)				
From continuing and discontinued operations				
Basic earnings per share	<u>\$0.57</u>		<u>\$0.52</u>	
Diluted earnings per share	<u>\$0.55</u>		<u>\$0.50</u>	
From continuing operations				
Basic earnings per share	<u>\$0.57</u>		<u>\$0.55</u>	
Diluted earnings per share	<u>\$0.55</u>		<u>\$0.52</u>	

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

(With Deloitte & Touche review report dated May 12, 2021)

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Shareholders of the Corporation														
									Other Equity						
	Share Capital								Exchange Differences on Translating Foreign Operations	Unrealized Gain/Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Treasury Shares	Total	Non-controlling Interests	Total Equity
	Ordinary Shares	Preferred Shares	Certificate of Entitlement to New Shares from Convertible Bonds	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total							
BALANCE, JANUARY 1, 2020	\$ 54,656,192	\$ 2,000,000	\$ -	\$ 48,015,947	\$ 16,902,616	\$ 13,049,062	\$ 35,674,355	\$ 65,626,033	\$ (11,660,261)	\$ 35,395,116	\$ -	\$ (348,959)	\$ 193,684,068	\$ 14,777,799	\$ 208,461,867
Net income for the three months ended March 31, 2020	-	-	-	-	-	-	2,999,822	2,999,822	-	-	-	-	2,999,822	481,297	3,481,119
Other comprehensive loss for the three months ended March 31, 2020	-	-	-	-	-	-	-	-	(2,844,668)	(1,644,348)	(116)	-	(4,489,132)	(115,731)	(4,604,863)
Total comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	-	-	-	2,999,822	2,999,822	(2,844,668)	(1,644,348)	(116)	-	(1,489,310)	365,566	(1,123,744)
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	99,846	99,846	-	(99,846)	-	-	-	-	-
BALANCE, MARCH 31, 2020	<u>\$ 54,656,192</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ 48,015,947</u>	<u>\$ 16,902,616</u>	<u>\$ 13,049,062</u>	<u>\$ 38,774,023</u>	<u>\$ 68,725,701</u>	<u>\$ (14,504,929)</u>	<u>\$ 33,650,922</u>	<u>\$ (116)</u>	<u>\$ (348,959)</u>	<u>\$ 192,194,758</u>	<u>\$ 15,143,365</u>	<u>\$ 207,338,123</u>
BALANCE, JANUARY 1, 2021	\$ 57,414,007	\$ 2,000,000	\$ 688,542	\$ 49,122,450	\$ 19,351,361	\$ 13,039,860	\$ 41,808,297	\$ 74,199,518	\$ (9,523,576)	\$ 30,670,817	\$ (250)	\$ (499,691)	\$ 204,071,817	\$ 14,758,236	\$ 218,830,053
Net income for the three months ended March 31, 2021	-	-	-	-	-	-	3,318,974	3,318,974	-	-	-	-	3,318,974	411,263	3,730,237
Other comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	-	-	-	(1,635,578)	937,501	250	-	(697,827)	4,803	(693,024)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	-	3,318,974	3,318,974	(1,635,578)	937,501	250	-	2,621,147	416,066	3,037,213
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual disposals	-	-	-	(22,400)	-	-	(351,782)	(351,782)	-	-	-	-	(374,182)	(254,101)	(628,283)
Convertible bonds converted to ordinary shares	1,542,449	-	(70,595)	2,920,077	-	-	-	-	-	-	-	-	4,391,931	-	4,391,931
Changes in ownership interests of subsidiaries	-	-	-	(662)	-	-	-	-	-	-	-	-	(662)	(238)	(900)
BALANCE, MARCH 31, 2021	<u>\$ 58,956,456</u>	<u>\$ 2,000,000</u>	<u>\$ 617,947</u>	<u>\$ 52,019,465</u>	<u>\$ 19,351,361</u>	<u>\$ 13,039,860</u>	<u>\$ 44,775,489</u>	<u>\$ 77,166,710</u>	<u>\$ (11,159,154)</u>	<u>\$ 31,608,318</u>	<u>\$ -</u>	<u>\$ (499,691)</u>	<u>\$ 210,710,051</u>	<u>\$ 14,919,963</u>	<u>\$ 225,630,014</u>

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

(With Deloitte & Touche review report dated May 12, 2021)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	\$ 4,855,073	\$ 5,066,447
Loss before income tax from discontinued operations	(8,142)	(332,571)
Income before income tax	4,846,931	4,733,876
Adjustments for:		
Depreciation expenses	1,727,357	1,698,707
Amortization expenses	94,667	100,106
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	4,128	59,496
Finance costs	441,850	526,077
Interest income	(356,161)	(294,427)
Share of profit of associates and joint ventures	(714,592)	(318,243)
Loss on disposal of property, plant and equipment, net	5,574	4,109
Loss on disposal of investments, net	55	-
Reversal of write-downs of inventories	(15,041)	(20,760)
Unrealized loss (gain) on foreign exchange, net	11,652	(47,145)
Changes in operating assets and liabilities:		
Notes receivable	5,277,165	8,226,029
Accounts receivable	(612,470)	(238,927)
Notes and accounts receivable from related parties	17,703	47,494
Other receivables	395,154	(105,972)
Inventories	(333,151)	(428,838)
Prepayments	(1,476,224)	(943,863)
Other current assets	4,016	(169,799)
Contract liabilities	(428,603)	(258,106)
Notes and accounts payable	1,247,469	(354,286)
Other payables	(1,456,288)	(2,576,449)
Other payables to related parties	(2,130)	5,538
Other current liabilities	(21,922)	62,222
Net defined benefit liabilities	(5,956)	(21,282)
Cash generated from operations	8,651,183	9,685,557
Income tax paid	(1,526,725)	(2,077,089)
Net cash generated from operating activities	7,124,458	7,608,468
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	-	1,025,706
Purchase of financial assets at amortized cost	-	(24,339,095)
Disposal of financial assets at amortized cost	5,933,799	-
Acquisition of investments accounted for using the equity method	(38,079)	-
Payments for property, plant and equipment	(2,927,918)	(2,025,760)

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TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2021	2020
Proceeds from disposal of property, plant and equipment	\$ 31,759	\$ 885
Payments for intangible assets	(27,267)	(6,063)
Decrease in finance lease receivables	465,029	427,804
Decrease in other non-current assets	605,876	807,477
Interest received	369,396	306,438
Dividends received	<u>880,066</u>	<u>-</u>
Net cash generated from (used in) investing activities	<u>5,292,661</u>	<u>(23,802,608)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	2,087,880	1,269,398
Increase in long-term loans	1,932,514	-
Repayments of long-term loans	(3,733,296)	(3,254,694)
Increase in long-term bills payable	4,985,383	10,832,268
Decrease in long-term bills payable	(5,000,000)	(10,828,000)
Decrease in short-term bills payable	(1,002,104)	(719,215)
Repayments of the principal portion of lease liabilities	(125,942)	(121,725)
Increase in other non-current liabilities	16,912	27,555
Treasury shares purchased by subsidiaries	(900)	-
Acquisition of subsidiaries	(628,283)	-
Interest paid	<u>(323,091)</u>	<u>(261,439)</u>
Net cash used in financing activities	<u>(1,790,927)</u>	<u>(3,055,852)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(34,616)</u>	<u>(293,711)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,591,576	(19,543,703)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>51,433,522</u>	<u>53,572,620</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 62,025,098</u>	<u>\$ 34,028,917</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as at March 31, 2021 and 2020:

	March 31	
	2021	2020
Cash and cash equivalents in the consolidated balance sheets	\$ 58,958,539	\$ 33,747,714
Cash and cash equivalents included in financial assets for hedging	-	281,203
Cash and cash equivalents included in disposal groups held for sale	<u>3,066,559</u>	<u>-</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 62,025,098</u>	<u>\$ 34,028,917</u>

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

(With Deloitte & Touche review report dated May 12, 2021)

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Taiwan Cement Corporation (the “Corporation”) was incorporated in 1946 and restructured as a corporation in 1951, which was jointly operated by the Ministry of Economics Resource Committee and the Taiwan Provincial Government. In 1954, the Corporation was privatized as a result of the Taiwan government’s land reform program, land-to-the-tiller policy. The Corporation engages in the manufacture and marketing of cement, cement-related products and ready-mixed concrete. The Corporation’s shares have been listed on the Taiwan Stock Exchange since February 1962.

The consolidated financial statements of the Corporation and its subsidiaries, collectively referred to as the “Group”, are presented in New Taiwan dollars, the functional currency of the Corporation.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s Board of Directors on May 12, 2021.

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 “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

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

- b. The New IFRSs issued by International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by FSC

New IFRSs	Effective Date Issued by IASB (Note 1)
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 2)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 3)
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 IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 6)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 7)

(Continued)

New IFRSs	Effective Date Issued by IASB (Note 1)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 8)
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 4)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 5)

(Concluded)

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

Note 2: The amendments to IFRS 9 will be applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” will be applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 4: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 5: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

Note 6: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 7: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 8: Except that deferred taxes will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation. 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 or 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 Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the cost on initial recognition of an investment in an associate.

Refer to Note 14 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2020.

1) Disposal groups held for sale

Disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the disposal group is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, and the sale should be expected to qualify for recognition as a completed sale within 1 year from the date of classification.

When a sale plan would result in a loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale, regardless of whether the Group will retain a non-controlling interest in that subsidiary after the sale.

Disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Such assets classified as held for sale are not depreciated.

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) Taxation

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

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group considers the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

For the summary of critical accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2020.

6. CASH AND CASH EQUIVALENTS

	March 31, 2021	December 31, 2020	March 31, 2020
Cash on hand	\$ 7,867	\$ 7,934	\$ 7,956
Checking accounts and demand deposits	33,297,699	30,351,013	22,459,746
Cash equivalents			
Time deposits with original maturities of less than 3 months	23,552,958	17,683,667	8,053,026
Bonds with repurchase agreements	<u>2,100,015</u>	<u>3,390,908</u>	<u>3,226,986</u>
	<u>\$ 58,958,539</u>	<u>\$ 51,433,522</u>	<u>\$ 33,747,714</u>

The market rate intervals of cash in banks and bonds with repurchase agreements at the end of the reporting period were as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Cash in banks	0.01%-3.00%	0.01%-3.00%	0.01%-2.80%
Bonds with repurchase agreements	0.17%-0.38%	0.19%-0.40%	0.36%-1.45%

Financial assets at amortized cost are mainly time deposits with original maturities of more than 3 months:

	March 31, 2021	December 31, 2020	March 31, 2020
Current	\$ 9,459,089	\$ 15,769,277	\$ 13,473,933
Non-current	<u>16,830,712</u>	<u>16,475,021</u>	<u>16,180,161</u>
	<u>\$ 26,289,801</u>	<u>\$ 32,244,298</u>	<u>\$ 29,654,094</u>

The market rate intervals of time deposits with original maturities of more than 3 months at the end of the reporting period were as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
	0.07%-4.26%	0.07%-4.26%	0.14%-4.40%

Refer to Note 33 for information relating to pledged financial assets at amortized cost.

7. FINANCIAL INSTRUMENTS AT FVTPL

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative instruments (not under hedge accounting)			
Redemption options and put options of convertible bonds	\$ 2,141	\$ 17,092	\$ 7,411
Non-derivative financial assets			
Domestic listed shares	246,187	234,963	167,441
Domestic emerging market shares	96,366	101,931	92,159
Mutual funds	<u>-</u>	<u>-</u>	<u>175,498</u>
	<u>\$ 344,694</u>	<u>\$ 353,986</u>	<u>\$ 442,509</u>

8. FINANCIAL ASSETS AT FVTOCI (INVESTMENTS IN EQUITY INSTRUMENTS)

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Current</u>			
Domestic investments			
Listed shares	\$ 5,669,716	\$ 5,544,326	\$ 4,615,523
Convertible preference shares	<u>52,145</u>	<u>52,145</u>	<u>50,450</u>
	<u>\$ 5,721,861</u>	<u>\$ 5,596,471</u>	<u>\$ 4,665,973</u>
<u>Non-current</u>			
Domestic investments			
Unlisted shares	\$ 7,247,095	\$ 7,239,178	\$ 7,829,555
Foreign investments			
Listed shares	<u>25,381,399</u>	<u>24,664,109</u>	<u>28,244,856</u>
	<u>\$ 32,628,494</u>	<u>\$ 31,903,287</u>	<u>\$ 36,074,411</u>

Refer to Note 33 for information relating to investments in equity instruments at FVTOCI pledged as collateral for credit accommodations.

9. HEDGING INSTRUMENTS

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Financial assets</u>			
Cash flow hedge - spot rate	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,203</u>

The Group's hedging strategy is to enter into foreign currency bank deposit to avoid exchange rate exposure from its foreign currency receipts and payments and manage exchange rate exposure of its forecasted foreign currency purchases. Those transactions are designated as cash flow hedges. Basis adjustments are made to the initial carrying amounts of non-financial hedging items when the anticipated purchases take place.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the foreign currency bank deposit, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness are expected to emerge from these hedging relationships.

The following tables summarize the information relating to the hedges of foreign currency risk.

March 31, 2020

Hedging Instruments	Currency	Notional Amount (In thousands)	Maturity	Forward Rate (NTD1:USD)	Line Item	Carrying Amount Asset	Change in Value Used for Calculating Hedge Ineffectiveness
Cash flow hedge							
Forecast purchases - spot rate	USD/NTD	USD4,700/NTD142,291	2020.03-2020.04	30.275	Financial assets for hedging	\$ 142,057	\$ (234)
Forecast purchases - spot rate	USD/NTD	USD4,600/NTD139,104	2020.03-2020.04	30.240	Financial assets for hedging	<u>139,146</u>	<u>42</u>
						<u>\$ 281,203</u>	<u>\$ (192)</u>

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Losses on Hedging Instruments in Other Equity
Cash flow hedge		
Forecast purchases	<u>\$ 192</u>	<u>\$ (192)</u>
	Hedging Losses Recognized in OCI	
	For the Three Months Ended March 31	
Cash flow hedge		
Forecast purchases		<u>\$(192)</u>

The Group signed coal purchasing contracts with the suppliers, and also purchased foreign currency bank deposits at the spot rate to avoid exchange rate exposure of its forecasted purchases. When the forecasted purchases take place, the amounts originally deferred and recognized in equity will be reclassified to the carrying amount of the materials purchased.

10. NOTES AND ACCOUNTS RECEIVABLE

	March 31, 2021	December 31, 2020	March 31, 2020
Notes receivable	\$ 24,241,933	\$ 29,529,951	\$ 22,776,776
Less: Allowance for impairment loss	<u>(11,144)</u>	<u>(11,144)</u>	<u>(10,870)</u>
	<u>24,230,789</u>	<u>29,518,807</u>	<u>22,765,906</u>
Accounts receivable	8,781,447	9,654,937	9,196,291
Less: Allowance for impairment loss	<u>(110,295)</u>	<u>(132,295)</u>	<u>(92,806)</u>
	<u>8,671,152</u>	<u>9,522,642</u>	<u>9,103,485</u>
	<u>\$ 32,901,941</u>	<u>\$ 39,041,449</u>	<u>\$ 31,869,391</u>

The Group recognizes allowance for impairment loss on account receivable on the basis of individual customers for which credit losses have actually taken place. Moreover, the Group separates all customers into different segments based on their risk and determines their expected credit loss rate by reference to past default experience with the counterparties and on analysis of their current financial positions. The Group recognizes an allowance for impairment loss of 100% against past due receivables which have indication of impairment.

The Group writes off an account receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. For accounts receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognized in profit or loss.

The aging analysis of receivables was as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Up to 90 days	\$ 17,468,786	\$ 23,631,396	\$ 15,782,675
91-180 days	14,501,034	14,264,510	15,148,204
181-365 days	900,480	1,123,626	927,601
Over 365 days	<u>31,641</u>	<u>21,917</u>	<u>10,911</u>
	<u>\$ 32,901,941</u>	<u>\$ 39,041,449</u>	<u>\$ 31,869,391</u>

The above aging schedule was based on the number of days past due from the invoice date.

The movements of the allowance for doubtful notes and accounts receivable were as follows:

	For the Three Months Ended March 31	
	2021	2020
Balance at January 1	\$ 143,439	\$ 105,937
Add: Net remeasurement of loss allowance	(21,976)	(1,470)
Foreign exchange losses	<u>(24)</u>	<u>(791)</u>
Balance at March 31	<u>\$ 121,439</u>	<u>\$ 103,676</u>

11. FINANCE LEASE RECEIVABLES

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Undiscounted lease payments</u>			
Year 1	\$ 5,399,213	\$ 5,457,252	\$ 5,638,452
Year 2	5,174,362	5,550,758	5,399,213
Year 3	6,177,297	5,578,575	5,174,363
Year 4	6,066,953	6,127,364	6,177,297
Year 5	5,917,565	6,285,029	6,066,953
Year 6 onwards	<u>14,133,132</u>	<u>15,011,003</u>	<u>20,050,697</u>
	42,868,522	44,009,981	48,506,975
Less: Unearned finance income	13,995,112	14,708,766	17,510,216
Less: Accumulated impairment	<u>47,878</u>	<u>47,878</u>	<u>47,878</u>
Net investment in leases presented as finance lease receivables	<u>\$ 28,825,532</u>	<u>\$ 29,253,337</u>	<u>\$ 30,948,881</u>
Current (included in accounts receivable)	\$ 2,315,444	\$ 2,278,220	\$ 2,123,349
Non-current	<u>26,510,088</u>	<u>26,975,117</u>	<u>28,825,532</u>
	<u>\$ 28,825,532</u>	<u>\$ 29,253,337</u>	<u>\$ 30,948,881</u>

The Group's electric power selling contracts with guaranteed power generation periods are classified as finance lease arrangements and the term entered into was 25 years. The interest rate inherent in the lease was fixed at the contract date for the entire lease term. The interest rate inherent in the finance lease was approximately 11.18%.

12. DISPOSAL GROUPS HELD FOR SALE

a. Discontinued operations

On March 19, 2021, the Board of Directors of the Corporation approved to sell total issued shares of Taiwan Prosperity Chemical Corporation for the total consideration of \$2,400,000 thousand to Chang Chun Plastics Co., Ltd. According to the Share Purchase Agreement, the Corporation planned to assist the termination of Equipment Lease Agreement between Taiwan Prosperity Chemical Corporation and TCC Chemical Corporation before the closing. Taiwan Prosperity Chemical Corporation planned to pay \$400,000 thousand to TCC Chemical Corporation as the consideration of the termination. Several conditions including but not limited to the approval of Taiwan Fair Trade Commission and Anti-monopoly Bureau of China were essential prerequisites to the accomplishment of the disposal plan.

The above transactions met the criteria of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Therefore, the disposal of the assets and liabilities of Taiwan Prosperity Chemical Corporation was classified as a disposal group held for sale, which was presented as income (loss) from discontinued operations. To coordinate with the discontinued operations presentation of consolidated income statement for the three months ended March 31, 2021, the Group reclassified the income/loss of discontinued operations for the three months ended March 31, 2020 and made the related period information of consolidated income statement more relevant.

The details of profit (loss) from discontinued operations and the related cash flow information are as follows:

	For the Three Months Ended March 31	
	2021	2020
Operating revenue	\$ 2,242,525	\$ 2,175,388
Operating costs	<u>(2,111,765)</u>	<u>(2,403,498)</u>
Gross profit (loss)	130,760	(228,110)
Marketing expenses	(90,789)	(76,740)
General and administrative expenses	(10,678)	(13,687)
Research and development expenses	<u>(8,640)</u>	<u>(3,374)</u>
Profit (loss) from operations	20,653	(321,911)
Finance costs	(23,962)	(21,583)
Other income and expenses	<u>(4,833)</u>	<u>10,923</u>
Loss before income tax	(8,142)	(332,571)
Income tax expense	<u>(3,012)</u>	<u>(10,361)</u>
Loss from discontinued operations	<u>\$ (11,154)</u>	<u>\$ (342,932)</u>
Profit (loss) from discontinued operations attributable to:		
Shareholders of the Corporation	\$ 9,226	\$ (145,788)
Non-controlling interests	<u>(20,380)</u>	<u>(197,144)</u>
	<u>\$ (11,154)</u>	<u>\$ (342,932)</u>
Cash flows		
Operating activities	\$ 451,458	\$ 122,281
Investing activities	956,584	(22,812)
Financing activities	<u>(92,923)</u>	<u>564,570</u>
Net cash inflow	<u>\$ 1,315,119</u>	<u>\$ 664,039</u>

b. Disposal groups held for sale

March 31, 2021

Total amount of disposal groups held for sale	<u>\$ 10,453,562</u>
Liabilities directly associated with disposal groups held for sale	<u>\$ 6,654,095</u>

- 1) On March 19, 2021, the Board of Directors of the Corporation approved to sell total issued shares of Taiwan Prosperity Chemical Corporation, the details of related assets and liabilities held for sale were as follows:

March 31, 2021

Assets of disposal groups held for sale

Cash and cash equivalents	\$ 3,066,559
Accounts receivable	1,456,120
Inventories	505,781
Other current assets	45,558
Property, plant and equipment	2,065,940
Other non-current assets	<u>383,130</u>
	<u>\$ 7,523,088</u>

Liabilities directly associated with disposal groups held for sale

Short-term loans	\$ 2,417,364
Accounts payable	920,630
Other payables	228,927
Other current liabilities	45,508
Long-term loans (including current portion)	2,995,040
Other non-current liabilities	<u>46,626</u>
	<u>\$ 6,654,095</u>

The sales proceeds of the disposal were expected to exceed the carrying amount of the related net assets and, accordingly, no impairment losses were recognized on the classification of these operations as held for sale.

For the amounts of the Group's disposal groups held for sale as loan guarantees, refer to Note 33.

- 2) Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government signed the "Build-Own-Operate Agreement for Waste Incineration Plant" (the "BOO Agreement") on February 2002 and the Yunlin County Government unilaterally terminated the BOO Agreement in 2006. Ta-Ho RSEA Environment Co., Ltd. filed the application for arbitration and received arbitration award and payment from the Yunlin County Government about \$3,382,519 thousand (included in contract liabilities). Ta-Ho RSEA Environment Co., Ltd. received notification from the Yunlin County Government on March 18, 2021 and conducted the registration of changes in land rights of the Linnei Incinerator on April 2021. The above related assets reclassified as held for sale on March 31, 2021, the details were as follows:

March 31, 2021

Assets of disposal groups held for sale

Property, plant and equipment	\$ 2,841,401
Other current assets	<u>89,073</u>
	<u>\$ 2,930,474</u>

The sales proceeds of the disposal were expected to exceed the carrying amount of the related net assets and, accordingly, no impairment losses were recognized on the classification of these operations as held for sale.

13. INVENTORIES

	March 31, 2021	December 31, 2020	March 31, 2020
Finished goods	\$ 1,918,958	\$ 2,248,212	\$ 2,544,248
Work in process	1,578,005	1,610,246	1,475,203
Raw materials	<u>4,282,943</u>	<u>4,083,297</u>	<u>4,484,551</u>
	<u>\$ 7,779,906</u>	<u>\$ 7,941,755</u>	<u>\$ 8,504,002</u>

The costs of inventories recognized as cost of goods sold for the three months ended March 31, 2021 and 2020 were \$14,670,190 thousand and \$12,158,430 thousand, respectively. The cost of goods sold included reversal of write-downs of inventory as follows:

	For the Three Months Ended March 31	
	2021	2020
Reversal of write-down of inventory	<u>\$ 4,055</u>	<u>\$ 1,427</u>

Previous write-downs were reversed because slow moving inventories were removed.

14. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

The consolidated financial statements include subsidiaries as follows:

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
Taiwan Cement Corporation	Taiwan Transport & Storage Corporation	Warehousing, transportation and sale of sand and gravel	83.9	83.9	83.9	1)
	TCC Investment Corporation	Investment	100.0	100.0	100.0	
	Kuan-Ho Refractories Industry Corporation	Production and sale of refractory materials	95.3	95.3	95.3	
	Hong Kong Cement Manufacturing Co., Ltd. ("HKCMCL")	Investment holding	84.7	84.7	84.7	
	Ta-Ho Maritime Corporation	Marine transportation	64.8	64.8	64.8	9)
	Taiwan Cement Engineering Corporation	Engineering services	99.2	99.2	99.0	1)
	TCC Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Chemical Corporation	Leasing property and energy technology services	100.0	100.0	100.0	
	TCC Information Systems Corporation	Information software design	99.4	99.4	99.4	
	Taiwan Prosperity Chemical Corporation	Processing and sale of chemical material	100.0	71.1	40.0	1), 3), 9)
	Tung Chen Mineral Corporation	Afforestation and sale of limestone	99.5	99.5	99.5	
	Jin Chang Minerals Corporation	Afforestation and sale of limestone	100.0	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
	Hoping Industrial Port Corporation	Hoping Industrial Port management	100.0	100.0	100.0	9)
	TCC International Ltd. ("TCCI")	Investment holding	100.0	100.0	100.0	9)
	TCCMOLI Holdings (Singapore) Pte. Ltd. ("TCCMOLI")	Investment holding	100.0	100.0	100.0	
	Ho-Ping Power Company	Thermal power generation	59.5	59.5	59.5	9)
	HPC Power Services Corporation	Business consulting	60.0	60.0	60.0	
	E.G.C. Cement Corporation	Sale of cement	50.6	50.6	50.6	
	Feng Sheng Enterprise Company Limited	Sale of ready-mixed concrete	45.4	45.4	45.4	3)
	Trans Philippines Mineral Corporation ("TPMC")	Mining excavation	40.0	40.0	40.0	3)
	Taicorn Minerals Corporation ("TMC")	Mining excavation	72.7	72.7	72.7	
	Ta-Ho RSEA Environment Co., Ltd.	Waste collection and treatment	66.6	66.6	66.6	
	Ho Sheng Mining Co., Ltd.	Mining excavation and sale of limestone	100.0	100.0	100.0	
	TCC International Holdings Ltd. ("TCCIH")	Investment holding	38.3	38.3	38.3	9)
	Taiwan Cement (Dutch) Holdings B.V. ("TCC Dutch")	Investment holding	100.0	100.0	100.0	9)
	TCC Sustainable Energy Investment Corporation	Investment holding	100.0	100.0	-	4)
	TCC Energy Storage Technology Corporation	Energy storage equipment manufacturing, production and sales	100.0	100.0	-	4)
Taiwan Transport & Storage Corporation	E.G.C. Cement Corporation	Sale of cement	49.4	49.4	49.4	
	Ta-Ho Maritime Corporation	Marine transportation	29.2	29.2	29.2	7), 9)
	Tai-Jie Transport & Storage Corporation	Transportation	100.0	100.0	100.0	
TCC Investment Corporation	Union Cement Traders Inc.	Import and export trading	100.0	100.0	100.0	
	Ho-Ping Power Company	Thermal power generation	0.5	0.5	0.5	9)
	Taiwan Prosperity Chemical Corporation	Processing and sale of chemical material	-	0.2	0.2	1), 3), 9)
HKCMCL	Ta-Ho Maritime Corporation	Marine transportation	-	-	-	9)
	TCC Development Ltd.	Property leasing	100.0	100.0	100.0	
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Investment	100.0	100.0	100.0	
TCC Information Systems Corporation	Taicem Information (Samoa) Pte., Ltd.	Investment	100.0	100.0	100.0	
Hoping Industrial Port Corporation	Taiwan Prosperity Chemical Corporation	Processing and sale of chemical material	-	2.3	2.3	1), 3), 9)
TCCI	TCCIH	Investment holding	61.7	61.7	61.7	9)
TPMC	TMC	Mining excavation	18.2	18.2	18.2	
Union Cement Traders Inc.	Taiwan Transport & Storage Corporation	Warehousing, transportation and sale of sand and gravel	0.7	0.7	0.7	
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Renewable energy generation	100.0	100.0	100.0	
TCC Green Energy Corporation	Chang-Wang Wind Power Co., Ltd.	Renewable energy generation	100.0	100.0	100.0	
	TCC Nan-Chung Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Kao-Cheng Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Chang-Ho Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Chia-Chien Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Yun-Kai Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Lien-Hsin Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	TCC Ping-Chih Green Energy Corporation	Renewable energy generation	100.0	100.0	100.0	
	Chia-Ho Green Energy Corporation	Renewable energy generation	100.0	100.0	-	4)
	TCC TUNG-LI Green Energy Corporation	Renewable energy generation	100.0	-	-	4)
Ta-Ho Maritime Holdings Ltd.	Ta-Ho Maritime (Hong Kong) Limited	Marine transportation	100.0	100.0	100.0	
	THC International S.A.	Marine transportation	100.0	100.0	100.0	
	Ta-Ho Maritime (Singapore) Pte. Ltd.	Marine transportation	100.0	100.0	100.0	
Taicem Information (Samoa) Pte., Ltd.	Fuzhou TCC Information Technology Co., Ltd.	Software product and equipment maintenance	100.0	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
Ta-Ho Maritime (Hong Kong) Limited	Da Tong (Guigang) International Logistics Co., Ltd.	Logistics and transportation	100.0	100.0	100.0	
Da Tong (Guigang) International Logistics Co., Ltd.	Da Tong (Ying De) Logistics Co., Ltd.	Logistics and transportation	100.0	100.0	100.0	
	Guigang Da-Ho Shipping Co., Ltd.	Marine transportation	100.0	100.0	100.0	
TCCIH	Chia Hsin Cement Greater China Holding Corp. ("CHCGC")	Investment holding	-	-	100.0	2)
	Upper Value Investment Limited	Investment holding	100.0	100.0	100.0	
	Upper Value Investments Ltd. ("UPPV")	Investment holding	100.0	100.0	100.0	9)
	TCC Hong Kong Cement (BVI) Holdings Ltd.	Investment holding	100.0	100.0	100.0	9)
	Ulexite Investments Ltd.	Investment holding	100.0	100.0	100.0	
Upper Value Investment Limited	Prime York Ltd.	Investment holding	100.0	100.0	100.0	
	Prosperity Minerals (International) Ltd.	Investment holding	100.0	100.0	100.0	
TCC Hong Kong Cement (BVI) Holdings Ltd.	TCC Hong Kong Cement Development Ltd.	Investment holding	100.0	100.0	100.0	
	TCC Hong Kong Cement (QHC) Ltd.	Investment holding	100.0	100.0	100.0	
	TCC Hong Kong Cement (Yargoan) Ltd.	Investment holding	100.0	100.0	100.0	
	TCC Hong Kong Cement (HKC) Ltd.	Investment holding	-	-	100.0	2)
	TCC Hong Kong Cement (Philippines) Ltd.	Investment holding	100.0	100.0	100.0	
	TCC Hong Kong Cement (International) Ltd.	Investment holding	100.0	100.0	100.0	9)
	Hong Kong Cement Company Limited ("HKCCL")	Sale of cement	100.0	100.0	100.0	
TCC Hong Kong Cement (QHC) Ltd.	Chieffolk Company Ltd.	Investment holding	70.0	70.0	70.0	
Chieffolk Company Ltd.	TCC International (Liuzhou) Ltd.	Investment holding	100.0	100.0	100.0	
TCC International (Liuzhou) Ltd.	TCC Liuzhou Company Ltd.	Investment holding	100.0	100.0	100.0	
TCC Liuzhou Company Ltd.	TCC Liuzhou Construction Materials Co., Ltd.	Manufacturing and sale of slag powder	60.0	60.0	60.0	
TCC Hong Kong Cement (Philippines) Ltd.	TCC Cement Corp.	Cement processing services	100.0	100.0	100.0	
TCC Hong Kong Cement (International) Ltd.	TCC International (Hong Kong) Co., Ltd. ("TCCI (HK)")	Investment holding	100.0	100.0	100.0	9)
TCCI (HK)	TCC Guigang Mining Industrial Company Limited	Mining excavation	52.5	52.5	52.5	
	Jiangsu TCC Investment Co., Ltd.	Investment holding	100.0	100.0	100.0	
	Jingyang Industrial Limited	Investment holding	100.0	100.0	100.0	
	TCC International (Guangxi) Ltd.	Investment holding	100.0	100.0	100.0	
	TCC Shaoguan Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	
	TCC Yingde Mining Industrial Company Limited	Mining excavation	48.9	48.9	48.9	
	TCC Yingde Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	9)
	TCC Jiangsu Mining Industrial Company Limited	Mining excavation	100.0	100.0	100.0	
	TCC Fuzhou Yangyu Port Co., Ltd.	Service of port facility	100.0	100.0	100.0	
	TCC (Dong Guan) Cement Company Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	
	TCC Fuzhou Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	
	TCC Huaihua Cement Company Limited	Manufacturing and sale of cement	31.0	31.0	100.0	5), 9)
Jiangsu TCC Investment Co., Ltd.	Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	21.5	21.5	21.5	9)
	Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	21.5	21.5	-	4)
Jingyang Industrial Limited	Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	78.5	78.5	78.5	9)
	Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	78.5	78.5	-	4)

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
TCC International (Guangxi) Ltd.	TCC (Gui Gang) Cement Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	9)
	TCC (Hangzhou) Recycle Resource Technology Limited	Recycle Resource technology development, business management and sales	82.1	82.1	-	4)
TCC (Gui Gang) Cement Ltd.	TCC Huaying Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	
	TCC Guigang Mining Industrial Company Limited	Mining excavation	47.5	47.5	47.5	
	Guigang TCC DongYuan Environmental Technology Company Limited	Dangerous waste treatment	100.0	100.0	95.2	8)
	TCC (Hangzhou) Recycle Resource Technology Limited	Recycle Resource technology development, business management and sales	17.9	17.9	-	4)
TCC Yingde Cement Co., Ltd.	TCC Yingde Mining Industrial Company Limited	Mining excavation	34.8	34.8	34.8	
	Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	25.0	25.0	25.0	
	Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	10.0	
	Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	10.0	
	Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	10.0	
	Beijing TCC Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	100.0	100.0	100.0	
	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environmental protection, cement and enterprise management consulting	100.0	100.0	100.0	
TCC Jiangsu Mining Industrial Company Limited	TCC Yingde Mining Industrial Company Limited	Mining excavation	16.3	16.3	16.3	
TCC Huaihua Cement Company Limited	TCC Jingzhou Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	
	TCC Huaihua Concrete Company Limited	Sale of ready-mixed concrete	100.0	100.0	100.0	
UPPV	Wayly Holdings Limited.	Investment holding	100.0	100.0	100.0	
	TCC International (China) Co., Ltd.	Investment holding	100.0	100.0	100.0	
	Kong On Cement Holdings Ltd.	Investment holding	65.0	65.0	65.0	
	Mega East Ltd.	Investment holding	100.0	100.0	100.0	
	Prosperity Minerals (China) Limited.	Investment holding	100.0	100.0	100.0	
	Sure Kit Ltd.	Investment holding	100.0	100.0	100.0	
	Hensford Ltd.	Investment holding	100.0	100.0	100.0	
	Kiton Ltd.	Investment holding	100.0	100.0	100.0	
	Prosperity Cement Investment Ltd.	Investment holding	100.0	100.0	100.0	
	Scitus Cement (China) Holdings Ltd. ("Scitus Holdings")	Investment holding	100.0	100.0	100.0	
Wayly Holdings Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	
TCC International (China) Co., Ltd.	TCC New (Hangzhou) Management Company Limited	Operation management	100.0	100.0	100.0	
Kong On Cement Holdings Ltd.	Guizhou Kong On Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	
Mega East Ltd.	Guangan Changxing Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	6)
Sure Kit Ltd.	TCC Chongqing Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	9)
Hensford Ltd.	TCC Anshun Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	9)
Kiton Ltd.	TCC Liaoning Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	100.0	
Prosperity Cement Investment Ltd.	Yingde Dragon Mountain Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	100.0	9)
TCC Anshun Cement Company Limited	Anshun Xin Tai Construction Materials Company Limited	Filtering of sand and gravel and sale of ready-mixed concrete	100.0	100.0	100.0	
TCC New (Hangzhou) Management Company Limited	Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	100.0	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
Scitus Holdings	Scitus Cement (China) Operating Co., Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon XIV Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon XIII Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon IX Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon VIII Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon V Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon IV Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon III Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon II Holdings Ltd.	Investment holding	100.0	100.0	100.0	
	Hexagon Holdings Ltd.	Investment holding	100.0	100.0	100.0	
Hexagon IX Holdings Ltd.	Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	90.0	
Hexagon IV Holdings Ltd.	Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	90.0	
Hexagon III Holdings Ltd.	Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	90.0	
Hexagon XIV Holdings Ltd.	Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	75.0	75.0	75.0	
Scitus Luzhou Cement Co., Ltd.	TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	55.0	55.0	55.0	
Jurong TCC Cement Co., Ltd.	TCC Huaihua Cement Company Limited	Manufacturing and sale of cement	69.0	69.0	-	5), 9)

(Concluded)

Remarks:

- 1) The Corporation conducted a tender offer of 31.1% of the ordinary shares of Taiwan Prosperity Chemical Corporation in September 2020, and purchased 28.9% of the ordinary shares of Taiwan Prosperity Chemical Corporation in the first quarter of 2021, including 0.2% of the ordinary shares from TCC Investment Corporation and 2.3% of the ordinary shares from Hoping Industrial Port Corporation. In March 2021, the Board of Directors of the Corporation approved to sell total issued shares of Taiwan Prosperity Chemical Corporation and the related assets and liabilities were reclassified as disposal groups held for sale. The Corporation purchased shares of Taiwan Cement Engineering Corporation in the first quarter of 2021 and in 2020. The Corporation purchased shares of Taiwan Transport & Storage Corporation in 2020. Refer to Note 28 for information relating to the aforementioned equity acquisition transaction.
- 2) CHCGC and HKC had completed their dissolution in 2020.
- 3) Although the Group's percentages of ownership in Feng Sheng Enterprise Company Limited, TPMC and Taiwan Prosperity Chemical Corporation in the first quarter of 2020 were less than 50%, the Group still has control over those entities. Thus, Taiwan Prosperity Chemical Corporation, Feng Sheng Enterprise Company Limited and TPMC are considered as subsidiaries of the Group.
- 4) TCC Sustainable Energy Investment Corporation, TCC Energy Storage Technology Corporation, Chia-Ho Green Energy Corporation, TCC (Hangzhou) Recycle Resource Technology Limited and Jurong TCC Environmental Co., Ltd. were established in 2020. TCC TUNG-LI Green Energy Corporation was established in the first quarter of 2021.
- 5) Jurong TCC Cement Co., Ltd invested in TCC Huaihua Cement Company Limited in 2020, and its percentage of ownership was increased to 69%. The original shareholder, TCCI (HK), did not simultaneously invest which resulted in decrease of the percentage of ownership to 31%.
- 6) TCC Guangan Cement Company Limited changed its name to Guangan Changxing Cement Co., Ltd. in the fourth quarter of 2020.
- 7) Taiwan Transport & Storage Corporation purchased 0.05% equity and shares of Ta-Ho Maritime Corporation in the first quarter of 2021 and in 2020. Refer to Note 28 for information relating to the aforementioned equity acquisition transaction.

- 8) Guigang TCC DongYuan Environmental Technology Company Limited was 95.2% owned by TCC (Guigang) Cement Ltd. in the first quarter of 2020. In 2020, due to non-subscription by minority shareholders, TCC (Guigang) Cement Ltd.'s percentage of ownership in Guigang TCC DongYuan Environmental Technology Company Limited increased to 100%.
- 9) The remaining subsidiaries' financial statements for the three months ended March 31, 2021 and 2020 were reviewed by auditors.
- 10) Except for those mentioned directly above in Remark 9, the remaining subsidiaries' financial statements for the three months ended March 31, 2021 and 2020 were not reviewed by auditors.
- b. Details of subsidiaries that have material non-controlling interests

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	March 31, 2021	December 31, 2020	March 31, 2020
Taiwan Prosperity Chemical Corporation	-	26.4%	57.5%
Ho-Ping Power Company	40.0%	40.0%	40.0%

The Board of Directors of the Corporation approved the tender offer of the ordinary shares of Taiwan Prosperity Chemical Corporation with \$18 per share in July 2020 and approved the share swap by cash for the acquisition of 100% shares of Taiwan Prosperity Chemical Corporation and the delisting of the shares of Taiwan Prosperity Chemical Corporation in accordance with the applicable laws and regulations in September 2020. As of December 31, 2020, the Corporation had conducted the tender offer of 31.1% of the ordinary shares. The proportion of the Group's ownership was 73.6% and the proportion of the non-controlling interests decreased to 26.4%. On January 18, 2021, the Corporation acquired the ordinary shares of Taiwan Prosperity Chemical Corporation with share swap by cash in accordance with the Business Mergers and Acquisitions Act and the share swap agreement. The corporation paid \$18 per share to other shareholders of Taiwan Prosperity Chemical Corporation (including shares acquired from TCC Investment Corporation and Hoping Industrial Port Corporation) and the total amount was \$685,845 thousand. Taiwan Prosperity Chemical Corporation became a wholly owned subsidiary of the Corporation. Meanwhile, the securities of Taiwan Prosperity Chemical Corporation were under suspension of trading and delisted on the same day with approval by competent authority.

Refer to Table for the information on the places of incorporation and principal places of business.

The summarized financial information below represents amounts before intragroup eliminations.

Taiwan Prosperity Chemical Corporation

	December 31, 2020	March 31, 2020
Current assets	\$ 4,699,229	\$ 4,148,761
Non-current assets	3,910,575	4,522,822
Current liabilities	(3,893,618)	(3,546,790)
Non-current liabilities	<u>(3,682,570)</u>	<u>(3,956,253)</u>
Equity	<u>\$ 1,033,616</u>	<u>\$ 1,168,540</u>

(Continued)

	December 31, 2020	March 31, 2020
Equity attributable to:		
Owners of Taiwan Prosperity Chemical Corporation	\$ 760,847	\$ 496,768
Non-controlling interests of Taiwan Prosperity Chemical Corporation	<u>272,769</u>	<u>671,772</u>
	<u>\$ 1,033,616</u>	<u>\$ 1,168,540</u> (Concluded)

Note: Profit and loss items and cash flow information of Taiwan Prosperity Chemical Corporation, please refer to Note 12.

Ho-Ping Power Company

	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 10,687,219	\$ 8,307,788	\$ 8,338,733
Non-current assets	27,333,608	28,361,144	29,018,070
Current liabilities	(3,164,643)	(2,749,424)	(3,126,218)
Non-current liabilities	<u>(3,184,534)</u>	<u>(3,197,644)</u>	<u>(3,403,794)</u>
Equity	<u>\$ 31,671,650</u>	<u>\$ 30,721,864</u>	<u>\$ 30,826,791</u>
Equity attributable to:			
Owners of Ho-Ping Power Company	\$ 18,999,523	\$ 18,429,651	\$ 18,492,607
Non-controlling interests of Ho-Ping Power Company	<u>12,672,127</u>	<u>12,292,213</u>	<u>12,334,184</u>
	<u>\$ 31,671,650</u>	<u>\$ 30,721,864</u>	<u>\$ 30,826,791</u>

	For the Three Months Ended March 31	
	2021	2020
Operating revenue	<u>\$ 2,192,110</u>	<u>\$ 3,762,270</u>
Net profit for the period	\$ 949,786	\$ 1,618,725
Other comprehensive loss for the period	<u>-</u>	<u>(192)</u>
Total comprehensive income for the period	<u>\$ 949,786</u>	<u>\$ 1,618,533</u>
Net profit attributable to:		
Owners of Ho-Ping Power Company	\$ 569,872	\$ 971,236
Non-controlling interests of Ho-Ping Power Company	<u>379,914</u>	<u>647,489</u>
	<u>\$ 949,786</u>	<u>\$ 1,618,725</u> (Continued)

	For the Three Months Ended March 31	
	2021	2020
Total comprehensive income attributable to:		
Owners of Ho-Ping Power Company	\$ 569,872	\$ 971,120
Non-controlling interests of Ho-Ping Power Company	<u>379,914</u>	<u>647,413</u>
	<u>\$ 949,786</u>	<u>\$ 1,618,533</u>
Net cash inflow (outflow) from:		
Operating activities	\$ 1,259,220	\$ 1,712,574
Investing activities	559,221	(160,966)
Financing activities	<u>11,991</u>	<u>(2,296,336)</u>
Net cash inflow (outflow)	<u>\$ 1,830,432</u>	<u>\$ (744,728)</u>
		(Concluded)

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2021	December 31, 2020	March 31, 2020
Investments in associates	<u>\$ 48,566,560</u>	<u>\$ 50,133,844</u>	<u>\$ 47,007,645</u>
Material associates			
Cimpor Global Holdings B.V.	\$ 27,498,552	\$ 28,748,060	\$ 27,186,673
Associates that are not individually material			
Prosperity Conch Cement Company Limited	6,601,367	7,247,911	5,942,691
International CSRC Investment Holdings Co., Ltd.	6,427,544	6,249,094	6,097,488
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	1,767,222	1,742,842	1,693,650
TCC Recycle Energy Technology Company	1,707,416	1,726,025	1,763,636
CCC USA Corp.	1,678,522	1,679,436	1,748,126
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	1,168,587	1,140,060	1,148,210
ONYX Ta-Ho Environmental Services Co., Ltd.	905,803	815,179	919,780
Sichuan Taichang Building Material Group Company Limited	480,744	488,397	179,375
Hong Kong Concrete Co., Ltd.	141,093	151,692	177,421
Quon Hing Concrete Co., Ltd.	139,254	130,615	143,662
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	33,250	3,929	-
Guigang Conch-TCC New Material Technology Co., Ltd.	10,672	4,065	-
Synpac Ltd.	6,534	6,539	6,933
Shih Hsin Storage & Transportation Co., Ltd.	-	-	-
Chia Huan Tung Cement Corporation	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 48,566,560</u>	<u>\$ 50,133,844</u>	<u>\$ 47,007,645</u>

Except for the financial statements of International CSRC Investment Holdings Co., Ltd., CCC USA Corp., and TCC Recycle Energy Technology Company, the financial statements of associates for the three months ended March 31, 2021 and 2020 were not reviewed. Management believes there is no material impact on the financial statements of the abovementioned companies which have not been reviewed.

For the amounts of the Group's investments accounted for using the equity method provided as loan guarantees, refer to Note 33.

a. Material associates

	Proportion of Ownership		
	March 31, 2021	December 31, 2020	March 31, 2020
Cimpor Global Holdings B.V.	40.0%	40.0%	40.0%

Refer to Table for information on the nature of activities, principal place of business and country of incorporation of Cimpor Global Holdings B.V. and other investees.

The financial information of material associates, which reflected the adjustments made when adopting the equity method of accounting, was summarized as follows:

Cimpor Global Holdings B.V.

	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 18,908,368	\$ 21,428,951	\$ 17,523,496
Non-current assets	60,471,216	62,427,768	62,437,691
Current liabilities	(14,527,173)	(15,901,917)	(12,601,284)
Non-current liabilities	(11,714,752)	(12,355,266)	(14,032,432)
Non-controlling interests	<u>(8,703,572)</u>	<u>(9,159,987)</u>	<u>(9,498,800)</u>
Equity attributable to the Group	<u>\$ 44,434,087</u>	<u>\$ 46,439,549</u>	<u>\$ 43,828,671</u>
Proportion of the Group's ownership	40%	40%	40%
Equity attributable to the Group	\$ 17,773,635	18,575,820	\$ 17,531,468
Goodwill	<u>9,724,917</u>	<u>10,172,240</u>	<u>9,655,205</u>
Carrying amounts	<u>\$ 27,498,552</u>	<u>\$ 28,748,060</u>	<u>\$ 27,186,673</u>
For the Three Months Ended March 31			
	2021	2020	
Operating revenue	<u>\$ 6,776,764</u>	<u>\$ 5,409,279</u>	
Profit for the period	\$ 779,863	\$ 49,730	
Other comprehensive loss	<u>(660,881)</u>	<u>(905,051)</u>	
Total comprehensive income (loss) for the period	<u>\$ 118,982</u>	<u>\$ (855,321)</u>	

b. Aggregate information of associates that are not individually material

	Proportion of Ownership		
	March 31, 2021	December 31, 2020	March 31, 2020
Prosperity Conch Cement Company Limited	25.0%	25.0%	25.0%
International CSRC Investment Holdings Co., Ltd. (Note 1)	19.2%	19.2%	19.2%
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	30.0%	30.0%	30.0%
TCC Recycle Energy Technology Company	29.7%	29.7%	29.7%
CCC USA Corp.	33.3%	33.3%	33.3%
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	30.0%	30.0%	30.0%
ONYX Ta-Ho Environmental Services Co., Ltd.	50.0%	50.0%	50.0%
Sichuan Taichang Building Material Group Company Limited (Note 4)	30.0%	30.0%	30.0%
Hong Kong Concrete Co., Ltd.	31.5%	31.5%	31.5%
Quon Hing Concrete Co., Ltd.	50.0%	50.0%	50.0%
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. (Note 3)	45.0%	45.0%	-
Guigang Conch-TCC New Material Technology Co., Ltd (Note 2)	40.0%	40.0%	-
Synpac Ltd.	25.0%	25.0%	25.0%
Yingjing Xinan New material Co., Ltd. (Note 4)	30.0%	30.0%	-
Shih Hsin Storage & Transportation Co., Ltd. (Note 1)	-	-	-
Chia Huan Tung Cement Corporation (Note 1)	-	-	-

	For the Three Months Ended March 31	
	2021	2020
The Group's share of:		
Net income for the period	\$ 430,041	\$ 312,219
Other comprehensive income (loss)	<u>94,170</u>	<u>(290,220)</u>
Total comprehensive income for the period	<u>\$ 524,211</u>	<u>\$ 21,999</u>

Note 1: The Group's ownership percentage in International CSRC Investment Holdings Co., Ltd. is less than 20%; however, the Group has significant influence and therefore accounts for the investment by using the equity method. Chia Huan Tung Cement Corporation and Shih Hsin Storage & Transportation Co., Ltd. liquidation were completed at the end of 2020.

Note 2: The Group participated in the investment in Guigang Conch-TCC New Material Technology Co., Ltd. in the first quarter of 2021 and in 2020, respectively. The proportion of the Group's ownership was 40%, and the investment price were \$8,720 thousand and \$5,023 thousand, respectively.

Note 3: The Group participated in the investment in Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. in the first quarter of 2021 and in 2020, respectively. The proportion of the Group's ownership was 45%, and the investment price were \$29,375 thousand and \$3,731 thousand, respectively.

Note 4: Sichuan Taichang Building Material Group Company Limited has adjusted its internal organizational structure and transferred its 30% equity interest in Yingjing Company to the consolidated company. The Group generated a credit balance for the equity method of investment due to the recognition of the investment loss of Yingjing Company. It was recognized by the Group under other non-current liabilities \$167,309 thousand and \$167,446 thousand on March 31, 2021 and on December 31, 2020, respectively.

16. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Property in Construction	Total
<u>Cost</u>						
Balance at January 1, 2020	\$ 20,676,526	\$ 48,461,498	\$ 92,919,161	\$ 14,931,799	\$ 6,516,379	\$ 183,505,363
Additions	2,128	21,516	25,936	47,712	569,195	666,487
Disposals	-	-	(79,135)	(64,782)	-	(143,917)
Reclassification	1,383,271	25,046	279,825	(6,556)	(274,015)	1,407,571
Effects of exchange rate changes	-	(468,876)	(776,124)	(2,180)	(55,666)	(1,302,846)
Balance at March 31, 2020	<u>\$ 22,061,925</u>	<u>\$ 48,039,184</u>	<u>\$ 92,369,663</u>	<u>\$ 14,905,993</u>	<u>\$ 6,755,893</u>	<u>\$ 184,132,658</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2020	\$ 274,188	\$ 17,858,784	\$ 67,448,532	\$ 7,963,743	\$ 78,797	\$ 93,624,044
Disposals	-	-	(75,890)	(63,033)	-	(138,923)
Depreciation expenses	-	341,140	1,005,157	152,744	-	1,499,041
Reclassification	534,716	-	1,095	(1,095)	-	534,716
Effects of exchange rate changes	-	(153,049)	(485,160)	(20,363)	(1,134)	(659,706)
Balance at March 31, 2020	<u>\$ 808,904</u>	<u>\$ 18,046,875</u>	<u>\$ 67,893,734</u>	<u>\$ 8,031,996</u>	<u>\$ 77,663</u>	<u>\$ 94,859,172</u>
Carrying amounts at March 31, 2020	<u>\$ 21,253,021</u>	<u>\$ 29,992,309</u>	<u>\$ 24,475,929</u>	<u>\$ 6,873,997</u>	<u>\$ 6,678,230</u>	<u>\$ 89,273,486</u>
<u>Cost</u>						
Balance at January 1, 2021	\$ 24,111,549	\$ 49,391,149	\$ 95,772,602	\$ 15,070,836	\$ 7,743,182	\$ 192,089,318
Additions	-	1,887	34,222	121,725	1,689,946	1,847,780
Disposals	-	(4,993)	(40,902)	(65,230)	-	(111,125)
Reclassification	(870,685)	(220,648)	(15,210,357)	(449,752)	(3,206,976)	(19,958,418)
Effects of exchange rate changes	-	(26,595)	(42,805)	3,682	(6,126)	(71,844)
Balance at March 31, 2021	<u>\$ 23,240,864</u>	<u>\$ 49,140,800</u>	<u>\$ 80,512,760</u>	<u>\$ 14,681,261</u>	<u>\$ 6,220,026</u>	<u>\$ 173,795,711</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2021	\$ 808,904	\$ 19,401,738	\$ 71,362,067	\$ 8,327,743	\$ 79,894	\$ 99,980,346
Disposals	-	(4,607)	(31,004)	(38,181)	-	(73,792)
Depreciation expenses	-	349,221	1,002,917	170,754	-	1,522,892
Reclassification	-	(165,880)	(14,450,680)	(496,110)	-	(15,112,670)
Effects of exchange rate changes	-	(9,157)	(28,729)	(517)	(65)	(38,468)
Balance at March 31, 2021	<u>\$ 808,904</u>	<u>\$ 19,571,315</u>	<u>\$ 57,854,571</u>	<u>\$ 7,963,689</u>	<u>\$ 79,829</u>	<u>\$ 86,278,308</u>
Carrying amounts at December 31, 2020 and January 1, 2021	<u>\$ 23,302,645</u>	<u>\$ 29,989,411</u>	<u>\$ 24,410,535</u>	<u>\$ 6,743,093</u>	<u>\$ 7,663,288</u>	<u>\$ 92,108,972</u>
Carrying amounts at March 31, 2021	<u>\$ 22,431,960</u>	<u>\$ 29,569,485</u>	<u>\$ 22,658,189</u>	<u>\$ 6,717,572</u>	<u>\$ 6,140,197</u>	<u>\$ 87,517,403</u>

The related assets and liabilities of Taiwan Prosperity Chemical Corporation and related assets of Ta-Ho RSEA Environment Co., Ltd. were reclassified as disposal groups held for sale in the first quarter of 2021, refer to Note 12.

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

Buildings	
Main buildings	30-60 years
Main plants	16-50 years
Storage units	10-50 years
Others	20-50 years
Machinery and equipment	2-28 years
Miscellaneous equipment	2-20 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 33.

Acquisitions of property, plant and equipment included non-cash items which were reconciled as follows:

	For the Three Months Ended March 31	
	2021	2020
Acquisitions of property, plant and equipment	\$ 1,847,780	\$ 666,487
Increase in prepayments for equipment	761,259	713,845
Decrease in payables for equipment	325,490	645,428
Increase in other non-current liabilities	<u>(6,611)</u>	<u>-</u>
	<u>\$ 2,927,918</u>	<u>\$ 2,025,760</u>

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Carrying amounts</u>			
Land	\$ 12,501,695	\$ 12,538,669	\$ 11,354,718
Buildings	622,220	658,456	778,147
Machinery	357,773	200,348	156,377
Other	<u>62,429</u>	<u>53,652</u>	<u>49,449</u>
	<u>\$ 13,544,117</u>	<u>\$ 13,451,125</u>	<u>\$ 12,338,691</u>
	For the Three Months Ended March 31		
	2021	2020	
Additions to right-of-use assets	<u>\$ 302,924</u>	<u>\$ 68,783</u>	
Depreciation charge for right-of-use assets			
Land	\$ 131,943	\$ 120,968	
Buildings	36,305	42,942	
Machinery	25,319	25,537	
Other	<u>5,787</u>	<u>4,992</u>	
	<u>\$ 199,354</u>	<u>\$ 194,439</u>	

Except for the aforementioned additions and recognized depreciation (including continued operations and discontinued operations), the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2021 and 2020.

b. Lease liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Carrying amounts</u>			
Current	<u>\$ 334,155</u>	<u>\$ 315,451</u>	<u>\$ 350,023</u>
Non-current	<u>\$ 2,129,894</u>	<u>\$ 1,978,361</u>	<u>\$ 1,944,905</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Land	1.79%-4.90%	1.79%-4.90%	1.79%-4.90%
Buildings	1.79%-4.75%	1.79%-4.75%	1.79%-4.75%
Machinery	1.21%-2.20%	1.21%-2.05%	1.21%-2.00%
Other	1.76%-4.75%	1.76%-4.75%	1.76%-4.75%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants and offices. The Group does not have bargain purchase options to acquire the leased premises at the end of the lease terms.

d. Other lease information

	March 31, 2021	March 31, 2020
Expenses relating to short-term leases	<u>\$ 260,485</u>	<u>\$ 249,413</u>
Expenses relating to low-value asset leases	<u>\$ 249</u>	<u>\$ 251</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 77,586</u>	<u>\$ 65,718</u>
Total cash outflow for leases	<u>\$ (467,195)</u>	<u>\$ (473,777)</u>

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

18. INVESTMENT PROPERTIES

	March 31, 2021	December 31, 2020	March 31, 2020
Land	\$ 4,875,977	\$ 4,875,977	\$ 4,876,689
Buildings	<u>570,333</u>	<u>575,457</u>	<u>591,950</u>
	<u>\$ 5,446,310</u>	<u>\$ 5,451,434</u>	<u>\$ 5,468,639</u>

Except for depreciation expense and a transfer of the net proceeds from land used by the Group of \$848,555 thousand to property, plant and equipment in the first quarter of 2020, the Group did not recognize significant additions, disposals or impairment loss of investment properties during the three months ended March 31, 2021 and 2020.

The buildings of the investment properties are depreciated over their estimated useful lives of 50 years, using the straight-line method.

As of December 31, 2020 and 2019, the fair value of investment properties were \$13,495,806 thousand and \$14,859,809 thousand, respectively. Except for the transfer to be used by the Group during the three months ended March 31, 2020, the adjusted fair value was \$12,195,685 thousand on March 31, 2020, management of the Group had assessed and determined that there were no significant changes in fair value as of December 31, 2020 and 2019, as compared to that of March 31, 2021 and 2020.

The investment properties pledged as collateral for bank borrowings are set out in Note 33.

19. INTANGIBLE ASSETS

	Goodwill	Operational Concession	Mining Rights	Others	Total
<u>Cost</u>					
Balance at January 1, 2020	\$ 11,603,510	\$ 7,681,476	\$ 3,184,609	\$ 1,190,994	\$ 23,660,589
Additions	-	-	-	6,063	6,063
Effects of exchange rate changes	(163,858)	-	(41,355)	(1,660)	(206,873)
Balance at March 31, 2020	<u>\$ 11,439,652</u>	<u>\$ 7,681,476</u>	<u>\$ 3,143,254</u>	<u>\$ 1,195,397</u>	<u>\$ 23,459,779</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2020	\$ 156,000	\$ 1,208,888	\$ 1,529,944	\$ 1,109,639	\$ 4,004,471
Amortization expenses	-	37,778	48,336	13,992	100,106
Effects of exchange rate changes	-	-	(18,665)	(908)	(19,573)
Balance at March 31, 2020	<u>\$ 156,000</u>	<u>\$ 1,246,666</u>	<u>\$ 1,559,615</u>	<u>\$ 1,122,723</u>	<u>\$ 4,085,004</u>
Carrying amounts at March 31, 2020	<u>\$ 11,283,652</u>	<u>\$ 6,434,810</u>	<u>\$ 1,583,639</u>	<u>\$ 72,674</u>	<u>\$ 19,374,775</u>
<u>Cost</u>					
Balance at January 1, 2021	\$ 11,784,778	\$ 7,681,476	\$ 3,335,578	\$ 1,203,169	\$ 24,005,001
Additions	-	-	27,267	-	27,267
Effects of exchange rate changes	(8,391)	-	(3,830)	(398)	(12,619)
Balance at March 31, 2021	<u>\$ 11,776,387</u>	<u>\$ 7,681,476</u>	<u>\$ 3,359,015</u>	<u>\$ 1,202,771</u>	<u>\$ 24,019,649</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2021	\$ 156,000	\$ 1,359,999	\$ 1,763,855	\$ 1,161,187	\$ 4,441,041
Amortization expenses	-	37,778	41,904	14,985	94,667
Effects of exchange rate changes	-	-	(1,095)	(411)	(1,506)
Balance at March 31, 2021	<u>\$ 156,000</u>	<u>\$ 1,397,777</u>	<u>\$ 1,804,664</u>	<u>\$ 1,175,761</u>	<u>\$ 4,534,202</u>
Carrying amounts at December 31, 2020 and January 1, 2021	<u>\$ 11,628,778</u>	<u>\$ 6,321,477</u>	<u>\$ 1,571,723</u>	<u>\$ 41,982</u>	<u>\$ 19,563,960</u>
Carrying amounts at March 31, 2021	<u>\$ 11,620,387</u>	<u>\$ 6,283,699</u>	<u>\$ 1,554,351</u>	<u>\$ 27,010</u>	<u>\$ 19,485,447</u>

The above items of intangible assets with finite useful lives are amortized on a straight-line basis over their useful lives as follows:

Operational concession	50 years
Mining rights	30-50 years
Others	3-17 years

20. BORROWINGS

a. Short-term loans

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Secured borrowings</u>			
Bank loans	\$ -	\$ 100,000	\$ 150,000
<u>Unsecured borrowings</u>			
Bank loans - unsecured	34,103,919	33,867,794	31,380,490
Bank loans - letters of credit	<u>237,655</u>	<u>707,660</u>	<u>274,735</u>
	<u>34,341,574</u>	<u>34,575,454</u>	<u>31,655,225</u>
	<u>\$ 34,341,574</u>	<u>\$ 34,675,454</u>	<u>\$ 31,805,225</u>
Interest rate	0.61%-1.15%	0.62%-1.15%	0.76%-2.85%

b. Short-term bills payable

	March 31, 2021	December 31, 2020	March 31, 2020
Commercial paper	\$ 5,250,000	\$ 6,250,000	\$ 5,160,000
Less: Unamortized discount on bills payable	<u>5,075</u>	<u>2,971</u>	<u>3,817</u>
	<u>\$ 5,244,925</u>	<u>\$ 6,247,029</u>	<u>\$ 5,156,183</u>
Interest rate	0.85%-1.12%	0.85%-1.15%	0.95%-1.24%

c. Long-term loans and long-term bills payable

	March 31, 2021	December 31, 2020	March 31, 2020
Secured borrowings	\$ 2,271,650	\$ 5,278,160	\$ 5,008,180
Unsecured borrowings	<u>22,748,871</u>	<u>24,525,321</u>	<u>23,969,302</u>
	25,020,521	29,803,481	28,977,482
Less: Current portions	<u>4,520,000</u>	<u>4,805,000</u>	<u>3,198,714</u>
	<u>\$ 20,500,521</u>	<u>\$ 24,998,481</u>	<u>\$ 25,778,768</u>
Long-term bills payable	\$ 5,000,000	\$ 5,000,000	\$ 11,828,000
Less: Discount on bills payable	<u>8,608</u>	<u>8,673</u>	<u>22,766</u>
	<u>\$ 4,991,392</u>	<u>\$ 4,991,327</u>	<u>\$ 11,805,234</u>
Interest rate			
Long-term loans	0.91%-1.79%	1.01%-1.89%	1.20%-2.54%
Long-term bills payable	1.19%	1.19%	1.31%-1.50%

Long-term loans consist of unsecured borrowings, secured borrowings and earmarked loans. The principals of long-term unsecured and secured borrowings are due in September 2027, and the interests are paid monthly. The principals of earmarked loans are due in December 2025, and the interests are paid monthly or quarterly.

The long-term bills payable is a commercial promissory note signed in 2018 with the banking group for a five-year period, which will be repaid at the expiration of the contract.

According to the syndicated loan agreement, if the subsidiary, Taiwan Prosperity Chemical Corporation, fails to meet the financial ratio requirements based on the financial data in the semi-annual or annual financial reports, the Corporation should improve its financial ratios within 6 months from the public announcement date of the semi-annual or annual financial reports; if an improvement is made within the aforementioned period, the Corporation would not be deemed as violating the financial covenants. The Corporation violated the above financial ratio requirements in 2019, but it has obtained a waiver from the credit bank in May 2020 to be exempt from the above-mentioned violation of financial ratio requirements, as well as from reviewing the Corporation's relevant financial ratios based on its financial reports from 2019 to 2021. The related assets and liabilities of Taiwan Prosperity Chemical Corporation were reclassified as disposal groups held for sale in the first quarter of 2021, refer to Note 12.

Except as stated above, the Group did not violate the financial covenants of other long-term loans and long-term bills payable.

21. BONDS PAYABLE

	March 31, 2021	December 31, 2020	March 31, 2020
Domestic unsecured bonds	\$ 44,600,000	\$ 44,600,000	\$ 24,600,000
Less: Discount on bonds payable	<u>80,465</u>	<u>83,620</u>	<u>52,950</u>
	<u>44,519,535</u>	<u>44,516,380</u>	<u>24,547,050</u>
Overseas unsecured convertible bonds	5,489,617	10,308,070	12,663,477
Less: Discount on bonds payable	<u>453,330</u>	<u>927,080</u>	<u>1,417,771</u>
	<u>5,036,287</u>	<u>9,380,990</u>	<u>11,245,706</u>
	<u>\$ 49,555,822</u>	<u>\$ 53,897,370</u>	<u>\$ 35,792,756</u>

On September 16, 2020, the Board of Directors of the Corporation resolved to issue domestic unsecured bonds which have the face value of no more than NT\$10,000,000 thousand or issue overseas unsecured bonds which have the face value of no more than US\$330,000 thousand. The above plans can be executed alternatively or both. As of the date the consolidated financial statements were authorized for issue, the Corporation has not issued any of the abovementioned bonds.

On September 16, 2020, the Board of Directors of the Corporation resolved to issue domestic green or social responsibility unsecured bonds at the price not exceeding NT\$15,000,000 thousand (or its equivalent in US dollars) denominated in TWD or USD; issue overseas green or social responsibility unsecured bonds denominated in USD; or deal overseas private placement of green or social responsibility unsecured bonds. The above plans can be executed alternatively or all at the same time. As of the date the consolidated financial statements were authorized for issue, the Corporation has not issued any of the abovementioned bonds.

a. Domestic unsecured bonds

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of NT\$12,000,000 thousand on June 21, 2018, with a fixed coupon rate of 1.7% per annum. The bonds have a maturity period of 15 years, and a one-off payment of principal should be made in full on June 21, 2033 and with interest paid annually.

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of NT\$12,600,000 thousand on June 14, 2019, with a fixed coupon rate of 0.85% per annum. The bonds have a maturity period of 5 years, and a one-off payment of principal should be made in full on June 14, 2024 and with interest paid annually.

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of \$20,000,000 thousand on April 15, 2020. According to the issuance conditions, the unsecured bonds are classified into bonds A and bonds B, with a fixed coupon rate of 0.69% and 0.93% per annum, and with the issuance amounts of \$5,200,000 thousand and \$14,800,000 thousand, respectively. The bonds will be repaid in a one-off payment on April 15, 2027 and April 15, 2035, respectively, while the interests will be paid annually.

b. Overseas unsecured convertible bonds

In June 2018, the Corporation's Board of Directors resolved to issue overseas unsecured convertible bonds for the first time. This proposal was approved and became effective under the letter issued by the Financial Supervisory Commission ("FSC") dated July 25, 2018 (Ref. No. Jin-Guan-Zheng-Fa-Zi 10703258532). The bonds which have durations of 5 years were listed on the Singapore Stock Exchange on December 10, 2018. This zero-coupon overseas convertible bonds have a face value of US\$400,000 thousand.

Bondholders may request the Corporation to convert the bonds into the Corporation's ordinary shares at the price of NT\$41 per share at any time within the period from the following day after three months from the issuance date to 10 days prior to maturity date. The conversion price after the issuance of convertible corporate bonds will be adjusted according to the anti-dilution clause of the 2018 First Overseas Unsecured Convertible Bonds Issuance and Conversion Rules of the Corporation. The conversion price have been adjusted from NT\$41 per share to NT\$35.49 per share and from NT\$35.49 per share to NT\$31.93 per share since August 19, 2019 and August 18, 2020, i.e. the ex-dividend date. Bondholders can request the Corporation to convert the bonds at the fixed exchange rate of US\$1= NT\$30.878, which is to be divided by the conversion price per share on the conversion date. As of March 31, 2021, a total of 218,940 thousand shares had been converted.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 3.27% per annum on initial recognition.

March 31, 2020

Proceeds from issuance (less transaction costs of \$103,353 thousand)	\$ 12,247,847
Redemption of option derivatives (accounting for financial liabilities measured at FVTPL) and transaction costs	(159,222)
Equity component (less transaction costs allocated to the equity component of \$11,038 thousand)	<u>(1,308,070)</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$90,971 thousand)	10,780,555
Interest charged at an effective interest rate of 3.27%	<u>374,463</u>
Liability component at December 31, 2019	11,155,018
Interest charged at an effective interest rate of 3.27%	<u>90,688</u>
Liability component at March 31, 2020	<u>\$ 11,245,706</u>

	March 31, 2021
Proceeds from issuance (less transaction costs of \$103,353 thousand)	\$ 12,247,847
Redemption of option derivatives (accounting for financial liabilities measured at FVTPL) and transaction costs	(159,222)
Equity component (less transaction costs allocated to the equity component of \$11,038 thousand)	<u>(1,308,070)</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$90,971 thousand)	10,780,555
Interest charged at an effective interest rate of 3.27%	732,755
Convertible bonds converted to ordinary shares (71,755 thousand shares has been converted)	<u>(2,132,320)</u>
Liability component at December 31, 2020	9,380,990
Interest charged at an effective interest rate of 3.27%	52,392
Convertible bonds converted to ordinary shares (147,185 thousand shares has been converted)	<u>(4,397,095)</u>
Liability component at March 31, 2021	<u>\$ 5,036,287</u>

22. OTHER PAYABLES

	March 31, 2021	December 31, 2020	March 31, 2020
Salaries and bonuses payable	\$ 1,693,642	\$ 2,583,574	\$ 1,879,402
Deposits and retention money	1,132,440	1,126,321	990,782
Taxes payable	775,293	869,035	619,642
Payables for equipment	519,292	845,305	298,032
Interest payable	458,730	348,060	304,775
Payables for electricity	320,838	468,672	351,571
Freight payables	293,313	387,098	204,078
Others	<u>3,495,613</u>	<u>4,033,564</u>	<u>3,372,452</u>
	<u>\$ 8,689,161</u>	<u>\$ 10,661,629</u>	<u>\$ 8,020,734</u>

23. RETIREMENT BENEFIT PLANS

Employee benefits expense in respect of the defined retirement benefit plans applied the respective actuarially determined annual pension cost discount rate as of December 31, 2020 and 2019 and was recognized in the following line items in its respective periods:

	For the Three Months Ended March 31	
	2021	2020
Operating costs	\$ (119)	\$ (506)
Operating expenses	<u>(114)</u>	<u>(463)</u>
	<u>\$ (233)</u>	<u>\$ (969)</u>

24. EQUITY

a. Share capital

1) Ordinary shares

	March 31, 2021	December 31, 2020	March 31, 2020
Number of shares authorized (in thousands)	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,000,000</u>
Shares authorized	<u>\$ 70,000,000</u>	<u>\$ 70,000,000</u>	<u>\$ 70,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>5,895,646</u>	<u>5,741,401</u>	<u>5,465,619</u>
Shares issued	<u>\$ 58,956,456</u>	<u>\$ 57,414,007</u>	<u>\$ 54,656,192</u>

A holder of issued ordinary shares with par value of NT\$10 is entitled to the proportional rights to vote and to receive dividends. The authorized include common shares and preferred shares containing 60,000 thousand units retained for the exercise of employee share options.

The Corporation's shareholders resolved to distribute share dividends of \$2,728,810 thousand in June 2020, which was approved by the FSC. The subscription base dates was August 18, 2020 as determined by the Board of Directors.

The Corporation changes in the number of issued shares included the conversion of convertible bonds and the distribution of share dividends.

2) Preference shares

In June 2018, the Corporation's Board of Directors resolved to increase cash capital by issuing preference shares for the second time, which was approved by the FSC under letter dated July 25, 2018 (Ref. No. Jin-Guan-Zheng-Fa-Zi 1070325853), and the record date of capital increase was determined as of December 13, 2018, it was expected to issue 200,000 thousand shares with a face value of \$10 per share at the issue price of NT\$50 per share, with 3.5% coupon per annum (based on a five-year term 0.9375% IRS interest rate + 2.5625% fixed interest rate). Five-year term IRS interest rate will be reset on the next business day of the expiry of the five-year period from the date of issue and every five years thereafter. The shareholders of the second preference shares do not have the right to vote and to elect in the shareholders meeting but can be elected as directors. The Corporation has full discretion on the dividend distribution of the second preference shares. If there is no surplus or insufficient surplus to pay the preference share dividends upon the close of current fiscal year, the Corporation's resolution to cancel the distribution of preference share dividends will not constitute an event of default or a termination event in a contract. Preference share dividends are non-accumulative, and dividends that are not distributed or distributed in excess are not accumulated in the future year with deferred annual repayment. There is no maturity of the Corporation's second preference shares, but the Corporation may recover whole or part of the second preference shares at the actual issue price from the day following the five-year period from the issue date. The preference shares may not be converted to ordinary shares, and the preference shareholders do not have the rights to require the Corporation to redeem the preference shares they hold.

3) Certificate of entitlement to new shares form convertible bonds

	March 31, 2021	December 31, 2020	March 31, 2020
Number of shares requested for conversion but change in registration has not yet been completed (in thousands)	<u>61,795</u>	<u>68,854</u>	<u>-</u>
Shares requested for conversion but change in registration has not yet been completed (in thousands)	<u>\$ 617,947</u>	<u>\$ 688,542</u>	<u>\$ -</u>

The Corporation would complete the related corporate registrations after the issuance of new stocks on the base date of capital increase in accordance with the regulations.

b. Capital surplus

	March 31, 2021	December 31, 2020	March 31, 2020
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)			
Issuance of ordinary shares	\$ 44,176,367	\$ 44,176,367	\$ 44,176,367
Conversion of bonds	6,592,159	3,174,361	1,520,632
Differences between the consideration and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	22,400	466,784
Treasury share transactions	204,691	204,691	204,127
Donations	31,537	31,537	31,537
<u>May be used to offset a deficit only (Note 2)</u>			
Changes in percentage of ownership interests in subsidiaries	115,576	116,238	116,238
Forfeited share options	13,542	13,542	10,695
Dividends distributed by subsidiaries not yet received by shareholders	2,510	2,510	2,161
<u>May not be used for any purpose</u>			
Equity component of convertible bond	567,048	1,064,769	1,308,070
Changes in interests in associates accounted for using the equity method	<u>316,035</u>	<u>316,035</u>	<u>179,336</u>
	<u>\$ 52,019,465</u>	<u>\$ 49,122,450</u>	<u>\$ 48,015,947</u>

Note 1: Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus).

Note 2: Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulting from equity transactions, other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

Under the dividend policy as set in the amended Articles, where the Corporation made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing 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 Corporation's Board of Directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' general meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors, refer to Note 25(c): Net profit from continuing operations - employees' compensation and remuneration of directors.

In addition to the capital-intensive, mature and stable production and marketing of cement and cement-related products, the Corporation aggressively pursues diversification. For the development of diversified investments or other important capital budgeting plans, the Corporation decided that the payout ratio of cash dividend is to be at least 20% of the total dividends to be distributed to ordinary shareholders; the rest will be paid in share dividends.

Items referred to under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Corporation.

An appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Corporation's share capital. The legal reserve may be used to offset deficits. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's share capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2020 and 2019, which were approved by the Board of Directors in March 2021 and shareholders' general meeting in June 2020, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2020	2019	2020	2019
Legal reserve	\$ 2,530,555	\$ 2,448,745		
Cash dividends on preference shares	350,000	350,000	<u>\$ 1.75</u>	<u>\$ 1.75</u>
Cash dividends on ordinary shares	20,594,434	13,644,048	<u>\$ 3.50</u>	<u>\$ 2.50</u> (Note)
Share dividends on ordinary shares	-	2,728,810	<u>\$ -</u>	<u>\$ 0.50</u> (Note)

Note: Given the transfer of treasury shares to employees has not been implemented and the registration amendment to the number of ordinary shares converted from outstanding overseas unsecured convertible bonds has not been completed, the total number of issued and outstanding shares does not reflect the actual situation. Therefore, the cash dividend was adjusted to \$2.50081632 per ordinary share and the share dividend was adjusted to \$0.50016326 per ordinary share.

The appropriation of earnings for 2020 is subject to be approved by shareholder's general meeting in June 2021.

d. Special reserve

The Corporation appropriated to special reserve the amounts that were the same as the unrealized revaluation increment and cumulative translation adjustments transferred to retained earnings at the first-time adoption of IFRSs, which were \$10,454,422 thousand and \$2,709,369 thousand, respectively.

The special reserve appropriated at the first-time adoption of IFRSs relating to investment in properties other than land may be reversed according to the period of use. The special reserve relating to land may be reversed upon disposal or reclassification. The special reserves were not reversed for the three months ended March 31, 2021 and 2020, respectively. The special reserve appropriated, due to currency translation adjustments for financial statements of foreign operations (including subsidiaries), shall be reversed based on the Corporation's disposal percentage, and all of the special reserve shall be reversed when the Corporation loses significant influence.

e. Other equity items

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

	For the Three Months Ended March 31	
	2021	2020
Balance at January 1	\$ (9,523,576)	\$ (11,660,261)
Recognized during the period		
Exchange differences on translating foreign operations	(104,048)	(2,099,262)
Share of exchange differences of associates and joint ventures accounted for using the equity method	<u>(1,531,530)</u>	<u>(745,406)</u>
Balance at March 31	<u>\$ (11,159,154)</u>	<u>\$ (14,504,929)</u>

2) Unrealized gain on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2021	2020
Balance at January 1	\$ 30,670,817	\$ 35,395,116
Recognized during the period		
Unrealized gain (loss) - equity instruments	845,973	(1,447,286)
Share of profit or loss of associates and joint ventures	<u>91,528</u>	<u>(197,062)</u>
Other comprehensive income (loss) recognized in the period	937,501	(1,644,348)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(99,846)</u>
Balance at March 31	<u>\$ 31,608,318</u>	<u>\$ 33,650,922</u>

3) Cash flow hedges

	For the Three Months Ended March 31	
	2021	2020
Balance at January 1	\$ (250)	\$ -
Loss on changes in the fair value of hedging instruments		
Exchange rate risk - spot exchange rate	-	(116)
Share from associates accounted for using the equity method	<u>250</u>	<u>-</u>
Balance at March 31	<u>\$ -</u>	<u>\$ (116)</u>

f. Non-controlling interests

	For the Three Months Ended March 31	
	2021	2020
Balance at January 1	\$ 14,758,236	\$ 14,777,799
Net income	411,263	481,297
Other comprehensive income (loss) in the period		
Exchange differences on translating foreign operations	(1,077)	(7,217)
Unrealized gain (loss) on financial assets at FVTOCI	5,880	(108,438)
Exchange rate risk - spot exchange rate	-	(76)
Changes in ownership interests of subsidiaries	(238)	-
Disposal and acquisition of non-controlling interests in subsidiaries	<u>(254,101)</u>	<u>-</u>
Balance at March 31	<u>\$ 14,919,963</u>	<u>\$ 15,143,365</u>

g. Treasury shares

(In Thousands of Shares)

	For the Three Months Ended March 31	
	2021	2020
Number of shares at January 1 and March 31	<u>11,522</u>	<u>8,000</u>

In May 2019, the Corporation's Board of Directors resolved to buy back 10,000 thousand treasury shares. The Corporation had repurchased 8,000 thousand shares as of the end of July 2019. To maintain shareholders' equity and in consideration of the employees' willingness to subscribe for the shares, as of July 2019, the repurchase of the shares was not yet completed, the average repurchase price was \$43.62, and the shares will be transferred to employees. The Corporation had transferred 478 thousand shares to employees as of March 31, 2021.

On March 20, 2020, the Corporation's Board of Directors resolved to purchase its ordinary shares from the market at prices between NT\$25.90 and NT\$61.95 per share with NT\$495,600 thousand as the total repurchase amount for 8,000 thousand shares. The execution has not been done as of May 2020 and the term has expired. In order to maintain shareholder's equity and consider the employee's willingness to subscribe the shares, 4,000 thousand shares were bought back and the average purchase price was \$42.9. The shares will be used for transfer to employees.

Under the Securities Exchange Act, the Corporation shall neither pledge treasury shares nor exercise shareholder's rights on these shares, such as rights to dividends and to vote.

25. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations includes the following items:

a. Depreciation and amortization

	For the Three Months Ended March 31	
	2021	2020
An analysis of depreciation by account		
Property, plant and equipment	\$ 1,394,590	\$ 1,338,216
Right-of-use assets	174,136	169,219
Investment properties	<u>5,111</u>	<u>5,227</u>
	<u>\$ 1,573,837</u>	<u>\$ 1,512,662</u>
An analysis of depreciation by function		
Operating costs	\$ 1,487,244	\$ 1,353,491
Operating expenses	86,447	158,957
Non-operating expenses	<u>146</u>	<u>214</u>
	<u>\$ 1,573,837</u>	<u>\$ 1,512,662</u>
An analysis of intangible assets amortization by function		
Operating costs	\$ 82,337	\$ 87,897
Operating expenses	<u>12,330</u>	<u>12,209</u>
	<u>\$ 94,667</u>	<u>\$ 100,106</u>

b. Employee benefits expense

	For the Three Months Ended March 31	
	2021	2020
Retirement benefit plans		
Defined contribution plans	\$ 128,026	\$ 76,123
Defined benefit plans	<u>(233)</u>	<u>(969)</u>
	127,793	75,154
Other employee benefits	<u>1,726,707</u>	<u>1,613,329</u>
Total employee benefits expense	<u>\$ 1,854,500</u>	<u>\$ 1,688,483</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 1,241,722	\$ 1,121,811
Operating expenses	<u>612,778</u>	<u>566,672</u>
	<u>\$ 1,854,500</u>	<u>\$ 1,688,483</u>

c. Employees' compensation and remuneration of directors

The Corporation accrued employees' compensation and remuneration of directors at the rates of 0.01%-3% and no higher than 1%, respectively, of net profit before income tax, employees' compensation and remuneration of directors for the three months ended March 31, 2021 and 2020. The employees' compensation and the remuneration of directors during the said periods were as follows:

	For the Three Months Ended March 31	
	2021	2020
Employees' compensation	<u>\$ 9,572</u>	<u>\$ 16,165</u>
Remuneration of directors	<u>\$ 30,310</u>	<u>\$ 30,898</u>

For the year ended December 31, 2020, if there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The employees' compensation and remuneration of directors for the years ended December 31, 2020 and 2019 which are to be paid in cash, had been resolved by the Board of Directors in March 2021 and March 2020, respectively, were as follows:

	For the Year Ended December 31	
	2020	2019
Employees' compensation	<u>\$ 107,954</u>	<u>\$ 86,409</u>
Remuneration of directors	<u>\$ 256,965</u>	<u>\$ 245,432</u>

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

Information on the employees' compensation and remuneration of directors resolved by the Corporation's Board of Directors will be available at the Market Observation Post System website of the Taiwan Stock Exchange.

d. Finance costs

	For the Three Months Ended March 31	
	2021	2020
Interest on bank borrowings	\$ 191,367	\$ 279,682
Interest on corporate bonds	171,887	167,397
Interest on lease liabilities	8,608	7,394
Other finance costs	<u>46,026</u>	<u>50,021</u>
	<u>\$ 417,888</u>	<u>\$ 504,494</u>

26. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the Three Months Ended March 31	
	2021	2020
Current tax		
In respect of the current period	\$ 1,084,244	\$ 1,163,944
Adjustments for prior periods	<u>(150)</u>	<u>(3,333)</u>
	<u>1,084,094</u>	<u>1,160,611</u>
Deferred tax		
In respect of the current period	<u>29,588</u>	<u>81,785</u>
	<u>\$ 1,113,682</u>	<u>\$ 1,242,396</u>

b. Income tax return assessments

The information of the years through which the income tax returns have been assessed for the group entities is as follows:

Year	Company
2019	Ta-Ho Taitung Environment Co., Ltd., Ta-Ho RSEA Environment Co., Ltd., Ho Sheng Mining Co., Ltd., Union Cement Traders Inc., TCC Investment Corporation, Taiwan Cement Engineering Corporation, E.G.C. Cement Corporation, TCC Information Systems Corporation, Tung Chen Mineral Corporation, Jin Chang Minerals Corporation, Hoping Industrial Port Corporation, HPC Power Service Corporation, Ho-Ping Power Company, Feng Sheng Enterprise Company, TCC Chemical Corporation, Kuan-Ho Refractories Industry Corporation
2018	Taiwan Cement Corporation, Taiwan Prosperity Chemical Corporation, Taiwan Transport & Storage Corporation, Ta-Ho Maritime Corporation, TCC Green Energy Corporation

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2021	2020
Basic earnings per share (loss)		
From continuing operations	\$ 0.57	\$ 0.55
From discontinued operations	<u>-</u>	<u>(0.03)</u>
	<u>\$ 0.57</u>	<u>\$ 0.52</u>
Diluted earnings per share (loss)		
From continuing operations	\$ 0.55	\$ 0.52
From discontinued operations	<u>-</u>	<u>(0.02)</u>
	<u>\$ 0.55</u>	<u>\$ 0.50</u>

The weighted average number of shares outstanding used in the earnings per share computation was adjusted retrospectively for the issuance of bonus shares on August 18, 2020. The basic and diluted earnings per share adjusted retrospectively for the three months ended March 31, 2020 were as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	<u>\$ 0.55</u>	<u>\$ 0.52</u>
Diluted earnings per share	<u>\$ 0.53</u>	<u>\$ 0.50</u>

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

	For the Three Months Ended March 31	
	2021	2020
Profit for the period attributable to owners of the Corporation	\$ 3,318,974	\$ 2,999,822
Loss (profit) for the period used in the computation of basic earnings per share from discontinued operations	<u>(9,226)</u>	<u>145,788</u>
Profit used in the computation of basic earnings per share from continuing operations	3,309,748	3,145,610
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds	<u>48,672</u>	<u>70,506</u>
Profit used in the computation of diluted earnings per share from continuing operations	<u>\$ 3,358,420</u>	<u>\$ 3,216,116</u>
<u>Number of shares (in thousands)</u>		
Weighted average number of ordinary shares in computation of basic earnings per share	5,849,567	5,730,500
Effect of potentially dilutive ordinary shares:		
Employees' compensation	2,431	2,695
Convertible bonds	<u>264,538</u>	<u>348,019</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>6,116,536</u>	<u>6,081,214</u>

If the Corporation offered to settle compensation paid to employees in cash or shares, the Corporation assumed the entire amount of the compensation or bonus will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the three months ended March 31, 2021

- a. During the three months ended March 31, 2021, the Group acquired a portion of the shares of Taiwan Prosperity Chemical Corporation, and the proportion of ownership increased from 73.6% to 100.0%.

<u>Acquirer</u>	<u>Taiwan Cement Corporation</u>
	Taiwan Prosperity Chemical Corporation
Acquiree	
Cash consideration paid	\$ (626,345)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>252,150</u>
Differences arising from equity transactions	<u>\$ (374,195)</u>

<u>Acquirer</u>	<u>Taiwan Cement Corporation</u>
	Taiwan Prosperity Chemical Corporation
Acquiree	

Line items adjusted for equity transactions

Capital surplus - difference between the consideration and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	\$ (22,413)
Unappropriated Earnings	<u>(351,782)</u>
	<u>\$ (374,195)</u>

- b. During the three months ended March 31, 2021, the Group acquired a portion of the shares of Taiwan Cement Engineering Corporation, and the proportion of ownership was 99.2%.

<u>Acquirer</u>	<u>Taiwan Cement Corporation</u>
	Taiwan Cement Engineering Corporation
Acquiree	
Cash consideration paid	\$ (31)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>31</u>
Differences arising from equity transactions	<u>\$ -</u>

- c. During the three months ended March 31, 2021, the Group acquired a portion of the shares of Ta-Ho Maritime Corporation, and the proportion of ownership was 94.0%.

Acquirer	Taiwan Transport and Storage Corporation
Acquiree	Ta-Ho Maritime Corporation
Cash consideration paid	\$ (1,907)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>1,920</u>
Differences arising from equity transactions	<u>\$ 13</u>
Acquirer	Taiwan Transport and Storage Corporation
Acquiree	Ta-Ho Maritime Corporation
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between the consideration and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	<u>\$ 13</u>
The above transactions were accounted for as equity transactions since there was no change in the Group's control over these subsidiaries.	

29. CASH FLOWS INFORMATION

Changes in liabilities arising from financing activities:

For the three months ended March 31, 2021

	Opening Balance	Cash Flows	Effect of Exchange Rate	Reclassified to Liabilities Directly Associated with Disposal Groups Held for Sale	Closing Balance
Short-term borrowings	\$ 34,675,454	\$ 2,087,880	\$ (4,396)	\$ (2,417,364)	\$ 34,341,574
Long-term borrowings (including expired within a year)	<u>29,803,481</u>	<u>(1,800,782)</u>	<u>12,862</u>	<u>(2,995,040)</u>	<u>25,020,521</u>
	<u>\$ 64,478,935</u>	<u>\$ 287,098</u>	<u>\$ 8,466</u>	<u>\$ (5,412,404)</u>	<u>\$ 59,362,095</u>

For liabilities directly associated with disposal groups held for sale, refer to Note 12.

For the three months ended March 31, 2020

	Opening Balance	Cash Flows	Effect of Exchange Rate	Closing Balance
Short-term borrowings	\$ 30,445,048	\$ 1,269,398	\$ 90,779	\$ 31,805,225
Long-term borrowings (including expired within a year)	<u>32,177,173</u>	<u>(3,254,694)</u>	<u>55,003</u>	<u>28,977,482</u>
	<u>\$ 62,622,221</u>	<u>\$ (1,985,296)</u>	<u>\$ 145,782</u>	<u>\$ 60,782,707</u>

30. CAPITAL MANAGEMENT

The Group needs to maintain sufficient capital to fulfill the Group's requirements of business expansion and construction. Therefore, the capital management of the Group shall focus on a comprehensive operational plan to ensure sound profitability and financial structure so as to fulfill the mid and long-term demand of working capital, capital expenditures, debts repayment and dividend distributions.

31. FINANCIAL INSTRUMENTS

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

March 31, 2021

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	\$ 5,036,287	\$ -	\$ -	\$ 5,392,796	\$ 5,392,796

December 31, 2020

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	\$ 9,380,990	\$ -	\$ -	\$ 10,138,329	\$ 10,138,329

March 31, 2020

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	\$ 11,245,706	\$ -	\$ -	\$ 12,324,027	\$ 12,324,027

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

1) Fair value hierarchy

March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Derivatives - put options and redemption options of convertible bond payables	\$ -	\$ -	\$ 2,141	\$ 2,141
Domestic listed shares	246,187	-	-	246,187
Domestic emerging market shares	<u>96,366</u>	<u>-</u>	<u>-</u>	<u>96,366</u>
	<u>\$ 342,553</u>	<u>\$ -</u>	<u>\$ 2,141</u>	<u>\$ 344,694</u>
Financial asset at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 5,669,716	\$ -	\$ -	\$ 5,669,716
Foreign list shares	25,381,399	-	-	25,381,399
Domestic unlisted shares	-	-	7,247,095	7,247,095
Convertible preference shares	<u>52,145</u>	<u>-</u>	<u>-</u>	<u>52,145</u>
	<u>\$ 31,103,260</u>	<u>\$ -</u>	<u>\$ 7,247,095</u>	<u>\$ 38,350,355</u>

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Derivatives-put options and redemption options of convertible bond payables	\$ -	\$ -	\$ 17,092	\$ 17,092
Domestic listed shares	234,963	-	-	234,963
Domestic emerging market shares	<u>101,931</u>	<u>-</u>	<u>-</u>	<u>101,931</u>
	<u>\$ 336,894</u>	<u>\$ -</u>	<u>\$ 17,092</u>	<u>\$ 353,986</u>
Financial assets at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 5,544,326	\$ -	\$ -	\$ 5,544,326
Foreign listed shares	24,664,109	-	-	24,664,109
Domestic unlisted shares	-	-	7,239,178	7,239,178
Convertible preference shares	<u>52,145</u>	<u>-</u>	<u>-</u>	<u>52,145</u>
	<u>\$ 30,260,580</u>	<u>\$ -</u>	<u>\$ 7,239,178</u>	<u>\$ 37,499,758</u>

March 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Derivatives - put options and redemption options of convertible bond payables	\$ -	\$ -	\$ 7,411	\$ 7,411
Domestic listed shares	167,441	-	-	167,441
Domestic emerging market shares	92,159	-	-	92,159
Mutual funds	<u>175,498</u>	<u>-</u>	<u>-</u>	<u>175,498</u>
	<u>\$ 435,098</u>	<u>\$ -</u>	<u>\$ 7,411</u>	<u>\$ 442,509</u>
Financial asset at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 4,615,523	\$ -	\$ -	\$ 4,615,523
Foreign list shares	28,244,856	-	-	28,244,856
Domestic unlisted shares	-	-	7,829,555	7,829,555
Convertible preference shares	<u>50,450</u>	<u>-</u>	<u>-</u>	<u>50,450</u>
	<u>\$ 32,910,829</u>	<u>\$ -</u>	<u>\$ 7,829,555</u>	<u>\$ 40,740,384</u>

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2020 and 2021.

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

	For the Three Months Ended March 31, 2021
Financial assets at FVTOCI	
Equity instrument investment	
Balance at January 1, 2021	\$ 7,239,178
Recognized in other comprehensive income	<u>7,917</u>
Balance at March 31, 2021	<u>\$ 7,247,095</u>
Financial assets at FVTPL	
Derivative instrument investment	
Balance at January 1, 2021	\$ 17,092
Recognized in loss	(9,787)
Convertible bonds converted into ordinary shares	<u>(5,164)</u>
Balance at March 31, 2021	<u>\$ 2,141</u>

**For the Three
Months Ended
March 31, 2020**

Financial assets at FVTOCI

Equity instrument investment

Balance at January 1, 2020	\$ 6,971,622
Recognized in other comprehensive income	911,902
Disposal	<u>(53,969)</u>

Balance at March 31, 2020	<u>\$ 7,829,555</u>
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Financial liabilities at FVTPL

Derivative instrument investment

Balance at January 1, 2020	\$ 1,235
Recognized in loss	<u>6,176</u>

Balance at March 31, 2020	<u>\$ 7,411</u>
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3) Valuation techniques and inputs applied for Level 3 fair value measurement

- a) There were no quoted prices in active markets for put options and redemption options of ECB issued by the Corporation. Hence, the fair values of options are determined using the binomial option pricing model where the unobservable input is historical volatility. An increase in historical volatility used in isolation would result in an increase in the fair value. As of March 31, 2021, December 31, 2020 and March 31, 2020, the historical volatility used were 16.46%, 23.69% and 22.54%, respectively.
- b) The Group measures the fair value of its investments on domestic and foreign unlisted shares by using the asset-based approach, the market approach, and the dividend discount model.

Under the asset-based approach, the total value of an investment is based on the fair value of its assets and liabilities. The significant unobservable inputs used are listed in the table below.

	March 31, 2021	December 31, 2020	March 31, 2020
Comprehensive discount for lack of marketability and non-controlling interests	10%	10%	10%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the shares would increase (decrease) as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Comprehensive discount for lack of marketability and non-controlling interests			
1% increase	<u>\$ (24,146)</u>	<u>\$ (25,297)</u>	<u>\$ (24,722)</u>
1% decrease	<u>\$ 24,146</u>	<u>\$ 25,297</u>	<u>\$ 24,722</u>

The market approach involves comparing a target company with companies that have similar business models in the open market, similar selling prices of similar items, or similar past share prices to that of the target company. The significant unobservable inputs used are listed in the table below.

	March 31, 2021	December 31, 2020	March 31, 2020
Discount for lack of marketability	20%	20%	20-30%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the shares would increase (decrease) as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Discount for lack of marketability			
1% increase	<u>\$ (3,348)</u>	<u>\$ (2,932)</u>	<u>\$ (2,575)</u>
1% decrease	<u>\$ 3,348</u>	<u>\$ 2,932</u>	<u>\$ 2,575</u>

The dividend discount model values a target company based on its stability of dividend payments in the past.

	March 31, 2021	December 31, 2020	March 31, 2020
Discount rate	5.9%	6.1%	4.33%
Dividend growth rate	1.3%	1.3%	1.4%
Discount for lack of marketability	10.0%	10.0%	10.0%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the shares would increase (decrease) as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Discount for lack of marketability			
1% increase	<u>\$ (53,622)</u>	<u>\$ (52,570)</u>	<u>\$ (60,226)</u>
1% decrease	<u>\$ 53,622</u>	<u>\$ 52,570</u>	<u>\$ 60,226</u>

c. Categories of financial instruments

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Financial assets</u>			
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 344,694	\$ 353,986	\$ 442,509
Financial assets measured at amortized cost (1)	150,107,374	151,045,326	125,744,773
Financial assets at FVTOCI			
Equity instrument investment	38,350,355	37,499,758	40,740,384
Hedging instruments	-	-	281,203

Financial liabilities

Financial liabilities measured at amortized cost (2)	140,873,143	146,422,478	128,835,150
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- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties transactions), other receivables, other receivables from related parties, long-term finance lease receivables, and finance lease receivables. The balances include amounts of related assets reclassified to disposal groups held for sale.
- 2) The balances include financial liabilities measured at amortized cost, which comprise short-term loans, short-term bills payable, notes and accounts payable, other payables (including related parties transactions), bonds payable and long-term loans (including current portion), and long-term bills payable. The balances include amounts of related liabilities reclassified to liabilities directly associated with disposal groups held for sale.

d. Financial risk management objectives and policies

The risk controls and hedging strategies performed by the Group were affected by operation environments, and the Group adopted appropriate risk controls and hedging strategies according to its nature of business and risk diversification principles. These risks include market risk, credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The Group did not enter into or trade financial instruments for speculation.

1) Market risk

The Group's financial instruments were mainly comprised of mutual funds and listed shares, and these investments were subject to fluctuations in market prices. The Group periodically evaluated the investment's performance, and no significant market risk was anticipated.

The Group entered into foreign exchange forward contracts to manage exposure to exchange rate fluctuations, including foreign currency risks of foreign-currency assets and liabilities and price fluctuation risks of forecasted transactions. Since the gain or loss generated from exchange rate fluctuations was mostly offset by the gains or losses of hedged items, the market price risk is expected to be insignificant.

a) Foreign currency risk

The foreign financial assets and liabilities were exposed to risk of foreign currency fluctuations. To lower foreign currency risk, the Group has established control mechanisms to immediately monitor its foreign currency positions and exchange rate fluctuations.

To maximize the hedging effectiveness, the Group matched up the conditions of derivative instruments with those in the contracts of hedged items.

The carrying amounts of the significant monetary assets and liabilities not denominated in the functional currency (including those eliminated on consolidation) at the end of reporting period are set out in Note 36.

The Group was mainly exposed to the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in after-tax profit or equity associated with the TWD/RMB/HKD strengthening 1% against the relevant currency.

	USD Impact		HKD Impact	
	For the Three Months Ended March 31		For the Three Months Ended March 31	
	2021	2020	2021	2020
NTD	\$ (2,817)	\$ (4,460)	\$ -	\$ -
RMB	\$ (1,774)	\$ (7,113)	\$ (434)	\$ (852)
HKD	\$ 67,777	\$ 77,598	\$ -	\$ -

b) Interest rate risk

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:

	March 31, 2021 (Including Disposal Groups Held for Sale)	December 31, 2020	March 31, 2020
Cash flow interest rate risk			
Financial assets	\$ 33,796,347	\$ 30,351,013	\$ 22,459,746
Financial liabilities	64,774,499	64,478,935	60,782,707

The interest risk was evaluated based on the position of financial assets and liabilities. The sensitivity analysis below was determined based on the Group's floating interest rate financial assets and liabilities at the end of the reporting period, and an increase or decrease of 50 basis points was used, which represented management's assessment of reasonably possible change in interest rates. The fair values of fixed interest rate financial assets and liabilities will change due to variances in market interest rates; the future cash flows of floating interest rate financial assets and financial liabilities will change due to variances in effective interest rates, which vary with market interest rates.

For the Group's portion of floating interest rate financial assets, if interest rates had been 50 basis points higher/lower, the cash inflows from floating interest rate financial assets for the three months ended March 31, 2021 and 2020 would decrease/increase by \$33,796 thousand and \$22,460 thousand, respectively.

For the Group's portion of floating interest rate financial liabilities, if interest rates had been 50 basis points higher/lower, the cash outflows from floating interest rate financial liabilities for the three months ended March 31, 2021 and 2020 would decrease/increase by \$64,774 thousand and \$60,783 thousand, respectively.

c) Other price risk

The Group was exposed to equity instruments and commodities price risk through its investments in equity securities and funds. The Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analyses were based on the exposure of equity instruments/commodities prices at the end of reporting period. If equity instruments/commodities prices of financial assets at FVTPL had been 5% higher/lower, profit or loss for the three months ended March 31, 2021 and 2020 would increase/decrease by \$17,128 thousand and \$21,755 thousand, respectively. If equity prices of financial assets at FVTOCI had been 5% higher/lower, other comprehensive income (loss) for the three months ended March 31, 2021 and 2020 would increase/decrease by \$1,917,518 thousand and \$2,037,019 thousand, respectively.

2) Credit risk

Potential impacts on financial assets would occur if the Group's counterparties breach financial instrument contracts, including impacts to the concentration of credit risk, components, contractual amounts and other receivables.

As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation, could arise from the carrying amounts of the respective recognized financial assets as stated in the balance sheets.

The Group transacted with a large number of customers from various industries and geographical locations. The Group continuously assessed the operations and financial condition of customers and monitored the collectability of accounts receivable. The Group also requires credit enhancements by bank guarantees or collaterals for certain customers or certain geographical locations.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

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 facilities and ensures compliance with loan covenants. As of March 31, 2021, December 31, 2020 and March 31, 2020, the amount of unused financing facilities were \$115,038,023 thousand (including the amount of disposal groups held for sale of \$6,374,637 thousand), \$116,754,202 thousand and \$113,428,505 thousand, respectively.

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

March 31, 2021 (including disposal groups held for sale)

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 1,163,005	\$ 10,078,047	\$ 3,753,577	\$ 150,663	\$ 1,870
Lease liabilities	47,522	97,651	428,225	1,823,454	2,098,390
Variable interest rate liabilities	8,016,864	28,680,589	5,394,647	23,590,383	43,486
Fixed interest rate liabilities	<u>173,520</u>	<u>5,561,100</u>	<u>-</u>	<u>24,920,997</u>	<u>33,448,160</u>
	<u>\$ 9,400,911</u>	<u>\$ 44,417,387</u>	<u>\$ 9,576,449</u>	<u>\$ 50,485,497</u>	<u>\$ 35,591,906</u>

Additional information about the maturity analysis for lease liabilities after eliminating transactions in the Group:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 573,398</u>	<u>\$ 1,823,454</u>	<u>\$ 895,977</u>	<u>\$ 308,628</u>	<u>\$ 193,225</u>	<u>\$ 700,560</u>

December 31, 2020

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 1,072,780	\$ 15,698,938	\$ 2,863,365	\$ 126,164	\$ 1,633
Lease liabilities	75,157	104,347	390,405	1,766,586	2,049,825
Variable interest rate liabilities	6,893,570	28,248,879	5,207,790	25,561,821	71,565
Fixed interest rate liabilities	<u>250,000</u>	<u>6,000,000</u>	<u>484,620</u>	<u>29,739,450</u>	<u>35,080,160</u>
	<u>\$ 8,291,507</u>	<u>\$ 50,052,164</u>	<u>\$ 8,946,180</u>	<u>\$ 57,194,021</u>	<u>\$ 37,203,183</u>

Additional information about the maturity analysis for lease liabilities after eliminating transactions in the Group:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 569,909</u>	<u>\$ 1,766,586</u>	<u>\$ 834,504</u>	<u>\$ 314,387</u>	<u>\$ 193,266</u>	<u>\$ 707,668</u>

March 31, 2020

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 916,177	\$ 11,348,480	\$ 2,561,350	\$ 168,668	\$ 2,845
Lease liabilities	54,965	92,340	449,417	1,650,785	2,366,855
Variable interest rate liabilities	10,902,234	19,943,806	2,595,506	28,880,933	-
Fixed interest rate liabilities	<u>-</u>	<u>5,160,000</u>	<u>311,100</u>	<u>38,335,877</u>	<u>13,836,000</u>
	<u>\$ 11,873,376</u>	<u>\$ 36,544,626</u>	<u>\$ 5,917,373</u>	<u>\$ 69,036,263</u>	<u>\$ 16,205,700</u>

Additional information about the maturity analysis for lease liabilities after eliminating transactions in the Group:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 596,722	\$ 1,650,785	\$ 1,105,759	\$ 290,346	\$ 173,209	\$ 797,541

e. Transfers of financial assets

The Group transferred a portion of its banker's acceptance bills in mainland China to some of its suppliers in order to settle the trade payables to these suppliers. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request that the Group pays the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amounts of the transferred but unsettled bills receivable, and as of March 31, 2021, December 31, 2020 and March 31, 2020, the face amounts of these unsettled bills receivable were \$2,029,416 thousand, \$2,308,323 thousand and \$1,253,859 thousand, respectively. The unsettled bills receivable will be due in 10 months, 11 months and 11 months, after March 31, 2021, December 31, 2020 and March 31, 2020, respectively. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

During the three months ended March 31, 2021 and 2020, the Group did not recognize gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are as follows:

a. Name of the related parties and relationships

Related Party	Relationship with the Group
Onyx Ta-Ho Waste Clearance Co., Ltd.	Subsidiary of associates
OYAK Cement Portugal S.A.	Subsidiary of associates
E-ONE Moli Energy Corporation	Subsidiary of associates
E-ONE Moli Energy (Canada) Ltd.	Subsidiary of associates
Onyx Ta-Ho Environmental Services Co., Ltd.	Associates
Shih Hsin Storage & Transportation Co., Ltd. (in the process of liquidation since December 2019, process of liquidation finished in 2020)	Associates
Chia Huan Tung Cement Corporation (in the process of liquidation since December 2019, process of liquidation finished in 2020)	Associates

(Continued)

Related Party	Relationship with the Group
Quon Hing Concrete Co., Ltd. (Quon Hing)	Associates
Prosperity Conch Cement Company Limited	Associates
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Associates
Hong Kong Concrete Co., Ltd.	Associates
International CSRC Investment Holdings Co., Ltd.	Associates
TCC Recycle Energy Technology Company	Associates
Cimpor Global Holdings B.V.	Associates
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Associates
Guigang Conch-TCC New Material Technology Co., Ltd	Associates
Chia Hsin R.M.C. Corp. (Chia Hsin R.M.C.)	Management personnel in substance
The Koo Foundation	Management personnel in substance
Chia Hsin Cement Corporation (Chia Hsin Cement)	Management personnel in substance
L'Hotel de Chine Corporation (L'Hotel de Chine)	Management personnel in substance
FDC International Hotels Corporation	Management personnel in substance
Chia Hsin Property Management and Development Corp.	Management personnel in substance
Goldsun Development & Construction Co., Ltd. (Goldsun Development & Construction)	Investors with significant influence over the Group
China Hi-Ment Corporation (China Hi-Ment)	The Group acts as key management personnel
Rong Gong Enterprise Co.	The Group acts as key management personnel
Pan Asia Corporation	The Group acts as key management personnel
Ta-Ho Taitung Environment Co., Ltd. (in the process of liquidation since December 2019, process of liquidation finished in 2020)	The Group acts as key management personnel
CTCI Corporation (became related parties since May 2020)	The Group acts as key management personnel
Chinatrust Investment Co., Ltd.	Same key management personnel
Consolidated Resource Company	Same key management personnel
CSRC China (Maanshan) Corporation	Same key management personnel
CSRC China (Anshan) Corporation	Same key management personnel
Chienten Temple	Same key management personnel
China (Chongqing) Synthetic Rubber Corporation	Same key management personnel
Continental Carbon India Ltd.	Same key management personnel
Linyuan Advanced Materials Technology Co., Ltd.	Same key management personnel
Fortune Quality investment Limited	Same key management personnel
Sing Cheng Investment Co., Ltd.	Same key management personnel
Circular Commitment Company	Same key management personnel

(Concluded)

b. Operating transactions

Continuing operations

	For the Three Months Ended March 31	
	2021	2020
<u>Sales</u>		
Management personnel in substance	\$ 100,174	\$ 106,145
Associates	116,316	89,534
The Group acts as key management personnel	47,705	69,932
Same key management personnel	47,863	46,410
Investors with significant influence over the Group	<u>-</u>	<u>33,515</u>
	<u>\$ 312,058</u>	<u>\$ 345,536</u>
<u>Purchases of goods and operating expenses</u>		
The Group acts as key management personnel	\$ 188,365	\$ 180,488
Associates	15,115	5,857
Same key management personnel	111	-
Others	<u>12,216</u>	<u>14,724</u>
	<u>\$ 215,807</u>	<u>\$ 201,069</u>

Notes receivable and accounts receivable from related parties were as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates			
Quon Hing	\$ 101,377	\$ 116,879	\$ 72,643
Others	<u>15,630</u>	<u>32,460</u>	<u>8,219</u>
	<u>117,007</u>	<u>149,339</u>	<u>80,862</u>
Management personnel in substance			
Chia Hsin Cement	73,133	73,133	68,954
Others	<u>-</u>	<u>1,831</u>	<u>-</u>
	<u>73,133</u>	<u>74,964</u>	<u>68,954</u>
The Group acts as key management personnel			
China Hi-Ment	40,073	29,638	56,581
Others	<u>4,024</u>	<u>3,036</u>	<u>6,053</u>
	<u>44,097</u>	<u>32,674</u>	<u>62,634</u>
Investors with significant influence over the Group			
Goldsun Development & Construction	<u>-</u>	<u>-</u>	<u>19,268</u>
Same key management personnel	<u>23,426</u>	<u>16,889</u>	<u>20,734</u>
	<u>\$ 257,663</u>	<u>\$ 273,866</u>	<u>\$ 252,452</u>

Accounts payable to related parties (included in notes and accounts payable) were as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
The Group acts as key management personnel	\$ 127,706	\$ 147,713	\$ 128,434
Associates	7,442	5,293	7,308
Same key management personnel	57	172	8,141
Management personnel in substance	<u>2,476</u>	<u>2,686</u>	<u>5,217</u>
	<u>\$ 137,681</u>	<u>\$ 155,864</u>	<u>\$ 149,100</u>

The price and terms of the above transactions were similar to those for third parties. Rentals of lease contracts with related parties were based on market prices and the payment terms were determined at arm's length.

Discontinued operations

	For the Three Months Ended March 31	
	2021	2020
<u>Purchases of goods and operating expenses</u>		
Same key management personnel	<u>\$ 1,635</u>	<u>\$ 24,144</u>

Accounts payable to related parties (include in liabilities directly associated with disposal groups held for sale) were as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>

c. Other receivables from related parties

	March 31, 2021	December 31, 2020	March 31, 2020
The Group acts as key management personnel			
Ta-Ho Taitung Environment Co., Ltd	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 341,280</u>
Associates			
Quon Hing	1,652	1,653	3,508
E-ONE Moli Energy Corporation	682	1,031	415
International CSRC Investment Holdings Co., Ltd.	197	482	352
Chia Huan Tung Cement Corporation	-	-	38,088
Others	<u>-</u>	<u>4</u>	<u>-</u>
	<u>2,531</u>	<u>3,170</u>	<u>42,363</u>
Same key management personnel	<u>1,447</u>	<u>252</u>	<u>3,147</u>
Management personnel in substance	<u>78</u>	<u>363</u>	<u>190</u>
	<u>\$ 4,056</u>	<u>\$ 3,785</u>	<u>\$ 386,980</u>

Other receivables from related parties above included dividend receivables and interest receivables.

d. Other payables to related parties

	March 31, 2021	December 31, 2020	March 31, 2020
Associates			
Yunnan Kungang & K. Wah Cement			
Construction Materials	\$ 3,925	\$ 3,929	\$ 3,820
Cimpor Global Holdings B.V.	-	-	225,254
Others	<u>55</u>	<u>69</u>	<u>66</u>
	<u>3,980</u>	<u>3,998</u>	<u>229,140</u>
Management personnel in substance	<u>2,175</u>	<u>4,286</u>	<u>11,191</u>
	<u>\$ 6,155</u>	<u>\$ 8,284</u>	<u>\$ 240,331</u>

e. Prepayments for property, plant and equipment

	March 31, 2021	December 31, 2020	March 31, 2020
The Group acts as key management personnel			
CTCI Corporation	<u>\$ 371,600</u>	<u>\$ 371,600</u>	<u>\$ -</u>

f. Lease arrangements

Line Item	Related Party Category	March 31, 2021	December 31, 2020	March 31, 2020
Lease liabilities	Management personnel in substance			
	Chia Hsin Cement Corporation	\$ 6,636	\$ 10,593	\$ 22,355
	Chia Hsin R.M.C. Corp.	836	2,085	5,522
	Chia Hsin Property Management and Development Corp.	<u>-</u>	<u>-</u>	<u>5,157</u>
		<u>\$ 7,472</u>	<u>\$ 12,678</u>	<u>\$ 33,034</u>

Related Party Category	For the Three Months Ended March 31	
	2021	2020
<u>Interest expense</u>		
Management personnel in substance	<u>\$ 14</u>	<u>\$ 202</u>

The lease contracts between the Group and related parties were based on market price and general terms of payment.

g. Endorsements and guarantees

Endorsements and guarantees provided by the Group

	March 31, 2021	December 31, 2020	March 31, 2020
Subsidiary of associates - OYAK Cement Portugal S.A.			
Amount endorsed	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,022,500</u>
Amount utilized	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

h. Disposal of financial assets

For the three months ended March 31, 2020

Related Party Category/Name	Line Item	Number of Shares in Thousands	Underlying Assets	Proceeds	Gain (Loss) on Disposal
The Group acts as key management personnel Rong Gong Enterprise Co.	Financial assets at FVTOCI	3,390	Stock	\$ <u>53,969</u>	\$ <u>-</u>

i. Compensation of key management personnel

The compensation of directors and other key management personnel for the three months ended March 31, 2021 and 2020 was as follows:

	For the Three Months Ended March 31	
	2021	2020
Short-term employee benefits	\$ 108,144	\$ 126,746
Post-employment benefits	<u>1,407</u>	<u>1,407</u>
	<u>\$ 109,551</u>	<u>\$ 128,153</u>

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were pledged or mortgaged as collateral for certain short-term loans, long-term loans, performance bonds and other credit accommodations:

	March 31, 2021	December 31, 2020	March 31, 2020
Financial assets at fair value through other comprehensive income (including current and non-current portion)	\$ 292,950	\$ 278,880	\$ 242,340
Disposal groups classified as held for sale	1,915,455	-	-
Property, plant and equipment	3,233,094	3,168,464	3,565,852
Investments accounted for using the equity method	51,156	50,093	52,414
Investment properties	841,801	845,666	857,262
Pledged bank deposits (included in financial assets measured at amortized cost)			
Current	404,663	272,124	536,205
Non-current	<u>1,470,085</u>	<u>1,713,403</u>	<u>1,490,548</u>
	<u>\$ 8,209,204</u>	<u>\$ 6,328,630</u>	<u>\$ 6,744,621</u>

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a.

Name	March 31, 2021	December 31, 2020	March 31, 2020
The Corporation	\$ 189,355	\$ 145,571	\$ 59,881
Taiwan Prosperity Chemical Corporation (Note)	1,371,434	1,150,104	1,132,078
Ho-Ping Power Company	648,422	457,930	975,456
Kuan-Ho Refractories Industry Corporation	15,625	8,804	-

Note: The related assets and liabilities of Taiwan Prosperity Chemical Corporation were reclassified as disposal groups held for sale in the first quarter of 2021, refer to Note 12.

b. The amounts of letters of guarantee granted and issued by the banks for the Group are as follows:

Name	March 31, 2021	December 31, 2020	March 31, 2020
The Corporation	\$ 22,120	\$ 22,120	\$ 22,120
Ho-Ping Power Company	1,148,000	1,148,000	1,148,000
Taiwan Prosperity Chemical Corporation (Note)	151,565	151,565	124,085
TCCI (Group)	831,427	786,037	994,744
Taiwan Transport & Storage Corporation	36,150	28,150	28,150

Note: The related assets and liabilities of Taiwan Prosperity Chemical Corporation were reclassified as disposal groups held for sale in the first quarter of 2021, refer to Note 12.

c. Ta-Ho RSEA Environment Co., Ltd.

Company Name	Ta-Ho RSEA Environment Co., Ltd.
Factual Background	In respect of the termination of the “Build-Own-Operate Agreement for Waste Incineration Plant” (the “BOO Agreement”) entered into by and between Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government, the arbitration award decided that Yunlin County Government shall pay Ta-Ho RSEA Environment Co., Ltd. \$1.5 billion before November 30, 2008 as a Phase I payment and the remainder as a Phase II payment in the aggregate amount of about \$1.44 billion (including \$1,387,000 thousand, US\$1,706 thousand and JPY307 thousand) before March 31, 2009, and Ta-Ho RSEA Environment Co., Ltd. shall transfer the assets under the BOO Agreement to the Yunlin County Government at the same time.
Amount in Dispute (NT\$)	About \$2.94 billion
Commencement Date of Litigation	The arbitration award was rendered on October 1, 2008.
Parties	Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government
Status	Ta-Ho RSEA Environment Co., Ltd. filed compulsory enforcement actions to claim the compensation decided by arbitration and was indemnified the principal and interest in the total amount of \$3,540,000 thousand (tax included). The case is closed.

Company Name	Ta-Ho RSEA Environment Co., Ltd.
Factual background	<p>According to Article 10.5 of the “Build-Own-Operate Agreement for Waste Incineration Plant” (the “BOO Agreement”) entered into between Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government, in the event that the BOO Agreement is terminated due to an event attributable to the Yunlin County Government, the assets of the Linnei Factory shall be transferred to the Yunlin County Government. However, the Yunlin County Government has consistently refused to receive the assets of the Linnei Factory. Ta-Ho RSEA Environment Co., Ltd. has therefore managed Linnei Incinerator for and on behalf of the Yunlin County Government since the termination of the BOO Agreement on October 31, 2006. The management expenses amounted to \$173,642 thousand as of January 31, 2021.</p> <p>The payment award rendered under the arbitration between Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government is around \$2.9 billion excluding business tax. After the arbitration award, the Revenue Service Bureau of the Yunlin County advised that the income derived from the award was subject to business tax, which amounted to \$165,591 thousand.</p>
Amount in dispute (NT\$)	About \$348 million
Commencement date of litigation	Arbitration request has been applied on February 15, 2019.
Parties	Ta-Ho RSEA Environment Co., Ltd. and the Yunlin County Government
Status	Arbitral Tribunal has been established on May 22, 2019 and the trial has been concluded on February 4, 2021. The arbitration award has been rendered on April 8, 2021. The Yunlin County Government shall pay Ta-Ho RSEA Environment Co., Ltd. the management expenses and business tax amounted to \$259,560 thousand plus the deferred interests calculated till the settlement date and 63% of the arbitration fees.

The related assets of Ta-Ho RSEA Environment Co., Ltd. were reclassified as disposal groups held for sale in the first quarter of 2021, refer to Note 12.

d. Ho-Ping Power Company

Company Name	Ho-Ping Power Company
Factual Background	The Fair Trade Commission fined Ho-Ping Power Company \$1.35 billion for an alleged violation of Article 14 of the Fair Trade Act.
Amount in Dispute (NT\$)	\$1.35 billion
Commencement Date of Litigation	March 2013
Parties	Ho-Ping Power Company and the Fair Trade Commission
Status	<p>The Fair Trade Commission made a second administrative disposition in November 2013, which reduced the amount of the fine imposed on Ho-Ping Power Company to \$1,320,000 thousand.</p> <p>On June 30, 2015, the Supreme Administrative Court overruled the original judgment in favor of Ho-Ping Power Company and remanded the case for retrial to the Taipei High Administrative Court. On May 25, 2017, the Taipei High Administrative Court ruled in favor of Ho-Ping Power Company by holding that “the original disposition and decision of administrative appeal, which determined that Ho-Ping Power Company committed concerted action, shall be dismissed.” On the appeal part of the participant Taiwan Power Company, the Supreme Administrative Court made the ruling of “Appeal Rejection” on September 6, 2018 (Ref. No. 107 Nian-Du-Cai-Zi-Di 1380). In the case of another appellant (the Fair Trade Commission), the Supreme Administrative Court overruled the original judgment by rendering the judgment (Ref. No. 107 Nian-Du-Pan-Zi 550) on the same day, and remanded the case to the Taipei High Administrative Court for retrial (Ref. No. 107 Nian-Du-Su-Geng-Er-Zi 116). The Taipei High Administrative Court in second instance also ruled that “the administrative disposition made by the Fair Trade Commission shall be dismissed” in May 2020. However, the Fair Trade Commission still appealed and expressed dissatisfaction. The case is currently under review by the Supreme Administrative Court.</p> <p>In accordance with the accounting conservatism principle, Ho-Ping Power Company recognized relevant losses in 2012 and paid the total fine as of June 30, 2019.</p>

Company Name	Ho-Ping Power Company
Factual Background	Taiwan Power Company filed a lawsuit against Ho-Ping Power Company at the Taipei High Administrative Court claiming for its losses of at least \$5.5 billion plus interest, which was then expanded to \$10.76 billion, and filed another civil litigation at the Taipei District Court claiming for \$5.2 billion.
Amount in Dispute (NT\$)	About \$16 billion in total
Commencement Date of Litigation	September 2015
Parties	Ho-Ping Power Company and Taiwan Power Company
Status	<p>1) There are 2 outstanding litigations against Taiwan Power Company:</p> <p>a) In September 2015, Ho-Ping Power Company received an administrative pleading submitted by Taiwan Power Company to the Taipei High Administrative Court, which was transferred to the Taiwan Taipei District Court in February 2017, and Taiwan Power Company expanded the claim amount to \$10.76 billion. The Taiwan Taipei District Court has dismissed the plaintiff's (Taiwan Power Company) complaint on October 30, 2019 and Taiwan Power Company has filed an appeal subsequently which was accepted by the Taiwan High Court. This dispute is under review by the Taiwan High Court</p> <p>b) In November 2015, Ho-Ping Power Company received a complaint of civil litigation brought by Taiwan Power Company at the Taiwan Taipei District Court based on the same ground of the aforementioned administrative litigation, and the claim amount of this case was reduced from \$5.268 billion to \$1.755 billion in May 2020. The case is currently under review by the Taiwan Taipei District Court.</p> <p>2) Given such situations, Ho-Ping Power Company considered the chance of losing the litigations is remote and, therefore, it did not recognize relevant losses.</p>

- e. The Board of Directors of Ta-Ho Maritime Corporation has resolved to purchase three bulk carriers from Sumitomo Corporation on September 11, 2019. The aggregate purchase amount is US\$100,200 thousand, among which US\$30,060 thousand was paid as of the issuance date of this report.
- f. For the purpose of improving the PH air quality and reducing air pollution, the Board of Directors of the Group's subsidiary Ho-Ping Power Company has resolved to contract out the air pollution improvement equipment project for Unit 2 to CTCI Corporation on January 21, 2020. The total amount of investment is approximately \$1.858 billion. The contract was signed on June 9, 2020. As of March 31, 2021, 38% of the construction has been completed.
- g. The subsidiary, TCC Shaoguan Cement Co., Limited, a cement clinker producer, invested in cement clinker production line project on June 29, 2020 with the total investment amount of RMB\$244 million. As of March 31, 2021, 65% of the construction has been completed.
- h. On May 12, 2020, the Board of Directors of TCC (Hangzhou) Environment Co., Ltd., the Group's subsidiary, has resolved to outsource construction and invite tender. The contract has been signed on October 30, 2020 and the total amount is RMB \$566,888 thousand. As of March 31, 2021, 10% of the construction has been completed.

- i. The Board of Directors of Chia-Chien Green Energy Corporation, the Group's subsidiary, has resolved on November 6, 2020 to build a fish-electricity symbiosis solar photovoltaic power generation system in order to enhance power generation and contracted the fishery-electricity symbiosis EPC turnkey project to Taiyen Green Energy Co., Ltd. in the total amount of \$1,398,000 thousand. As of March 31, 2021, 10% of the construction has been completed.
- j. On December 15, 2020, the Board of Directors of the Corporation approved the plan to purchase land in Hoping Industrial Park from Industrial Development Bureau, Ministry of Economic Affairs to expand the storage space of alternative raw material. The total consideration of land purchase plus industrial park development management funds was \$1,861,848 thousand. As of March 31, 2021, deposit as 3% of the total consideration has been paid.
- k. On March 19, 2021, the Board of Directors of the Corporation approved the plan to invest TCC Recycle Energy Technology Company with the limit of \$10,000,000 thousand while the subsidiary of TCC Recycle Energy Technology Company planned to build two production lines including plant, equipment and operation. In addition, its future trend was consistent with the Group's future development of energy storage.
- l. On April 19, 2021, the Board of Directors of the Corporation approved the plan to acquire 60.48% of the ordinary shares of Engie EPS to expand the Group's energy storage business. The Corporation intended to acquire 7,721,453 shares of Engie EPS held by the Engie SA Group for a cash payment of EUR\$17.1 per share. After fulfillment of the conditions precedent to the closing, including but not limited to the approval of Taiwan Investment Commission of the Ministry of Economic Affairs, Taiwan Fair Trade Commission, and Italian foreign investment permit, the Corporation will invest US\$250,000 thousand through TCC Dutch to establish a wholly owned Dutch subsidiary to complete the acquisition, which is expected to take place in the third quarter of 2021.
- m. On April 20, 2021, the Board of Directors of TCC (Gui Gang) Cement Ltd. approved to increase the operation funds of TCC (Gui Gang) by conducting a debt to equity swap of its original debt RMB\$30,000 thousand to Guigang TCC DongYuan Environmental Technology Company Limited and increasing the capital of Guigang TCC DongYuan Environmental Technology Company Limited by RMB\$53,000 thousand. As of the date the financial statements were authorized for publication, the aforementioned plan has been completed.

35. OTHER ITEMS

Due to the impact of the COVID-19 pandemic from January 2020, governments all over the world have successively implemented various epidemic prevention measures, which slightly affected the business of the Group. Although the domestic epidemic situation has slowed down and the government's regulations have been loosened, many countries are still under lockdown measures and recession is expected to occur in the global economic situation. In addition to maintaining close contact with customers and manufacturers, the Group has committed to strengthen employee health management to mitigate the COVID-19 pandemic impact on the Company's operations. However, the actual impact to the Group still depends on the subsequent development of the epidemic.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2021 (including disposal groups held for sale)

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 54,002	28.535 (USD:NTD)	\$ 1,540,947
USD	35,407	7.770 (USD:HKD)	1,009,650
Non-monetary items			
USD	59,052	28.535 (USD:NTD)	1,685,056
EUR	821,343	33.480 (EUR:NTD)	27,498,552
<u>Financial liabilities</u>			
Monetary items			
USD	41,664	28.535 (USD:NTD)	1,188,873
USD	332,507	7.770 (USD:HKD)	9,481,736

December 31, 2020

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 64,520	28.480 (USD:NTD)	\$ 1,837,530
USD	40,943	7.750 (USD:HKD)	1,165,469
Non-monetary items			
USD	59,216	28.480 (USD:NTD)	1,686,470
EUR	820,904	35.020 (EUR:NTD)	28,748,060
<u>Financial liabilities</u>			
Monetary items			
USD	278,527	7.750 (USD:HKD)	7,928,485

March 31, 2020

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 56,073	30.225 (USD:NTD)	\$ 1,694,806
Non-monetary items			
USD	58,066	30.225 (USD:NTD)	1,755,059
EUR	817,890	33.240 (EUR:NTD)	27,186,673
<u>Financial liabilities</u>			
Monetary items			
USD	37,628	30.225 (USD:NTD)	1,137,302
USD	352,037	7.750 (USD:HKD)	10,634,862

For the three months ended March 31, 2021 and 2020, realized and unrealized net foreign exchange gains (losses) were \$(21,281) thousand and \$51,314 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the share capital (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the share capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the share capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the share capital (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the share capital (Table 6)
- 9) Trading in derivative instruments (Notes 7, 21 and 31)
- 10) Intercompany relationships and significant intercompany transactions (Table 9)

11) Information on investees (Table 7)

b. Information on investments in mainland China (Table 8)

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - 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 period balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services
- c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (None)

38. 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 segment. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- a. Cement segment - production, processing and sale of cement goods.
- b. Chemical engineering segment - production, processing and sale of chemical raw materials.
- c. Electricity segment - thermal power generation and renewable energy generation.
- d. Other segments - land and marine transportation.
 - production and sale of refractory materials.
 - others.

The Corporation uses the profit from operations as the measure for segment income and the basis of performance assessment. There was no material difference between the accounting policies of the operating segments and the accounting policies described in Note 4.

One business unit (Taiwan Prosperity Chemical Corporation) was discontinued in the current period. The segment information reported on the following pages does not include any amounts for this discontinued operation, which is described in more details in Note 12.

Segment revenue and results

	Segment Revenue		Segment Income	
	For the Three Months Ended		For the Three Months Ended	
	March 31		March 31	
	2021	2020	2021	2020
Cement segment	\$ 18,929,753	\$ 15,194,283	\$ 2,663,589	\$ 2,447,891
Electricity segment	2,252,082	3,794,776	1,455,083	2,260,026
Other segments	<u>855,817</u>	<u>811,753</u>	<u>119,214</u>	<u>105,046</u>
	<u>\$ 22,037,652</u>	<u>\$ 19,800,812</u>	4,237,886	4,812,963
Share of profit of associates and joint ventures			714,592	318,243
Interest income			354,116	293,342
Finance costs			(417,888)	(504,494)
Loss on disposal of property, plant and equipment			(5,574)	(3,729)
Foreign exchange gains (losses), net			(21,281)	51,314
Administrative expenses and directors' remuneration			(30,310)	(30,898)
Net loss on financial assets and liabilities at fair value through profit and loss			(4,128)	(59,496)
Other income and expenses, net			<u>27,660</u>	<u>189,202</u>
Continuing operations income before tax			<u>\$ 4,855,073</u>	<u>\$ 5,066,447</u>

Segment income represented profit before tax earned by each segment without allocation of central administration expenses, directors' remuneration, share of profits of associates and joint ventures, interest income, loss on disposal of property, plant and equipment, finance costs, foreign exchange gains and losses, net losses on financial assets and liabilities at fair value through profit and loss and income tax expense.

39. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- On May 12, 2021, the Board of Directors of the Corporation approved the plan to invest TCC Energy Storage Technology Company with \$500,000 thousand in attendance of investment planning of the Group's energy policy.
- On May 12, 2021, the Board of Directors of TCC Yingde Cement Co., Ltd. approved the plan to participate in the investment in newly incorporated company in China with other shareholders. The expected proportion of the Group's ownership is 40% and the expected total investment price is RMB\$160,000 thousand.

TABLE 1

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower (Note 2)	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Note
													Item	Value			
1	Taiwan Transport & Storage Corporation	Tai-Jie Transport & Storage Corporation	Other receivables from related parties	Yes	\$ 100,000	\$ 100,000	\$ 70,000	1.26	The need for short-term financing	\$ -	Operating capital	\$ -		\$ -	\$ 955,162	\$ 955,162	
2	TCC Investment Corporation	Jin Chang Minerals Corporation	Other receivables from related parties	Yes	130,000	130,000	100,000	1.47	The need for short-term financing	-	Operating capital	-		-	1,849,747	1,849,747	
3	TCC Development Ltd.	TCC International Holdings Ltd.	Other receivables from related parties	Yes	268,129	267,910	267,910	0.37	The need for short-term financing	-	Operating capital	-		-	755,008	755,008	
4	TCC International Ltd.	TCC International Holdings Ltd.	Other receivables from related parties	Yes	3,424,200	3,424,200	-	-	The need for short-term financing	-	Operating capital	-		-	111,240,052	222,480,104	
5	Yingde Dragon Mountain Cement Co., Ltd.	TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	18,004,248	36,008,496	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	996,558	995,744	995,744	3.05	The need for short-term financing	-	Operating capital	-		-	18,004,248	36,008,496	
		TCC (Guigang) Cement Ltd.	Other receivables from related parties	Yes	7,430,479	7,424,410	7,424,410	3.05	The need for short-term financing	-	Operating capital	-		-	18,004,248	36,008,496	
6	TCC (Guigang) Cement Ltd.	Scitus Luzhou Cement Co., Ltd	Other receivables from related parties	Yes	1,223,844	1,222,844	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		Scitus Naxi Cement Co., Ltd	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Yingde Cement Co., Ltd	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		Scitus Luzhou Concrete Co., Ltd	Other receivables from related parties	Yes	87,417	87,346	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	1,258,811	1,257,782	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Anshun Cement Company Limited	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	655,631	655,095	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	284,107	283,875	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		TCC (Hangzhou) Recycle Resource Technology Limited	Other receivables from related parties	Yes	43,709	43,673	-	-	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	
		Guigang TCC DongYuan Environmental Technology Company Limited	Other receivables from related parties	Yes	131,126	131,019	131,019	3.48	The need for short-term financing	-	Operating capital	-		-	26,932,629	53,865,259	

(Continued)

No.	Lender	Borrower (Note 2)	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Note
													Item	Value			
7	TCC Yingde Cement Co., Ltd.	TCC Shaoguan Cement Co., Limited	Other receivables from related parties	Yes	\$ 1,852,130	\$ 1,852,130	\$ 1,501,457	3.48	The need for short-term financing	\$ -	Operating capital	\$ -		\$ -	\$ 30,455,087	\$ 60,910,175	
		TCC (Dong Guan) Cement Co., Limited	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Anshun Cement Co., Limited	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	874,174	873,460	524,076	3.48	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	218,544	218,365	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Chongqing Cement Company Limited	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		Guizhou Kaili Rui An Jian Cai Co., Ltd	Other receivables from related parties	Yes	655,631	655,095	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	786,757	786,114	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	218,544	218,365	-	-	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Guizhou Kong On Cement Company Limited.	Other receivables from related parties	Yes	437,087	436,730	43,673	3.48	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	218,544	218,365	87,346	3.48	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		Beijing TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	87,417	87,346	43,673	3.48	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
		TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Other receivables from related parties	Yes	2,989,675	2,987,233	2,419,484	3.48	The need for short-term financing	-	Operating capital	-		-	30,455,087	60,910,175	
8	TCC Fuzhou Cement Co., Ltd.	TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	305,961	305,711	-	-	The need for short-term financing	-	Operating capital	-		-	945,134	2,835,401	
		TCC New (Hangzhou) Management Company Limited	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	945,134	2,835,401	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	218,544	218,365	-	-	The need for short-term financing	-	Operating capital	-		-	945,134	2,835,401	
9	TCC International Holdings Ltd.	TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	212,793	212,620	211,649	-	The need for short-term financing	-	Operating capital	-		-	147,212,320	294,424,640	
10	Prime York Ltd.	Upper Value Investment Limited	Other receivables from related parties	Yes	187,323	187,170	187,170	-	The need for short-term financing	-	Operating capital	-		-	3,045,107	6,090,213	
11	Jurong TCC Cement Co., Ltd.	TCC Anshun Cement Company Limited	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		TCC Chongqing Cement Co., Ltd.	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	305,961	305,711	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	655,631	655,095	-	-	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	1,311,261	1,310,190	340,649	3.48	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		TCC Huaihua Concrete Company Limited	Other receivables from related parties	Yes	131,126	131,019	43,673	3.48	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	305,961	305,711	183,427	3.48	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	
		Kaili TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	218,365	218,365	52,408	3.48	The need for short-term financing	-	Operating capital	-		-	18,046,226	36,092,452	

(Continued)

No.	Lender	Borrower (Note 2)	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Note
													Item	Value			
12	TCC Anshun Cement Company Limited	Anshun Xin Tai Construction Materials Company Limited	Other receivables from related parties	Yes	\$ 87,417	\$ 87,346	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -		\$ -	\$ 7,633,915	\$ 15,267,830	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	262,252	262,038	262,038	3.48	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
		Scitus Luzhou Concrete Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
		TCC Chongqing Cement Company Limited	Other receivables from related parties	Yes	874,174	873,460	-	-	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	655,631	655,095	174,692	3.48	The need for short-term financing	-	Operating capital	-		-	7,633,915	15,267,830	
13	Guangan Changxing Cement Company Ltd.	TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	5,461,763	10,923,527	
		Scitus Luzhou Cement Co., Ltd	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	5,461,763	10,923,527	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	87,417	87,346	-	-	The need for short-term financing	-	Operating capital	-		-	5,461,763	10,923,527	
14	Wayly Holdings Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	57,600	57,553	57,553	-	The need for short-term financing	-	Operating capital	-		-	1,785,747	3,571,895	
15	TCC Chongqing Cement Company Limited	Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	437,087	436,730	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	218,544	218,365	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	218,544	218,365	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	109,272	109,183	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	655,631	655,095	536,741	3.48	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	87,417	87,346	-	-	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	131,126	131,019	87,346	3.48	The need for short-term financing	-	Operating capital	-		-	9,365,110	18,730,220	
16	TCC New (Hangzhou) Management Company Limited	Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	270,994	270,773	-	-	The need for short-term financing	-	Operating capital	-		-	526,852	1,053,704	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	240,398	240,202	192,161	3.48	The need for short-term financing	-	Operating capital	-		-	526,852	1,053,704	
		Scitus Luzhou Concrete Co., Ltd.	Other receivables from related parties	Yes	34,967	34,938	-	-	The need for short-term financing	-	Operating capital	-		-	526,852	1,053,704	
17	Prosperity Minerals (China) Ltd.	TCC New (Hangzhou) Management Company Limited	Other receivables from related parties	Yes	348,563	348,278	257,671	-	The need for short-term financing	-	Operating capital	-		-	888,308	1,776,615	
18	Da Tong (Guigang) International Logistics Co., Ltd.	Guigang Da-Ho Shipping Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	721,308	1,442,615	
19	Hong Kong Cement Co., Ltd.	TCC International Holdings Ltd.	Other receivables from related parties	Yes	472,711	472,711	472,711	0.25	The need for short-term financing	-	Operating capital	-		-	936,446	1,872,892	
20	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	131,126	131,019	-	-	The need for short-term financing	-	Operating capital	-		-	3,756,113	7,512,227	
		Kaili TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	174,835	174,692	174,692	3.48	The need for short-term financing	-	Operating capital	-		-	3,756,113	7,512,227	

(Continued)

No.	Lender	Borrower (Note 2)	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)	Note
													Item	Value			
21	Union Cement Traders Inc.	Jin Chang Minerals Corporation	Other receivables from related parties	Yes	\$ 300,000	\$ -	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -		\$ -	\$ 310,622	\$ 310,622	
22	TCC Huaihua Cement Company Limited	TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	87,417	87,346	-	-	The need for short-term financing	-	Operating capital	-		-	4,640,613	9,281,226	
23	Scitus Luzhou Cement Co., Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	87,417	87,346	-	-	The need for short-term financing	-	Operating capital	-		-	3,142,218	6,284,437	

Note 1: “Financing Limits for Each Borrower” and “Aggregate Financing Limits”:

- a. For Taiwan Cement Corporation, financing limits are as follows:
- 1) Where a business relationship exists, the individual financing limits were the total transaction amounts with the borrower and 20% of Taiwan Cement Corporation’s net equity in the recent year.

2) Where there is a need for a short-term financing facility, the individual financing limits were 20% of Taiwan Cement Corporation’s net equity as stated in its latest financial statements.

3) For the above items a and b, the aggregate financing limits were 40% of Taiwan Cement Corporation’s net equity as stated in its latest financial statements.
- b. The restrictions above in paragraph A, subparagraphs b and c shall not apply to inter-company loans of funds between foreign companies of which Taiwan Cement Corporation holds, directly or indirectly, 100% of the voting shares. The aggregate and individual financing limits for the companies were 200% and 100%, respectively, of the net equity of each company as stated in their respective latest financial statements. In addition, the aggregate and individual financing limits for TCC International Ltd. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for TCC Fuzhou Cement Co., Ltd. were 300% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for Prosperity Minerals (China) Ltd. were 400% and 200%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for TCC Development Ltd. were 200% and 200%, respectively, of its net equity as stated in its latest financial statements.

Note 2: All intercompany transactions have been eliminated upon consolidation.

(Concluded)

TABLE 2

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)**

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	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	Note
		Name	Relationship (Note 3)											
0	Taiwan Cement Corporation	Union Cement Traders Inc.	b	\$ 105,355,026	\$ 1,420,000	\$ 1,420,000	\$ 790,000	\$ -	0.67	\$ 210,710,051	Yes	No	No	
		TCC Investment Corporation	b	105,355,026	2,570,000	2,570,000	1,560,000	-	1.22	210,710,051	Yes	No	No	
		TCC Chemical Corporation	b	105,355,026	1,499,117	1,499,117	766,117	-	0.71	210,710,051	Yes	No	No	
		Jin Chang Minerals Corporation	b	105,355,026	68,848	31,257	31,257	31,257	0.01	210,710,051	Yes	No	No	
		Ho Sheng Mining Co., Ltd.	b	105,355,026	99,884	99,884	99,884	99,884	0.05	210,710,051	Yes	No	No	
		TCCI	b	105,355,026	6,294,080	6,020,885	-	-	2.86	210,710,051	Yes	No	No	
1	Ho Sheng Mining Co., Ltd.	Taiwan Cement Corporation	c	1,125,773	137,462	137,462	137,462	-	36.63	1,125,773	No	Yes	No	
2	TCC Green Energy Corporation	TCC Chemical Corporation	a	3,098,101	6,117	6,117	6,117	-	0.20	3,098,101	No	No	No	
3	TCCIH	TCC Yingde Cement Co., Ltd.	b	73,606,160	2,273,407	2,272,176	-	-	1.54	147,212,320	Yes	No	Yes	
		Jurong TCC Cement Co., Ltd.	b	73,606,160	2,020,490	2,020,490	-	-	1.37	147,212,320	Yes	No	Yes	
		TCC Fuzhou Cement Co., Ltd.	b	73,606,160	1,147,977	1,147,744	-	-	0.78	147,212,320	Yes	No	Yes	
		TCC Liaoning Cement Company Limited	b	73,606,160	869,231	869,108	-	-	0.59	147,212,320	Yes	No	Yes	
		TCC (Guigang) Cement Ltd.	b	73,606,160	7,417,299	7,417,299	-	-	5.04	147,212,320	Yes	No	Yes	
		TCC Chongqing Cement Co., Ltd.	b	73,606,160	1,753,088	1,753,088	-	-	1.19	147,212,320	Yes	No	Yes	
		Guizhou Kong On Cement Company Limited	b	73,606,160	288,204	288,204	-	-	0.20	147,212,320	Yes	No	Yes	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	b	73,606,160	285,350	285,350	-	-	0.19	147,212,320	Yes	No	Yes	
		Guangan Changxing Cement Company Ltd.	b	73,606,160	305,961	305,711	-	-	0.21	147,212,320	Yes	No	Yes	
		TCC Anshun Cement Company Limited	b	73,606,160	655,631	655,095	-	-	0.45	147,212,320	Yes	No	Yes	
		TCC Huaihua Cement Company Limited	b	73,606,160	830,465	829,787	-	-	0.56	147,212,320	Yes	No	Yes	
		TCC Jingzhou Cement Company Limited	b	73,606,160	262,252	262,038	-	-	0.18	147,212,320	Yes	No	Yes	

Note 1: Limits on endorsement/guarantee given on behalf of each party were as follows:

- a. i. For endorsement/guarantee given by Taiwan Cement Corporation due to business transactions, 50% of the business transaction amounts in the previous year.
- ii. Except for i, the aggregate and individual endorsement/guarantee given by Taiwan Cement Corporation were the net equity in its respective latest financial statements and 50% of the net equity in its respective latest financial statements.
- b. Ho Sheng Mining Co., Ltd. guaranteed by land lease agreement.
- c. Jin Chang Minerals Corporation guaranteed by deposit contract.

Note 2: Aggregate endorsement/guarantee limit was 300% of its net equity in its latest financial statements for Ho Sheng Mining Co., Ltd., and the limit for other the endorsers/guarantors was the net equity in their respective latest financial statements.

Note 3: Relationship between the endorser/guarantor and the endorsee/guarantee is classified as follows:

- a. Having a business relationship.
- b. The endorser/guarantor directly or indirectly owns more than 50% of the ordinary shares of the endorsee/guarantee.
- c. The endorsee/guarantee directly or indirectly owns more than 50% of the ordinary shares of the endorser/guarantor.
- d. Company in which the public company directly or indirectly holds 90% or more of the voting shares may make endorsements/guarantees for each other.
- e. Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or joint builders for purposes of undertaking a construction project.
- f. Due to joint venture, all shareholders provide endorsements/guarantees to the endorsee/guarantee in proportion to its ownership.
- g. Where companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

TABLE 3

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2021				Note
				Shares/Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan Cement Corporation	<u>Ordinary shares</u>							
	Chien Kuo Construction Co., Ltd.	-	FVTPL - current	7,522	\$ 103,055	-	\$ 103,055	
	Taiwan Television Enterprise, Ltd.	The Corporation serves as supervisor	FVTPL - current	13,573	96,366	-	96,366	
	Chinatrust Financial Holding Co., Ltd.	-	FVTPL - current	3,576	79,021	-	79,021	
	China Hi-Ment Corporation	The Corporation serves as director	FVTOCI - current	30,196	1,405,632	-	1,405,632	
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	63,865	855,786	-	855,786	
	CTCI Corporation	The Corporation serves as director	FVTOCI - current	9,054	343,160	-	343,160	
	Chia Hsin Cement Corporation	Directors	FVTOCI - current	27,419	571,695	-	571,695	
	O-Bank	The Corporation serves as director	FVTOCI - current	32,809	229,661	-	229,661	
	IBT II Venture Capital Corporation	-	FVTOCI - non-current	2,626	14,509	8.3	14,509	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	29,553	1,098,174	9.4	1,098,174	
	Pan Asia Corporation	The Corporation serves as supervisor	FVTOCI - non-current	6,204	8,996	5.4	8,996	
	Taiwan Stock Exchange Corporation	The Corporation serves as director	FVTOCI - non-current	49,731	4,557,291	6.6	4,557,291	
	Excel Corporation	-	FVTOCI - non-current	600	-	9.5	-	
	<u>Convertible preference shares</u>							
	O-Bank	The Corporation serves as director	FVTOCI - current	2,956	30,002	-	30,002	
Taiwan Transport & Storage Corporation	<u>Ordinary shares</u>							
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,632	179,968	-	179,968	
TCC Investment Corporation	<u>Ordinary shares</u>							
	O-Bank	The Corporation serves as director	FVTOCI - current	24,214	169,500	-	169,500	21,000 thousand shares were pledged
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	12,217	163,705	-	163,705	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,334	173,761	-	173,761	7,000 thousand shares were pledged
	China Conch Venture Holdings Limited	-	FVTOCI - non-current	28,000	3,755,878	-	3,755,878	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	10,884	404,444	3.5	404,444	
	Pan Asia Corporation	The Corporation serves as supervisor	FVTOCI - non-current	1	14	-	14	
	<u>Convertible preference shares</u>							
	O-Bank	The Corporation serves as director	FVTOCI - current	2,182	22,143	-	22,143	
Ta-Ho Maritime Corporation	<u>Ordinary shares</u>							
	Prosperity Dielectrics Co., Ltd.	-	FVTPL - current	951	64,111	-	64,111	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	25,761	537,122	-	537,122	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	6,612	245,690	2.1	245,690	
TCC Chemical Corporation	<u>Ordinary shares</u>							
	Taiwan Stock Exchange Corporation	The Corporation serves as director	FVTOCI - non-current	2,840	260,224	-	260,224	
Hoping Industrial Port Corporation	<u>Ordinary shares</u>							
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	10,444	388,088	3.3	388,088	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2021				Note
				Shares/Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
E.G.C. Cement Corporation	<u>Ordinary shares</u> Feng Yu United Engineering Company	-	FVTPL - current	97	\$ -	0.1	\$ -	
Union Cement Traders Inc.	<u>Ordinary shares</u> Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	28,212	378,035	-	378,035	
	CTCI Corporation	The Corporation serves as director	FVTOCI - current	13,365	506,546	-	506,546	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	7,441	155,145	-	155,145	
	Videoland Inc.	-	FVTOCI - non-current	6,437	269,665	5.6	269,665	
TCCI (Group)	<u>Ordinary shares</u> Anhui Conch Cement Co., Ltd.	-	FVTOCI - non-current	116,568	21,625,521	-	21,625,521	
	Yargoan Co., Ltd.	-	FVTOCI - non-current	19	-	12.5	-	

Note 1: Marketable securities in the table refer to shares, bonds, beneficiary certificates and other related securities within the scope of IFRS 9 “Financial Instruments”.

Note 2: Refer to Tables 7 and 8 for the information on investments in subsidiaries, associates and joint ventures.

(Concluded)

TABLE 4

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**MARKETABLE SECURITIES ACQUIRED AND DISPOSED AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE SHARE CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)**

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Other Adjustment	Ending Balance	
					Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Carrying Amount	Gain on Disposal		Shares	Amount
Taiwan Cement Corporation	<u>Shares</u> Taiwan Prosperity Chemical Corporation	Investments accounted for using the equity method	Note 1	Subsidiary	93,857	\$ 734,888	38,103 (Note 1)	\$ 685,845 (Note 1)	-	\$ -	\$ -	\$ -	\$ (399,172) (Note 2)	131,960	\$ 1,021,561 (Note 3)

Note 1: Purchase 34,787 thousand shares for NT\$626,345 thousand from unrelated parties and 3,316 thousand shares for NT\$59,500 thousand from subsidiaries.

Note 2: Including the profit and loss parts of subsidiaries recognized under the equity method and adjustments to shareholder’s equity.

Note 3: Refer to Note 12 for the information of assets and liabilities of Taiwan Prosperity Chemical Corporation reclassified to disposal groups held for sale on March 31, 2021.

TABLE 5

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE SHARE CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 1)	
Taiwan Cement Corporation	Feng Sheng Enterprise Company	Subsidiary	Sales	\$ (127,505)	(2)	30 days	\$ -	-	\$ 167,217	26	Note 2
	TCCIH	Subsidiary	Service revenue	(110,060)	(2)	By contract	-	-	110,996	17	Note 2
	HKCCL	Subsidiary	Sales	(134,930)	(2)	65 days after the end of the day when shipment was made	-	-	85,528	13	Note 2
	E.G.C. Cement Corporation	Subsidiary	Sales	(127,361)	(2)	50 days after the end of the day when delivery was made	-	-	160,912	25	Note 2
	Taiwan Transport & Storage Corporation	Subsidiary	Purchases	161,145	4	30 days	-	-	(69,305)	(9)	Note 2
	Hoping Industrial Port Corporation	Subsidiary	Purchases	120,099	3	20 days	-	-	(21,210)	(3)	Note 2
	Ta-Ho Maritime Corporation	Subsidiary	Purchases	369,479	8	30 days	-	-	(332,813)	(44)	Note 2
	Jin Chang Minerals Corporation	Subsidiary	Purchases	203,982	5	30 days	-	-	(87,327)	(11)	Note 2
	China Hi-Ment Corporation	The Corporation serves as director	Purchases	188,365	4	60 days	-	-	(127,706)	(17)	
Ho-Ping Power Company	Hoping Industrial Port Corporation	The same parent company	Purchases	230,515	25	20 days	-	-	(93,809)	(50)	Note 2
	HPC Power Service Corporation	The same parent company	Purchases	127,961	14	By contract	-	-	(86,611)	(46)	Note 2
Hoping Industrial Port Corporation	Taiwan Cement Corporation	Parent company	Sales	(120,099)	(33)	20 days	-	-	21,210	18	Note 2
	Ho-Ping Power Company	The same parent company	Sales	(230,515)	(63)	20 days	-	-	93,809	79	Note 2
Feng Sheng Enterprise Company	Taiwan Cement Corporation	Parent company	Purchases	127,505	16	30 days	-	-	(167,217)	(100)	Note 2
Taiwan Transport & Storage Corporation	Taiwan Cement Corporation	Parent company	Sales	(161,145)	(41)	30 days	-	-	69,305	49	Note 2
Ta-Ho Maritime Corporation	Taiwan Cement Corporation	Parent company	Sales	(369,479)	(56)	30 days	-	-	332,813	95	Note 2
TCCIH	Taiwan Cement Corporation	Parent company	Service expense	110,060	100	By contract	-	-	(110,996)	(100)	Note 2
HPC Power Service Corporation	Ho-Ping Power Company	The same parent company	Sales	(127,961)	(100)	By contract	-	-	86,611	100	Note 2
Da Tong (Guigang) International Logistics Co., Ltd.	TCC (Guigang) Cement Ltd.	The same ultimate parent company	Freight revenue	(113,879)	(86)	By negotiation	-	-	106,041	100	Note 2

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 1)	
Guigang Da-Ho Shipping Co., Ltd.	TCC Yingde Cement Co., Ltd. TCC (Guigang) Cement Ltd.	The same ultimate parent company	Freight revenue	\$ (100,388)	(33)	By negotiation	\$ -	-	\$ 81,558	40	Note 2
		The same ultimate parent company	Freight revenue	(104,602)	(35)	By negotiation	-	-	117,229	57	Note 2
TCC (Guigang) Cement Ltd.	Da Tong (Guigang) International Logistics Co., Ltd.	The same ultimate parent company	Purchases	113,879	7	By negotiation	-	-	(106,041)	(1)	Note 2
	Guigang Da-Ho Shipping Co., Ltd.	The same ultimate parent company	Purchases	104,602	6	By negotiation	-	-	(117,229)	(1)	Note 2
TCC Yingde Cement Co., Ltd.	Guigang Da-Ho Shipping Co., Ltd.	The same ultimate parent company	Purchases	100,388	5	By negotiation	-	-	(81,558)	(3)	Note 2
HKCCL	Taiwan Cement Corporation	Parent company	Purchases	134,930	88	65 days after the end of the day when shipment was made	-	-	(85,528)	(100)	Note 2
E.G.C. Cement Corporation	Taiwan Cement Corporation	Parent company	Purchases	127,361	100	50 days after the end of the day when delivery was made	-	-	(160,912)	(100)	Note 2
Jin Chang Minerals Corporation	Taiwan Cement Corporation	Parent company	Sales	(203,982)	(100)	30 days	-	-	87,327	100	Note 2

Note 1: The percentage to total accounts receivable from (payable to) related parties.

Note 2: All intercompany transactions have been eliminated upon consolidation.

(Concluded)

TABLE 6

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE SHARE CAPITAL
MARCH 31, 2021
(In Thousands of New Taiwan Dollars)**

Related Party	Company Name	Relationship	Ending Balance	Turnover Rate (%)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Taiwan Cement Corporation	Feng Sheng Enterprise Company (Note)	Subsidiary	\$ 167,217	3.6	\$ -	-	\$ 37,316	\$ -
Taiwan Cement Corporation	E.G.C. Cement Corporation (Note)	Subsidiary	160,912	3.4	-	-	46,517	-
Taiwan Cement Corporation	TCCIH (Note)	Subsidiary	110,996	5.9	-	-	110,996	-
Ta-Ho Maritime Corporation	Taiwan Cement Corporation (Note)	Parent company	332,813	4.3	-	-	133,106	-
Guigang Da-Ho Shipping Co., Ltd.	TCC (Guigang) Cement Ltd. (Note)	The same ultimate parent company	117,229	2.5	-	-	32,862	-
Da Tong (Guigang) International Logistics Co., Ltd.	TCC (Guigang) Cement Ltd. (Note)	The same ultimate parent company	106,041	2.6	-	-	28,596	-

Note: All intercompany transactions have been eliminated upon consolidation.

TABLE 7

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2021	December 31, 2020	Shares/Units	%	Carrying Amount			
Taiwan Cement Corporation	TCCI	British Virgin Islands	Investment holding	\$ 33,774,761	\$ 33,774,761	1,100,875,900	100.00	\$ 113,064,590	\$ 965,268	\$ 965,268	Note
	Ho-Ping Power Company	Taiwan	Thermal power generation	6,037,720	6,037,720	805,940,306	59.50	18,844,632	949,786	565,122	Note
	Hoping Industrial Port Corporation	Taiwan	Hoping Industrial Port management	3,198,500	3,198,500	319,990,000	100.00	5,896,363	184,547	152,242	Note
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	528,506	528,506	143,565,823	64.79	2,753,563	71,146	46,093	Note
	Taiwan Prosperity Chemical Corporation	Taiwan	Processing and sale of chemical material	2,416,972	1,731,127	131,959,925	100.00	1,021,561	(11,154)	11,165	Note
	Taiwan Transport & Storage Corporation	Taiwan	Warehousing, transportation and sale of sand and gravel	90,863	90,863	40,541,082	83.85	2,053,935	35,760	29,983	Note
	TCC Investment Corporation	Taiwan	Investment	190,000	190,000	117,400,000	100.00	4,571,480	5,837	2,653	Note
	Ho Sheng Mining Co., Ltd.	Taiwan	Mining excavation	1,414,358	1,414,358	30,100,000	100.00	1,352,660	33,103	33,103	Note
	CCC USA Corporation	U.S.A.	Rubber raw materials	1,284,421	1,284,421	79,166	33.33	1,678,522	(12,400)	(4,133)	
	Taiwan Cement Engineering Corporation	Taiwan	Engineering services	320,404	320,373	59,672,487	99.18	721,185	64	409	Note
	ONYX Ta-Ho Environmental Services Co., Ltd.	Taiwan	Waste collection and treatment	72,000	72,000	30,176,000	50.00	905,803	180,747	90,373	
	Kuan-Ho Refractories Industry Corporation	Taiwan	Production and sale of refractory materials	181,050	181,050	18,105,000	95.29	534,228	22,208	21,162	Note
	Feng Sheng Enterprise Company	Taiwan	Sale of ready-mixed concrete	250,000	250,000	27,260,611	45.43	423,784	49,723	22,591	Note
	TCC Chemical Corporation	Taiwan	Leasing property and energy technology services	1,510,842	1,510,842	240,000,000	100.00	1,416,142	20,813	26,512	Note
	TCC Information Systems Corporation	Taiwan	Information software design	71,000	71,000	14,904,000	99.36	255,678	3,248	3,277	Note
	Ta-Ho RSEA Environment Co., Ltd.	Taiwan	Waste collection and treatment	666,000	666,000	39,960,000	66.60	186,587	(1,936)	(1,289)	Note
	HKCMCL	Hong Kong	Investment holding	72,005	72,005	38,094	84.65	432,891	16,715	14,150	Note
	TCC Green Energy Corporation	Taiwan	Renewable energy generation	3,146,046	3,146,046	320,898,696	100.00	3,134,355	(14,899)	(14,899)	Note
	Jin Chang Minerals Corporation	Taiwan	Afforestation and sale of limestone	18,042	18,042	5,400,000	100.00	222,427	38,873	38,873	Note
	HPC Power Service Corporation	Taiwan	Business consulting	1,861	1,861	6,000	60.00	148,305	49,840	29,904	Note
	E.G.C. Cement Corporation	Taiwan	Sale of cement	184,359	184,359	8,062,600	50.64	124,527	11,787	5,969	Note
	Synpac Ltd.	British Virgin Islands	Investment	70,367	70,367	2,700,000	25.00	6,534	(68)	(17)	
	Tung Chen Mineral Corporation	Taiwan	Afforestation and sale of limestone	1,989	1,989	19,890	99.45	1,259	(10)	(10)	Note
	TMC	Philippines	Mining excavation	11,880	11,880	119,997	72.70	-	-	-	Note
	TPMC	Philippines	Mining excavation	2,105	2,105	19,996	40.00	-	-	-	Note
	TCCIH	Cayman Islands	Investment holding	40,701,671	40,701,671	2,581,832,362	38.28	56,959,616	1,562,810	598,244	Note
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	3,563,397	3,563,397	153,476,855	15.59	5,227,480	428,581	66,797	
	Taiwan Cement Dutch	Netherlands	Investment holding	29,695,730	29,695,730	838,370	100.00	27,822,057	285,586	285,586	Note
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	1,190,225	1,190,225	117,363,506	18.19	1,232,940	(67,946)	(12,362)	
	TCCMOLI	Singapore	Investment holding	1,239	1,239	30,000	100.00	-	(79)	(79)	Liquidation process was in progress
	TCC sustainable Energy Investment Corporation	Taiwan	Investment holding	1,000	1,000	100,000	100.00	975	-	-	Note
	TCC Energy Storage Technology Corporation	Taiwan	Energy storage equipment manufacturing production and sales	1,000	1,000	100,000	100.00	289	(696)	(696)	Note
Taiwan Transport & Storage Corporation	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	303,431	301,524	64,821,740	29.25	1,243,268	71,146	20,785	Note
	E.G.C. Cement Corporation	Taiwan	Sale of cement	136,476	136,476	7,857,400	49.36	150,739	11,787	5,817	Note
	Tai-Jie Transport & Storage Corporation	Taiwan	Transportation	25,000	25,000	2,500,000	100.00	36,805	2,572	2,572	Note

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2021	December 31, 2020	Shares/Units	%	Carrying Amount			
TCC Investment Corporation	Union Cement Traders Inc.	Taiwan	Import and export trading	\$ 219,450	\$ 219,450	24,500,000	100.00	\$ 830,618	\$ (1,414)	\$ (1,414)	Note
	Ho-Ping Power Company	Taiwan	Thermal power generation	68,911	68,911	6,772,608	0.50	154,891	949,786	4,749	Note
	Taiwan Prosperity Chemical Corporation	Taiwan	Processing and sale of chemical material	-	10,528	-	-	-	(11,154)	(174)	Note
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	343	343	41,521	0.02	796	71,146	13	Note
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	388,079	388,079	22,008,505	2.23	743,245	428,581	9,579	
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	312,833	312,833	31,859,829	4.94	203,569	(67,946)	(3,356)	
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Samoa	Investment	550,726	549,664	19,300,000	100.00	4,727,446	58,894	58,894	Note
TCC Information Systems Corporation	Taicem Information (Samoa) Pte., Ltd.	Samoa	Investment	3,042	3,042	2,128,000	100.00	49,524	644	644	Note
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	49,882	49,882	2,055,473	0.21	69,456	428,581	894	
Hoping Industrial Port Corporation	Taiwan Prosperity Chemical Corporation	Taiwan	Processing and sale of chemical material	-	104,929	-	-	-	(11,154)	(1,765)	Note
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	112,898	112,898	11,695,699	1.81	74,730	(67,946)	(1,232)	
Union Cement Traders Inc.	Taiwan Transport & Storage Corporation	Taiwan	Warehousing, transportation and sale of sand and gravel	2,612	2,612	324,245	0.67	16,427	35,760	240	Note
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	298,046	298,046	30,702,994	4.76	196,177	(67,946)	(3,234)	
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	281,806	281,806	11,463,551	1.16	387,363	428,581	4,989	
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Taiwan	Renewable energy generation	1,000	1,000	100,000	100.00	997	-	-	Note
TCC Green Energy Corporation	TCC Chia-Chien Green Energy Corporation	Taiwan	Renewable energy generation	1,002,000	1,002,000	100,200,000	100.00	918,621	(11,584)	(11,584)	Note
	TCC Yun-Kai Green Energy Corporation	Taiwan	Renewable energy generation	25,000	25,000	2,500,000	100.00	22,202	(62)	(62)	Note
	TCC Lien-Hsin Green Energy Corporation	Taiwan	Renewable energy generation	12,000	12,000	1,200,000	100.00	4,043	(8)	(8)	Note
	TCC Chang-Ho Green Energy Corporation	Taiwan	Renewable energy generation	2,456	2,456	245,635	100.00	2,403	(8)	(8)	Note
	TCC Kao-Cheng Green Energy Corporation	Taiwan	Renewable energy generation	82,000	82,000	8,200,000	100.00	82,443	692	692	Note
	TCC Nan-Chung Green Energy Corporation	Taiwan	Renewable energy generation	170,000	170,000	17,000,000	100.00	168,615	359	359	Note
	Chang-Wang Wind Power Co., Ltd.	Taiwan	Renewable energy generation	720,000	720,000	72,000,000	100.00	682,576	13,658	13,658	Note
	TCC Ping-Chih Green Energy Corporation	Taiwan	Renewable energy generation	2,000	2,000	200,000	100.00	1,910	(8)	(8)	Note
	Chia-Ho Green Energy Corporation	Taiwan	Renewable energy generation	50,000	50,000	5,000,000	100.00	49,473	(152)	(152)	Note
	TCC Tung-Li Green Energy Corporation	Taiwan	Renewable energy generation	150,000	-	15,000,000	100.00	149,943	(57)	(57)	Note
Ta-Ho Maritime Holdings Ltd.	THC International S.A.	Panama	Marine transportation	1,121,711	1,119,549	39,310,000	100.00	3,774,810	42,265	42,265	Note
	Ta-Ho Maritime (Hong Kong) Limited	Hong Kong	Marine transportation	145,529	145,248	5,100,000	100.00	873,485	16,793	16,793	Note
	Ta-Ho Maritime (Singapore) Pte. Ltd.	Singapore	Marine transportation	2,854	2,848	100,000	100.00	58,883	(142)	(142)	Note
TCC International Ltd. (Group)	Quon Hing Concrete Co., Ltd.	Hong Kong	Investment holding	163,282	163,415	100,000	50.00	139,254	15,500	7,750	
	Hong Kong Concrete Co., Ltd.	Hong Kong	Cement processing services	25,037	25,057	129,150	31.50	141,093	(33,136)	(10,438)	
Taiwan Cement Dutch	Cimpor Global Holdings B.V.	Netherlands	Holding company	27,066,760	27,014,590	100,000	40.00	27,498,552	779,863	284,551	

Note: All intercompany transactions have been eliminated upon consolidation

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

A.

Investee Company	Main Businesses and Products	Share Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2021 (Note 2)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount as of March 31, 2021 (Note 3)	Accumulated Repatriation of Investment Income as of March 31, 2021	Note
					Outflow	Inflow							
TCC Fuzhou Cement Co., Ltd.	Manufacturing and sale of cement	\$ 463,694	(b)	\$ 261,987	\$ -	\$ -	\$ 261,987	\$ 4,833	100.00	\$ 4,833	\$ 949,955	\$ -	Note 6
TCC Fuzhou Yangyu Port Co., Ltd.	Service of port facilities	142,675	(b)	80,611	-	-	80,611	2,248	100.00	2,248	278,582	-	Note 6
TCC Liuzhou Construction Materials Company Limited	Manufacturing and sale of slag powder	385,223	(b)	92,453	-	-	92,453	12,034	42.00	5,054	405,571	-	Note 6
TCC Yingde Cement Co., Ltd.	Manufacturing and sale of cement	7,259,304	(b)	4,535,952	-	-	4,535,952	551,233	100.00	551,233	31,009,516	-	Note 6
Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	6,648,655	(b)	3,880,617	-	-	3,880,617	339,552	100.00	339,552	18,384,958	-	Note 6
TCC (Guigang) Cement Ltd.	Manufacturing and sale of cement	9,498,614	(b)	6,794,180	-	-	6,794,180	202,507	100.00	202,507	27,133,725	-	Note 6
Jiangsu TCC Investment Co., Ltd.	Investment holding	1,426,750	(b)	806,114	-	-	806,114	72,868	100.00	72,868	4,086,579	-	Note 6
Yingde Dragon Mountain Cement Co., Ltd.	Manufacturing and sale of cement	1,859,710	(b)	3,099,846	-	-	3,099,846	348,643	100.00	348,643	18,346,604	-	Note 6
TCC Liaoning Cement Company Limited	Manufacturing and sale of cement	1,611,624	(b)	1,272,133	-	-	1,272,133	(48,652)	100.00	(48,652)	1,704,009	-	Note 6
TCC Anshun Cement Company Limited	Manufacturing and sale of cement	4,379,837	(b)	3,190,954	-	-	3,190,954	(40,370)	100.00	(40,370)	7,593,649	-	Note 6
TCC Chongqing Cement Co., Ltd.	Manufacturing and sale of cement	3,367,130	(b)	2,434,645	-	-	2,434,645	141,540	100.00	141,540	9,506,329	-	Note 6
Guangan Changxing Cement Company Ltd.	Manufacturing and sale of cement	2,196,910	(b)	1,594,974	-	-	1,594,974	132,843	100.00	132,843	5,593,965	-	Note 6
TCC (Dong Guan) Cement Company Limited	Manufacturing and sale of cement	570,700	(b)	322,446	-	-	322,446	2,078	100.00	2,078	318,606	-	Note 6
Guizhou Kong On Cement Company Limited	Manufacturing and sale of cement	579,261	(b)	261,100	-	-	261,100	(49,298)	65.00	(32,044)	431,137	-	Note 6
TCC New (Hangzhou) Management Company Limited	Operation management	228,280	(b)	128,978	-	-	128,978	(12,348)	100.00	(12,348)	163,299	-	Note 6
Guizhou Kaili Rui An Jian Cai Co., Ltd.	Manufacturing and sale of cement	1,692,685	(b)	1,020,822	-	-	1,020,822	(77,328)	100.00	(77,328)	3,678,971	-	Note 6
TCC Shaoguan Cement Co., Limited	Manufacturing and sale of cement	1,971,769	(b)	1,847,641	-	-	1,847,641	(6,397)	100.00	(6,397)	1,929,890	-	Note 6
TCC Huaying Cement Company Limited	Manufacturing and sale of cement	4,126,279	(b)	2,938,363	-	-	2,938,363	(61,308)	100.00	(61,308)	3,683,883	-	Note 6
TCC Huaihua Cement Company Limited (Note 4)	Manufacturing and sale of cement	1,303,200	(b)	5,378,944	-	-	5,378,944	(38,570)	100.00	(38,570)	4,602,128	-	Note 6
TCC Jingzhou Cement Company Limited (Note 4)	Manufacturing and sale of cement	651,600	(b)	-	-	-	-	(6,088)	100.00	(6,088)	2,116,509	-	Note 6
TCC Huaihua Concrete Company Limited (Note 4)	Sale of ready-mixed concrete	43,440	(b)	-	-	-	-	(2,889)	100.00	(2,889)	40,478	-	Note 6
TCC Jiangsu Mining Industrial Company Limited	Mining excavation	114,140	(b)	356,884	-	-	356,884	4,074	100.00	4,074	322,019	-	Note 6
TCC Yingde Mining Industrial Company Limited	Mining excavation	328,153	(b)	258,175	-	-	258,175	(1,942)	100.00	(1,942)	388,019	-	Note 6
TCC Guigang Mining Industrial Company Limited	Mining excavation	142,675	(b)	123,232	-	-	123,232	2,841	100.00	2,841	387,317	-	Note 6
Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	636,439	(b)	-	-	-	-	60	100.00	60	570,164	-	Note 6
Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	1,715,880	(b)	-	-	-	-	12,878	100.00	12,878	3,155,083	-	Note 6
Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	100,998	(b)	-	-	-	-	(522)	100.00	(522)	4,721	-	Note 6
Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	108,600	(b)	-	-	-	-	(3,292)	100.00	(3,292)	111,001	-	Note 6
Anshun Xin Tai Construction Materials Company Limited	Sand and gravel filtering and sale of ready-mixed concrete	65,160	(b)	87,456	-	-	87,456	(253)	100.00	(253)	63,316	-	Note 6
Fuzhou TCC Information Technology Co., Ltd. (Note 5)	Software product and equipment maintenance	2,854	(b)	2,854	-	-	2,854	575	100.00	575	13,980	39,372	Note 6
Da Tong (Guigang) International Logistics Co., Ltd. (Note 5)	Logistics and transportation	142,675	(b)	-	-	-	-	16,821	100.00	16,821	858,076	-	Note 6
Da Tong (Ying De) Logistics Co., Ltd. (Note 5)	Logistics and transportation	21,720	(b)	-	-	-	-	1,575	100.00	1,575	124,147	-	Note 6
Guigang Da-Ho Shipping Co., Ltd. (Note 5)	Marine transportation	17,376	(b)	-	-	-	-	10,769	100.00	10,769	480,355	-	Note 6
Prosperity Conch Cement Co., Ltd.	Manufacturing and sale of cement	2,519,520	(b)	2,095,154	-	-	2,095,154	933,640	25.00	233,410	6,601,367	-	
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	3,583,800	(b)	1,365,949	-	-	1,365,949	86,017	30.00	25,805	1,767,222	-	
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	1,792,248	(b)	661,455	-	-	661,455	98,434	30.00	29,530	1,168,587	-	
Sichuan Taichang Building Material Group Company Limited	Manufacturing and sale of cement	868,800	(b)	330,655	-	-	330,655	(6,769)	30.00	(2,031)	480,744	-	
Yingjing Xinan New material Co., Ltd.	Manufacturing and sale of cement	86,880	(b)	-	-	-	-	-	30.00	-	(167,309)	-	
Guangan Xin Tai Construction Materials Company Limited	Manufacturing and sale of concrete aggregate	67,332	(b)	45,141	-	-	45,141	-	50.00	-	-	-	
Guigang TCC Dongyuan Environmental Technology Limited	Dangerous waste treatment	508,248	(b)	508,248	-	-	508,248	4,842	100.00	4,842	574,536	-	Note 6
Beijing TCC Environment Technology Co., Ltd.	Technology development, business management and sales	26,064	(b)	26,064	-	-	26,064	(13,451)	100.00	(13,451)	(34,435)	-	Note 6
TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environment, cement, business management consulting	3,040,800	(b)	3,040,800	-	-	3,040,800	(55,218)	100.00	(55,218)	2,601,814	-	Note 6
Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	34,752	(b)	13,032	-	-	13,032	(2,918)	100.00	(2,918)	21,150	-	Note 6
TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	Technology development, business management and sales	17,376	(b)	9,557	-	-	9,557	39	55.00	22	8,757	-	Note 6
TCC (Hangzhou) Recycle Resource Technology Limited	Resource recycling technology development, business management and sales	2,432,640	(b)	-	-	-	-	9,259	100.00	9,259	2,459,137	-	Note 6

(Continued)

Investee Company	Main Businesses and Products	Share Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2021 (Note 2)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount as of March 31, 2021 (Note 3)	Accumulated Repatriation of Investment Income as of March 31, 2021	Note
					Outflow	Inflow							
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Technology development, business management consulting	\$ 38,010	(b)	\$ -	\$ -	\$ -	\$ -	\$ (346)	45.00	\$ (156)	\$ 33,250	\$ -	Note 6
Guigang Conch-TCC New Material Technology Co., Ltd	Technology development and service, Manufacturing and sale of dedicated chemical production.	34,752	(b)	-	-	-	-	(5,323)	40.00	(2,129)	10,672	-	
Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	651,600	(b)	-	-	-	-	-	100.00	-	655,095	-	

Accumulated Investment in Mainland China as of March 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$69,709,320	\$70,352,496	(Note 7)

- Note 1: The method of investments were as follows:
- Direct investment in mainland companies.
 - Investments in mainland China companies were through a company invested and established in a third region.
- Note 2: Including outward remittance from offshore subsidiaries.
- Note 3: For TCC Yingde Cement Co., Ltd., TCC (Gui Gang) Cement Ltd., TCC Anshun Cement Company Limited, TCC Chongqing Cement Company Limited, Jurong TCC Cement Co., Ltd., Yingde Dragon Mountain Cement Co., Ltd. and TCC Huaihua Cement Co., Ltd. the carrying amounts and investment gains or losses are based on the reviewed financial statements, while all other entities are not.
- Note 4: As of March 31, 2021, the accumulated outward remittance for investments was a total of those from TCC Huaihua Cement Company Limited, TCC Jingzhou Cement Company Limited and TCC Huaihua Concrete Company Limited.
- Note 5: Including the amounts attributable to non-controlling interests.
- Note 6: All intercompany transactions have been eliminated upon consolidation.
- Note 7: The Corporation received a confirmation letter of Operation Headquarter from the Industrial Development Bureau of the MOEA in March 2020 stating that the Corporation is not limited by the restriction on the accumulated percentage or amount of investment in mainland China.
- B. Refer to Tables 1, 2, 5 and 9 for the information about significant transactions with investees in the mainland China either directly or indirectly through a third area.

(Concluded)

TABLE 9**TAIWAN CEMENT CORPORATION AND SUBSIDIARIES****INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2021****(In Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transactions Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
0	Taiwan Cement Corporation	Feng Sheng Enterprise Company	1	Operating revenue	\$ 127,505	30 days	0.6
				Accounts receivable from related parties	167,217	30 days	-
		Taiwan Transport & Storage Corporation	1	Operating costs and expenses	161,145	30 days	0.7
		Hoping Industrial Port Corporation	1	Operating costs and expenses	120,099	20 days	0.5
		Jin Chang Minerals Corporation	1	Operating costs and expenses	203,982	30 days	0.9
		TCCIH	1	Operating revenue	110,060	By contract	0.5
				Accounts receivable from related parties	110,996	By contract	-
		HKCCL	1	Operating revenue	134,930	65 days after the end of the day when shipment was made	0.6
		Ta-Ho Maritime Corporation	1	Operating costs and expenses	369,479	30 days	1.7
				Accounts payable to related parties	332,813	30 days	0.1
		E.G.C. Cement Corporation	1	Operating revenue	127,361	50 days after the end of the day when delivery was made	0.6
				Accounts receivable from related parties	160,912	50 days after the end of the day when delivery was made	-
				Lease liabilities - non-current	249,548	By contract	0.1
1	Ho-Ping Power Company	Hoping Industrial Port Corporation	3	Operating costs and expenses	230,515	20 days	1.0
		HPC Power Service Corporation	3	Operating costs and expenses	127,961	By contract	0.6
2	TCC Chemical Corporation	Taiwan Prosperity Chemical Corporation	3	Finance lease receivables	156,112	By contract	-
				Long-term finance lease receivables	897,367	By contract	0.2
3	Da Tong (Guigang) International Logistics Co., Ltd.	TCC (Guigang) Cement Ltd.	3	Operating revenue	113,879	By negotiation	0.5
				Account receivable from related parties	106,041	By negotiation	-
4	Guigang Da-Ho Shipping Co., Ltd.	TCC (Guigang) Cement Ltd.	3	Operating revenue	104,602	By negotiation	0.5
				Account receivable from related parties	117,229	By negotiation	-
		TCC Yingde Cement Co., Ltd.	3	Operating revenue	100,388	By negotiation	0.5

Note 1: All intercompany transactions have been eliminated upon consolidation. The directional flow of the investment relationship is represented by the following numerals:

- a. From parent to subsidiary: 1
- b. From subsidiary to parent: 2
- c. Between subsidiaries: 3

Note 2: This table includes transactions for amounts exceeding \$100 million.