

**Taiwan Cement Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2022 and 2021 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the combined financial statements of affiliates as of and for the year ended December 31, 2022 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are all the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10 “Consolidated Financial Statements”. In addition, relevant information required to be disclosed in the combined financial statements has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, Taiwan Cement Corporation and its subsidiaries did not prepare a separate set of combined financial statements of affiliates.

Very truly yours,

TAIWAN CEMENT CORPORATION

AN-PING CHANG
Chairman

February 24, 2023

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Taiwan Cement Corporation

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Cement Corporation and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of the key audit matter of the Group's consolidated financial statements for the year ended December 31, 2022 is as follows:

Revenue Recognition of Cement Sales

The Group is mainly engaged in the production and sale of various cement and cement products. Revenue from the sale of cement fluctuates frequently due to changes in raw material prices, market supply and demand and the economic environment; in addition, related revenue is recognized at the point in time when the customer collects the cement and the performance obligations are satisfied. Therefore, the validity of revenue recognition of cement sales is considered a key audit matter for the year ended December 31, 2022. Our main audit procedures performed in respect of the aforesaid key audit matter include understanding and testing the design and operating effectiveness of the internal controls related to the revenue from cement sales, and random inspection of the contracts, factory orders and delivery documents from the sales details and testing the collection information of the samples before the end of the reporting period in order to verify the validity of revenue recognition of cement sales.

Other Matter

We have also audited the parent company only financial statements of Taiwan Cement Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Hui-Min Huang and Cheng-Hung Kuo.

Hui-Min Huang

Deloitte & Touche
Taipei, Taiwan
Republic of China

Cheng-Hung Kuo

February 24, 2023

Notice to Readers

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

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

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 88,842,494	19	\$ 91,121,942	21
Financial assets at fair value through profit or loss (Notes 4, 7 and 34)	611,802	-	363,813	-
Financial assets at fair value through other comprehensive income (Notes 4, 8, 34 and 36)	5,934,753	1	6,387,543	1
Financial assets at amortized cost (Notes 4, 6 and 36)	20,954,299	5	15,508,688	4
Notes receivable (Notes 4, 9 and 24)	19,450,723	4	25,639,724	6
Accounts receivable (Notes 4, 9, 10 and 24)	15,148,760	3	9,844,002	2
Notes and accounts receivable from related parties (Notes 4 and 35)	513,975	-	457,203	-
Other receivables (Notes 4 and 26)	2,309,268	1	1,499,322	-
Other receivables from related parties (Notes 4, 13 and 35)	415,606	-	388,968	-
Inventories (Notes 4 and 12)	16,089,980	4	13,412,511	3
Prepayments	4,268,024	1	3,935,575	1
Other current assets (Notes 4 and 24)	1,084,374	-	794,144	-
Total current assets	175,624,058	38	169,353,435	38
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4, 7, 34 and 36)	284,876	-	-	-
Financial assets at fair value through other comprehensive income (Notes 4, 8, 34 and 36)	22,751,646	5	27,835,864	6
Financial assets at amortized cost (Notes 4, 6 and 36)	9,577,103	2	15,468,807	4
Investments accounted for using the equity method (Notes 4, 14 and 36)	53,586,673	12	46,781,575	11
Property, plant and equipment (Notes 4, 15, 25, 35 and 36)	114,739,983	25	98,196,032	22
Right-of-use assets (Notes 4, 16, 25 and 35)	15,503,775	3	14,992,784	3
Investment properties (Notes 4, 17, 25 and 36)	5,323,016	1	5,425,680	1
Intangible assets (Notes 4, 18 and 25)	27,880,416	6	27,650,861	6
Prepayments for property, plant and equipment (Notes 15 and 35)	9,658,047	2	7,762,010	2
Long-term finance lease receivables (Notes 4 and 10)	21,372,402	5	24,334,423	6
Net defined benefit assets (Notes 4 and 22)	1,567,531	-	1,850,315	-
Other non-current assets (Notes 4, 26, 35 and 36)	2,939,435	1	2,032,773	1
Total non-current assets	285,184,903	62	272,331,124	62
TOTAL	\$ 460,808,961	100	\$ 441,684,559	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 19, 32 and 36)	\$ 22,416,812	5	\$ 48,440,514	11
Short-term bills payable (Note 19)	3,065,961	1	6,769,046	2
Financial liabilities at fair value through profit or loss (Notes 4, 7 and 34)	641,522	-	213,062	-
Contract liabilities (Note 24)	1,774,714	-	1,439,222	-
Notes and accounts payable (Note 35)	13,691,411	3	10,023,071	2
Other payables (Note 21)	9,771,591	2	10,238,196	2
Other payables to related parties (Note 35)	750,236	-	1,391,057	-
Current income tax liabilities (Notes 4 and 26)	1,063,356	-	2,490,823	1
Lease liabilities (Notes 4, 16 and 35)	400,136	-	407,652	-
Long-term loans and bonds payable - current portion (Notes 19, 20, 32 and 36)	21,511,839	5	7,091,417	2
Other current liabilities	121,833	-	183,908	-
Total current liabilities	75,209,411	16	88,687,968	20
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 20)	72,136,574	16	81,526,445	18
Long-term loans (Notes 19, 32 and 36)	42,864,736	9	16,695,836	4
Lease liabilities (Notes 4, 16 and 35)	3,550,048	1	3,261,791	1
Deferred income tax liabilities (Notes 4 and 26)	12,359,419	3	11,922,865	3
Long-term bills payable (Note 19)	14,990,589	3	12,680,086	3
Net defined benefit liabilities (Notes 4 and 22)	119,623	-	143,201	-
Other non-current liabilities (Notes 14 and 15)	1,302,781	-	1,111,694	-
Total non-current liabilities	147,323,770	32	127,341,918	29
Total liabilities	222,533,181	48	216,029,886	49
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE CORPORATION (Notes 4, 23 and 31)				
Ordinary shares	71,561,817	16	61,252,340	14
Preference shares	2,000,000	-	2,000,000	-
Capital surplus	65,985,865	14	56,757,470	13
Retained earnings	66,527,594	14	73,939,852	17
Other equity	11,991,090	3	10,920,014	2
Treasury shares	(171,600)	-	(392,343)	-
Equity attributable to shareholders of the Corporation	217,894,766	47	204,477,333	46
NON-CONTROLLING INTERESTS (Notes 23 and 31)	20,381,014	5	21,177,340	5
Total equity	238,275,780	52	225,654,673	51
TOTAL	\$ 460,808,961	100	\$ 441,684,559	100

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

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 35)	\$ 113,929,706	100	\$ 107,041,452	100
OPERATING COSTS (Notes 4, 12, 22, 25 and 35)	<u>104,345,739</u>	<u>92</u>	<u>80,391,353</u>	<u>75</u>
GROSS PROFIT	<u>9,583,967</u>	<u>8</u>	<u>26,650,099</u>	<u>25</u>
OPERATING EXPENSES (Notes 22, 25 and 35)				
Marketing	820,576	1	709,024	1
General and administrative	6,925,430	6	5,797,048	6
Research and development	<u>675,823</u>	<u>-</u>	<u>357,552</u>	<u>-</u>
Total operating expenses	<u>8,421,829</u>	<u>7</u>	<u>6,863,624</u>	<u>7</u>
INCOME FROM OPERATIONS	<u>1,162,138</u>	<u>1</u>	<u>19,786,475</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates and joint ventures (Notes 4 and 14)	3,919,856	3	4,149,749	4
Interest income (Note 25)	2,102,495	2	1,535,980	1
Dividend income (Note 4)	2,498,353	2	1,747,166	2
Other income (Note 25)	583,112	1	1,067,849	1
Net gain (loss) on disposal of investment properties (Note 17)	502,346	-	(4,298)	-
Foreign exchange gains (losses), net	201,611	-	(87,583)	-
Finance costs (Notes 4 and 25)	(2,869,888)	(2)	(1,670,463)	(1)
Other expenses (Note 25)	(829,313)	(1)	(786,719)	(1)
Net gain (loss) on disposal of property, plant and equipment (Note 15)	(20,296)	-	327,659	-
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(514,394)	-	19,025	-
Non-financial assets impairment loss (Notes 15 and 18)	<u>(89,923)</u>	<u>-</u>	<u>(6,756)</u>	<u>-</u>
Total non-operating income and expenses	<u>5,483,959</u>	<u>5</u>	<u>6,291,609</u>	<u>6</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	\$ 6,646,097	6	\$ 26,078,084	24
INCOME TAX EXPENSE (Notes 4 and 26)	<u>2,489,012</u>	<u>2</u>	<u>5,930,387</u>	<u>5</u>
NET INCOME FROM CONTINUING OPERATIONS	4,157,085	4	20,147,697	19
PROFIT FROM DISCONTINUED OPERATIONS (Note 11)	<u>-</u>	<u>-</u>	<u>1,053,559</u>	<u>1</u>
NET INCOME	<u>4,157,085</u>	<u>4</u>	<u>21,201,256</u>	<u>20</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan (Note 22)	(282,252)	-	266,289	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 23)	(6,366,804)	(6)	(2,810,397)	(3)
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 23)	(352,936)	-	177,820	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 26)	<u>57,170</u>	<u>-</u>	<u>(53,780)</u>	<u>-</u>
	<u>(6,944,822)</u>	<u>(6)</u>	<u>(2,420,068)</u>	<u>(3)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 23)	4,288,246	4	(1,414,314)	(1)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 23)	<u>3,801,499</u>	<u>3</u>	<u>(5,231,751)</u>	<u>(5)</u>
	<u>8,089,745</u>	<u>7</u>	<u>(6,646,065)</u>	<u>(6)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,144,923</u>	<u>1</u>	<u>(9,066,133)</u>	<u>(9)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 5,302,008</u>	<u>5</u>	<u>\$ 12,135,123</u>	<u>11</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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

	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 5,404,984	5	\$ 20,256,366	19
Non-controlling interests	<u>(1,247,899)</u>	<u>(1)</u>	<u>944,890</u>	<u>1</u>
	<u>\$ 4,157,085</u>	<u>4</u>	<u>\$ 21,201,256</u>	<u>20</u>
TOTAL COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 6,253,579	6	\$ 11,281,319	10
Non-controlling interests	<u>(951,571)</u>	<u>(1)</u>	<u>853,804</u>	<u>1</u>
	<u>\$ 5,302,008</u>	<u>5</u>	<u>\$ 12,135,123</u>	<u>11</u>
EARNINGS PER SHARE (Note 27)				
From continuing and discontinued operations				
Basic earnings per share	<u>\$ 0.74</u>		<u>\$ 3.00</u>	
Diluted earnings per share	<u>\$ 0.73</u>		<u>\$ 2.97</u>	
From continuing operations				
Basic earnings per share	<u>\$ 0.74</u>		<u>\$ 2.84</u>	
Diluted earnings per share	<u>\$ 0.73</u>		<u>\$ 2.81</u>	

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

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Corporation														
	Share Capital				Retained Earnings				Exchange Differences on Translating Foreign Operations	Other Equity 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	Preference Shares	Certificate of Entitlement to New Shares from Convertible Bonds	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total							
BALANCE AT 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
Appropriation of 2020 earnings															
Legal reserve	-	-	-	-	2,530,554	-	(2,530,554)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(20,594,434)	(20,594,434)	-	-	-	-	(20,594,434)	-	(20,594,434)
Preferred share dividends distributed by the Corporation	-	-	-	-	-	-	(350,000)	(350,000)	-	-	-	-	(350,000)	-	(350,000)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,069,608)	(2,069,608)
Net income for the year ended December 31, 2021	-	-	-	-	-	-	20,256,366	20,256,366	-	-	-	-	20,256,366	944,890	21,201,256
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	-	222,050	222,050	(6,545,319)	(2,652,028)	250	-	(8,975,047)	(91,086)	(9,066,133)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	20,478,416	20,478,416	(6,545,319)	(2,652,028)	250	-	11,281,319	853,804	12,135,123
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	9,304	-	-	-	-	-	-	-	-	9,304	-	9,304
Difference between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	-	(22,400)	-	-	(732,293)	(732,293)	-	-	-	-	(754,693)	6,182,760	5,428,067
Changes in ownership interests of subsidiaries	-	-	-	(1,404)	-	-	(91,235)	(91,235)	-	-	-	-	(92,639)	1,452,148	1,359,509
Compensation costs of treasury shares transferred to employees	-	-	-	24,325	-	-	-	-	-	-	-	-	24,325	-	24,325
Treasury shares transferred to employees	-	-	-	(14,323)	-	-	-	-	-	-	-	107,348	93,025	-	93,025
Disposals of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	1,029,880	1,029,880	-	(1,029,880)	-	-	-	-	-
Convertible bonds converted to ordinary shares	3,838,333	-	(688,542)	6,301,695	-	-	-	-	-	-	-	-	9,451,486	-	9,451,486
Equity component of issuance of convertible bonds	-	-	-	1,337,823	-	-	-	-	-	-	-	-	1,337,823	-	1,337,823
BALANCE AT DECEMBER 31, 2021	61,252,340	2,000,000	-	56,757,470	21,881,915	13,039,860	39,018,077	73,939,852	(16,068,895)	26,988,909	-	(392,343)	204,477,333	21,177,340	225,654,673
Appropriation of 2021 earnings															
Legal reserve	-	-	-	-	2,068,477	-	(2,068,477)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	(6,116,173)	(6,116,173)	-	-	-	-	(6,116,173)	-	(6,116,173)
Preferred share dividends distributed by the Corporation	-	-	-	-	-	-	(350,000)	(350,000)	-	-	-	-	(350,000)	-	(350,000)
Share dividends distributed by the Corporation	6,116,173	-	-	-	-	-	(6,116,173)	(6,116,173)	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,161,092)	(1,161,092)
Net income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	5,404,984	5,404,984	-	-	-	-	5,404,984	(1,247,899)	4,157,085
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	(222,481)	(222,481)	7,774,720	(6,701,993)	(1,651)	-	848,595	296,328	1,144,923
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	5,182,503	5,182,503	7,774,720	(6,701,993)	(1,651)	-	6,253,579	(951,571)	5,302,008
Issuance of global depositary receipts	4,200,000	-	-	9,193,957	-	-	-	-	-	-	-	-	13,393,957	-	13,393,957
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	(42,912)	-	-	-	-	-	-	-	-	(42,912)	-	(42,912)
Difference between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	-	-	-	-	(12,415)	(12,415)	-	-	-	-	(12,415)	1,529,061	1,516,646
Changes in ownership interests of subsidiaries	-	-	-	64,744	-	-	-	-	-	-	-	-	64,744	(212,724)	(147,980)
Compensation costs of treasury shares transferred to employees	-	-	-	66,820	-	-	-	-	-	-	-	191,535	258,355	-	258,355
Treasury shares transferred to employees	-	-	-	(31,702)	-	-	-	-	-	-	-	29,208	(2,494)	-	(2,494)
Cancellation of treasury shares	(6,696)	-	-	(22,512)	-	-	-	-	-	-	-	-	(29,208)	-	(29,208)
Reversal of special reserve recognized from asset disposals	-	-	-	-	-	(35,459)	35,459	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2022	\$ 71,561,817	\$ 2,000,000	\$ -	\$ 65,985,865	\$ 23,950,392	\$ 13,004,401	\$ 29,572,801	\$ 66,527,594	\$ (8,294,175)	\$ 20,286,916	\$ (1,651)	\$ (171,600)	\$ 217,894,766	\$ 20,381,014	\$ 238,275,780

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

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	\$ 6,646,097	\$ 26,078,084
Profit before income tax from discontinued operations	-	1,051,097
Income before income tax	<u>6,646,097</u>	<u>27,129,181</u>
Adjustments for:		
Depreciation expense	7,473,531	6,603,392
Amortization expense	1,042,504	460,289
Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	514,394	(19,025)
Finance costs	2,869,888	1,732,162
Interest income	(2,102,495)	(1,539,799)
Dividend income	(2,498,353)	(1,747,166)
Share-based compensation	103,396	24,325
Share of profit of associates and joint ventures	(3,919,856)	(4,149,749)
Loss (gain) on disposal of property, plant and equipment, net	20,296	(327,659)
Loss (gain) on disposal of investment properties, net	(502,346)	4,298
Loss on disposal of intangible assets	-	46
Loss (gain) on disposal of investments, net	16	(755,170)
Non-financial asset impairment loss	89,923	6,756
Write-down (reversal) of inventories	259,108	(11,949)
Unrealized loss (gain) on foreign exchange, net	(18,198)	51,499
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	(618,799)	-
Notes receivable	6,742,899	3,688,015
Accounts receivable	(5,325,704)	(1,842,995)
Notes and accounts receivable from related parties	(44,065)	(244,940)
Other receivables	(138,781)	(833,954)
Other receivables from related parties	(52,768)	(3,668)
Inventories	(2,774,387)	(4,996,513)
Prepayments	(19,124)	(1,735,035)
Other current assets	(286,894)	(31,241)
Contract liabilities	352,425	(387,900)
Notes and accounts payable	3,565,856	3,785,009
Other payables	(293,088)	(194,313)
Other payables to related parties	(640,789)	1,843,557
Other current liabilities	(62,315)	(312,001)
Net defined benefit liabilities	<u>(45,669)</u>	<u>285,985</u>
Cash generated from operations	10,336,702	26,481,437
Income tax paid	<u>(4,156,197)</u>	<u>(7,509,067)</u>
Net cash generated from operating activities	<u>6,180,505</u>	<u>18,972,370</u>
		(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (286,227)	\$ (1,510,555)
Disposal of financial assets at fair value through other comprehensive income	-	2,182,067
Disposal of financial assets at amortized cost	390,801	969,204
Acquisition of long-term equity investments accounted for using the equity method	(65,443)	(762,498)
Acquisition of subsidiaries	-	(1,645,144)
Disposal of subsidiary	-	(126,538)
Payments for property, plant and equipment	(23,458,453)	(16,552,788)
Proceeds from disposal of property, plant and equipment	98,435	173,692
Payments for intangible assets	(900,999)	(2,178,073)
Payments for right-of-use assets	-	(669,869)
Payments for investment property	(1,255)	(3,334)
Proceeds from disposal of investment properties	560,763	-
Decrease in finance lease receivables	2,962,021	1,782,651
Decrease in other non-current assets	(696,023)	(71,547)
Interest received	1,732,229	1,973,325
Dividends received	<u>3,074,114</u>	<u>3,148,657</u>
Net cash used in investing activities	<u>(16,590,037)</u>	<u>(13,290,750)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	(27,377,773)	17,043,656
Increase (decrease) in short-term bills payable	(3,703,085)	522,017
Issuance of bonds	11,050,000	38,567,539
Increase in long-term loans	48,396,400	8,934,525
Repayment of long-term loans	(28,834,975)	(13,301,379)
Increase in long-term bills payable	39,900,000	34,700,000
Decrease in long-term bills payable	(37,500,000)	(27,000,000)
Repayment of the principal portion of lease liabilities	(442,617)	(399,972)
Increase (decrease) in other non-current liabilities	155,205	(129,667)
Cash dividends paid	(7,627,265)	(23,014,042)
Proceeds from issuance of ordinary shares	13,393,957	-
Treasury shares transferred to employees	159,833	93,025
Acquisition of subsidiaries	(18,966)	(957,841)
Interest paid	(3,044,895)	(2,054,380)
Changes in non-controlling interests	1,535,612	1,392,274
Payments for buy-back of ordinary shares	<u>-</u>	<u>(900)</u>
Net cash generated from financing activities	<u>6,041,431</u>	<u>34,394,855</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>2,088,653</u>	<u>(388,055)</u>
		(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (2,279,448)	\$ 39,688,420
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>91,121,942</u>	<u>51,433,522</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 88,842,494</u>	<u>\$ 91,121,942</u>

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

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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 manufacturing 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 February 24, 2023.

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 IFRSs endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 1)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 2)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 3)

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

Note 2: The amendments will be 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 3: Except for deferred taxes that were recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments were 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 has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

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

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Leases Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

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

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

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

- b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments 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. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

The Group engages in the construction business, which has an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group's construction-related assets and liabilities.

d. 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 or a joint venture.

Refer to Note 13 for the detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

For each business combination, the Group measures the non-controlling interests at either fair value or the share in the recognized amounts of the acquiree's identifiable net assets. Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets, in the event of liquidation, may be initially measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of the measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized on the same basis as would be required if those interests were directly disposed of by the Group.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

f. Foreign currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

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

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

g. Inventories

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

h. Investments in associates and joint ventures

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

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

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

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

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

When the Group's share of losses of an associate and a joint venture equals or exceeds its interest in that associate and joint venture (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate and joint venture.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

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

When a group entity transacts with its associate and joint venture, profit and loss resulting from the transactions with the associate and joint venture are recognized in the Group's consolidated financial statements only to the extent that interests in the associate and the joint venture are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measure at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are carried at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Freehold land is not depreciated.

Depreciation of property, plant and equipment (including assets held under finance leases) is recognized using the straight-line method. Each significant part is depreciated separately. If a lease term is shorter than the assets' useful lives, such assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

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

j. Investment properties

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

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of an item of property for subsequent accounting is its carrying amount at the commencement of owner-occupation. On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

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

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

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit or groups of cash-generating units was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit or groups of

cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation that is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

1. Intangible assets

1) Intangible assets acquired separately

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

When the Group has a right to charge for usage of concession infrastructure (as a consideration for providing construction services in a service concession arrangement), it is initially recognized as an intangible asset at its fair value. The intangible asset is subsequently measured at cost less accumulated amortization and any accumulated impairment loss.

2) Intangible assets acquired in a business combination

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

3) Derecognition of intangible assets

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

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

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

Intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

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

n. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on their remeasurement recognized in profit or loss. Fair value is determined in the manner described in Note 34.

ii. Financial assets at amortized cost

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

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

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties

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

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable), lease receivables, as well as contract assets.

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

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

For internal credit risk management purposes, without considering the collateral held, the Group determines that a financial asset is in default when internal or external information show that the debtor is unlikely to pay its creditors, unless there is reasonable and corroborative information to support a more lagged default criterion.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

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

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

2) Equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Corporation's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Corporation's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except for financial liabilities at FVTPL, all financial liabilities are carried at amortized cost using the effective interest method.

Financial liabilities are classified as at FVTPL when any such financial liability is either held for trading or is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in other gains or losses. Fair value is determined in the manner described in Note 34.

b) Derecognition of financial liabilities

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

4) Convertible bonds

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

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

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

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

5) Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

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

o. Hedge accounting

The effects of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the line item relating to the hedged item in the same period as when the hedged item affects profit or loss. If the hedge of forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

p. Revenue recognition

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

- 1) Revenue from the sale of goods is recognized when the goods are delivered to customer's specific location and the ownership of the goods is transferred to customer.
- 2) Service income is recognized by reference to the stage of completion of the contract or when services are provided. Freight revenue is recognized by reference to the proportion of the voyage period.
- 3) Revenue from electric power is calculated according to the volume of electric power sold and the energy rate.
- 4) Revenue from construction contract is recognized over time. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligations. When the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognized only to the extent of contract costs incurred in satisfying the performance obligation for which recovery is expected.

q. Leases

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

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

1) The Group as lessor

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

Under finance leases, the lease payments comprise in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives payable. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group's net investment outstanding in respect of leases.

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

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

2) The Group as lessee

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

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

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

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

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

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

r. Borrowing costs

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

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

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

s. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable. Relevant grants of an asset are recognized as deferred revenue or a reduction of the asset's cost on a straight-line basis.

t. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service costs and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for a defined benefit plan except that remeasurement is recognized in profit or loss.

u. Share-based payment arrangements

The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. It is recognized as an expense in full at the grant date if vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees and treasury shares transferred to employees is the date on which the number of shares that the employees purchase is confirmed.

v. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the consolidated financial statement carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for research and development expenditures to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For deferred tax assets arising from deductible temporary differences associated with such investments and equity, the interests are only recognized to the extent that it is probable that there will be sufficient taxable profit against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, and in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Group considers the possible impact of the recent development of the COVID-19 pandemic and the volatility in energy market when making its critical accounting estimations on cash flow, growth rate, discount rate, profitability, etc. The estimations and the underlying assumptions will be continuously reviewed by the management. 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.

a. Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The calculation of the value in use requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

b. Impairment of property, plant and equipment

The impairment loss of property, plant and equipment in relation to production was based on the recoverable amounts of those assets, which are the higher of their fair value less costs of disposal and their value in use. Any changes in the market prices or future cash flows will affect the recoverable amounts of those assets and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2022	2021
Cash on hand	\$ 29,162	\$ 9,014
Checking accounts and demand deposits	27,747,698	38,476,321
Cash equivalents		
Time deposits with original maturities of less than 3 months	57,861,359	48,383,576
Bonds with repurchase agreements	<u>3,204,275</u>	<u>4,253,031</u>
	<u>\$ 88,842,494</u>	<u>\$ 91,121,942</u>

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

	December 31	
	2022	2021
Cash in banks	0.01%-6.05%	0.01%-3.00%
Bonds with repurchase agreements	0.84%-4.30%	0.19%-0.30%

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

	December 31	
	2022	2021
Current	\$ 20,954,299	\$ 15,508,688
Non-current	<u>9,577,103</u>	<u>15,468,807</u>
	<u>\$ 30,531,402</u>	<u>\$ 30,977,495</u>

The market rate intervals of financial assets at amortized cost at the end of the reporting period were as follows:

	December 31	
	2022	2021
	0.01%-6.24%	0.01%-4.26%

Refer to Note 36 for information relating to pledged financial assets at amortized cost.

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2022	2021
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	\$ 197,210	\$ 256,588
Domestic emerging market shares	95,145	107,225
Foreign government bonds	277,772	-
Foreign corporate bonds	<u>41,675</u>	<u>-</u>
	<u>\$ 611,802</u>	<u>\$ 363,813</u>

Financial assets at FVTPL - Non-current

Financial assets mandatorily classified as at FVTPL

Non-derivative financial assets		
Foreign government bonds	<u>\$ 284,876</u>	<u>\$ -</u>

(Continued)

	December 31	
	2022	2021
<u>Financial liabilities at FVTPL - current</u>		
Held for trading		
Derivative instruments (not under hedge accounting)		
Redemption options and put options of convertible bonds	<u>\$ 641,522</u>	<u>\$ 213,062</u> (Concluded)

Refer to Note 36 for information relating to financial instruments at fair value through profit or loss.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2022	2021
<u>Current</u>		
Domestic investments		
Listed shares	\$ 5,883,584	\$ 6,335,655
Convertible preference shares	<u>51,169</u>	<u>51,888</u>
	<u>\$ 5,934,753</u>	<u>\$ 6,387,543</u>
<u>Non-current</u>		
Domestic investments		
Unlisted shares	\$ 8,032,322	\$ 8,964,202
Privately placed listed shares	1,030,300	1,255,794
Foreign investments		
Listed shares	13,412,634	17,615,868
Unlisted preference shares	<u>276,390</u>	<u>-</u>
	<u>\$ 22,751,646</u>	<u>\$ 27,835,864</u>

The Corporation subscribed 37,520 thousand privately placed ordinary shares of Phihong Technology Co., Ltd. via private placement in consideration of \$1,510,555 thousand in December 2021. After the private placement, the Corporation owns 9.9998% of shares in Phihong Technology Co., Ltd. The privately placed ordinary shares may not be transferred to others within 3 years under the relevant laws and regulations.

The Group successively disposed foreign listed shares of China Conch Venture Holdings Limited in the year of 2021, and the proceeds from disposal were \$2,182,067 thousand. The gain on disposal in the amount of \$1,029,880 thousand was reclassified from unrealized gain on financial assets at FVTOCI to retained earnings.

Refer to Note 36 for information relating to investments in equity instruments at FVTOCI pledged as collateral for credit accommodations.

9. NOTES AND ACCOUNTS RECEIVABLE

	December 31	
	2022	2021
Notes receivable	\$ 19,460,178	\$ 25,650,868
Less: Allowance for impairment loss	<u>(9,455)</u>	<u>(11,144)</u>
	<u>19,450,723</u>	<u>25,639,724</u>
Accounts receivable	15,351,598	10,009,817
Less: Allowance for impairment loss	<u>(202,838)</u>	<u>(165,815)</u>
	<u>15,148,760</u>	<u>9,844,002</u>
	<u>\$ 34,599,483</u>	<u>\$ 35,483,726</u>

The Group recognizes allowance for impairment loss on accounts 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 risks and determines their expected credit loss rates by reference to past default experience with the counterparties, on analysis of their financial position and observable economic condition of the industry in which the customer operates. 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 receivables. 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:

	December 31	
	2022	2021
Up to 90 days	\$ 23,611,140	\$ 21,322,063
91-180 days	10,595,776	13,245,451
181-365 days	376,993	875,253
Over 365 days	<u>15,574</u>	<u>40,959</u>
	<u>\$ 34,599,483</u>	<u>\$ 35,483,726</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 Year Ended December 31	
	2022	2021
Balance at January 1	\$ 176,959	\$ 143,439
Add: Net remeasurement of loss allowance	33,790	24,558
Less: Amounts written off	(601)	(3,896)
Acquisitions through business combinations	-	18,008
Foreign exchange translation gains and losses	<u>2,145</u>	<u>(5,150)</u>
Balance at December 31	<u>\$ 212,293</u>	<u>\$ 176,959</u>

10. FINANCE LEASE RECEIVABLES

	December 31	
	2022	2021
<u>Undiscounted lease payments</u>		
Year 1	\$ 5,578,575	\$ 5,550,758
Year 2	6,127,364	5,578,575
Year 3	6,285,029	6,127,364
Year 4	6,294,158	6,285,029
Year 5	8,716,844	6,294,158
Year 6 onwards	-	8,716,844
	33,001,970	38,552,728
Less: Unearned finance income	8,619,669	11,529,733
Less: Accumulated impairment	47,878	47,878
Net investment in leases presented as finance lease receivables	<u>\$ 24,334,423</u>	<u>\$ 26,975,117</u>
Current (included in accounts receivable)	\$ 2,962,021	\$ 2,640,694
Non-current	<u>21,372,402</u>	<u>24,334,423</u>
	<u>\$ 24,334,423</u>	<u>\$ 26,975,117</u>

The Group's electric power selling contracts signed with Taiwan Power Company 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%.

11. DISCONTINUED OPERATIONS

On March 19, 2021, the Board of Directors of the Corporation approved to sell all its 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. The Corporation has completed the share transaction on August 17, 2021. Please refer to Note 30 and consolidated financial statements for the year ended December 31, 2021 for detailed information relating to the disposal.

The above transactions met the criteria of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Therefore, gain (loss) on disposal of Taiwan Prosperity Chemical Corporation was presented as income (loss) from discontinued operations.

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

	January 1, 2021 to August 17, 2021
Operating revenue	\$ 8,113,370
Operating costs	<u>(7,143,150)</u>
Gross profit	970,220
Operating expenses	<u>(367,972)</u>
Profit from operations	602,248
Finance costs	(61,699)
Other income and expenses	<u>(10,866)</u>
Income before income tax	529,683
Income tax benefit	<u>2,462</u>
Net profit for the year	532,145
Gain on disposal (Note 30)	<u>521,414</u>
 Profit from discontinued operations	 <u><u>\$ 1,053,559</u></u>
 Profit (loss) from discontinued operations attributable to:	
Shareholders of the Corporation	\$ 1,073,939
Non-controlling interests	<u>(20,380)</u>
	<u><u>\$ 1,053,559</u></u>
 Net cash inflow from:	
Operating activities	\$ 56,445
Investing activities	520,746
Financing activities	<u>597,907</u>
 Net cash inflow	 <u><u>\$ 1,175,098</u></u>

The carrying amounts of assets and liabilities of Taiwan Prosperity Chemical Corporation at the date of disposal are disclosed in Note 30.

12. INVENTORIES

	December 31	
	2022	2021
Finished goods	\$ 3,872,877	\$ 2,508,696
Work in process	2,411,645	3,332,257
Raw materials	<u>9,805,458</u>	<u>7,571,558</u>
	<u><u>\$ 16,089,980</u></u>	<u><u>\$ 13,412,511</u></u>

The costs of inventories recognized as cost of goods sold for the years ended December 31, 2022 and 2021 were \$97,030,132 thousand and \$72,555,570 thousand, respectively.

The cost of goods sold included reversal of write-downs of inventory as follows:

	For the Year Ended December 31	
	2022	2021
(Reversal) of write-downs of inventory	\$ 259,108	\$ (16,323)

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

13. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

The consolidated financial statements include subsidiaries which are as follows:

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
Taiwan Cement Corporation	Taiwan Transport & Storage Corporation	Warehousing, transportation and sale of sand and gravel	83.9	83.9	1)
	TCC Investment Corporation	Investment	100.0	100.0	
	Kuan-Ho Refractories Industry Corporation	Production and sale of refractory materials	95.3	95.3	
	Hong Kong Cement Manufacturing Co., Ltd. ("HKCMCL")	Investment holding	84.7	84.7	
	Ta-Ho Maritime Corporation	Marine transportation	64.8	64.8	
	Taiwan Cement Engineering Corporation	Engineering services	99.2	99.2	1)
	TCC Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Chemical Corporation	Leasing property and energy technology services	100.0	100.0	
	TCC Information Systems Corporation	Information software design	99.4	99.4	
	Tung Chen Mineral Corporation	Afforestation and sale of limestone	99.5	99.5	
	Jin Chang Minerals Corporation	Afforestation and sale of limestone	100.0	100.0	
	Hoping Industrial Port Corporation	Hoping Industrial Port management	100.0	100.0	
	TCC International Ltd. ("TCCIP")	Investment holding	100.0	100.0	
	TCCMOLI Holdings (Singapore) Pte. Ltd. ("TCCMOLI")	Investment holding	-	100.0	4)
	Ho-Ping Power Company	Thermal power generation	59.5	59.5	
	HPC Power Service Corporation	Business consulting	60.0	60.0	
	E.G.C. Cement Corporation	Sale of cement	50.6	50.6	
	Feng Sheng Enterprise Company Limited	Sale of ready-mixed concrete	45.4	45.4	3)
	Trans Philippines Mineral Corporation ("TPMC")	Mining excavation	40.0	40.0	3)
	Taicorn Minerals Corporation ("TMC")	Mining excavation	72.7	72.7	
	Ta-Ho RSEA Environment Co., Ltd.	Waste collection and treatment	66.6	66.6	
	Ho Sheng Mining Co., Ltd.	Mining excavation and sale of limestone	100.0	100.0	
	TCC International Holdings Ltd. ("TCCIH")	Investment holding	45.5	38.3	1)
	Taiwan Cement (Dutch) Holdings B.V. ("TCC Dutch")	Investment holding	100.0	100.0	
	TCC Sustainable Energy Investment Corporation	Investment holding	100.0	100.0	
	TCC Energy Storage Technology Corporation	Energy storage equipment manufacturing, production and sales	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
Taiwan Transport & Storage Corporation	Tuo Shan Recycle Technology Company	Waste collection and treatment	100.0	100.0	4)
	TCC Recycle Energy Technology Company	Investment holding	36.6	63.3	1), 2)
	E.G.C. Cement Corporation	Sale of cement	49.4	49.4	6)
	Ta-Ho Maritime Corporation	Marine transportation	29.2	29.2	
TCC Investment Corporation	Tai-Jie Transport & Storage Corporation	Transportation	100.0	100.0	
	Union Cement Traders Inc.	Import and export trading	100.0	100.0	2)
	Ho-Ping Power Company	Thermal power generation	0.5	0.5	
	Ta-Ho Maritime Corporation	Marine transportation	-	-	
HKCMCL	TCC Recycle Energy Technology Company	Investment holding	1.1	1.9	
	TCC Development Ltd.	Property leasing	100.0	100.0	1)
	Ta-Ho Maritime Holdings Ltd.	Investment	100.0	100.0	
	Taicom Information (Samoa) Pte., Ltd.	Investment	100.0	100.0	
Hoping Industrial Port Corporation	TCC Recycle Energy Technology Company	Investment holding	0.4	0.7	2)
TCCI	TCCIH	Investment holding	54.5	61.7	1)
TPMC	TMC	Mining excavation	18.2	18.2	
Union Cement Traders Inc.	Taiwan Transport & Storage Corporation	Warehousing, transportation and sale of sand and gravel	0.7	0.7	2)
	TCC Recycle Energy Technology Company	Investment holding	1.1	1.9	
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Renewable energy generation	100.0	100.0	7)
TCC Green Energy Corporation	Chang-Wang Wind Power Co., Ltd.	Renewable energy generation	100.0	100.0	
	TCC Nan-Chung Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Kao-Cheng Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Chang-Ho Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Chia-Chien Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Yun-Kai Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Lien-Hsin Green Energy Corporation	Renewable energy generation	100.0	100.0	
	TCC Ping-Chih Green Energy Corporation	Renewable energy generation	100.0	100.0	
	Chia-Ho Green Energy Corporation	Renewable energy generation	85.0	100.0	
	TCC Tung-Li Green Energy Corporation	Renewable energy generation	100.0	100.0	
	Energy Helper TCC Corporation	Renewable energy retail and energy technology services	100.0	-	
	Ta-Ho Maritime Holdings Ltd.	Marine transportation	100.0	100.0	
	THC International S.A.	Marine transportation	100.0	100.0	
	Ta-Ho Maritime (Singapore) Pte. Ltd.	Marine transportation	100.0	100.0	
Taicom Information (Samoa) Pte., Ltd.	Fuzhou TCC Information Technology Co., Ltd.	Software product and equipment maintenance	100.0	100.0	4)
Ta-Ho Maritime (Hong Kong) Limited	Da Tong (Guigang) International Logistics Co., Ltd.	Logistics and transportation	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	
TCC Dutch	Guigang Da-Ho Shipping Co., Ltd.	Marine transportation	100.0	100.0	
	Taiwan Cement Europe Holdings B.V. ("TCEH")	Investment holding	100.0	100.0	8)
TCEH	NHOA S.A.	Investment holding	65.2	65.2	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
NHOA S.A.	NHOA ENERGY S.R.L.	Renewable energy and energy storage system construction	100.0	100.0	8)
	ELECTRO POWER SYSTEM MANUFACTURING	Renewable energy and energy storage system construction	100.0	100.0	8)
	Comores Énergie Nouvelles S.A.R.L.	Renewable energy and energy storage system construction	100.0	60.0	8), 10)
	ATLANTE TOPCO S.R.L.	Investment holding	100.0	-	4)
	NHOA CORPORATE S.R.L.	Investment holding	100.0	-	4)
NHOA CORPORATE S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Electric vehicle charging equipment	49.9	-	3), 9)
NHOA ENERGY S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Electric vehicle charging equipment	-	49.9	3), 8), 9)
	NHOA AMERICAS LLC	Renewable energy and energy storage system construction	100.0	100.0	8)
	NHOA AUSTRALIA PTY LTD	Renewable energy and energy storage system construction	100.0	100.0	8)
	NHOA LATAM S.A.C.	Renewable energy and energy storage system construction	90.0	-	4)
ATLANTE TOPCO S.R.L.	ATLANTE S.R.L.	Renewable energy and charging equipment	-	100.0	4), 9)
	ATLANTE S.R.L.	Renewable energy and charging equipment	100.0	-	4), 9)
	NHOA LATAM S.A.C.	Renewable energy and energy storage system construction	10.0	-	4)
ATLANTE S.R.L.	ATLANTE IBERIA S.L.	Renewable energy and charging equipment	100.0	-	4)
	ATLANTE FRANCE S.A.S.	Renewable energy and charging equipment	100.0	-	4)
	ATLANTE Fast Charging Portugal LDA	Renewable energy and charging equipment	100.0	-	4)
	FREE2MOVE ESOLUTIONS FRANCE S.A.S.	Electric vehicle charging equipment	100.0	-	4)
FREE2MOVE ESOLUTIONS S.P.A.	FREE2MOVE ESOLUTIONS SPAIN S.L.U.	Electric vehicle charging equipment	100.0	-	4)
	FREE2MOVE ESOLUTIONS NORTH AMERICA LLC	Electric vehicle charging equipment	100.0	-	4)
	FREE2MOVE ESOLUTIONS UK LTD	Electric vehicle charging equipment	100.0	-	4)
	E-One Moli Energy Corp.	Manufacturing and sales of Lithium battery	100.0	100.0	2)
TCC Recycle Energy Technology Company	E-One Holdings Ltd.	Investment holding	100.0	100.0	2)
	Molie Quantum Energy Corporation	Manufacturing and sales of batteries, power generation machinery and electronic components	100.0	100.0	2)
E-One Holdings Ltd.	E-One Moli Holdings (Canada) Ltd.	Investment holding	100.0	100.0	2)
E-One Moli Holdings (Canada) Ltd.	E-One Moli Energy (Canada) Ltd.	Battery research and development and sales	100.0	100.0	2)
TCCIH	Upper Value Investment Limited	Investment holding	100.0	100.0	
	Upper Value Investments Ltd. (“UPPV”)	Investment holding	100.0	100.0	
	TCC Hong Kong Cement (BVI) Holdings Ltd.	Investment holding	100.0	100.0	
	Ulexite Investments Ltd.	Investment holding	100.0	100.0	
	TCC Recycle Energy Technology Company	Investment holding	38.7	-	2)
Upper Value Investment Limited	Prime York Ltd.	Investment holding	100.0	100.0	
	Prosperity Minerals (International) Ltd.	Investment holding	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
TCC Hong Kong Cement (BVI) Holdings Ltd.	TCC Hong Kong Cement Development Ltd.	Investment holding	100.0	100.0	
	TCC Hong Kong Cement (QHC) Ltd.	Investment holding	100.0	100.0	
	TCC Hong Kong Cement (Yargoon) Ltd.	Investment holding	100.0	100.0	
	TCC Hong Kong Cement (Philippines) Ltd.	Investment holding	100.0	100.0	
	TCC Hong Kong Cement (International) Ltd.	Investment holding	100.0	100.0	
	Hong Kong Cement Company Limited ("HKCCL")	Sale of cement	100.0	100.0	
	Chiefolk Company Ltd.	Investment holding	70.0	70.0	
TCC Hong Kong Cement (QHC) Ltd.	TCC International (Liuzhou) Ltd.	Investment holding	100.0	100.0	
Chiefolk Company Ltd.	TCC Liuzhou Company Ltd.	Investment holding	100.0	100.0	
TCC International (Liuzhou) Ltd.					
TCC Liuzhou Company Ltd.	TCC Liuzhou Construction Materials Co., Ltd.	Manufacturing and sale of slag powder	60.0	60.0	
TCC Hong Kong Cement (Philippines) Ltd.	TCC Cement Corp.	Cement processing services	100.0	100.0	
TCC Hong Kong Cement (International) Ltd.	TCC International (Hong Kong) Co., Ltd. ("TCCI (HK)")	Investment holding	100.0	100.0	
TCCI (HK)	TCC Guigang Mining Industrial Company Limited	Mining excavation	52.5	52.5	
	Jiangsu TCC Investment Co., Ltd.	Investment holding	100.0	100.0	
	Jingyang Industrial Limited	Investment holding	100.0	100.0	
	TCC International (Guangxi) Ltd.	Investment holding	100.0	100.0	
	TCC Shaoguan Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	
	TCC Yingde Mining Industrial Company Limited	Mining excavation	48.9	48.9	
	TCC Yingde Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	
	TCC Jiangsu Mining Industrial Company Limited	Mining excavation	100.0	100.0	
	TCC Fuzhou Yangyu Port Co., Ltd.	Service of port facility	100.0	100.0	
	TCC (Dong Guan) Cement Company Ltd.	Manufacturing and sale of cement	100.0	100.0	
	TCC Fuzhou Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	
	TCC Huaihua Cement Company Limited	Manufacturing and sale of cement	31.0	31.0	
	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environmental protection, cement and enterprise management consulting	58.6	-	5)
Jiangsu TCC Investment Co., Ltd.	Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	21.5	21.5	
	Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	21.5	21.5	
Jingyang Industrial Limited	Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	78.5	78.5	
	Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	78.5	78.5	
TCC International (Guangxi) Limited	TCC (Gui Gang) Cement Ltd.	Manufacturing and sale of cement	100.0	100.0	
	TCC (Hangzhou) Recycle Resource Technology Limited	Recycle Resource technology development, business management and sales	26.3	26.3	
TCC (Gui Gang) Cement Ltd.	TCC Huaying Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
	TCC Guigang Mining Industrial Company Limited	Mining excavation	47.5	47.5	
	Guigang TCC Dong Yuan Environmental Technology Company Limited	Dangerous waste treatment	100.0	100.0	
	TCC (Hangzhou) Recycle Resource Technology Limited	Recycle Resource technology development, business management and sales	73.7	73.7	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
TCC Yingde Cement Co., Ltd.	TCC Yingde Mining Industrial Company Limited	Mining excavation	34.8	34.8	
	Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	25.0	25.0	
	Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	
	Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	
	Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	10.0	10.0	
	Beijing TCC Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	100.0	100.0	
	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environmental protection, cement and enterprise management consulting	41.4	100.0	5)
TCC Jiangsu Mining Industrial Company Limited	TCC Yingde Mining Industrial Company Limited	Mining excavation	16.3	16.3	
TCC Huaihua Cement Company Limited	TCC Jingzhou Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
	TCC Huaihua Concrete Company Limited	Sale of ready-mixed concrete	100.0	100.0	
UPPV	Wayly Holdings Ltd.	Investment holding	100.0	100.0	
	TCC International (China) Co., Ltd	Investment holding	100.0	100.0	
	Kong On Cement Holdings Ltd.	Investment holding	65.0	65.0	
	Mega East Ltd.	Investment holding	100.0	100.0	
	Prosperity Minerals (China) Ltd.	Investment holding	100.0	100.0	
	Sure Kit Ltd.	Investment holding	100.0	100.0	
	Hensford Ltd.	Investment holding	100.0	100.0	
	Kiton Ltd.	Investment holding	100.0	100.0	
	Prosperity Cement Investment Ltd.	Investment holding	100.0	100.0	
	Scitus Cement (China) Holdings Ltd. ("Scitus Holdings")	Investment holding	100.0	100.0	
Wayly Holdings Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	
TCC International (China) Co., Ltd	TCC New (Hangzhou) Management Company Limited	Operation management	100.0	100.0	
Kong On Cement Holdings Ltd.	Guizhou Kong On Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
Mega East Ltd.	Guangan Changxing Cement Company Ltd.	Manufacturing and sale of cement	100.0	100.0	
Sure Kit Ltd.	TCC Chongqing Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
Hensford Ltd.	TCC Anshun Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
Kiton Ltd.	TCC Liaoning Cement Company Limited	Manufacturing and sale of cement	100.0	100.0	
Prosperity Cement Investment Ltd.	Yingde Dragon Mountain Cement Co., Ltd.	Manufacturing and sale of cement	100.0	100.0	
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	
TCC New (Hangzhou) Management Company Limited	Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	100.0	100.0	
Scitus Holdings	Scitus Cement (China) Operating Company Limited	Investment holding	100.0	100.0	
	Hexagon XIV Holdings Limited	Investment holding	100.0	100.0	
	Hexagon XIII Holdings Limited	Investment holding	100.0	100.0	
	Hexagon IX Holdings Limited	Investment holding	100.0	100.0	
	Hexagon VIII Holdings Limited	Investment holding	100.0	100.0	
	Hexagon V Holdings Limited	Investment holding	100.0	100.0	
	Hexagon IV Holdings Limited	Investment holding	100.0	100.0	
	Hexagon III Holdings Limited	Investment holding	100.0	100.0	
	Hexagon II Holdings Limited	Investment holding	100.0	100.0	
	Hexagon Holdings Limited	Investment holding	100.0	100.0	
Hexagon IX Holdings Ltd.	Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	
Hexagon IV Holdings Ltd.	Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2022	2021	
Hexagon III Holdings Ltd.	Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	
Hexagon XIV Holdings Ltd.	Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	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	
Jurong TCC Cement Co., Ltd.	TCC Huaihua Cement Company Limited	Manufacturing and sale of cement	69.0	69.0	
TCC (Hangzhou) Environmental Protection Co., Ltd.	TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd.	Resource recycling technology consultation, biomass energy technology and fuel sales, solid waste treatment	100.0	100.0	4)
	TCC Yongren (Hangzhou) Environmental Technology Co., Ltd.	Resource recycling technology consultation, solid waste treatment, biomass fuel sales	100.0	100.0	4)
	TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd.	Resource reusing technology and development, solid waste treatment, biomass fuel processing and sales	100.0	100.0	4)
	TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd.	Resource regeneration technology research and development, solid waste treatment, biomass fuel processing and sales	100.0	100.0	4)
TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC (Shaoguan) Environment Technology Co., Ltd.	Biomass fuel processing and sales, solid waste treatment, urban and kitchen waste treatment	100.0	100.0	4)

(Concluded)

Remarks:

- 1) The Corporation purchased a portion of shares of TCC Recycle Energy Technology Company, Taiwan Cement Engineering Corporation and Taiwan Transport & Storage Corporation in 2022 and 2021. Refer to Note 31 for information relating to the aforementioned equity acquisition transaction. The Corporation invested in TCCIH in 2022, and its percentage of ownership was increased to 45.5%. The original shareholder, TCCI, did not simultaneously invest which resulted in decrease of the percentage of ownership to 54.5%.
- 2) TCC Recycle Energy Technology Company increased its capital by \$10,000,000 thousand by cash in August 2021. The Group invested \$9,232,894 thousand in TCC Recycle Energy Technology Company and its subsidiaries. Due to the non-subscription by other shareholders, the Group's percentage of ownership was increased from 29.7% to 67.8% and the Group obtained the right to control TCC Recycle Energy Technology Company and its subsidiaries. Thus TCC Recycle Energy Technology Company was included in the consolidated entities from August 2021. Please refer to Note 29 for details. TCC Recycle Energy Technology Company increased its capital by cash in September 2022, and the Group participated in the subscription of shares via TCCIH. Due to the non-subscription by other shareholders, the Group's percentage of ownership was increased from 67.8% to 77.9%.
- 3) Although the Group's percentages of ownership in Feng Sheng Enterprise Company Limited, TPMC and FREE2MOVE ESOLUTION S.P.A. were less than 50%, the Group still has control over those entities. Thus, Feng Sheng Enterprise Company Limited, TPMC and FREE2MOVE ESOLUTION S.P.A. are considered as subsidiaries of the Group. According to the agreement, other shareholders' investment in FREE2MOVE ESOLUTION S.P.A. will be paid in January 2023. As of December 31, 2022, the uncollected amount is accounted as other receivables from related parties.

- 4) TCC Tung-Li Green Energy Corporation, Tuo Shan Recycle Technology Company, TCEH, TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd, TCC Yongren (Hangzhou) Environmental Technology Co., Ltd, TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd, TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd, TCC (Shaoguan) Environment Technology Co., Ltd. and ATLANTE S.R.L were established in 2021. ATLANTE TOPCO S.R.L., ATLANTE IBERIA S.L., ATLANTE FRANCE S.A.S., FREE2MOVE ESOLUTIONS FRANCE S.A.S., Energy Helper TCC Corporation, FREE2MOVE ESOLUTIONS SPAIN S.L.U., NHOA CORPORATE S.R.L., NHOA LATAM S.A.C., ATLANTE Fast Charging Portugal LDA, FREE2MOVE ESOLUTIONS NORTH AMERICA LLC and FREE2MOVE ESOLUTIONS UK LTD were established in 2022. TCCMOLI liquidation process in progress at the end of December 2021, and had completed the liquidation in 2022.
- 5) TCCI (HK) invested in TCC (Hangzhou) Environmental Protection Technology Co., Ltd. in 2022, and its percentage of ownership was increased to 58.6%. The original shareholder, TCC Yingde Cement Co., Ltd., did not simultaneously invest which resulted in decrease of the percentage of ownership to 41.4%.
- 6) Taiwan Transport & Storage Corporation purchased a portion of shares of Ta-Ho Maritime Corporation in 2021. Refer to Note 31 for information relating to the aforementioned equity acquisition transaction.
- 7) The beneficial related party of the Group, Winbond Electronics Corporation, participated in the capital increase of Chia-Ho Green Energy Corporation in the amount of \$555,000 thousand in August 2022, which resulted in the shareholding of Winbond Electronics Corporation increased to 15.0%. Due to the non-subscription by the Group, the shareholding of the Group decreased to 85.0%.
- 8) TCEH acquired 60.5% ordinary shares of NHOA S.A. from Group Engie SA and the right to control NHOA S.A. and its subsidiaries in July 2021. TCEH filed a simple compulsory tender offer to acquire 4.7% of NHOA S.A. by cash in September 2021. Please refer to Note 29 and 31 for information relating to the aforementioned acquisition transaction.
- 9) Due to the Group strategic development and operating arrangement, the Group proceeded an organizational restructuring by transferring the equity interest of ATLANTE S.R.L. held by NHOA ENERGY S.R.L. to ATLANTE TOPCO S.R.L. and FREE2MOVE ESOLUTIONS S.P.A. held by NHOA ENERGY S.R.L. to NHOA CORPORATE S.R.L. in 2022.
- 10) NHOA S.A. purchased 40% shares of Comores Énergie Nouvelles S.A.R.L. in 2022, which resulted the shareholding increased to 100%. Refer to Note 31 for information relating to the aforementioned acquisition transaction.

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

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2022	2021
Ho-Ping Power Company	40.0%	40.0%

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.

Ho-Ping Power Company

	December 31	
	2022	2021
Current assets	\$ 14,494,105	\$ 7,780,140
Non-current assets	23,740,225	25,636,219
Current liabilities	(6,655,281)	(2,876,141)
Non-current liabilities	<u>(7,497,223)</u>	<u>(2,971,023)</u>
Equity	<u>\$ 24,081,826</u>	<u>\$ 27,569,195</u>
Equity attributable to:		
Owners of Ho-Ping Power Company	\$ 14,445,628	\$ 16,538,050
Non-controlling interests of Ho-Ping Power Company	<u>9,636,198</u>	<u>11,031,145</u>
	<u>\$ 24,081,826</u>	<u>\$ 27,569,195</u>
	For the Year Ended December 31	
	2022	2021
Operating revenue	<u>\$ 22,985,566</u>	<u>\$ 10,202,413</u>
Net profit (loss) for the year	\$ (1,488,561)	\$ 1,492,151
Other comprehensive income (loss) for the year	<u>1,192</u>	<u>(1,269)</u>
Total comprehensive income (loss) for the year	<u>\$ (1,487,369)</u>	<u>\$ 1,490,882</u>
Net profit (loss) attributable to:		
Owners of Ho-Ping Power Company	\$ (893,137)	\$ 895,291
Non-controlling interests of Ho-Ping Power Company	<u>(595,424)</u>	<u>596,860</u>
	<u>\$ (1,488,561)</u>	<u>\$ 1,492,151</u>
Total comprehensive income (loss) attributable to:		
Owners of Ho-Ping Power Company	\$ (892,422)	\$ 894,530
Non-controlling interests of Ho-Ping Power Company	<u>(594,947)</u>	<u>596,352</u>
	<u>\$ (1,487,369)</u>	<u>\$ 1,490,882</u>
Net cash inflow (outflow) from:		
Operating activities	\$ (3,486,510)	\$ 3,150,755
Investing activities	(1,449,849)	402,821
Financing activities	<u>6,585,300</u>	<u>(4,653,460)</u>
Net cash inflow (outflow)	<u>\$ 1,648,941</u>	<u>\$ (1,099,884)</u>
Dividends paid to non-controlling interests of Ho-Ping Power Company	<u>\$ 800,000</u>	<u>\$ 1,857,420</u>

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2022	2021
Investments in associates	\$ 53,574,544	\$ 46,781,575
Investments in joint ventures	<u>12,129</u>	<u>-</u>
	<u>\$ 53,586,673</u>	<u>\$ 46,781,575</u>
Material associates		
Cimpor Global Holdings B.V.	\$ 30,866,698	\$ 25,112,660
Associates that are not individually material		
Prosperity Conch Cement Company Limited	8,198,939	7,680,842
International CSRC Investment Holdings Co., Ltd.	6,971,331	6,938,448
CCC USA Corp.	1,899,822	1,731,743
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	1,536,535	1,635,580
ONYX Ta-Ho Environmental Services Co., Ltd.	1,391,240	1,220,989
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	929,214	866,291
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	604,483	670,734
Sichuan Taichang Building Material Group Company Limited	565,573	557,605
Quon Hing Concrete Co., Ltd.	233,343	149,229
Hong Kong Concrete Co., Ltd.	190,844	142,636
Guigang Conch-TCC New Material Technology Co., Ltd.	90,781	35,376
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	88,687	33,114
Synpac Ltd.	7,054	6,328
Joint ventures that are not individually material		
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	<u>12,129</u>	<u>-</u>
	<u>\$ 53,586,673</u>	<u>\$ 46,781,575</u>

For the amounts of the Group's investments accounted for using the equity method provided as loan guarantees, refer to Note 36.

a. Material associates

	Proportion of Ownership	
	December 31	
	2022	2021
Cimpor Global Holdings B.V.	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.

	December 31	
	2022	2021
Current assets	\$ 22,714,456	\$ 16,828,990
Non-current assets	68,009,154	53,046,441
Current liabilities	(15,231,225)	(12,938,762)
Non-current liabilities	(12,938,960)	(9,283,937)
Non-controlling interests	<u>(9,147,080)</u>	<u>(7,614,841)</u>
Equity attributable to the Group	<u>\$ 53,406,345</u>	<u>\$ 40,037,891</u>
Proportion of the Group's ownership	40%	40%
Equity attributable to the Group	\$ 21,362,538	\$ 16,015,156
Goodwill	<u>9,504,160</u>	<u>9,097,504</u>
Carrying amounts	<u>\$ 30,866,698</u>	<u>\$ 25,112,660</u>
	For the Year Ended December 31	
	2022	2021
Operating revenue	<u>\$ 42,893,926</u>	<u>\$ 28,295,693</u>
Net profit for the year	\$ 7,066,885	\$ 3,400,061
Other comprehensive income (loss)	<u>4,323,558</u>	<u>(4,794,273)</u>
Total comprehensive income (loss) for the year	<u>\$ 11,390,443</u>	<u>\$ (1,394,212)</u>

On December 31, 2022, Oyak Cimento A.S., a subsidiary of Cimpor Global Holdings B.V., is located in Turkey and is an economic entity under high inflation. On December 31, 2022, according to the CPI announced by the Turkish Statistical Institute, the cumulative inflation rate in the past three years exceeded 100%. According to IAS 29 Financial Reporting in Hyperinflationary Economies, the financial statements should be stated in terms of the measuring unit current at the balance sheet date, the profit or loss of the net currency position shall be included in the current profit and loss. When Cimpor Global Holdings B.V. prepares the consolidated financial statements, it shall convert the individual financial statements of the Turkish region based on the closing exchange rate at the reporting period, and adjust the translation effects of high inflation under other comprehensive profit and loss items, and the Group accounted for its shares by using the equity method.

b. Aggregate information of associates that are not individually material

	Proportion of Ownership	
	December 31	
	2022	2021
Prosperity Conch Cement Company Limited	25.0%	25.0%
International CSRC Investment Holdings Co., Ltd. (Note 1)	19.2%	19.2%
CCC USA Corp.	33.3%	33.3%
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	30.0%	30.0%
ONYX Ta-Ho Environmental Services Co., Ltd.	50.0%	50.0%
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	30.0%	30.0%
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd. (Note 5)	40.0%	40.0%
Sichuan Taichang Building Material Group Company Limited	30.0%	30.0%
Quon Hing Concrete Co., Ltd.	50.0%	50.0%
Hong Kong Concrete Co., Ltd.	31.5%	31.5%
Guigang Conch-TCC New Material Technology Co., Ltd. (Note 2)	40.0%	40.0%
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. (Note 3)	45.0%	45.0%
Synpac Ltd.	25.0%	25.0%
Yingjing Xinan New Material Co., Ltd. (Note 4)	30.0%	30.0%

	For the Year Ended December 31	
	2022	2021
The Group's share of:		
Net income for the year	\$ 1,160,331	\$ 2,884,277
Other comprehensive income (loss)	<u>404,635</u>	<u>(145,655)</u>
Total comprehensive income for the year	<u>\$ 1,564,966</u>	<u>\$ 2,738,622</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.

Note 2: The Group increased its investment in \$36,442 thousand in Guigang Conch-TCC New Material Technology Co., Ltd. in the year of 2021. The proportion of the Group's ownership was 40%.

Note 3: The Group increased its investment in \$53,721 thousand and \$29,375 thousand in Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. in the year of 2022 and 2021. The proportion of the Group's ownership was 45%.

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 Group. The Group generated a credit balance for the equity method of investment due to the recognition of the investment loss of Yingjing Company. As of December 31, 2022 and 2021, the credit balance recognized in other non-current liabilities by the Group was \$168,966 thousand and \$165,871 thousand, respectively.

Note 5: The Group invested in Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd. for the year ended December 31, 2021. The Group invested \$699,477 thousand and owned 40% shares of Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.

The Group holds less than 50% of the issued share capital of some associates, but it is the single largest shareholder. Considering the voting rights of the other shareholders, the shareholding spread is not significant. Therefore, the Group is not in a position to dominate certain company-related activities and therefore has no control over them. The Group's management considers that it does exercise significant influence over those companies; thus, the Group accounts for them as associates and adopts equity method of accounting.

c. Aggregate information of joint ventures that are not individually material

	Proportion of Ownership	
	December 31	
	2022	2021
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. (Note 6)	65.0%	-
	For the Year Ended December 31	
	2022	2021
The Group's share of:		
Net income for the year	\$ -	\$ -
Other comprehensive income	<u>407</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 407</u>	<u>\$ -</u>

Note 6: The Group invested in TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. for the year ended December 31, 2022. The Group invested \$11,722 thousand and owned 65% shares of TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. According to contents of joint venture agreement, the Corporation's actual operation management authority specification, check events of material and decision-making of material are jointly led by two capital contributors, and the Group has no control over them.

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

The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2022 and 2021 were based on the associates' audited financial statements for the same years then ended except Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd., Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd. and TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. The Group considered that there would be no significant adjustments if such financial statements were to be audited.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Miscellaneous Equipment	Property in Construction	Total
<u>Cost</u>						
Balance at January 1, 2022	\$ 25,912,225	\$ 51,746,756	\$ 80,969,973	\$ 15,474,043	\$ 11,884,990	\$ 185,987,987
Additions	1,856	420,271	1,061,501	370,877	17,171,965	19,026,470
Disposals	-	(81,582)	(469,656)	(1,023,993)	-	(1,575,231)
Reclassification	45,783	2,451,340	7,773,232	4,591,488	(12,014,050)	2,847,793
Effects of foreign currency exchange differences	2,195	606,394	880,785	457,679	66,989	2,014,042
Balance at December 31, 2022	<u>\$ 25,962,059</u>	<u>\$ 55,143,179</u>	<u>\$ 90,215,835</u>	<u>\$ 19,870,094</u>	<u>\$ 17,109,894</u>	<u>\$ 208,301,061</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2022	\$ 808,904	\$ 21,210,406	\$ 57,214,150	\$ 8,479,352	\$ 79,143	\$ 87,791,955
Disposals	-	(54,221)	(403,655)	(998,624)	-	(1,456,500)
Depreciation expenses	-	1,490,880	4,018,850	988,560	-	6,498,290
Reclassification	-	29,822	(20,321)	9	-	9,510
Effects of foreign currency exchange differences	-	142,949	488,657	84,741	1,476	717,823
Balance at December 31, 2022	<u>\$ 808,904</u>	<u>\$ 22,819,836</u>	<u>\$ 61,297,681</u>	<u>\$ 8,554,038</u>	<u>\$ 80,619</u>	<u>\$ 93,561,078</u>
Carrying amount at December 31, 2022	<u>\$ 25,153,155</u>	<u>\$ 32,323,343</u>	<u>\$ 28,918,154</u>	<u>\$ 11,316,056</u>	<u>\$ 17,029,275</u>	<u>\$ 114,739,983</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	1,861,979	113,190	1,013,009	606,674	11,275,586	14,870,438
Disposals	(310,481)	(359,691)	(1,926,214)	(521,637)	(2,530,920)	(5,648,943)
Acquisitions through business combinations (Note 29)	811,145	2,404,772	4,183,676	413,563	225,197	8,038,353
Reclassification	(560,204)	499,968	(17,593,376)	14,278	(4,780,199)	(22,419,533)
Effects of foreign currency exchange differences	(1,763)	(302,632)	(479,724)	(109,671)	(47,856)	(941,646)
Balance at December 31, 2021	<u>\$ 25,912,225</u>	<u>\$ 51,746,756</u>	<u>\$ 80,969,973</u>	<u>\$ 15,474,043</u>	<u>\$ 11,884,990</u>	<u>\$ 185,987,987</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	-	(329,387)	(1,806,054)	(374,023)	-	(2,509,464)
Depreciation expenses	-	1,366,918	3,647,889	712,514	-	5,727,321
Impairment losses	-	558	6,198	-	-	6,756
Acquisitions through business combinations (Note 29)	-	999,335	2,886,929	326,820	-	4,213,084
Reclassification	-	(127,223)	(18,601,738)	(488,468)	-	(19,217,429)
Effects of foreign currency exchange differences	-	(101,533)	(281,141)	(25,234)	(751)	(408,659)
Balance at December 31, 2021	<u>\$ 808,904</u>	<u>\$ 21,210,406</u>	<u>\$ 57,214,150</u>	<u>\$ 8,479,352</u>	<u>\$ 79,143</u>	<u>\$ 87,791,955</u>
Carrying amount at December 31, 2021	<u>\$ 25,103,321</u>	<u>\$ 30,536,350</u>	<u>\$ 23,755,823</u>	<u>\$ 6,994,691</u>	<u>\$ 11,805,847</u>	<u>\$ 98,196,032</u>

The related assets and liabilities of Taiwan Prosperity Chemical Corporation were reclassified as disposal groups held for sale in the first quarter of 2021 and disposed in August 2021. For further information, refer to Notes 11 and 30.

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 principal and interest of compensation decided by arbitration). Ta-Ho RSEA Environment Co., Ltd. received notification from the Yunlin County Government on March 18, 2021 to conduct the registration of changes in land rights of the Linnei Incinerator on April 2021 and therefore recognized gain on disposal of real property, plant and equipment in the amount of \$452,044 thousand.

For the years ended December 31, 2021, the Group recognized impairment losses of \$6,756 thousand, after assessing that the recoverable amounts of part of its property, plant and equipment of cement segment were zero due to factors such as idling as a result of decrease in market demand or natural disasters.

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	15-50 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 36.

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

	For the Year Ended December 31	
	2022	2021
Acquisitions of property, plant and equipment	\$ 19,026,470	\$ 14,870,438
Increase in prepayments for equipment	4,244,054	1,949,584
Decrease (increase) in payables for equipment	242,687	(260,515)
Increase in other non-current liabilities	<u>(54,758)</u>	<u>(6,719)</u>
	<u>\$ 23,458,453</u>	<u>\$ 16,552,788</u>

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2022	2021
<u>Carrying amount</u>		
Land	\$ 13,525,477	\$ 13,023,670
Buildings	1,531,828	1,484,025
Machinery	354,777	421,625
Others	<u>91,693</u>	<u>63,464</u>
	<u>\$ 15,503,775</u>	<u>\$ 14,992,784</u>

	For the Year Ended December 31	
	2022	2021
Additions to right-of-use assets	<u>\$ 1,268,727</u>	<u>\$ 2,178,217</u>
Depreciation charge for right-of-use assets		
Land	\$ 645,079	\$ 573,152
Buildings	182,940	160,280
Machinery	84,383	99,079
Others	<u>41,649</u>	<u>23,053</u>
	<u>\$ 954,051</u>	<u>\$ 855,564</u>

Except for the aforementioned additions and recognized depreciation (including continuing operations and discontinued operations), the Group did not have significant sublease or impairment of right-of-use assets during the years ended December 31, 2022 and 2021.

b. Lease liabilities

	December 31	
	2022	2021
<u>Carrying amount</u>		
Current	<u>\$ 400,136</u>	<u>\$ 407,652</u>
Non-current	<u>\$ 3,550,048</u>	<u>\$ 3,261,791</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2022	2021
Land	1.79%-4.90%	1.79%-4.90%
Buildings	0.71%-4.75%	0.71%-4.75%
Machinery	1.85%-2.20%	1.85%-2.20%
Others	0.85%-4.75%	1.76%-4.75%

c. Material lease-in activities and terms

The Group leases certain land and buildings for use as 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

	For the Year Ended December 31	
	2022	2021
Expenses relating to short-term leases	<u>\$ 808,485</u>	<u>\$ 1,238,816</u>
Expenses relating to low-value asset leases	<u>\$ 2,897</u>	<u>\$ 2,512</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 329,326</u>	<u>\$ 283,132</u>
Total cash outflow for leases	<u>\$ (1,624,278)</u>	<u>\$ (2,016,924)</u>

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

17. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2022	\$ 5,422,848	\$ 1,269,795	\$ 6,692,643
Additions	-	1,255	1,255
Disposals	(58,417)	-	(58,417)
Reclassification	(20,860)	(14,485)	(35,345)
Effects of foreign currency exchange differences	-	2,654	2,654
Balance at December 31, 2022	<u>\$ 5,343,571</u>	<u>\$ 1,259,219</u>	<u>\$ 6,602,790</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 546,871	\$ 720,092	\$ 1,266,963
Depreciation expenses	-	21,190	21,190
Reclassification	-	(9,510)	(9,510)
Effects of foreign currency exchange differences	-	1,131	1,131
Balance at December 31, 2022	<u>\$ 546,871</u>	<u>\$ 732,903</u>	<u>\$ 1,279,774</u>
Carrying amount at December 31, 2022	<u>\$ 4,796,700</u>	<u>\$ 526,316</u>	<u>\$ 5,323,016</u>
<u>Cost</u>			
Balance at January 1, 2021	\$ 5,422,848	\$ 1,360,858	\$ 6,783,706
Additions	-	3,334	3,334
Disposals	-	(93,565)	(93,565)
Reclassification	-	13	13
Effects of foreign currency exchange differences	-	(845)	(845)
Balance at December 31, 2021	<u>\$ 5,422,848</u>	<u>\$ 1,269,795</u>	<u>\$ 6,692,643</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 546,871	\$ 785,401	\$ 1,332,272
Depreciation expenses	-	20,507	20,507
Disposals	-	(89,267)	(89,267)
Reclassification	-	3,791	3,791
Effects of foreign currency exchange differences	-	(340)	(340)
Balance at December 31, 2021	<u>\$ 546,871</u>	<u>\$ 720,092</u>	<u>\$ 1,266,963</u>
Carrying amount at December 31, 2021	<u>\$ 4,875,977</u>	<u>\$ 549,703</u>	<u>\$ 5,425,680</u>

The Corporation disposed of land classified as investment property in the year ended December 31, 2022. The transaction amount was \$560,763 thousand, and the Corporation recognized gain on disposal of investment properties in the amount of \$502,346 thousand

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

The fair values of the investment properties were determined by independent qualified professional valuers or the Group's management using market prices of similar properties. As of December 31, 2022 and 2021, the fair values of investment properties were \$13,242,491 thousand and \$13,566,958 thousand, respectively.

The investment properties pledged as collateral for bank borrowings are set out in Note 36.

18. INTANGIBLE ASSETS

	Goodwill	Operational Concession	Mining Rights	Technical Expertise	Others	Total
<u>Cost</u>						
Balance at January 1, 2022	\$ 16,138,810	\$ 7,681,476	\$ 5,772,594	\$ 1,220,651	\$ 1,891,679	\$ 32,705,210
Additions	-	-	579,758	-	321,241	900,999
Reclassification	-	-	-	(63,094)	90,150	27,056
Effects of foreign currency exchange differences	<u>350,161</u>	<u>-</u>	<u>107,978</u>	<u>51,742</u>	<u>45,900</u>	<u>555,781</u>
Balance at December 31, 2022	<u>\$ 16,488,971</u>	<u>\$ 7,681,476</u>	<u>\$ 6,460,330</u>	<u>\$ 1,209,299</u>	<u>\$ 2,348,970</u>	<u>\$ 34,189,046</u>
<u>Accumulated amortization and impairment</u>						
Balance at January 1, 2022	\$ 156,000	\$ 1,511,110	\$ 1,904,654	\$ -	\$ 1,482,585	\$ 5,054,349
Amortization expenses	-	151,111	343,595	328,393	219,405	1,042,504
Impairment losses	-	-	-	-	89,923	89,923
Reclassification	-	-	-	-	44,971	44,971
Effects of foreign currency exchange differences	<u>-</u>	<u>-</u>	<u>32,192</u>	<u>14,243</u>	<u>30,448</u>	<u>76,883</u>
Balance at December 31, 2022	<u>\$ 156,000</u>	<u>\$ 1,662,221</u>	<u>\$ 2,280,441</u>	<u>\$ 342,636</u>	<u>\$ 1,867,332</u>	<u>\$ 6,308,630</u>
Carrying amount at December 31, 2022	<u>\$ 16,332,971</u>	<u>\$ 6,019,255</u>	<u>\$ 4,179,889</u>	<u>\$ 866,663</u>	<u>\$ 481,638</u>	<u>\$ 27,880,416</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	-	-	1,801,497	-	376,576	2,178,073
Disposals	-	-	(47,411)	-	-	(47,411)
Acquisitions through business combinations (Note 29)	4,708,627	-	-	1,296,259	346,823	6,351,709
Reclassification	-	-	719,959	-	-	719,959
Effects of foreign currency exchange differences	<u>(354,595)</u>	<u>-</u>	<u>(37,029)</u>	<u>(75,608)</u>	<u>(34,889)</u>	<u>(502,121)</u>
Balance at December 31, 2021	<u>\$ 16,138,810</u>	<u>\$ 7,681,476</u>	<u>\$ 5,772,594</u>	<u>\$ 1,220,651</u>	<u>\$ 1,891,679</u>	<u>\$ 32,705,210</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	-	151,111	204,365	-	104,813	460,289
Disposals	-	-	(47,365)	-	-	(47,365)
Acquisitions through business combinations (Note 29)	-	-	-	-	236,766	236,766
Effects of foreign currency exchange differences	<u>-</u>	<u>-</u>	<u>(16,201)</u>	<u>-</u>	<u>(20,181)</u>	<u>(36,382)</u>
Balance at December 31, 2021	<u>\$ 156,000</u>	<u>\$ 1,511,110</u>	<u>\$ 1,904,654</u>	<u>\$ -</u>	<u>\$ 1,482,585</u>	<u>\$ 5,054,349</u>
Carrying amount at December 31, 2021	<u>\$ 15,982,810</u>	<u>\$ 6,170,366</u>	<u>\$ 3,867,940</u>	<u>\$ 1,220,651</u>	<u>\$ 409,094</u>	<u>\$ 27,650,861</u>

For the year ended December 31 2022, the Group recognized impairment losses of \$89,923 thousand, after assessing there were no estimated future cash flows expected to arise from some intangible assets.

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
Technical expertise	5 years
Others	3-17 years

19. BORROWINGS

a. Short-term loans

	December 31	
	2022	2021
Secured borrowings		
Bank loans	\$ 420,000	\$ 25,000
Unsecured borrowings		
Bank loans - unsecured	20,912,856	47,727,752
Bank loans - letters of credit	<u>1,083,956</u>	<u>687,762</u>
	<u>21,996,812</u>	<u>48,415,514</u>
	\$ 22,416,812	\$ 48,440,514
Interest rate	1.29%-5.60%	0.56%-1.30%

b. Short-term bills payable

	December 31	
	2022	2021
Commercial paper	\$ 3,078,000	\$ 6,775,000
Less: Unamortized discount on bills payable	<u>12,039</u>	<u>5,954</u>
	<u>\$ 3,065,961</u>	<u>\$ 6,769,046</u>
Interest rate	1.94%-2.79%	0.83%-1.11%

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

	December 31	
	2022	2021
Secured borrowings	\$ 2,202,828	\$ 2,162,800
Unsecured borrowings	<u>41,388,300</u>	<u>21,624,453</u>
	43,591,128	23,787,253
Less: Current portion	<u>726,392</u>	<u>7,091,417</u>
	<u>\$ 42,864,736</u>	<u>\$ 16,695,836</u>
Long-term bills payable	\$ 15,100,000	\$ 12,700,000
Less: Discount on bills payable	<u>109,411</u>	<u>19,914</u>
	<u>\$ 14,990,589</u>	<u>\$ 12,680,086</u>

(Continued)

	December 31	
	2022	2021
Interest rate		
Long-term loans	1.58%-6.17%	0.68%-3.75%
Long-term bills payable	1.92%-2.09%	1.19%-1.25%
		(Concluded)

Long-term loans consist of unsecured borrowings, secured borrowings. The principals of long-term unsecured and secured borrowings are due in September 2028, and the interests are paid monthly.

The Group has entered into 5-year and 7-year syndicated loan agreements in 2018 with certain bank consortium, and a 5-year syndicated loan agreement with certain bank consortium in 2022, with an expiry date of May 2027. The credit line is divided into two tranches: A and B. The long-term credit line of Tranche A will be repaid in May 2027. The credit facility of Tranche B, which is a long-term revolving credit line, is divided into Tranche B-1 and Tranche B-2. The Group has the right to decide whether to utilize the long-term loans Tranche B-1 or the long-term notes payable Tranche B-2 at its sole discretion. When each utilized amount expires, it can be directly reimbursed by the newly allocated funds. For the same amount, the Group does not need to remit funds in and out.

The Group did not violate the financial covenants of other long-term loans and long-term bills payable.

20. BONDS PAYABLE

	December 31	
	2022	2021
Domestic unsecured bonds		
1 st issued in 2018	\$ 12,000,000	\$ 12,000,000
1 st issued in 2019	12,600,000	12,600,000
1 st issued in 2020	20,000,000	20,000,000
1 st issued in 2021	16,600,000	16,600,000
1 st issued in 2022	7,750,000	-
2 nd issued in 2022	3,300,000	-
	<u>72,250,000</u>	<u>61,200,000</u>
Less: Discount on bonds payable	<u>(113,426)</u>	<u>(110,690)</u>
	<u>72,136,574</u>	<u>61,089,310</u>
Overseas unsecured convertible bonds		
1 st issued in 2021	22,200,000	22,200,000
Less: Discount on bonds payable	<u>(1,414,553)</u>	<u>(1,762,865)</u>
	<u>20,785,447</u>	<u>20,437,135</u>
Less: Current portion	<u>(20,785,447)</u>	<u>-</u>
	<u>\$ 72,136,574</u>	<u>\$ 81,526,445</u>

On April 11, 2022, the Board of Directors of the Corporation resolved to issue domestic sustainable bond or normal unsecured bonds at the price not exceeding NT\$20,000,000 thousand (or its equivalent in US dollars) denominated in NTD or USD; issue overseas green bonds or social responsibility bonds or normal unsecured bonds denominated in USD. The above plans can be executed alternatively or all at the same time. As of December 31, 2022, the Corporation has issued a portion 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 NT\$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 NT\$5,200,000 thousand and NT\$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.

The Corporation issued domestic unsecured bonds at par value in the total amount of NT\$16,600,000 thousand on August 31, 2021. According to the issuance conditions, the unsecured bonds are classified into bonds A, bonds B, bonds C and bonds D, with a fixed coupon rate of 0.59%, 0.68%, 0.78% and 0.95% per annum, and with the issuance amounts of NT\$5,800,000 thousand, NT\$3,100,000 thousand, NT\$1,200,000 thousand and NT\$6,500,000 thousand, respectively. The bonds will be repaid in a one-off payment on August 31, 2026, August 31, 2028, August 31, 2031 and August 31, 2036, respectively, while the interests will be paid annually.

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of NT\$7,750,000 thousand on June 8, 2022. According to the issuance conditions, the unsecured bonds are classified into bonds A and bonds B with a fixed coupon rate of 1.90% and 2.15% per annum, and with the issuance amounts of NT\$4,950,000 thousand and NT\$2,800,000 thousand, respectively. The bonds will be repaid in a one-off payment on June 8, 2028 and June 8, 2032, respectively, while the interests will be paid annually.

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of NT\$3,300,000 thousand on November 25, 2022. According to the issuance conditions, the unsecured bonds are classified into bonds A and bonds B with a fixed coupon rate of 2.10% and 2.65% per annum, and with the issuance amounts of NT\$2,100,000 thousand and NT\$1,200,000 thousand, respectively. The bonds will be repaid in a one-off payment on November 25, 2027 and November 25, 2032, respectively, while the interests will be paid annually.

b. Overseas unsecured convertible bonds

Overseas unsecured convertible bonds 1st issued in 2021

In September 2021, 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 November 26, 2021 (Ref. No. Jin-Guan-Zheng-Fa-Zi 1100373764). The bonds, which have a zero-coupon rate and a duration of 5 years, were listed on the Singapore Stock Exchange on December 7, 2021, and have a face value of US\$800,000 thousand.

Bondholders may request the Corporation to convert the bonds into the Corporation's ordinary shares at the price of NT\$59.8 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 2021 First Overseas Unsecured Convertible Bonds Issuance and Conversion Rules of the Corporation. As of December 31, 2022, the adjusted conversion price was NT\$52.53 per share. Bondholders can request the Corporation to convert the bonds at the fixed exchange rate of US\$1=NT\$27.75, which is to be divided by the conversion price per share on the conversion date. As of December 31, 2022, no conversion had been requested.

From the second anniversary of the issue date of the convertible bonds to the maturity date, the Corporation may redeem all the outstanding convertible bonds at the early redemption amount, provided that the closing price of issuer's ordinary shares on TWSE, for a total of 20 days out of 30 consecutive trading days, has reached at least 130% of the total amount of the early redemption amount that multiplied by the conversion price, and divided by the par value, or provided that at least 90% of the convertible bonds have been redeemed, converted, repurchased and cancelled.

Unless the convertible bonds have been early redeemed, repurchased and cancelled or converted, the bondholders shall have the right to request the Corporation to redeem the convertible bonds, in whole or in part, at the early redemption amount on the second anniversary of the issue date. Therefore, on December 31, 2022, the overseas unsecured convertible bonds were converted to convertible bonds expired within a year.

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 1.69% per annum on initial recognition.

	Convertible Bonds
Proceeds from issuance at December 2021 (less transaction costs of \$232,461 thousand)	\$ 21,967,539
Redemption of option derivatives (accounting for financial liabilities measured at FVTPL) and transaction costs	(215,282)
Equity component (less transaction costs allocated to the equity component of \$14,157 thousand)	<u>(1,337,823)</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$216,026 thousand)	20,414,434
Interest charged at an effective interest rate	<u>22,701</u>
Liability component at December 31, 2021	20,437,135
Interest charged at an effective interest rate	<u>348,312</u>
Liability component at December 31, 2022	<u>\$ 20,785,447</u>

21. OTHER PAYABLES

	December 31	
	2022	2021
Salaries and bonuses payable	\$ 2,077,884	\$ 2,392,053
Deposits and retention money	1,248,255	1,272,813
Payables for equipment	866,737	1,081,568
Interest payable	584,850	380,429
Taxes payable	528,094	562,434
Payables for electricity	252,828	290,708
Freight payable	39,988	170,245
Others	<u>4,172,955</u>	<u>4,087,946</u>
	<u>\$ 9,771,591</u>	<u>\$ 10,238,196</u>

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

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

b. Defined benefit plan

The defined benefit plan adopted by the Corporation and its subsidiaries in the Republic of China, which is in accordance with the Labor Standards Act, is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Group contributes amounts equal to a specified percentage of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plan were as follows:

	December 31	
	2022	2021
Present value of defined benefit obligation	\$ (933,990)	\$ (1,008,358)
Fair value of plan assets	<u>2,381,898</u>	<u>2,715,472</u>
	<u>\$ 1,447,908</u>	<u>\$ 1,707,114</u>
Net defined benefit assets	<u>\$ 1,567,531</u>	<u>\$ 1,850,315</u>
Net defined benefit liabilities	<u>\$ 119,623</u>	<u>\$ 143,201</u>

Movements in net defined benefit assets were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets
Balance at January 1, 2022	<u>\$ (1,008,358)</u>	<u>\$ 2,715,472</u>	<u>\$ 1,707,114</u>
Service costs			
Current service costs	(9,992)	-	(9,992)
Net interest income (expense)	<u>(5,148)</u>	<u>13,617</u>	<u>8,469</u>
Recognized in profit or loss	<u>(15,140)</u>	<u>13,617</u>	<u>(1,523)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(279,606)	(279,606)
Actuarial gain - changes in financial assumptions	40,802	-	40,802
Actuarial loss - experience adjustments	<u>(43,448)</u>	<u>-</u>	<u>(43,448)</u>
Recognized in other comprehensive loss	<u>(2,646)</u>	<u>(279,606)</u>	<u>(282,252)</u>
Contributions from the employer	-	12,321	12,321
Benefits paid	92,144	(79,906)	12,238
Others	<u>10</u>	<u>-</u>	<u>10</u>
Balance at December 31, 2022	<u>\$ (933,990)</u>	<u>\$ 2,381,898</u>	<u>\$ 1,447,908</u>
Balance at January 1, 2021	<u>\$ (1,065,946)</u>	<u>\$ 2,565,126</u>	<u>\$ 1,499,180</u>
Service costs			
Current service costs	(14,724)	-	(14,724)
Net interest income (expense)	<u>(4,504)</u>	<u>9,404</u>	<u>4,900</u>
Recognized in profit or loss	<u>(19,228)</u>	<u>9,404</u>	<u>(9,824)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	282,466	282,466
Actuarial loss - changes in demographic assumptions	(24,188)	-	(24,188)
Actuarial gain - changes in financial assumptions	5,747	-	5,747
Actuarial gain - experience adjustments	<u>2,264</u>	<u>-</u>	<u>2,264</u>
Recognized in other comprehensive income (loss)	<u>(16,177)</u>	<u>282,466</u>	<u>266,289</u>
Contributions from the employer	-	12,959	12,959
Benefits paid	61,871	(54,572)	7,299
Disposal of subsidiary	109,475	(114,319)	(4,844)
Business combinations	(90,099)	14,408	(75,691)
Others	<u>11,746</u>	<u>-</u>	<u>11,746</u>
Balance at December 31, 2021	<u>\$ (1,008,358)</u>	<u>\$ 2,715,472</u>	<u>\$ 1,707,114</u>

Through the defined benefit plan under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2022	2021
Discount rates	1.13%-1.50%	0.50%-0.63%
Long-term average rates of salary increase	1.50%-3.00%	1.50%-2.25%

If possible reasonable change in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2022	2021
Discount rates		
0.25% increase	<u>\$ (15,253)</u>	<u>\$ (18,152)</u>
0.25% decrease	<u>\$ 15,690</u>	<u>\$ 18,709</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 15,256</u>	<u>\$ 18,807</u>
0.25% decrease	<u>\$ (14,908)</u>	<u>\$ (17,643)</u>

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2022	2021
The expected contributions to the plan for the next year	<u>\$ 13,005</u>	<u>\$ 10,370</u>
The average duration of the defined benefit obligation	6-12 years	7-13 years

23. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2022	2021
Number of shares authorized (in thousands)	<u>8,500,000</u>	<u>7,000,000</u>
Shares authorized	<u>\$ 85,000,000</u>	<u>\$ 70,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>7,156,182</u>	<u>6,125,234</u>
Shares issued	<u>\$ 71,561,817</u>	<u>\$ 61,252,340</u>

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

In May 2022, the Corporation's shareholders meeting resolved to amend the Articles of Incorporation to increase the authorized share capital and the number of shares to \$85,000,000 thousand and 8,500,000 thousand of shares, respectively.

The Corporation's shareholders meeting resolved to distribute share dividends of \$6,116,173 thousand in May 2022, which was approved by the Financial Supervisory Commission ("FSC"). The ex-dividend date was July 27, 2022 as determined by the Board of Directors of the Corporation.

The changes in the number of issued shares included the conversion of convertible bonds, the distribution of share dividends, the cancelation of treasury stocks and the issuance of global depositary receipt.

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) Issuance of global depository receipt

In May 2022, the shareholders meeting of the Corporation resolved the issuance of new ordinary shares for sponsoring issuance of global depository receipts to increase working capital for future development, repaying bank loans, and purchasing materials overseas. This proposal was approved and took effect upon receipt of the letter issued by the FSC dated September 27, 2022 (Ref. No. Jin-Guan-Zheng-Fa-Zi 1110356873). The Corporation has issued 84,000 thousand of units at the offer price of US\$5.06 each on the Luxembourg Stock Exchange in October 2022. The total issue price is US\$425,040 thousand. Each unit of the global depository receipts represents five ordinary shares of the Corporation with the total number of 420,000 thousand of shares. As of December 31, 2022, 83,006 thousand of units were converted into ordinary shares.

b. Capital surplus

	December 31	
	2022	2021
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)</u>		
Issuance of ordinary shares	\$ 53,366,704	\$ 44,176,367
Conversion of bonds	10,539,771	10,540,825
Treasury share transactions	186,289	204,127
Donations	31,537	31,537
Forfeited share options	36,879	16,456
Exercised employee share options	22,347	7,652
<u>May be used to offset a deficit only (Note 2)</u>		
Changes in percentage of ownership interests in subsidiaries	179,578	114,834
Dividends distributed by subsidiaries not yet received by shareholders	2,510	2,510
<u>May not be used for any purpose</u>		
Equity component of convertible bond	1,337,823	1,337,823
Changes in interests in associates accounted for using the equity method	<u>282,427</u>	<u>325,339</u>
	<u>\$ 65,985,865</u>	<u>\$ 56,757,470</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 - compensation of employees 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.

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 2021 and 2020, which were approved in the shareholders' general meetings in May 2022 and July 2021, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2021	2020	2021	2020
Legal reserve	\$ 2,068,477	\$ 2,530,554		
Cash dividends on preference shares	350,000	350,000	<u>\$ 1.75</u>	<u>\$ 1.75</u>
Cash dividends on ordinary shares	6,116,173	20,594,434	<u>\$ 1.00</u> (Note 2)	<u>\$ 3.50</u> (Note 1)
Share dividends on ordinary shares	6,116,173	-	<u>\$ 1.00</u> (Note 2)	<u>\$ -</u>

Note 1: 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 \$3.36811984 per ordinary share.

Note 2: The number of ordinary shares outstanding was affected by the Corporation's purchase of treasury shares which has not been transferred to employees. Therefore, the cash dividend was adjusted to \$0.99928258 per ordinary share and the share dividend was adjusted to \$0.99928258 per ordinary share.

As of February 24, 2023, the appropriation of earnings for 2022 had not yet been proposed by the Corporation's board of directors. Information on the appropriation of the earnings proposed by the Corporation's board of directors and approved by shareholder's general meeting is available at the Market Observation Post System website of the Taiwan Stock Exchange.

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, and such special reserve of \$35,459 thousand and \$0 thousand was reversed for the years ended December 31, 2022 and 2021, 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 Year Ended December 31	
	2022	2021
Balance at January 1	\$ (16,068,895)	\$ (9,523,576)
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	3,973,221	(1,313,568)
Share from associates and joint ventures accounted for using the equity method	<u>3,801,499</u>	<u>(5,231,751)</u>
Balance at December 31	<u>\$ (8,294,175)</u>	<u>\$ (16,068,895)</u>

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

	For the Year Ended December 31	
	2022	2021
Balance at January 1	\$ 26,988,909	\$ 30,670,817
Recognized for the year		
Unrealized loss - equity instruments	(6,343,964)	(2,820,559)
Share from associates and joint ventures accounted for using the equity method	<u>(358,029)</u>	<u>168,531</u>
Other comprehensive loss recognized for the year	<u>(6,701,993)</u>	<u>(2,652,028)</u>
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(1,029,880)</u>
Balance at December 31	<u>\$ 20,286,916</u>	<u>\$ 26,988,909</u>

3) Cash flow hedges

	For the Year Ended December 31	
	2022	2021
Balance at January 1	\$ -	\$ (250)
Recognized for the year		
Share from associates accounted for using the equity method	<u>(1,651)</u>	<u>250</u>
Balance at December 31	<u>\$ (1,651)</u>	<u>\$ -</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2022	2021
Balance at January 1	\$ 21,177,340	\$ 14,758,236
Net income (loss)	(1,247,899)	944,890
Other comprehensive income (loss) during the year		
Exchange differences on translating of the financial statements of foreign operations	315,025	(100,746)
Unrealized gain (loss) on financial assets at FVTOCI	(22,840)	10,162
Remeasurement of defined benefit plans	4,143	(502)
Changes in ownership interests of subsidiaries	(212,724)	(31,361)
Dividends paid by subsidiaries	(1,161,092)	(2,069,608)
Non-controlling interests from acquisition of subsidiaries (Note 29)	-	6,385,908
Increase cash capital by subsidiaries	1,535,612	1,483,509
Acquisition of non-controlling interests in subsidiaries (Note 31)	<u>(6,551)</u>	<u>(203,148)</u>
Balance at December 31	<u>\$ 20,381,014</u>	<u>\$ 21,177,340</u>

g. Treasury shares

(In Thousands of Shares)

	For the Year Ended December 31	
	2022	2021
Number of shares at January 1	9,061	11,522
Transferred to employees	(4,391)	(2,461)
Cancelled during the year	<u>(670)</u>	<u>-</u>
Number of shares at December 31	<u>4,000</u>	<u>9,061</u>

The Corporation's Board of Directors resolved to buy back treasury shares mainly for transferring to employees. The compensation costs recognized for transferring treasury shares to employees were \$66,820 thousand and \$24,325 thousand for the year ended December 31, 2022 and 2021, respectively.

The Corporation cancelled the treasury stocks overdue which had not yet been transferred to employees pursuant to the law, and the Board of Directors of the Corporation resolved to decrease its capital by \$6,696 thousand in August 2022, cancelled 670 thousand issued shares, and scheduled the record date for capital reduction of August 10, 2022.

The Corporation's board of directors resolved in January 2023 to buy back 20,000 thousand shares mainly for transferring to employees. The scheduled buy-back period was from January 5, 2023 to March 3, 2023. As of the date the consolidated financial statements were authorized for issue, 20,000 thousand shares have already been bought back and the total amount was \$732,459 thousand.

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.

24. REVENUE

a. Revenue from contracts with customers

	For the Year Ended December 31	
	2022	2021
Operating revenue	<u>\$ 113,929,706</u>	<u>\$ 107,041,452</u>

b. Contract balances

	December 31, 2022	December 31, 2021	January 1, 2021
Notes and accounts receivable (Note 9)	<u>\$ 34,599,483</u>	<u>\$ 35,483,726</u>	<u>\$ 39,041,499</u>
Contract assets (included in other current assets)	<u>\$ 548,725</u>	<u>\$ 179,035</u>	<u>\$ -</u>
Contract liabilities	<u>\$ 1,774,714</u>	<u>\$ 1,439,222</u>	<u>\$ 5,226,637</u>

The changes in the balance of contract liabilities primarily resulted from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

25. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations includes the following items:

a. Depreciation and amortization

	For the Year Ended December 31	
	2022	2021
An analysis of depreciation by item		
Property, plant and equipment	\$ 6,498,290	\$ 5,599,019
Right-of-use assets	954,051	829,916
Investment properties	<u>21,190</u>	<u>20,507</u>
	<u>\$ 7,473,531</u>	<u>\$ 6,449,442</u>
An analysis of depreciation by function		
Operating costs	\$ 6,856,441	\$ 6,021,621
Operating expenses	617,090	425,757
Non-operating expenses	<u>-</u>	<u>2,064</u>
	<u>\$ 7,473,531</u>	<u>\$ 6,449,442</u>

(Continued)

	For the Year Ended December 31	
	2022	2021
An analysis of amortization of intangible assets by function		
Operating costs	\$ 968,878	\$ 389,346
Operating expenses	<u>73,626</u>	<u>70,943</u>
	<u>\$ 1,042,504</u>	<u>\$ 460,289</u>
		(Concluded)

b. Employee benefits expense

	For the Year Ended December 31	
	2022	2021
Retirement benefit plans		
Defined contribution plans	\$ 679,120	\$ 544,852
Defined benefit plans	<u>1,523</u>	<u>9,456</u>
	<u>680,643</u>	<u>554,308</u>
Share-based payments		
Equity-settled (Notes 23 and 28)	103,396	24,325
Cash-settled	<u>-</u>	<u>105,960</u>
	<u>103,396</u>	<u>130,285</u>
Other employee benefits	<u>8,985,521</u>	<u>7,877,215</u>
Total employee benefits expense	<u>\$ 9,769,560</u>	<u>\$ 8,561,808</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 6,191,094	\$ 5,745,436
Operating expenses	<u>3,578,466</u>	<u>2,816,372</u>
	<u>\$ 9,769,560</u>	<u>\$ 8,561,808</u>

c. Compensation of employees and remuneration of directors

The Corporation accrued compensation of employees and remuneration of directors at the rates of 0.01%-3% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The total amount of compensation of employees and remuneration of directors were \$79,123 thousand and \$61,622 thousand for the year ended December 31, 2022. The Corporation may settle compensation of employees and remuneration of directors in cash were \$106,914 thousand and \$210,453 thousand for the year ended December 31, 2021, which was approved by the Corporation's board of directors in April 2022.

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

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

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

d. Finance costs

	For the Year Ended December 31	
	2022	2021
Interest on bank borrowings	\$ 1,532,208	\$ 805,611
Interest on corporate bonds	1,054,515	627,393
Interest on lease liabilities	97,542	55,481
Other finance costs	<u>185,623</u>	<u>181,978</u>
	<u>\$ 2,869,888</u>	<u>\$ 1,670,463</u>

e. Interest income

	For the Year Ended December 31	
	2022	2021
Interest on bank deposits	\$ 2,093,718	\$ 1,527,381
Others	<u>8,777</u>	<u>8,599</u>
	<u>\$ 2,102,495</u>	<u>\$ 1,535,980</u>

f. Other income

	For the Year Ended December 31	
	2022	2021
Government grants	\$ 96,751	\$ 118,848
Rental income	21,007	16,367
Gain on disposal of investment	-	233,756
Others	<u>465,354</u>	<u>698,878</u>
	<u>\$ 583,112</u>	<u>\$ 1,067,849</u>

g. Other expenses

	For the Year Ended December 31	
	2022	2021
Loss on work stoppages	\$ 120,647	\$ 130,285
Others	<u>708,666</u>	<u>656,434</u>
	<u>\$ 829,313</u>	<u>\$ 786,719</u>

26. INCOME TAX RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss

	For the Year Ended December 31	
	2022	2021
Current tax		
In respect of the current year	\$ 2,110,889	\$ 5,527,508
Income tax on unappropriated earnings	303,239	94,120
Adjustments for prior years	<u>(232,472)</u>	<u>(112,501)</u>
	<u>2,181,656</u>	<u>5,509,127</u>
Deferred tax		
In respect of the current year	<u>307,356</u>	<u>421,260</u>
Income tax expense recognized in profit or loss	<u>\$ 2,489,012</u>	<u>\$ 5,930,387</u>

A reconciliation of income before income tax and income tax expense recognized in profit or loss was as follows:

	For the Year Ended December 31	
	2022	2021
Income before income tax	<u>\$ 6,646,097</u>	<u>\$ 26,078,084</u>
Income tax expense at the statutory rate	\$ 1,329,219	\$ 5,215,616
Non-deductible expenses in determining taxable income	1,016,445	669,573
Tax-exempt income	(472,158)	(760,854)
Unrecognized loss carryforwards and deductible temporary differences	(301,193)	(271,482)
Loss carryforwards utilized in the current year	(6,074)	(134,387)
Effects of different tax rate of subsidiaries operating in other jurisdictions	228,374	786,563
Income tax on unappropriated earnings	303,239	94,120
Adjustments for prior years	(232,472)	(112,501)
Others	<u>623,632</u>	<u>443,739</u>
Income tax expense recognized in profit or loss	<u>\$ 2,489,012</u>	<u>\$ 5,930,387</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2022	2021
<u>Deferred tax</u>		
Deferred tax in the current year		
Remeasurement on defined benefit plan	<u>\$ (57,170)</u>	<u>\$ 53,780</u>

c. Current tax assets and liabilities

	December 31	
	2022	2021
Current tax assets		
Tax refund receivable (included in other receivables)	<u>\$ 277,067</u>	<u>\$ 130,898</u>
Current tax liabilities		
Current income tax liabilities	<u>\$ 1,063,356</u>	<u>\$ 2,490,823</u>

d. Deferred income tax assets and liabilities

The movements of deferred income tax assets (included in other non-current assets) and deferred income tax liabilities were as follows:

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Acquisitions Through Business Combinations	Disposal of Subsidiary	Others	Closing Balance
<u>Deferred income tax assets</u>							
Loss carryforwards	\$ 5,151	\$ 17,881	\$ -	\$ -	\$ -	\$ 39	\$ 23,071
Defined benefit plan	22,288	3,271	(3,589)	-	-	-	21,970
Inventories	116,746	7,211	-	-	-	1,149	125,106
Others	<u>228,982</u>	<u>170,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,325</u>	<u>416,779</u>
	<u>\$ 373,167</u>	<u>\$ 198,835</u>	<u>\$ (3,589)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,513</u>	<u>\$ 586,926</u>
<u>Deferred income tax liabilities</u>							
Land value increment tax	\$ 5,083,375	\$ (6,411)	\$ -	\$ -	\$ -	\$ (18,594)	\$ 5,058,370
Finance leases	2,874,168	(354,944)	-	-	-	-	2,519,224
Property, plant and equipment	1,590,513	(304,072)	-	-	-	41,378	1,327,819
Retained earnings from foreign subsidiaries	1,823,529	236,722	-	-	-	(56,291)	2,003,960
Defined benefit plan	345,634	1,601	(60,759)	-	-	-	286,476
Others	<u>205,646</u>	<u>933,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,629</u>	<u>1,163,570</u>
	<u>\$ 11,922,865</u>	<u>\$ 506,191</u>	<u>\$ (60,759)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,878)</u>	<u>\$ 12,359,419</u>

For the year ended December 31, 2021

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Acquisitions Through Business Combinations	Disposal of Subsidiary	Others	Closing Balance
<u>Deferred income tax assets</u>							
Loss carryforwards	\$ 206,678	\$ 2,039	\$ -	\$ -	\$ (203,566)	\$ -	\$ 5,151
Defined benefit plan	27,371	(2,515)	260	-	(2,828)	-	22,288
Inventories	122,133	(4,809)	-	-	-	(578)	116,746
Others	<u>280,025</u>	<u>(34,042)</u>	<u>-</u>	<u>-</u>	<u>(20,708)</u>	<u>3,707</u>	<u>228,982</u>
	<u>\$ 636,207</u>	<u>\$ (39,327)</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ (227,102)</u>	<u>\$ 3,129</u>	<u>\$ 373,167</u>
<u>Deferred income tax liabilities</u>							
Land value increment tax	\$ 5,083,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,083,375
Finance leases	3,093,646	(219,478)	-	-	-	-	2,874,168
Property, plant and equipment	1,503,371	92,244	-	-	-	(5,102)	1,590,513
Retained earnings from foreign subsidiaries	1,771,373	314,498	-	-	-	(262,342)	1,823,529
Defined benefit plan	291,309	285	54,040	-	-	-	345,634
Others	<u>11,196</u>	<u>194,384</u>	<u>-</u>	<u>920</u>	<u>(248)</u>	<u>(606)</u>	<u>205,646</u>
	<u>\$ 11,754,270</u>	<u>\$ 381,933</u>	<u>\$ 54,040</u>	<u>\$ 920</u>	<u>\$ (248)</u>	<u>\$ (268,050)</u>	<u>\$ 11,922,865</u>

e. Unrecognized deferred income tax assets in respect of loss carryforwards

	December 31	
	2022	2021
Loss carryforwards		
Expire in 2022	\$ -	\$ 1,333,520
Expire in 2023	639,948	873,426
Expire in 2024	631,499	865,142
Expire in 2025	679,251	990,779
Expire in 2026	787,448	1,281,534
Expire in 2027	1,947,808	435,584
Expire in 2028	830	37,706
Expire in 2029	144,802	192,615
Expire in 2030	374,735	392,916
Expire in 2031	1,279,008	1,279,008
Expire in 2032	<u>108,182</u>	<u>-</u>
	<u>\$ 6,593,511</u>	<u>\$ 7,682,230</u>

f. Unused loss carryforwards information

Loss carryforwards as of December 31, 2022 were comprised of:

Unused Amount	Expiry Year
\$ 639,948	2023
631,499	2024
679,251	2025
787,448	2026
1,947,808	2027
830	2028
144,802	2029
374,735	2030
1,279,008	2031
<u>132,015</u>	2032
<u>\$ 6,617,344</u>	

g. Unrecognized deferred income tax liabilities in respect of investments

As of December 31, 2022 and 2021, the taxable temporary differences in respect of investments in subsidiaries and associates for which no deferred income tax liabilities have been recognized were \$96,366,824 thousand and \$97,109,400 thousand, respectively.

h. Income tax return assessments

The information of income tax assessments for the Group is as follows:

Year	Company
2019	E-One Moli Energy Corp.
2020	Taiwan Cement Corporation (2019 not yet assessed), TCC Investment Corporation, Ho Sheng Mining Co., Ltd., Union Cement Traders Inc., TCC Information Systems Corporation, Taiwan Cement Engineering Corporation, Tung Chen Mineral Corporation, Jin Chang Minerals Corporation, Hoping Industrial Port Corporation, HPC Power Service Corporation, Ho-Ping Power Company, E.G.C. Cement Corporation, Kuan-Ho Refractories Industry Corporation, Taiwan Transport & Storage Corporation, TCC Chemical Corporation, Ta-Ho RSEA Environment Co., Ltd., TCC Recycle Energy Technology Company, TCC Green Energy Corporation, Ta-Ho Maritime Corporation, TCC Sustainable Energy Investment Corporation, TCC Energy Storage Technology Corporation, Chang-Wang Wind Power Co., Ltd., TCC Chia-Chien Green Energy Corporation, TCC Yun-Kai Green Energy Corporation, TCC Lien-Hsin Green Energy Corporation, TCC Chang-Ho Green Energy Corporation, TCC Kao-Cheng Green Energy Corporation, TCC Nan-Chung Green Energy Corporation, Chia-Ho Green Energy Corporation, TCC Ping-Chih Green Energy Corporation, Feng Sheng Enterprise Company Limited

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2022	2021
Basic earnings per share		
From continuing operations	\$ 0.74	\$ 2.84
From discontinued operations	<u>-</u>	<u>0.16</u>
	<u>\$ 0.74</u>	<u>\$ 3.00</u>
Diluted earnings per share		
From continuing operations	\$ 0.73	\$ 2.81
From discontinued operations	<u>-</u>	<u>0.16</u>
	<u>\$ 0.73</u>	<u>\$ 2.97</u>

The weighted average number of shares outstanding used in the earnings per share computation was adjusted retrospectively. The basic and diluted earnings per share adjusted retrospectively for the year ended December 31, 2021 were as follows:

	Unit: NT\$ Per Share	
	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share		
From continuing operations	\$ 3.12	\$ 2.84
From discontinued operations	<u>0.18</u>	<u>0.16</u>
	<u>\$ 3.30</u>	<u>\$ 3.00</u>
Diluted earnings per share		
From continuing operations	\$ 3.09	\$ 2.81
From discontinued operations	<u>0.18</u>	<u>0.16</u>
	<u>\$ 3.27</u>	<u>\$ 2.97</u>

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

	For the Year Ended December 31	
	2022	2021
Profit for the year attributable to owners of the Corporation (Note)	\$ 5,054,984	\$ 19,906,366
Profit for the period used in the computation of basic earnings per share from discontinued operations	<u>-</u>	<u>(1,073,939)</u>
Profit used in the computation of basic earnings per share from continuing operations	5,054,984	18,832,427
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds	<u>230,158</u>	<u>67,416</u>
Profit used in the computation of diluted earnings per share from continuing operations	<u>\$ 5,285,142</u>	<u>\$ 18,899,843</u>
<u>Number of shares (in thousands)</u>		
Weighted average number of ordinary shares in computation of basic earnings per share	6,835,603	6,646,406
Effect of potentially dilutive ordinary shares:		
Compensation of employees	2,948	2,784
Convertible bonds	<u>354,302</u>	<u>79,950</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>7,192,853</u>	<u>6,729,140</u>

Note: Preference share dividends of \$350,000 thousand were deducted in 2022 and 2021, respectively.

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

28. SHARE-BASED PAYMENT ARRANGEMENTS

NHOA S.A., the Corporation's subsidiary, granted 542 thousand employee stock options in July 2022. Each unit of the employee stock option entitles the holder with the right to subscribe for one ordinary share of the NHOA S.A. Those who are granted with employee stock options include employees who meet specific condition, i.e., the employee must serve for 2 years or more.

Relevant information on employee share options was as follows:

	For the Year Ended December 31 2022	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance at January 1	-	\$ -
Options granted	<u>542</u>	-
Balance at December 31	<u>542</u>	-
Options exercisable, end of the year	<u>-</u>	-
Weighted-average fair value of options granted (NTD)	<u>\$ 329.82</u>	

Relevant information on outstanding employee share options was as follows:

	December 31, 2022
Remaining contractual life (in years)	1.5 years

The employee stock options granted by NHOA S.A. in July 2022 are priced by using the dividend discount evaluation model, and the inputs to the model are as follows:

	Employee Stock Options Granted for the Year Ended December 31, 2022
Share price on grant date (NTD)	\$343.56
Discount rate of forfeiture risk	2%

The compensation cost was recognized in the amount of \$36,576 thousand for the year ended December 31, 2022.

29. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
NHOA S.A.	Investment, construction of renewable energy storage system	July 20, 2021	60.5	<u>\$ 4,391,545</u>
TCC Recycle Energy Technology Company	Investment, manufacture of Lithium batteries	August 12, 2021	38.1	<u>\$ 9,232,894</u>

On April 19, 2021, the Board of Directors of the Corporation resolved to acquire 60.5% of the ordinary shares of Engie EPS in order to expand the Group's energy storage business. The Group acquired 7,721,453 shares of Engie EPS from Engie SA group for a cash payment of EUR17.10 per share on July 20, 2021, and Engie EPS changed its name to NHOA S.A. on the same day.

The Group subscribed TCC Recycle Energy Technology Company with \$9,232,894 thousand, leading to an increase of the percentage of ownership in TCC Recycle Energy Technology Company from 29.7% to 67.8% with non-subscription by other shareholders and subsequently gaining control of it.

b. Consideration transferred

	NHOA S.A.	TCC Recycle Energy Technology Company
Cash	<u>\$ 4,391,545</u>	<u>\$ 9,232,894</u>

c. Assets acquired and liabilities assumed at the date of acquisition

	NHOA S.A.	TCC Recycle Energy Technology Company
Current assets		
Cash and cash equivalents	\$ 354,778	\$ 11,624,517
Trade and other receivables	157,970	539,584
Inventories	99,534	1,237,632
Other current assets	410,460	258,499
Non-current assets		
Property, plant and equipment	215,757	3,609,512
Intangible assets	1,339,905	-
Other non-current assets	526,800	689,442
		(Continued)

	NHOA S.A.	TCC Recycle Energy Technology Company
Current liabilities		
Short-term borrowings	\$ (132,667)	\$ (11,129)
Trade and other payables	(325,981)	(694,593)
Long-term borrowings (expired within a year)	(332,600)	(300,000)
Other current liabilities	(432,490)	(398,269)
Non-current liabilities		
Long-term borrowings	(758,169)	-
Other non-current liabilities	<u>(404,164)</u>	<u>(123,469)</u>
Net assets acquired	<u>\$ 719,133</u>	<u>\$ 16,431,726</u> (Concluded)

d. Non-controlling interests

The non-controlling interests recognized at the acquisition date were measured by the proportion of identifiable net assets owned.

e. Goodwill recognized on acquisitions

	NHOA S.A.	TCC Recycle Energy Technology Company
Consideration transferred	\$ 4,391,545	\$ 9,232,894
Fair value of equity at acquisition date	-	1,915,550
Non-controlling interests	1,043,877	5,295,660
Fair value of identifiable net assets acquired	<u>(719,133)</u>	<u>(16,431,726)</u>
Goodwill recognized on acquisitions	<u>\$ 4,716,289</u>	<u>\$ 12,378</u>

The goodwill from acquisitions of NHOA S.A. mainly represents the control premium included in the cost of the combination. In addition, the consideration paid for the combination effectively included amounts attributed to the benefits of expected revenue growth and future market development of acquired companies. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The total amount of acquired goodwill is not tax-deductible.

As of December 31, 2022, the Group had finished identifying the difference between the investment cost and net fair value of identifiable assets acquired and liabilities assumed of NHOA S.A.

- f. Net cash outflow (inflow) on the acquisition of subsidiaries

	NHOA S.A.	TCC Recycle Energy Technology Company
Consideration paid in cash	\$ 4,391,545	\$ 9,232,894
Less: Cash and cash equivalent balances acquired	<u>(354,778)</u>	<u>(11,624,517)</u>
	<u>\$ 4,036,767</u>	<u>\$ (2,391,623)</u>

- g. Refer to Note 27 in the consolidated financial statements for the year ended December 31, 2021 for detailed information relating to the impact of acquisitions on the results of the Group.

30. DISPOSAL OF SUBSIDIARY

On March 19, 2021, the Corporation's Board of Directors resolved to enter into a sale agreement to dispose of all its interests in Taiwan Prosperity Chemical Corporation for Chang Chun Plastic Co., Ltd. by receiving 2,400,000 thousand in cash. According to the agreement, Taiwan Prosperity Chemical Corporation should pay \$400,000 thousand to TCC Chemical Corporation as the consideration of ending the machinery lease agreement before the acquisition date. The disposal was completed on August 17, 2021, the date the control of Taiwan Prosperity Chemical Corporation passed to the acquirer.

- a. Consideration received from disposal

Consideration received in cash and cash equivalents	<u>\$ 2,800,000</u>
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- b. Analysis of assets and liabilities on the date control was lost

Current assets	
Cash and cash equivalents	\$ 2,926,538
Trade receivables	2,112,486
Other receivables	1,065,671
Inventories	779,911
Other current assets	88,596
Non-current assets	
Property, plant and equipment	2,429,783
Other non-current assets	461,935
Current liabilities	
Short-term borrowings	(3,179,197)
Trade payables	(569,283)
Other payables	(775,303)
Other current liabilities	(32,872)
Non-current liabilities	
Long-term borrowings (including expired within a year)	(2,995,760)
Other non-current liabilities	<u>(33,919)</u>
Net assets disposed of	<u>\$ 2,278,586</u>

c. Gain on disposal of subsidiary

Consideration received	\$ 2,800,000
Net assets disposed of	<u>(2,278,586)</u>
Gain on disposals	<u>\$ 521,414</u>

d. Net cash outflow on disposals of subsidiary

Consideration received in cash and cash equivalents	\$ 2,800,000
Less: Cash and cash equivalent balances disposed of	<u>(2,926,538)</u>
	<u>\$ (126,538)</u>

31. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the year ended December 31, 2022

- a. During 2022, the Group acquired a portion of the shares of Taiwan Transport & Storage Corporation, and the proportion of ownership was 83.9%.

<u>Acquirer</u>	Taiwan Cement Corporation
	Taiwan Transport & Storage Corporation
Acquiree	
Cash consideration paid	\$ (840)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>916</u>
Differences from equity transactions	<u>\$ 76</u>
<u>Acquirer</u>	Taiwan Cement Corporation
	Taiwan Transport & Storage Corporation
Acquiree	
<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>\$ 76</u>

- b. During 2022, the Group acquired a portion of the shares of TCC Recycle Energy Technology Company, and the proportion of ownership was 77.9%.

Acquirer	Taiwan Cement Corporation
	TCC Recycle Energy Technology Company
Acquiree	
Cash consideration paid	\$ (8,533)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>8,321</u>
Differences from equity transactions	<u>\$ (212)</u>

Acquirer	Taiwan Cement Corporation
	TCC Recycle Energy Technology Company
Acquiree	
<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	\$ (76)
Unappropriated earnings	<u>(136)</u>
	<u>\$ (212)</u>

- c. During 2022, the Group acquired a portion of the shares of Comores Énergie Nouvelles S.A.R.L., and the proportion of ownership was increased from 60.0% to 100.0%.

Acquirer	NHOA S.A.
	Comores Énergie Nouvelles S.A.R.L.
Acquiree	
Cash consideration paid	\$ (9,593)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>(2,686)</u>
Differences from equity transactions	<u>\$ (12,279)</u>

Acquirer	NHOA S.A.
	Comores Énergie Nouvelles S.A.R.L.
Acquiree	

Line items adjusted for equity transactions

Unappropriated earnings	\$ (12,279)
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The above transactions were accounted for as equity transactions since there was no change in the Group's control over these subsidiaries.

For the year ended December 31, 2021

- a. During 2021, the Group acquired 26.4% of the shares of Taiwan Prosperity Chemical Corporation, and the proportion of ownership was from 73.6% to 100.0%.

Acquirer	Taiwan Cement Corporation
	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 from equity transactions	<u>\$ (374,195)</u>

Acquirer	Taiwan Cement Corporation
	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	\$ (22,402)
Unappropriated earnings	<u>(351,793)</u>
	<u>\$ (374,195)</u>

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

Acquirer	Taiwan Cement Corporation
Acquiree	Taiwan Cement Engineering Corporation
Cash consideration paid	\$ (141)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>141</u>
Differences from equity transactions	<u>\$ -</u>

- c. During 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	\$ (1,908)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>1,900</u>
Differences from equity transactions	<u>\$ (8)</u>

Acquirer	Taiwan Transport and Storage Corporation
Acquiree	Ta-Ho Maritime Corporation

Line items adjusted for equity transactions

Unappropriated earnings	<u>\$ (8)</u>
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- d. During 2021, the Group acquired a portion of the shares of NHOA S.A., and the proportion of ownership was increased from 60.5% to 65.2%.

Acquirer	TCEH
Acquiree	NHOA S.A.
Cash consideration paid	\$ (329,447)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>(51,045)</u>
Differences from equity transactions	<u>\$ (380,492)</u>

<u>Acquirer</u> <u>Acquiree</u>	<u>TCEH</u> <u>NHOA S.A.</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated earnings	<u>\$ (380,492)</u>

- e. During 2021, the Group acquired a portion of the shares of Taiwan Transport & Storage Corporation, and the proportion of ownership was 84.5%.

<u>Acquirer</u>	<u>Taiwan Cement Corporation</u>
	<u>Taiwan Transport and Storage Corporation</u>
<u>Acquiree</u>	
Cash consideration paid	\$ -
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>2</u>
Differences from equity transactions	<u>\$ 2</u>

<u>Acquirer</u>	<u>Taiwan Cement Corporation</u>
	<u>Taiwan Transport and Storage Corporation</u>
<u>Acquiree</u>	

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	<u>\$ 2</u>
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The above transactions were accounted for as equity transactions since there was no change in the Group's control over these subsidiaries.

32. CASH FLOWS INFORMATION

Changes in liabilities arising from financing activities:

For the year ended December 31, 2022

	Opening Balance	Cash Flows	Effect of Exchange Rate	Closing Balance
Short-term borrowings	\$ 48,440,514	\$ (27,377,773)	\$ 1,354,071	\$ 22,416,812
Long-term borrowings (including expired within a year)	<u>23,787,253</u>	<u>19,561,425</u>	<u>242,450</u>	<u>43,591,128</u>
	<u>\$ 72,227,767</u>	<u>\$ (7,816,348)</u>	<u>\$ 1,596,521</u>	<u>\$ 66,007,940</u>

For the year ended December 31, 2021

	Opening Balance	Cash Flows	Acquisition of Subsidiaries	Disposal of Subsidiary	Effect of Exchange Rate	Closing Balance
Short-term borrowings	\$ 34,675,454	\$ 17,043,656	\$ 143,796	\$ (3,179,197)	\$ (243,195)	\$ 48,440,514
Long-term borrowings (including expired within a year)	<u>29,803,481</u>	<u>(4,366,854)</u>	<u>1,390,769</u>	<u>(2,995,760)</u>	<u>(44,383)</u>	<u>23,787,253</u>
	<u>\$ 64,478,935</u>	<u>\$ 12,676,802</u>	<u>\$ 1,534,565</u>	<u>\$ (6,174,957)</u>	<u>\$ (287,578)</u>	<u>\$ 72,227,767</u>

33. 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.

34. FINANCIAL INSTRUMENTS

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

Except for those listed in the table below, the Group considers that the carrying amount of financial instruments not measured at fair value in the consolidated financial statements approximates fair value.

December 31, 2022

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	\$ 20,785,447	\$ -	\$ -	\$ 20,734,800	\$ 20,734,800

December 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	\$ 20,437,135	\$ -	\$ -	\$ 20,599,380	\$ 20,599,380

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

1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Domestic listed shares	\$ 197,210	\$ -	\$ -	\$ 197,210
Domestic emerging market shares	95,145	-	-	95,145
Foreign government bonds	562,648	-	-	562,648
Foreign corporate bonds	<u>41,675</u>	<u>-</u>	<u>-</u>	<u>41,675</u>
	<u>\$ 896,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 896,678</u>
Financial assets at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 5,883,584	\$ -	\$ -	\$ 5,883,584
Foreign listed shares	13,412,634	-	-	13,412,634
Domestic privately placed listed shares	-	1,030,300	-	1,030,300
Domestic unlisted shares	-	-	8,032,322	8,032,322
Domestic unlisted preferred shares	-	-	276,390	276,390
Domestic convertible preference shares	<u>51,169</u>	<u>-</u>	<u>-</u>	<u>51,169</u>
	<u>\$ 19,347,387</u>	<u>\$ 1,030,300</u>	<u>\$ 8,308,712</u>	<u>\$ 28,686,399</u>
Financial liabilities at FVTPL				
Derivative instrument - redemption options and put options of convertible bond	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 641,522</u>	<u>\$ 641,522</u>

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Domestic listed shares	\$ 256,588	\$ -	\$ -	\$ 256,588
Domestic emerging market shares	<u>107,225</u>	<u>-</u>	<u>-</u>	<u>107,225</u>
	<u>\$ 363,813</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,813</u>
Financial assets at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 6,335,655	\$ -	\$ -	\$ 6,335,655
Foreign listed shares	17,615,868	-	-	17,615,868
Domestic privately placed listed shares	-	1,255,794	-	1,255,794
Domestic unlisted shares	-	-	8,964,202	8,964,202
Domestic convertible preference shares	<u>51,888</u>	<u>-</u>	<u>-</u>	<u>51,888</u>
	<u>\$ 24,003,411</u>	<u>\$ 1,255,794</u>	<u>\$ 8,964,202</u>	<u>\$ 34,223,407</u>
Financial liabilities at FVTPL				
Derivative instrument - redemption options and put options of convertible bond	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,062</u>	<u>\$ 213,062</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2022 and 2021.

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

For domestic listed privately placed listed shares with no market price available as reference, their fair values are estimated using the evaluation method. The estimations and assumptions used by the Group in the evaluation method are consistent with those used by market participants in pricing the financial instruments. The relevant information is available to the Group.

The valuation method adopted by the Group is the Black-Scholes valuation model, which calculates the fair value based on the observable share price, share price volatility, risk-free interest rate and liquidity discount at the end of the year.

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

	For the Year Ended December 31, 2022
Financial assets at FVTOCI	
Equity instrument investment	
Balance at January 1, 2022	\$ 8,964,202
Recognized in other comprehensive loss	(941,717)
Additions	<u>286,227</u>
Balance at December 31, 2022	<u>\$ 8,308,712</u>
Financial liabilities at FVTPL	
Derivative instrument investment	
Balance at January 1, 2022	\$ 213,062
Recognized in loss	<u>428,460</u>
Balance at December 31, 2022	<u>\$ 641,522</u>
	For the Year Ended December 31, 2021
Financial assets at FVTOCI	
Equity instrument investment	
Balance at January 1, 2021	\$ 7,239,178
Recognized in other comprehensive income	<u>1,725,024</u>
Balance at December 31, 2021	<u>\$ 8,964,202</u>
Financial assets at FVTPL	
Derivative instrument investment	
Balance at January 1, 2021	\$ 17,092
Recognized in loss	(10,114)
Convertible bonds converted into ordinary shares	<u>(6,978)</u>
Balance at December 31, 2021	<u>\$ -</u>

(Continued)

**For the Year
Ended
December 31,
2021**

Financial liabilities at FVTPL

Derivative instrument investment

Balance at January 1, 2021

\$ -

Additions

215,282

Recognized in profit

(2,220)

Balance at December 31, 2021

\$ 213,062

(Concluded)

4) 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 a change in an increase in the fair value. The historical volatility used were 19.41% and 21.37% on December 31, 2022 and 2021, 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.

	December 31	
	2022	2021
Comprehensive discount for lack of marketability and non-controlling interests	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:

	December 31	
	2022	2021
Comprehensive discount for lack of marketability and non-controlling interests		
1% increase	<u>\$ (18,973)</u>	<u>\$ (25,297)</u>
1% decrease	<u>\$ 18,973</u>	<u>\$ 25,297</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.

	December 31	
	2022	2021
Discount for lack of marketability	20%	20%

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:

	December 31	
	2022	2021
Discount for lack of marketability		
1% increase	<u>\$ (3,476)</u>	<u>\$ (3,798)</u>
1% decrease	<u>\$ 3,476</u>	<u>\$ 3,798</u>

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

	December 31	
	2022	2021
Discount rate	9.1%	5.4%
Dividend growth rate	1.6%	1.4%
Discount for lack of marketability	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:

	December 31	
	2022	2021
Discount for lack of marketability		
1% increase	<u>\$ (67,522)</u>	<u>\$ (70,428)</u>
1% decrease	<u>\$ 67,522</u>	<u>\$ 70,428</u>

c. Categories of financial instruments

	December 31	
	2022	2021
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified as at FVTPL	\$ 896,678	\$ 363,813
Financial assets measured at amortized cost (1)	178,584,630	184,263,079
		(Continued)

	December 31	
	2022	2021
Financial assets at FVTOCI		
Equity instruments investment	\$ 28,686,399	\$ 34,223,407
<u>Financial liabilities</u>		
Financial liabilities at FVTPL		
Held for trading	641,522	213,062
Financial liabilities measured at amortized cost (2)	201,199,749	194,855,668
		(Concluded)

- 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, and finance lease receivables.
- 2) The balances include financial liabilities measured at amortized cost, which comprise short-term loans, short-term bills payables, notes and accounts payable, other payables (including related parties transactions), bonds payable (including current portion), long-term loans (including current portion), and long-term bills payable.

d. Financial risk management objectives and policies

The risk control and hedging strategy 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.

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 listed shares and foreign government bonds, and these investments was subject to fluctuations in market prices. The Group periodically evaluated the investment's performance, and no significant market risk was anticipated.

The Group signed coal purchasing contracts with the suppliers, and also purchased foreign currency bank deposit at the spot rate to avoid exchange rate exposure to 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.

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 position 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 upon consolidation) at the end of the reporting period are set out in Note 39.

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/negative number below indicates an increase/decrease in after-tax profit or equity associated with the NTD/HKD/EUR strengthening 1% against the relevant currency.

	USD Impact	
	For the Year Ended December 31	
	2022	2021
NTD	\$ (11,359)	\$ (168,048)
HKD	\$ (130,475)	\$ 15,367
EUR	\$ (12,020)	\$ (1,358)

b) Interest rate risk

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

	December 31	
	2022	2021
Cash flow interest rate risk		
Financial assets	\$ 27,747,698	\$ 38,476,321
Financial liabilities	66,007,940	72,227,767

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 position 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 years ended December 31, 2022 and 2021 would increased/decreased by \$110,991 thousand and \$153,905 thousand, respectively.

For the Group's position 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 years ended December 31, 2022 and 2021 would increased/decreased by \$264,032 thousand and \$288,911 thousand, respectively.

c) Other price risk

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

The sensitivity analyses were based on the exposure of equity instruments/commodity price at the end of reporting period. If equity instruments/commodity prices of financial assets at FVTPL had been 5% higher/lower, profit or loss for the years ended December 31, 2022 and 2021 would increased/decreased by \$44,834 thousand and \$18,191 thousand, respectively. If equity prices of financial assets at FVTOCI had been 5% higher/lower, other comprehensive income (loss) for the years ended December 31, 2022 and 2021 would increased/decreased by \$1,434,320 thousand and \$1,711,170 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 assesses the operations and financial positions of customers and monitors the collectability of accounts receivable. The Group also required credit enhancements by bank guarantees or collateral for certain customers or in certain geographical locations.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings which were 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 December 31, 2022 and 2021, the amount of unused financing facilities was \$136,077,349 thousand and \$84,194,479 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.

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 1,094,433	\$ 21,663,628	\$ 2,402,019	\$ 246,203	\$ 3,515
Lease liabilities	104,094	55,628	374,835	1,855,313	4,463,368
Variable interest rate liabilities	185,652	17,008,856	8,209,921	42,801,221	32,720
Fixed interest rate liabilities	<u>-</u>	<u>3,029,921</u>	<u>24,689,180</u>	<u>42,209,200</u>	<u>50,795,840</u>
	<u>\$ 1,384,179</u>	<u>\$ 41,758,033</u>	<u>\$ 35,675,955</u>	<u>\$ 87,111,937</u>	<u>\$ 55,295,443</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
Non-interest bearing	\$ 25,160,080	\$ 246,203	\$ 3,450	\$ 20	\$ 45	\$ -
Lease liabilities	534,557	1,855,313	1,315,258	896,959	493,050	1,758,101
Variable interest rate liabilities	25,404,429	42,801,221	32,720	-	-	-
Fixed interest rate liabilities	<u>27,719,101</u>	<u>42,209,200</u>	<u>11,305,720</u>	<u>39,490,120</u>	<u>-</u>	<u>-</u>
	<u>\$ 78,818,167</u>	<u>\$ 87,111,937</u>	<u>\$ 12,657,148</u>	<u>\$ 40,387,099</u>	<u>\$ 493,095</u>	<u>\$ 1,758,101</u>

December 31, 2021

	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	\$ 700,853	\$ 18,618,235	\$ 4,428,778	\$ 146,445	\$ 3,560
Lease liabilities	84,059	71,114	395,217	1,778,707	3,249,186
Variable interest rate liabilities	12,203,957	29,138,877	17,063,801	16,824,248	65,230
Fixed interest rate liabilities	<u>600,000</u>	<u>6,875,000</u>	<u>12,576,844</u>	<u>40,716,112</u>	<u>46,209,100</u>
	<u>\$ 13,588,869</u>	<u>\$ 54,703,226</u>	<u>\$ 34,464,640</u>	<u>\$ 59,465,512</u>	<u>\$ 49,527,076</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
Non-interest bearing	\$ 23,747,866	\$ 146,445	\$ 3,495	\$ 20	\$ 45	\$ -
Lease liabilities	550,390	1,778,707	1,330,736	839,092	411,392	667,966
Variable interest rate liabilities	58,406,635	16,824,248	65,230	-	-	-
Fixed interest rate liabilities	<u>20,051,844</u>	<u>40,716,112</u>	<u>11,641,790</u>	<u>34,567,310</u>	<u>-</u>	<u>-</u>
	<u>\$ 102,756,735</u>	<u>\$ 59,465,512</u>	<u>\$ 13,041,251</u>	<u>\$ 35,406,422</u>	<u>\$ 411,437</u>	<u>\$ 667,966</u>

e. Transfers of financial assets

The Group transferred a portion of its banker's acceptance bills in mainland China to some of its suppliers in order to settle the trade payables to these suppliers. As the Group had 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 values of the transferred but unsettled bills receivable, and as of December 31, 2022 and 2021, the face amounts of these unsettled bills receivable were \$842,874 thousand and \$2,342,843 thousand, respectively. The unsettled bills receivable will be due in 11 months and 12 months, after December 31, 2022 and 2021, 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 year ended December 31, 2022 and 2021, 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.

35. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are 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 associate
Onyx Ta-Ho Lu-Tsao Environment Co., Ltd.	Subsidiary of associate
ULPU International Co., Ltd.	Subsidiary of associate
E-ONE Moli Energy Corporation	Subsidiary of associate (classified as subsidiary of associate until August 2021 and has been reported as in the Group entity ever since.)
E-ONE Moli Energy (Canada) Ltd.	Subsidiary of associate (classified as subsidiary of associate until August 2021 and has been reported as in the Group entity ever since.)
Onyx Ta-Ho Environmental Services Co., Ltd.	Associate
Quon Hing Concrete Co., Ltd. (Quon Hing)	Associate
Prosperity Conch Cement Company Limited	Associate
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Associate
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd. (Baoshan Kungang)	Associate
Hong Kong Concrete Co., Ltd.	Associate
International CSRC Investment Holdings Co., Ltd.	Associate
TCC Recycle Energy Technology Company	Associate (classified as associate until August 2021 and has been reported as in the Group entity ever since.)

(Continued)

Related Party	Relationship with the Group
Cimpor Global Holdings B.V.	Associate
Guigang Conch-TCC New Material Technology Co., Ltd.	Associate
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. (Guangan TCC Jiuyuan)	Associate
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	Associate
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	Management personnel in substance
FDC International Hotels Corporation	Management personnel in substance
China Hi-Ment Corporation (China Hi-Ment)	The Group acts as key management personnel
O-Bank Co., Ltd.	The Group acts as key management personnel
Pan Asia Corporation	The Group acts as key management personnel
CTCI Corporation	The Group acts as key management personnel
Phihong Technology Co., Ltd. (became related parties since June 2022)	The Group acts as key management personnel
Union Steel Development Corporation	The Group acts as key management of its parent company
CTCI Resources Engineering Inc.	The Group acts as key management of its parent company
CTCI Smart Engineering Inc.	The Group acts as key management of its parent company
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
Dr. Cecilia Koo Botanic Conservation and Environmental Protection Foundation	Same key management personnel
Hualien County Private Hoping Sustainability Charity Foundation	Same key management personnel
Continental Carbon India Ltd.	Same key management personnel
Continental Carbon Eco Technology Private Limited	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
Tangshan Jidong Cement Co., Ltd.	Related party in substance
Yantai Jinyu Jidong Cement Co., Ltd.	Related party in substance
Shenyang Jingdong Cement Co., Ltd.	Related party in substance
Dachang Jinyu Paint Co., Ltd.	Related party in substance
Tangshan Caofeidian Jidong Equipment Machinery Thermal Processing Co., Ltd.	Related party in substance
Tangshan Dunshi Constructional Engineering Co., Ltd.	Related party in substance
Jilin Jidong Development Shield Engineering Co., Ltd.	Related party in substance

(Continued)

Related Party	Relationship with the Group
FCA AUSTRIA GMBH	Related party in substance
FCA BELGIUM S.A.	Related party in substance
FCA GERMANY A.G.	Related party in substance
FCA SWITZERLAND S.A.	Related party in substance
GROUPE PSA ITALIA S.P.A.	Related party in substance
LEASYS RENT S.P.A.	Related party in substance
FIAT CHRYSLER AUTOMOBILES ITALY S.P.A.	Related party in substance
Fiat Chrysler Automobiles N.V.	Related party in substance
LEASYS S.P.A.	Related party in substance
PSA AUTOMOBILES S.A.	Related party in substance
MASERATI S.P.A.	Related party in substance
OPEL BANK S.A., SUCCURSALE ITALIANA	Related party in substance
OPEL FRANCE	Related party in substance
ORIENTE S.P.A.	Related party in substance
LEASYS S.P.A. SUCURSAL EN ESPAÑA	Related party in substance
OPEL Automobile GmbH	Related party in substance
Stellantis & You Italia S.P.A.	Related party in substance
Stellantis & You, Sales And Services	Related party in substance
Winbond Electronics Corporation	Related party in substance

(Concluded)

b. Operating transactions

Continuing operations

	For the Year Ended December 31	
	2022	2021
<u>Sales</u>		
Management personnel in substance	\$ 581,509	\$ 698,337
Associates	522,791	496,518
The Group acts as key management personnel	464,785	257,875
Same key management personnel	239,641	213,373
Related party in substance	197,727	577,550
The Group acts as key management of its parent company	<u>21,261</u>	<u>39</u>
	<u>\$ 2,027,714</u>	<u>\$ 2,243,692</u>
<u>Purchases of goods</u>		
The Group acts as key management personnel	\$ 819,698	\$ 788,935
Management personnel in substance	38,122	40,963
Associates	34,134	58,560
Same key management personnel	467	3,110
Related party in substance	1,981	13,822
The Group acts as key management of its parent company	<u>75</u>	<u>72</u>
	<u>\$ 894,477</u>	<u>\$ 905,462</u>

(Continued)

	For the Year Ended December 31	
	2022	2021
<u>Operating expenses</u>		
The Group acts as key management personnel	\$ 62,837	\$ 74,190
Management personnel in substance	29,150	36,103
Associates	1,234	-
Same key management personnel	<u>14,311</u>	<u>7,000</u>
	<u>\$ 107,532</u>	<u>\$ 117,293</u>
		(Concluded)

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

	December 31	
	2022	2021
Associates		
Quon Hing	\$ 137,255	\$ 126,567
Others	<u>24,044</u>	<u>14,186</u>
	<u>161,299</u>	<u>140,753</u>
Management personnel in substance		
Chia Hsin Cement	110,880	123,932
Others	<u>3,136</u>	<u>2,572</u>
	<u>114,016</u>	<u>126,504</u>
Related party in substance		
PSA AUTOMOBILES S.A.	47,698	-
LEASYS RENT S.P.A.	693	50,414
Others	<u>20,431</u>	<u>42,385</u>
	<u>68,822</u>	<u>92,799</u>
The Group acts as key management personnel		
CTCI Corporation	88,653	15,570
China Hi-Ment	42,072	46,333
Others	<u>16,271</u>	<u>13,197</u>
	<u>146,996</u>	<u>75,100</u>
Same key management personnel	<u>12,838</u>	<u>22,047</u>
The Group acts as key management of its parent company	<u>10,004</u>	<u>-</u>
	<u>\$ 513,975</u>	<u>\$ 457,203</u>

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

	December 31	
	2022	2021
The Group acts as key management personnel	\$ 215,810	\$ 242,055
Management personnel in substance	3,730	10,064
Associates	49,131	1,404
Others	<u>208</u>	<u>44</u>
	<u>\$ 268,879</u>	<u>\$ 253,567</u>

The price and terms of the above transactions were by contracts.

Discontinued operations

	For the Year Ended December 31	
	2022	2021
<u>Purchases of goods and operating expenses</u>		
Same key management personnel	\$ -	\$ 2,560
c. Other receivables		
	December 31	
	2022	2021
<u>Included in other receivables from related parties</u>		
Related party in substance		
Fiat Chrysler Automobiles N.V.	\$ 153,784	\$ 238,032
Associates		
Baoshan Kungang	155,007	139,695
Guangan TCC Jiuyuan	93,477	49
Others	8,293	8,836
	<u>256,777</u>	<u>148,580</u>
The Group acts as key management personnel	828	1,745
Management personnel in substance	3,653	150
Others	<u>564</u>	<u>461</u>
	<u>\$ 415,606</u>	<u>\$ 388,968</u>
<u>Included in other non-current assets</u>		
Related party in substance		
Fiat Chrysler Automobiles N.V.	\$ -	\$ 147,204
Other receivables from related parties above included share subscriptions receivable, dividend receivables and interest receivables.		
d. Other payables to related parties		
	December 31	
	2022	2021
The Group act as key management personnel		
CTCI Corporation	\$ 334,896	\$ 706,635
The Group acts as key management of its parent company		
CTCI Resources Engineering Inc.	151,160	61,398
CTCI Smart Engineering Inc.	-	614,250
	<u>151,160</u>	<u>675,648</u>
Related party in substance		
Fiat Chrysler Automobiles ITALY S.P.A.	249,375	-
Associates	4,018	4,614
Management personnel in substance	10,720	4,160
Same key management personnel	<u>67</u>	<u>-</u>
	<u>\$ 750,236</u>	<u>\$ 1,391,057</u>

e. Acquisitions of property, plant and equipment

Related Party Category/Name	Purchase Price	
	For the Year Ended December 31	
	2022	2021
The Group acts as key management of its parent company		
CTCI Smart Engineering Inc.	\$ 1,598,993	\$ 585,000
CTCI Resources Engineering Inc.	666,260	559,777
	<u>2,265,253</u>	<u>1,144,777</u>
The Group acts as key management personnel		
CTCI Corporation	968,603	752,675
Associates		
E-One Moli Energy Corporation	-	65,000
Management personnel in substance	438	-
Related party in substance		
Phihong Technology Co., Ltd.	21,886	-
	<u>\$ 3,256,180</u>	<u>\$ 1,962,452</u>

f. Lease arrangements

Related Party Category/Name	For the Year Ended December 31	
	2022	2021
<u>Acquisition of right-of-use assets</u>		
Management personnel in substance		
Chia Hsin R.M.C.	\$ 23,501	\$ 23,313

Line Item	Related Party Category/Name	December 31	
		2022	2021
Lease liabilities	Management personnel in substance		
	Chia Hsin R.M.C.	\$ 16,317	\$ 20,699

Related Party Category	For the Year Ended December 31	
	2022	2021
<u>Interest expense</u>		
Management personnel in substance	\$ 328	\$ 308

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

- g. Compensation of key management personnel (including discontinued operations)

	For the Year Ended December 31	
	2022	2021
Short-term employee benefits	\$ 467,309	\$ 552,490
Post-employment benefits	12,775	6,191
Share-based payment		
Equity - settled	41,970	8,187
Cash - settled	-	105,960
Other long-term employee benefits	<u>16,985</u>	<u>5,983</u>
	<u>\$ 539,039</u>	<u>\$ 678,811</u>

36. 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:

	December 31	
	2022	2021
Financial assets at FVTPL - non-current	\$ 284,876	\$ -
Financial assets at FVTOCI (including current and non-current portion)	297,990	313,250
Property, plant and equipment	3,014,199	3,134,392
Investment accounted for using the equity method	37,618	54,541
Investment properties	815,814	837,936
Guarantee deposits (included in other non-current assets)	1,081,564	1,034,520
Pledged bank deposits (included in financial assets measured at amortized cost)		
Current	1,453,836	471,859
Non-current	2,101,228	1,821,134

37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. The balances of the unused letters of credit for purchase of raw material were as follows:

	December 31	
Name	2022	2021
The Corporation	\$ 71,368	\$ 437,292
Ho-Ping Power Company	2,832,947	635,545
TCC Recycle Energy Technology Company	1,517,946	40,867
Kuan-Ho Refractories Industry Corporation	2,056	13,766

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

Name	December 31	
	2022	2021
The Corporation	\$ 22,120	\$ 22,120
Ho-Ping Power Company	1,148,000	1,148,000
TCCI (Group)	2,294,828	987,479
Taiwan Transport & Storage Corporation	28,502	28,502
TCC Recycle Energy Technology Company	94,857	12,863
TCC Dutch (Group)	1,262,893	-
TCC Energy Storage Technology Corporation	2,000	-

- c. Ho-Ping Power Company

Company Name	Ta-Ho RSEA Environment Co., Ltd.
Factual background	The Fair Trade Commission fined Ho-Ping Power Company for an alleged violation of Article 14 of the Fair Trade Act.
Amount in dispute (NT\$)	\$1,350,000 thousand
Commencement date of litigation	March 2013
Parties	Ho-Ping Power Company and the Fair Trade Commission
Status	<p>1) 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>2) On June 30, 2015 and September 6, 2018, 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 13, 2020, the Taipei High Administrative Court in second instance also ruled that “the administrative disposition made by the Fair Trade Commission shall be dismissed” (Ref. No. 107 Nian-Du-Su-Geng-Er-Zi 116). However, the Fair Trade Commission still appealed and expressed dissatisfaction. The Supreme Administrative Court ruled on August 11, 2022 (Ref. No. 109 Nian-Du-Shang-Zi 864) that the Ho-Ping Power Company’s litigation was dismissed, to which Ho-Ping Power Company has filed to Supreme Administrative Court for retrial, and has also filed to Constitutional Court for constitutional complaint against the final court decisions and review of the constitutionality of statutes and regulations.</p> <p>3) With regard to the violation of the Fair Trade Act matter in 2014, Ho-Ping Power Company filed an administrative appeal against the Fair Trade Commission’s disposition No. 103090 of July 10, 2014, and the administrative appeal process was temporarily suspended. Now since the aforementioned administrative litigation has been determined by the Supreme Administrative Court in its judgment No. 109 Nian-Du-Shang-Zi 864, the Executive Yuan will continue the process for this administrative appeal, and Ho-Ping Power Company has also filed supplementary statement of reasons against the fine amount for the administrative appeal.</p> <p>4) 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 civil litigation at the Taipei District Court.
Amount in Dispute (NT\$)	About \$1,755,216 thousand in total.
Commencement Date of Litigation	November 2015
Parties	Ho-Ping Power Company and Taiwan Power Company
Status	<p>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 \$5,268,000 thousand to \$1,755,216 thousand in May 2020. Taiwan Taipei District Court ruled on May 12, 2021 that the plaintiff's litigation was dismissed, to which Taiwan Power Company has filed an appeal (Ref. No. 110 Nian-Du-Chong-Su-Zi 605).</p> <p>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>

- d. The Board of Directors of Ta-Ho Maritime Corporation resolved to purchase one cement carrier from Marubeni Corporation on April 11, 2022. The aggregate estimated purchase amount is up to US\$50,000 thousand.
- e. On May 12, 2020, the Board of Directors of TCC (Hangzhou) Environment Co., Ltd., the Group's subsidiary, resolved to outsource the construction project and invite tender. The contract was signed on October 30, 2020, and the total amount was RMB566,888 thousand. On September 15, 2022, the Board of Directors of TCC (Hangzhou) Environment Technology Co., Ltd. resolved on the headquarters curtain wall construction with the total amount of RMB256,000 thousand.
- f. The Board of Directors of Chia-Chien Green Energy Corporation, the Group's subsidiary, 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. The Board of Directors of Chia-Chien Green Energy Corporation resolved on April 11, 2022, to approve the Group's energy policy investment plan, planning to invest in the construction of energy storage systems in the central region of Taiwan, with the total amount of investment of \$1,450,000 thousand.
- g. On September 27, 2021, the Board of Directors of the Corporation resolved the expansion of the DAKA Regeneration Resource Utilization Center, the original factory of the Company's local Commission, and entered into a contract with CTCI Resources Engineering Inc. to use the cement kiln heat to jointly dispose of the waste living in Hualien County, with a total amount of not exceeding \$3,450,000 thousand. On February 25, 2022, the Board of Directors of the Corporation approved the plan to build energy storage systems in the Corporation's Hoping factory with the aggregate investment amount of \$657,300 thousand. On May 10, 2022, the Board of Directors of the Corporation resolved to increase the capital of \$5,500,000 thousand to TCC Green Energy Corporation. As of December 31, 2022, part of the investment has been completed.

- h. The Board of Directors of TCC Energy Storage Technology Corporation, the Group's subsidiary, resolved on September 27, 2021, to actively participate in the power trading platform and complementary services market merchandise transactions. It intended to build the large-scale energy storage systems in the Corporation's Su'ao factory, the total amount of investment is approximately \$1,500,000 thousand. Technology Corporation plans to build large-scale energy storage systems in the Corporation's Su'ao factory. TCC Energy Storage Technology Corporation signed a procuring equipment contract, including energy storage systems and maintenance services afterward for a total amount of US\$29,415 thousand with NHOA ENERGY S.R.L. on October 26, 2021. On December 2, 2022, the total amount of the contract was raised to US\$43,832 thousand. The Board of Directors of TCC Energy Storage Technology Corporation resolved on April 11, 2022 and August 10, 2022, to sign a procuring equipment contract with Samsung SDI CO., Ltd. for the construction of energy storage systems, with the total accumulated amount of approximately \$3,650,000 thousand.
- i. The Board of Directors of TCC Green Energy Corporation, the Group's subsidiary, resolved on September 27, 2021, to invest via an investment plan of its subsidiary, TCC Lien-Hsin Green Energy Corporation, to actively participate in the power trading platform and complementary services market merchandise transactions. It intended to build the large-scale energy storage systems in the Corporation's Ho-Ping factory, the total amount of investment is approximately \$4,000,000 thousand.
- j. The Board of Directors of Molie Quantum Energy Corporation, the Group's subsidiary, resolved on September 27, 2021 to build the plant and purchase production line equipment on the leased land in Kaohsiung Linhai Industrial Park, the total amount of investment is approximately \$12,000,000 thousand. On February 25, 2022, the total amount of investment was raised to \$18,650,000 thousand. On June 21, 2022, the total amount of investment was raised to \$19,750,000 thousand. On October 20, 2021, Molie Quantum Energy Corporation signed contracts with Ruentex Engineering & Construction Co., Ltd. for the construction of land at the Lithium battery factory site for a total amount of \$4,800,000 thousand, and signed with CTCI Smart Engineering Corporation the electrical and mechanical works of the lithium battery factory with a total amount of \$3,900,000 thousand. On April 15, 2022, Molie Quantum Energy Corporation signed contracts with KATAOKA CORPORATION for machinery and equipment with a total amount of JPY6,870,000 thousand and JPY5,900,000 thousand, respectively.
- k. TCC Lien-Hsin Green Energy Corporation plans to build a large-scale energy storage system in Hualien Hoping Industrial Park. TCC Lien-Hsin Green Energy Corporation signed a procuring equipment contract, including energy storage systems and maintenance services afterward for a total amount of US\$93,205 thousand with NHOA ENERGY S.R.L. on October 26, 2021.
- l. In order to enlarge the group's electric vehicle infrastructure deployment in Portugal, ATLANTE S.R.L. announced on December 15, 2022 that it intends to acquire 100% equity of the charging station construction department of Kilometer Low Cost, S.A., divided into two phases: (i) 60% of the equity of Kilometer Low Cost, S.A. will be acquired for the consideration of EUR4,500 thousand, and (ii) as for the remaining 40% equity, ATLANTE S.R.L. is entitled under the contract to acquire in 2024 for the consideration ranging from EUR1,700 thousand to EUR6,700 thousand, depending on the operation performance of Kilometer Low Cost, S.A. for 2023. The closing of 60% equity is pending the approval of Portugal Fair Trade Commission and other competent authorities in accordance with the contract.
- m. On December 28, 2022, the Board of Directors of TCCI (HK) resolved to increase the capital of RMB1,100,000 thousand to TCC (Hangzhou) Environment Co., Ltd.

38. OTHER ITEMS

Due to the impact of the COVID-19 pandemic since 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 pandemic has slowed down and the government regulations have been loosened, which could result in global recession and cause turbulence to the international relations, impacting the energy price rising. The Group has adopted relevant measures, including maintained close contact with customers and manufacturers, and committed to strengthen employee health management and cost management to mitigate the COVID-19 pandemic impact on the Company's operations. However, the actual impact on the Corporation still depends on the subsequent development of the pandemic.

39. 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:

December 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
Monetary items			
USD	\$ 141,752	30.710 (USD:NTD)	\$ 4,353,204
USD	843,580	7.800 (USD:HKD)	25,911,726
USD	44,938	1.065 (USD:EUR)	1,566,609
Non-monetary items			
EUR	943,359	32.720 (EUR:NTD)	30,866,698
USD	62,093	30.710 (USD:NTD)	1,906,876

Financial liabilities

Monetary items			
USD	312,614	7.800 (USD:HKD)	9,602,377
USD	95,516	30.710 (USD:NTD)	2,933,283

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
Monetary items			
USD	\$ 811,337	27.680 (USD:NTD)	\$ 22,457,808
USD	294,855	7.800 (USD:HKD)	8,162,222
EUR	33,500	8.820 (EUR:HKD)	1,048,623

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Non-monetary items			
EUR	\$ 801,809	31.320 (EUR:NTD)	\$ 25,112,660
USD	62,792	27.680 (USD:NTD)	1,738,071
<u>Financial liabilities</u>			
Monetary items			
USD	364,245	7.800 (USD:HKD)	10,083,103
USD	52,449	27.680 (USD:NTD)	1,451,795
EUR	33,500	8.820 (EUR:HKD)	1,048,623
			(Concluded)

The realized and unrealized foreign exchange gains (losses) were \$201,611 thousand and \$(87,583) thousand for the years ended December 31, 2022 and 2021, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of foreign currency transactions and functional currencies of the group entities.

40. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the share capital (Table 4)
- 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the share capital (None)
- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the share capital (Table 5)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the share capital (Table 6)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the share capital (Table 7)
- 9) Trading in derivative instruments (Notes 7, 20 and 34)
- 10) Intercompany relationships and significant intercompany transactions (Table 10)
- 11) Information on investees (Table 8)

b. Information on investments in mainland China (Table 9)

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area.
- 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 year.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.
 - e) The highest balance during the year, the end of year balance, the interest rate range, and total current year interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.
- 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)

41. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of 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. Electricity and energy segment - power generation, energy storage and power business - related development, etc.
- c. Other segments - land and marine transportation.
 - production and sale of refractory materials.
 - others.

The Group 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 2021. 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 11.

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

a. Segments revenue and results

	Segment Revenue		Segment Income	
	For the Year Ended December 31		For the Year Ended December 31	
	2022	2021	2022	2021
Cement segment	\$ 77,353,929	\$ 89,891,395	\$ 3,745,425	\$ 16,751,926
Electricity and energy segment	33,370,795	13,541,229	(3,102,137)	2,764,937
Other segments	<u>3,204,982</u>	<u>3,608,828</u>	<u>580,472</u>	<u>480,065</u>
	<u>\$ 113,929,706</u>	<u>\$ 107,041,452</u>	1,223,760	19,996,928
Share of profit of associates and joint ventures			3,919,856	4,149,749
Dividend income			2,498,353	1,747,166
Interest income			2,102,495	1,535,980
Net gain (loss) on disposal of investment properties			502,346	(4,298)
Net gain (loss) on disposal of property, plant and equipment			(20,296)	327,659
Impairment loss recognized on non-financial assets			(89,923)	(6,756)
Administrative expenses and director's remuneration			(61,622)	(210,453)
Finance costs			(2,869,888)	(1,670,463)
Foreign exchange gains (losses), net			201,611	(87,583)
Net gain (loss) on financial assets and liabilities at fair value through profit and loss			(514,394)	19,025
Other income and expenses, net			<u>(246,201)</u>	<u>281,130</u>
Continuing operations income before tax			<u>\$ 6,646,097</u>	<u>\$ 26,078,084</u>

Segment income represented profit before tax earned by each segment without an allocation of central administration expenses, director's remuneration, the share of profits of associates and joint ventures accounted for using the equity method, dividend income, interest income, net gain (loss) on disposal of property, plant and equipment, net gain (loss) on disposal of investment properties, impairment loss recognized on non-financial assets, finance costs, net foreign exchange gains (losses), net gain (loss) on financial assets and liabilities at fair value through profit and loss and income tax expense.

b. Geographical information

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2022	2021	2022	2021
Taiwan	\$ 60,022,631	\$ 41,785,030	\$ 84,155,132	\$ 69,952,935
Asia	50,147,738	64,439,782	82,416,588	78,116,100
Europe	<u>3,759,337</u>	<u>816,640</u>	<u>7,512,274</u>	<u>6,695,803</u>
	<u>\$ 113,929,706</u>	<u>\$ 107,041,452</u>	<u>\$ 174,083,994</u>	<u>\$ 154,764,838</u>

Non-current assets exclude financial instruments, deferred income tax assets, and net defined benefit asset.

c. Information about major customers

The only single customer who contributed 10% or more to the Group's revenue was as follows:

	For the Year Ended December 31	
	2022	2021
Taiwan Power Company	<u>\$ 23,605,027</u>	<u>\$ 11,183,628</u>

TABLE 1

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2022
(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	1.95	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 1,118,539	\$ 1,118,539	
2.	Hong Kong Cement Co., Ltd.	TCCIH	Other receivables from related parties	Yes	533,674	508,742	508,742	3.745	The need for short-term financing	-	Operating capital	-	-	-	1,304,703	2,609,406	
3	TCC Investment Corporation	Tai-Jie Transport & Storage Corporation	Other receivables from related parties	Yes	40,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,675,548	1,675,548	
4	TCC Development Ltd.	TCCIH	Other receivables from related parties	Yes	299,592	287,474	287,474	3.075	The need for short-term financing	-	Operating capital	-	-	-	1,116,428	1,116,428	
5	TCCI	TCCIH	Other receivables from related parties	Yes	3,865,800	3,685,200	-	-	The need for short-term financing	-	Operating capital	-	-	-	113,099,217	226,198,434	
		TCC Dutch	Other receivables from related parties	Yes	1,636,000	1,636,000	-	-	The need for short-term financing	-	Operating capital	-	-	-	113,099,217	226,198,434	
		TCEH	Other receivables from related parties	Yes	654,400	654,400	-	-	The need for short-term financing	-	Operating capital	-	-	-	113,099,217	226,198,434	
6	TCEH	TCC Dutch	Other receivables from related parties	Yes	1,308,800	1,308,800	1,145,200	2.931	The need for short-term financing	-	Operating capital	-	-	-	8,980,951	17,961,902	
7	Yingde Dragon Mountain Cement Co., Ltd.	TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	931,488	882,112	882,112	3.045	The need for short-term financing	-	Operating capital	-	-	-	15,707,514	31,415,028	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	1,061,896	1,005,608	793,901	3.045	The need for short-term financing	-	Operating capital	-	-	-	15,707,514	31,415,028	
		TCC (Guigang) Cement Ltd.	Other receivables from related parties	Yes	7,917,648	7,497,952	5,954,256	3.045	The need for short-term financing	-	Operating capital	-	-	-	15,707,514	31,415,028	
8	TCC (Guigang) Cement Ltd.	Guigang TCC DongYuan Environmental Technology Company Limited	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	1,341,343	1,270,241	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC (Hangzhou) Recycle Resource Technology Limited	Other receivables from related parties	Yes	46,574	44,106	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC Anshun Cement Company Limited	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	698,616	661,584	441,056	3.48	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	302,734	286,686	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	1,304,083	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	1,397,232	1,323,168	1,323,168	3.48	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	
		Scitus Luzhou Concrete Co., Ltd.	Other receivables from related parties	Yes	93,149	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	22,938,444	45,876,888	

(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			
9	TCC Yingde Cement Co., Ltd.	TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd.	Other receivables from related parties	Yes	\$ 93,149	\$ 88,211	\$ 15,437	3.48	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 30,521,659	\$ 61,043,318	
		TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd.	Other receivables from related parties	Yes	53,554	44,106	2,205	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Beijing TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	179,554	176,422	99,238	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC (Hangzhou) Environmental Protection Technology Co., Ltd	Other receivables from related parties	Yes	3,185,689	3,016,823	2,884,506	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	838,339	793,901	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	232,872	220,528	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	465,744	441,056	44,106	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	232,872	220,528	220,528	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Shaoquan Cement Co., Limited	Other receivables from related parties	Yes	5,468,255	5,178,396	4,851,616	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC (Dong Guan) Cement Co., Limited	Other receivables from related parties	Yes	465,744	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Anshun Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	529,267	3.48	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	232,872	220,528	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		TCC Chongqing Cement Company Limited	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	698,616	661,584	-	-	The need for short-term financing	-	Operating capital	-	-	-	30,521,659	61,043,318	
10	TCC Fuzhou Cement Co., Ltd.	TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	326,021	308,739	-	-	The need for short-term financing	-	Operating capital	-	-	-	898,783	2,696,349	
		TCC New (Hangzhou) Management Company Limited	Other receivables from related parties	Yes	465,744	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	898,783	2,696,349	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	232,872	220,528	-	-	The need for short-term financing	-	Operating capital	-	-	-	898,783	2,696,349	
11	TCCIH	TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	226,745	214,726	209,387	-	The need for short-term financing	-	Operating capital	-	-	-	180,319,072	360,638,144	
12	Prime York Ltd.	Upper Value Investment Limited	Other receivables from related parties	Yes	209,304	200,838	200,838	-	The need for short-term financing	-	Operating capital	-	-	-	2,956,046	5,912,092	
13	Jurong TCC Cement Co., Ltd.	TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	1,397,232	1,323,168	520,446	3.48	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		TCC Huaihua Concrete Company Limited	Other receivables from related parties	Yes	139,723	132,317	61,307	3.48	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	326,021	308,739	176,422	3.48	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		Kaili TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	396,950	396,950	246,991	3.48	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		TCC Anshun Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		TCC Chongqing Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		TCC Liaoning Cement Company Limited	Other receivables from related parties	Yes	326,021	308,739	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		TCC Yingde Cement Co., Ltd.	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	698,616	661,584	-	-	The need for short-term financing	-	Operating capital	-	-	-	19,145,704	38,291,408	

(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			
14	TCC Anshun Cement Company Limited	Anshun Xin Tai Construction Materials Company Limited	Other receivables from related parties	Yes	\$ 93,149	\$ 88,211	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 7,294,241	\$ 14,588,482	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	279,446	264,634	264,634	3.48	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		Scitus Luzhou Concrete Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		TCC Chongqing Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	698,616	661,584	176,422	3.48	The need for short-term financing	-	Operating capital	-	-	-	7,294,241	14,588,482	
		TCC Zhongrun (Anshun) Cement Company Limited	Other receivables from related parties	Yes	88,211	88,211	-	-	The need for short-term financing	-	Operating capital	-	-	-	2,917,696	2,917,696	
15	Guangan Changxing Cement Company Ltd.	Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Other receivables from related parties	Yes	265,939	264,634	92,622	3.65	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
		TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	465,744	441,056	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	698,616	661,584	507,214	3.48	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
		Kaili TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	134,665	132,317	18,745	3.48	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	93,149	88,211	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,280,442	12,560,884	
16	Wayly Holdings Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	63,418	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,854,555	3,709,110	
17	TCC Chongqing Cement Company Limited	Guangan Changxing Cement Company Ltd.	Other receivables from related parties	Yes	465,744	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	232,872	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	44,106	3.48	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	232,872	220,528	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		TCC Huaying Cement Company Limited	Other receivables from related parties	Yes	116,436	110,264	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		TCC Huaihua Cement Company Limited	Other receivables from related parties	Yes	931,488	882,112	872,850	3.48	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	93,149	88,211	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
		Guizhou Kong On Cement Company Limited	Other receivables from related parties	Yes	139,723	132,317	132,317	3.48	The need for short-term financing	-	Operating capital	-	-	-	9,672,136	19,344,272	
18	TCC New (Hangzhou) Management Company Limited	Scitus Luzhou Cement Co., Ltd.	Other receivables from related parties	Yes	288,761	88,211	88,211	3.48	The need for short-term financing	-	Operating capital	-	-	-	389,088	778,176	
		Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	256,159	194,065	194,065	3.48	The need for short-term financing	-	Operating capital	-	-	-	389,088	778,176	
		Scitus Luzhou Concrete Co., Ltd.	Other receivables from related parties	Yes	37,260	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	389,088	778,176	
19	Prosperity Minerals (China) Ltd.	TCC New (Hangzhou) Management Company Limited	Other receivables from related parties	Yes	371,416	351,728	348,434	-	The need for short-term financing	-	Operating capital	-	-	-	947,400	1,894,800	
20	Da Tong (Guigang) International Logistics Co., Ltd.	Guigang Da-Ho Shipping Co., Ltd.	Other receivables from related parties	Yes	139,723	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,009,376	2,018,753	

(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	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd.	Other receivables from related parties	Yes	\$ 49,377	\$ 48,516	\$ 8,821	3.48	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 6,837,726	\$ 13,675,452	
22	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Scitus Naxi Cement Co., Ltd.	Other receivables from related parties	Yes	139,723	132,317	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,690,907	3,690,907	
		Kaili TCC Environment Technology Co., Ltd.	Other receivables from related parties	Yes	186,298	176,422	176,422	3.48	The need for short-term financing	-	Operating capital	-	-	-	3,690,907	3,690,907	
23	TCC Huaihua Cement Company Limited	TCC Jingzhou Cement Company Limited	Other receivables from related parties	Yes	93,149	88,211	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,294,583	6,589,166	
24	Scitus Luzhou Cement Co., Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Other receivables from related parties	Yes	93,149	88,211	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,579,624	7,159,248	
25	E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd.	Other receivables from related parties	Yes	433,166	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	5,428,301	10,856,602	
26	E-One Moli Energy (Canada) Ltd.	E-One Moli Energy Corp.	Other receivables from related parties	Yes	196,134	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,609,430	3,218,859	
27	NHOA S.A.	NHOA ENERGY S.R.L.	Other receivables from related parties	Yes	304,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		NHOA ENERGY S.R.L.	Other receivables from related parties	Yes	304,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		NHOA AUSTRALIA PTY LTD.	Other receivables from related parties	Yes	274,300	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		NHOA AUSTRALIA PTY LTD.	Other receivables from related parties	Yes	274,300	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		ATLANTE S.R.L.	Other receivables from related parties	Yes	304,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		ATLANTE S.R.L.	Other receivables from related parties	Yes	160,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		ATLANTE FRANCE S.A.S.	Other receivables from related parties	Yes	144,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		NHOA CORPORATE S.R.L.	Other receivables from related parties	Yes	248,770	248,770	248,770	3.968	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
		ATLANTE TOPCO S.R.L.	Other receivables from related parties	Yes	674,032	674,032	549,696	3.968	The need for short-term financing	-	Operating capital	-	-	-	861,659	861,659	
28	NHOA ENERGY S.R.L.	NHOA AMERICAS LLC	Other receivables from related parties	Yes	32,215	30,710	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,683,984	3,367,968	
		ATLANTE S.R.L.	Other receivables from related parties	Yes	256,000	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,683,984	3,367,968	
		FREE2MOVE ESOLUTIONS S.P.A.	Other receivables from related parties	Yes	159,950	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	673,594	673,594	
29	NHOA AUSTRALIA PTY LTD.	NHOA ENERGY S.R.L.	Other receivables from related parties	Yes	320,000	163,600	98,160	4.088	The need for short-term financing	-	Operating capital	-	-	-	527,944	1,055,888	
		NHOA ENERGY S.R.L.	Other receivables from related parties	Yes	307,100	307,100	276,390	4.088	The need for short-term financing	-	Operating capital	-	-	-	527,944	1,055,888	
30	NHOA CORPORATE S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Other receivables from related parties	Yes	245,400	245,400	245,400	2.75-2.762	The need for short-term financing	-	Operating capital	-	-	-	268,778	268,778	
31	ATLANTE TOPCO S.R.L.	ATLANTE S.R.L.	Other receivables from related parties	Yes	327,200	327,200	152,083	3.968	The need for short-term financing	-	Operating capital	-	-	-	489,294	978,588	
32	ATLANTE S.R.L.	ATLANTE FRANCE S.A.S.	Other receivables from related parties	Yes	147,240	147,240	-	-	The need for short-term financing	-	Operating capital	-	-	-	828,207	1,656,414	

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

A. For Taiwan Cement Corporation, financing limits are as follows:

- 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.
- 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.
- 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.

(Continued)

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 TCC New (Hangzhou) Management Company Limited were 1,200% and 600%, 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. The aggregate and individual financing limits for E-One Moli Energy (Canada) Ltd. were 600% and 300%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for NHOA S.A. were 40% and 40%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for NHOA ENERGY S.R.L. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for NHOA AUSTRALIA PTY LTD. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for ATLANTE TOPCO S.R.L. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for ATLANTE S.R.L. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for Taiwan Cement Europe Holdings BV were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for NHOA CORPORATE S.R.L. were 40% and 40%, 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 YEAR ENDED DECEMBER 31, 2022
(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	\$ 108,947,383	\$ 1,420,000	\$ 1,420,000	\$ 750,000	\$ -	0.65	\$ 217,894,766	Y	N	N	
		TCC Investment Corporation	b	108,947,383	2,570,000	2,370,000	1,630,000	-	1.09	217,894,766	Y	N	N	
		TCC Chemical Corporation	b	108,947,383	1,499,117	1,299,117	359,117	-	0.60	217,894,766	Y	N	N	
		Jin Chang Minerals Corporation	b	108,947,383	31,257	31,257	31,257	31,257	0.01	217,894,766	Y	N	N	
		Ho Sheng Mining Co., Ltd.	b	108,947,383	99,884	99,884	99,884	99,884	0.05	217,894,766	Y	N	N	
		TCC Energy Storage Technology Corporation	b	108,947,383	1,288,600	1,228,400	1,102,190	-	0.56	217,894,766	Y	N	N	
		TCCI	b	108,947,383	6,797,365	6,479,810	3,285,970	-	2.97	217,894,766	Y	N	N	
1	Ho Sheng Mining Co., Ltd.	Taiwan Cement Corporation	c	1,005,298	137,964	137,964	137,964	-	41.17	1,005,298	N	Y	N	
2	TCC Green Energy Corporation	TCC Chemical Corporation	a	13,437,112	6,117	6,117	6,117	-	0.05	13,437,112	N	N	N	
3	TCCIH	TCC Yingde Cement Co., Ltd.	b	90,159,536	1,949,738	545,598	-	-	0.30	180,319,072	Y	N	Y	
		Jurong TCC Cement Co., Ltd.	b	90,159,536	2,247,184	1,847,702	-	-	1.02	180,319,072	Y	N	Y	
		TCC Fuzhou Cement Co., Ltd.	b	90,159,536	1,215,393	735,088	-	-	0.41	180,319,072	Y	N	Y	
		TCC Liaoning Cement Company Limited	b	90,159,536	919,679	561,117	-	-	0.31	180,319,072	Y	N	Y	
		TCC (Guigang) Cement Ltd.	b	90,159,536	4,510,560	1,374,768	-	-	0.76	180,319,072	Y	N	Y	
		TCC Chongqing Cement Co., Limited	b	90,159,536	1,313,037	963,126	-	-	0.53	180,319,072	Y	N	Y	
		Guizhou Kong On Cement Company Limited	b	90,159,536	325,372	310,171	-	-	0.17	180,319,072	Y	N	Y	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	b	90,159,536	322,150	307,100	-	-	0.17	180,319,072	Y	N	Y	
		Guangan Changxing Cement Company Ltd.	b	90,159,536	326,021	-	-	-	-	180,319,072	Y	N	Y	
		TCC Anshun Cement Company Limited	b	90,159,536	698,616	661,584	-	-	0.37	180,319,072	Y	N	Y	
		TCC Huaihua Cement Company Limited	b	90,159,536	884,914	-	-	-	-	180,319,072	Y	N	Y	
		TCC Jingzhou Cement Company Limited	b	90,159,536	279,446	-	-	-	-	180,319,072	Y	N	Y	
4	TCC (Guigang) Cement Ltd.	Guigang Conch - TCC New Material Technology Co., Ltd.	f	11,469,222	139,723	132,317	-	-	0.58	22,938,444	N	N	Y	
5	TCC Dutch	NHOA S. A.	b	19,944,633	1,081,564	1,081,564	1,081,564	1,081,564	2.71	39,889,267	Y	N	N	
		NHOA AUSTRALIA PTY LTD	b	19,944,633	2,677,747	-	-	-	-	39,889,267	Y	N	N	
6	NHOA S. A.	NHOA AUSTRALIA PTY LTD	b	4,308,294	3,589,098	3,037,989	2,893,323	-	141.03	8,616,587	Y	N	N	
		NHOA ENERGY S.R.L.	b	4,308,294	484,834	462,183	462,183	-	21.46	8,616,587	Y	N	N	
		ATLANTE S.R.L.	b	4,308,294	20,540	20,540	6,609	-	0.95	8,616,587	Y	N	N	
		ATLANTE IBERIA S.L.	b	4,308,294	492,741	492,741	-	-	22.87	8,616,587	Y	N	N	
7	NHOA ENERGY S.R.L.	NHOA AMERICAS LLC	b	3,367,968	118,818	113,267	113,267	-	6.73	6,735,936	Y	N	N	

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

- a. i For endorsements/guarantees 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 endorsements/guarantees 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.

(Continued)

- b. Ho Sheng Mining Co., Ltd. guaranteed by land use lease agreement.
- c. Jin Chang Minerals Corporation guaranteed by deposit contract.
- d. NHOA S.A. guaranteed by deposit.

Note 2: Aggregate endorsement/guarantee limit was 300% of its net equity in its latest financial statements for Ho Sheng Mining Co., Ltd., and 400% of its net equity in its latest financial statements for NHOA S.A., and 400% of its net equity in its latest financial statements for NHOA ENERGY S.R.L., and the limit for other the endorser/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 the 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.

(Concluded)

TABLE 3

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				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	\$ 85,753	-	\$ 85,753	
	Taiwan Television Enterprise, Ltd.	The Corporation serves as supervisor	FVTPL - current	13,573	95,145	-	95,145	
	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	1,389,023	-	1,389,023	
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	70,071	1,058,067	-	1,058,067	
	CTCI Corporation	The Corporation serves as director	FVTOCI - current	9,054	378,925	-	378,925	
	Chia Hsin Cement Corporation	Directors	FVTOCI - current	27,419	477,098	-	477,098	
	O-Bank	The Corporation serves as director	FVTOCI - current	32,809	275,265	-	275,265	
	IBT II Venture Capital Corporation	-	FVTOCI - non-current	2,626	-	8.3	-	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	29,553	872,097	9.4	872,097	
	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	67,952	5,722,211	6.6	5,722,211	
	Excel Corporation	-	FVTOCI - non-current	600	-	9.5	-	
	Privately placed shares - Phihong Technology Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	37,520	1,030,300	9.998	1,030,300	
	<u>Convertible preference shares</u>							
	O-Bank	The Corporation serves as director	FVTOCI - current	2,956	29,441	-	29,441	
Taiwan Transport & Storage Corporation	<u>Ordinary shares</u>							
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,632	150,189	-	150,189	
TCC Investment Corporation	<u>Ordinary shares</u>							
	O-Bank	The Corporation serves as director	FVTOCI - current	24,214	203,158	-	203,158	21,000 thousand shares were pledged
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	13,404	202,400	-	202,400	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,334	145,010	-	145,010	7,000 thousand shares were pledged
	China Conch Venture Holdings Limited	-	FVTOCI - non-current	11,110	742,020	-	742,020	
	China Conch Environment Protection Holdings Limited	-	FVTOCI - non-current	11,110	138,691	-	138,691	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	10,884	321,183	3.5	321,183	
	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	21,728	-	21,728	
Ta-Ho Maritime Corporation	<u>Ordinary shares</u>							
	Prosperity Dielectrics Co., Ltd.	-	FVTPL - current	951	32,436	-	32,436	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	25,761	448,246	-	448,246	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	6,612	195,110	2.1	195,110	
TCC Chemical Corporation	<u>Ordinary shares</u>							
	Taiwan Stock Exchange Corporation	The Corporation serves as director	FVTOCI - non-current	3,880	326,741	-	326,741	
Hoping Industrial Port Corporation	<u>Ordinary shares</u>							
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	10,444	308,194	3.3	308,194	
E.G.C. Cement Corporation	<u>Ordinary shares</u>							
	Feng Yu United Engineering Company	-	FVTPL - current	119	-	0.1	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022				Note
				Shares/Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Union Cement Traders Inc.	<u>Ordinary shares</u>							
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	30,953	\$ 467,391	-	\$ 467,391	
	CTCI Corporation	The Corporation serve as director	FVTOCI - current	13,365	559,339	-	559,339	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	7,441	129,473	-	129,473	
	Videoland Inc.	-	FVTOCI - non-current	6,437	277,776	5.6	277,776	
TCCI (Group)	<u>Ordinary shares</u>							
	Anhui Conch Cement Co., Ltd.	-	FVTOCI - non-current	116,568	12,531,923	-	12,531,923	
	Yargoan Co., Ltd.	-	FVTOCI - non-current	19	-	12.5	-	
NHOA ENERGY S.R.L.	<u>Government bonds</u>							
	Bonos Y Oblig Del Estado	-	FVTPL - current	-	14,636	-	14,636	
	Buoni Ordinari Del Tes	-	FVTPL - current	-	22,275	-	22,275	
	Buoni Poliennali Del Tes	-	FVTPL - current	-	53,701	-	53,701	
	Obrigacoes Do Trsouro	-	FVTPL - current	-	19,136	-	19,136	
	France (GOVT OF)	-	FVTPL - current	-	76,965	-	76,965	
	Deutschland I/L Bond	-	FVTPL - current	-	35,397	-	35,397	
	Italien, Republik	-	FVTPL - current	-	55,662	-	55,662	
	<u>Corporate bonds</u>							
	RCI BANQUE SA	-	FVTPL - current	-	16,831	-	16,831	
	Goldman Sachs Group Inc.	-	FVTPL - current	-	6,311	-	6,311	
	STELLANTIS NV	-	FVTPL - current	-	6,266	-	6,266	
	Mercedes-Benz	-	FVTPL - current	-	12,267	-	12,267	
ATLANTE S.R.L.	<u>Government bonds</u>							
	Buoni Poliennali Del Tes	-	FVTPL - non-current	-	284,876	-	284,876	\$284,876 thousand were pledged
TCC Recycle Energy Technology Company	<u>Preference shares</u>							
	GROUP 14 TECHNOLOGIES, INC.	-	FVTOCI - non-current	353	276,390	0.3	276,390	

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: See Tables 8 and 9 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 YEAR ENDED DECEMBER 31, 2022
(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 (Note 1)	Ending Balance (Note 2)	
					Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Carrying Amount	Gain on Disposal		Shares/Units (In Thousands)	Amount
Taiwan Cement Corporation	Shares TCCIH	Investments accounted for using the equity method	-	Subsidiary	2,581,832	\$ 60,257,962	889,386	\$ 21,466,100	-	\$ -	\$ -	\$ -	\$ 267,020	3,471,218	\$ 81,991,082
	TCC Dutch	Investments accounted for using the equity method	-	Subsidiary	838	24,496,751	341	10,869,300	-	-	-	-	4,619,228	1,179	39,985,279
	TCC Green Energy Corporation	Investments accounted for using the equity method	-	Subsidiary	950,899	9,379,579	400,000	4,000,000	-	-	-	-	108,686	1,350,899	13,488,265
	TCC Energy Storage Technology Corporation	Investments accounted for using the equity method	-	Subsidiary	200,600	1,979,067	50,000	500,000	-	-	-	-	(149,021)	250,600	2,330,046
TCC Green Energy Corporation	Chia-Ho Green Energy Corporation	Investments accounted for using the equity method	-	Subsidiary	10,000	67,292	304,500	3,045,000	-	-	-	-	(3,707)	314,500	3,108,585
	TCC Chia-Chien Green Energy Corporation	Investments accounted for using the equity method	-	Subsidiary	230,200	2,302,000	90,000	900,000	-	-	-	-	(77,168)	320,200	3,124,832
TCCI (HK)	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Investments accounted for using the equity method	-	Subsidiary	-	-	-	4,379,161	-	-	-	-	(398,004)	-	3,981,157
TCCIH	TCC Recycle Energy Technology Company	Investments accounted for using the equity method	-	Subsidiary	-	-	1,101,939	11,019,388	-	-	-	-	113,768	1,101,939	11,133,156
TCC Recycle Energy Technology Company	E-One Moli Energy Corp.	Investments accounted for using the equity method	-	Subsidiary	1,566,311	14,764,695	1,200,000	12,000,000	-	-	-	-	376,810	2,766,311	27,141,505
E-One Moli Energy Corp.	Molie Quantum Energy Corporation	Investments accounted for using the equity method	-	Subsidiary	1,000,100	9,921,156	1,200,000	12,000,000	-	-	-	-	(97,033)	2,200,100	21,824,123
NHOA S.A.	NHOA ENERGY S.R.L.	Investments accounted for using the equity method	-	Subsidiary	1,000	2,328,829	1,000	961,052	-	-	-	-	(1,655,610)	2,000	1,634,271
	ATLANTE TOPCO S.R.L.	Investments accounted for using the equity method	-	Subsidiary	-	-	1,000	420,706	-	-	-	-	(329,303)	1,000	91,403
	NHOA CORPORATE S.R.L.	Investments accounted for using the equity method	-	Subsidiary	-	-	1,000	671,676	-	-	-	-	(493,960)	1,000	177,716
ATLANTE TOPCO S.R.L.	ATLANTE S.R.L.	Investments accounted for using the equity method	-	Subsidiary	-	-	5,000	896,136	-	-	-	-	(406,988)	5,000	489,148
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Investments accounted for using the equity method	-	Subsidiary	44,300	5,451,392	30,000	884,250	-	-	-	-	863,938	74,300	7,199,580
Ta-Ho Maritime Holdings Ltd.	THC International S.A.	Investments accounted for using the equity method	-	Subsidiary	64,310	4,428,772	30,000	884,250	-	-	-	-	777,662	94,310	6,090,684

Note 1: Including the profit and loss parts of subsidiaries recognized under the equity method and adjustments to shareholder's equity.

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

TABLE 5

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Taiwan Cement Corporation	Taichung Business Office Located in six parcels of land and located in Six Subsection, Fuxing Section, East District, Taichung City, and the building thereon.	2022/09/15	1968/12/31	\$ 56,230	\$ 563,250	Received in full	\$ 506,247	Enlit Real Estate	Non-related party	Revitalize the company’s underused assets	Appraisal report	-

TABLE 6

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 YEAR ENDED DECEMBER 31, 2022
(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 Limited	Subsidiary	Sales	\$ (724,389)	(3)	30 days	\$ -	-	\$ 195,623	29	Note 2
			Purchases	220,213	1	30 days	-	-	(25,579)	(2)	Note 2
	TCCIH	Subsidiary	Service revenue	(441,949)	(2)	By contract	-	-	37,423	5	Note 2
	HKCCL	Subsidiary	Sales	(820,408)	(3)	65 days counting from the completion of shipment	-	-	64,921	10	Note 2
	E.G.C. Cement Corporation	Subsidiary	Sales	(739,495)	(3)	50 days after the end of the day when delivery was made	-	-	105,628	15	Note 2
	Taiwan Transport & Storage Corporation	Subsidiary	Purchases	666,070	3	30 days	-	-	(148,407)	(13)	Note 2
	Hoping Industrial Port Corporation	Subsidiary	Purchases	483,438	2	20 days	-	-	(23,857)	(2)	Note 2
	Ta-Ho Maritime Corporation	Subsidiary	Purchases	2,181,766	11	30 days	-	-	(565,708)	(49)	Note 2
	Ho Sheng Mining Co., Ltd.	Subsidiary	Purchases	106,198	1	30 days	-	-	(8,975)	(1)	Note 2
	Jin Chang Minerals Corporation	Subsidiary	Purchases	288,053	1	30 days	-	-	(91,901)	(8)	Note 2
	Kuan-Ho Refractories Industry Corporation	Subsidiary	Purchases	242,147	1	By contract	-	-	(58,104)	(5)	Note 2
	Chia Hsin Cement Corporation	Directors of the corporation	Sales	(574,787)	(2)	65 days after the end of the day when delivery was made	-	-	110,880	16	
	China Hi-Ment Corporation	The Corporation serves as director	Purchases	819,521	4	60 days	-	-	(215,633)	(19)	
			Sales	(157,475)	(1)	60 days	-	-	37,338	5	
	CTCI Corporation	The Corporation serves as director	Sales	(186,326)	(1)	110 days	-	-	88,653	8	
Ho-Ping Power Company	Hoping Industrial Port Corporation	The same parent company	Purchases	1,062,754	4	20 days	-	-	(28,071)	(33)	Note 2
	HPC Power Service Corporation	The same parent company	Purchases	505,973	2	By contract	-	-	(48,331)	(56)	Note 2
Hoping Industrial Port Corporation	Taiwan Cement Corporation	Parent company	Sales	(483,438)	(30)	20 days	-	-	23,857	44	Note 2
	Ho-Ping Power Company	The same parent company	Sales	(1,062,754)	(65)	20 days	-	-	28,071	52	Note 2
	Taiwan Transport & Storage Corporation	The same parent company	Purchases	241,701	35	30 days	-	-	(21,298)	(89)	Note 2
Feng Sheng Enterprise Company Limited	Taiwan Cement Corporation	Parent company	Sales	(220,213)	(5)	30 days	-	-	25,579	100	Note 2
			Purchases	724,389	20	30 days	-	-	(195,623)	(100)	Note 2
Taiwan Transport & Storage Corporation	Taiwan Cement Corporation	Parent company	Sales	(666,070)	(42)	30 days	-	-	148,407	89	Note 2
	Hoping Industrial Port Corporation	The same parent company	Sales	(241,701)	(15)	30 days	-	-	21,298	13	Note 2
	Linyuan Advanced Materials Technology Co., Ltd.	The same chairman	Sales	(183,787)	(12)	30 days	-	-	11,232	7	
Ta-Ho Maritime Corporation	Taiwan Cement Corporation	Parent company	Freight revenue	(2,181,766)	(84)	30 days	-	-	565,708	100	Note 2
TCCIH	Taiwan Cement Corporation	Parent company	Service expense	441,949	100	By contract	-	-	(37,423)	(68)	Note 2
Ho Sheng Mining Co., Ltd.	Taiwan Cement Corporation	Parent company	Sales	(106,198)	(46)	30 days	-	-	8,975	30	Note 2
	Jin Chang Minerals Corporation	The same parent company	Sales	(123,656)	(54)	30 days	-	-	20,552	70	Note 2
HPC Power Service Corporation	Ho-Ping Power Company	The same parent company	Sales	(505,973)	(100)	By contract	-	-	48,331	100	Note 2
Da Tong (Guigang) International Logistics Co., Ltd.	TCC (Guigang) Cement Ltd.	The same ultimate parent company	Freight revenue	(336,318)	(86)	By negotiation	-	-	39,780	66	Note 2
Guigang Da-Ho Shipping Co., Ltd.	TCC Yingde Cement Co., Ltd.	The same ultimate parent company	Freight revenue	(173,952)	(19)	By negotiation	-	-	76,582	39	Note 2
	TCC (Guigang) Cement Ltd.	The same ultimate parent company	Freight revenue	(238,680)	(27)	By negotiation	-	-	93,657	48	Note 2
	TCC (Hangzhou) Environment Protection Technology Co., Ltd.	The same ultimate parent company	Freight revenue	(175,179)	(19)	By negotiation	-	-	24,826	13	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)	
TCC (Guigang) Cement Ltd.	Da Tong (Guigang) International Logistics Co., Ltd.	The same ultimate parent company	Purchases	\$ 336,318	5	By negotiation	\$ -	-	\$ (39,780)	(1)	Note 2
	Guigang Da-Ho Shipping Co., Ltd.	The same ultimate parent company	Purchases	238,680	3	By negotiation	-	-	(93,657)	(1)	Note 2
	TCC (Hangzhou) Environment Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	2,352,837	33	By negotiation	-	-	(360,387)	(5)	Note 2
TCC Yingde Cement Co., Ltd.	Guigang Da-Ho Shipping Co., Ltd.	The same ultimate parent company	Purchases	173,952	1	By negotiation	-	-	(76,582)	(1)	Note 2
	TCC (Hangzhou) Environment Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	4,753,837	38	By negotiation	-	-	(544,709)	(9)	Note 2
TCC (Hangzhou) Environment Protection Technology Co., Ltd	Guigang Da-Ho Shipping Co., Ltd.	The same ultimate parent company	Purchases	175,179	2	By negotiation	-	-	(24,826)	(100)	Note 2
	TCC Yingde Cement Co., Ltd.	The same ultimate parent company	Sales	(4,753,837)	(56)	By negotiation	-	-	544,709	52	Note 2
	TCC (Guigang) Cement Ltd.	The same ultimate parent company	Sales	(2,352,837)	(28)	By negotiation	-	-	360,387	34	Note 2
	TCC Shaoguan Cement Co., Ltd.	The same ultimate parent company	Sales	(1,365,104)	(16)	By negotiation	-	-	148,766	14	Note 2
HKCCL	Taiwan Cement Corporation	Parent company	Purchases	820,408	88	65 days counting from the completion of shipment	-	-	(64,921)	(97)	Note 2
	Quon Hing Concrete Co., Ltd.	Associate	Sales	(383,973)	(31)	By negotiation	-	-	137,255	38	
E.G.C. Cement Corporation	Taiwan Cement Corporation	Parent company	Purchases	739,495	100	50 days after the end of the day when delivery was made	-	-	(105,628)	(100)	Note 2
Jin Chang Minerals Corporation	Taiwan Cement Corporation	Parent company	Sales	(288,053)	(100)	30 days	-	-	91,901	100	Note 2
	Ho Sheng Mining Co., Ltd.	The same parent company	Purchases	123,656	84	30 days	-	-	(20,552)	(100)	Note 2
Kuan-Ho Refractories Industry Corporation	Taiwan Cement Corporation	Parent company	Sales	(242,147)	(24)	By contract	-	-	58,104	73	Note 2
E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd.	The same ultimate parent company	Sales	(1,674,851)	(29)	90 days	-	-	559,791	35	Note 2
E-One Moli Energy (Canada) Ltd.	E-One Moli Energy Corp.	The same ultimate parent company	Purchases	1,674,851	100	90 days	-	-	(559,791)	(99)	Note 2
			Service revenue	(126,584)	(37)	90 days	-	-	32,141	7	Note 2
NHOA ENERGY S.R.L.	Taiwan Cement Corporation	Parent company	Sales	(334,350)	(14)	By negotiation	-	-	9,772	1	Note 2
	TCC Yingde Cement Co., Ltd.	The same ultimate parent company	Sales	(714,544)	(29)	By negotiation	-	-	345,902	25	Note 2
	TCC Lien-Hsin Green Energy Corporation	The same ultimate parent company	Sales	(261,673)	(11)	By negotiation	-	-	270,969	19	Note 2
TCC Shaoguan Cement Co., Ltd.	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	1,365,104	81	By negotiation	-	-	(148,766)	3	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 7

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE SHARE CAPITAL

DECEMBER 31, 2022

(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	\$ 195,623	4.2	\$ -	-	\$ 138,608	\$ -
	E.G.C. Cement Corporation (Note)	Subsidiary	105,628	5.4	-	-	90,485	-
	Chia Hsin Cement Corporation (Note)	Directors	110,880	4.9	-	-	69,300	-
HKCCL	Quon Hing Concrete Co., Ltd.	Associates	137,255	2.9	-	-	71,193	-
E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd. (Note)	The same ultimate parent company	559,791	2.8	-	-	310,500	-
Ta-Ho Maritime Corporation	Taiwan Cement Corporation (Note)	Parent company	565,708	3.9	-	-	369,614	-
Taiwan Transport & Storage Corporation	Taiwan Cement Corporation (Note)	Parent company	148,407	4.6	-	-	148,407	-
NHOA ENERGY S.R.L.	TCC Yingde Cement Co., Ltd. (Note)	The same ultimate parent company	345,902	4.1	-	-	345,902	-
	TCC Lien-Hsin Green Energy Corporation (Note)	The same ultimate parent company	270,969	1.9	-	-	270,969	-
TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC Yingde Cement Co., Ltd. (Note)	The same ultimate parent company	544,709	17.5	-	-	301,321	-
	TCC (Gui Gang) Cement Ltd. (Note)	The same ultimate parent company	360,387	13.1	-	-	180,924	-
	TCC Shaoguan Cement Co., Ltd. (Note)	The same ultimate parent company	148,766	18.4	-	-	-	-

Note: All intercompany transactions have been eliminated upon consolidation.

TABLE 8

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2022
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Shares/Units (In Thousands)	%	Carrying Amount			
Taiwan Cement Corporation	TCCI	British Virgin Islands	Investment holding	\$ 33,774,761	\$ 33,774,761	1,100,875,900	100.00	\$ 113,099,217	\$ 23,196	\$ 23,196	Note 1
	Ho-Ping Power Company	Taiwan	Thermal power generation	6,037,720	6,037,720	805,940,306	59.50	14,328,687	(1,488,561)	(885,694)	Note 1
	Hoping Industrial Port Corporation	Taiwan	Hoping Industrial Port management	3,198,500	3,198,500	319,990,000	100.00	5,722,337	700,877	700,855	Note 1
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	528,506	528,506	175,078,520	64.79	3,579,298	803,053	520,277	Note 1
	Taiwan Transport & Storage Corporation	Taiwan	Warehousing, transportation and sale of sand and gravel	91,703	90,863	52,410,366	83.88	2,345,525	311,453	261,170	Note 1
	TCC Investment Corporation	Taiwan	Investment	190,000	190,000	239,800,000	100.00	4,374,356	671,787	671,787	Note 1
	Ho Sheng Mining Co., Ltd.	Taiwan	Mining excavation	1,414,358	1,414,358	30,100,000	100.00	1,279,400	8,689	8,689	Note 1
	CCC USA Corp.	U.S.A.	Rubber raw materials	1,284,421	1,284,421	79,166	33.33	1,899,822	(61,993)	(20,664)	
	Taiwan Cement Engineering Corporation	Taiwan	Engineering services	320,514	320,514	59,681,501	99.20	722,448	1,993	3,357	Note 1
	ONYX Ta-Ho Environmental Services Co., Ltd.	Taiwan	Waste collection and treatment	72,000	72,000	58,828,112	50.00	1,391,240	1,120,881	560,440	
	Kuan-Ho Refractories Industry Corporation	Taiwan	Production and sale of refractory materials	181,050	181,050	46,710,900	95.29	658,767	55,017	52,426	Note 1
	Feng Sheng Enterprise Company	Taiwan	Sale of ready-mixed concrete	250,000	250,000	27,260,611	45.43	486,573	285,905	129,899	Note 1
	TCC Chemical Corporation	Taiwan	Leasing property and energy technology services	1,510,842	1,510,842	140,000,000	100.00	1,324,924	94,359	94,359	Note 1
	TCC Information Systems Corporation	Taiwan	Information software design	71,000	71,000	14,904,000	99.36	333,143	66,187	65,764	Note 1
	Ta-Ho RSEA Environment Co., Ltd.	Taiwan	Waste collection and treatment	666,000	666,000	39,960,000	66.60	419,001	(943)	(628)	Note 1
	HKCMCL	Hong Kong	Investment holding	72,005	72,005	38,094	84.65	577,559	76,932	65,125	Note 1
	TCC Green Energy Corporation	Taiwan	Renewable energy generation	13,446,046	9,446,046	1,350,898,696	100.00	13,488,265	102,848	102,848	Note 1
	Jin Chang Minerals Corporation	Taiwan	Afforestation and sale of limestone	108,042	108,042	9,100,000	100.00	307,783	131,898	131,898	Note 1
	HPC Power Service Corporation	Taiwan	Business consulting	1,861	1,861	6,000	60.00	127,215	207,958	124,775	Note 1
	E.G.C. Cement Corporation	Taiwan	Sale of cement	184,359	184,359	8,062,600	50.64	122,655	34,973	17,712	Note 1
	Synpac Ltd.	British Virgin Islands	Investment	70,367	70,367	2,700,000	25.00	7,054	131	32	
	Tung Chen Mineral Corporation	Taiwan	Afforestation and sale of limestone	1,989	1,989	19,890	99.45	977	(249)	(249)	Note 1
	TMC	Philippines	Mining excavation	11,880	11,880	119,997	72.70	-	-	-	Note 1
	TPMC	Philippines	Mining excavation	2,105	2,105	19,996	40.00	-	-	-	Note 1
	TCCIH	Cayman Islands	Investment holding	62,167,771	40,701,671	3,471,217,785	45.47	81,991,082	(1,783,461)	(745,927)	Note 1
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	3,563,397	3,563,397	153,476,855	15.59	5,669,050	691,602	107,790	
	TCC Dutch	Netherlands	Investment holding	40,565,030	29,695,730	1,179,219	100.00	39,985,279	1,524,589	1,398,800	Note 1
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	10,431,652	10,423,119	1,041,502,886	36.61	10,528,163	419,262	254,774	Note 1
	TCC Sustainable Energy Investment Corporation	Taiwan	Investment holding	1,000	1,000	100,000	100.00	899	(13)	(13)	Note 1
	TCC Energy Storage Technology Corporation	Taiwan	Energy storage equipment manufacturing production and sales	2,506,000	2,006,000	250,600,000	100.00	2,330,046	(149,021)	(149,021)	Note 1
	Tuo Shan Recycle Technology Company	Taiwan	Waste collection and treatment	1,000	1,000	100,000	100.00	944	(11)	(11)	Note 1
Taiwan Transport & Storage Corporation	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	303,435	303,432	79,050,904	29.25	1,616,113	803,053	234,914	Note 1
	E.G.C. Cement Corporation	Taiwan	Sale of cement	136,476	136,476	7,857,400	49.36	148,914	34,973	17,261	Note 1
	Tai-Jie Transport & Storage Corporation	Taiwan	Transportation	25,000	25,000	2,500,000	100.00	36,822	8,473	8,473	Note 1
TCC Investment Corporation	Union Cement Traders Inc.	Taiwan	Import and export trading	219,450	219,450	34,200,000	100.00	1,112,110	67,083	67,083	Note 1
	Ho-Ping Power Company	Taiwan	Thermal power generation	68,911	68,911	6,772,608	0.50	116,941	(1,488,561)	(7,443)	Note 1
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	343	343	50,634	0.02	1,035	803,053	150	Note 1
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	388,079	388,079	22,008,505	2.23	806,566	691,602	15,458	
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	312,833	312,833	31,859,829	1.12	227,617	419,262	8,115	Note 1
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Samoa	Investment	2,129,164	1,244,914	74,300,000	100.00	7,199,580	311,776	311,776	Note 1

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Shares/Units (In Thousands)	%	Carrying Amount			
TCC Information Systems Corporation	Taicem Information (Samoa) Pte., Ltd. International CSRC Investment Holdings Co., Ltd.	Samoa Taiwan	Investment Investment	\$ 3,042 49,882	\$ 3,042 49,882	100,000 2,055,473	100.00 0.21	\$ 65,190 75,370	\$ 13,412 691,602	\$ 13,412 1,444	Note 1
Hoping Industrial Port Corporation	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	112,898	112,898	11,695,699	0.41	83,558	419,262	2,979	Note 1
Union Cement Traders Inc.	Taiwan Transport & Storage Corporation	Taiwan	Warehousing, transportation and sale of sand and gravel	2,612	2,612	419,013	0.67	18,752	311,453	2,088	Note 1
	International CSRC Investment Holdings Co., Ltd. TCC Recycle Energy Technology Company	Taiwan Taiwan	Investment Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	281,806 298,046	281,806 298,046	11,463,551 30,702,994	1.16 1.08	420,345 219,352	691,602 419,262	8,052 7,820	Note 1 Note 1
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Taiwan	Renewable energy generation	1,000	1,000	100,000	100.00	991	(3)	(3)	Note 1
TCC Green Energy Corporation	TCC Chia-Chien Green Energy Corporation	Taiwan	Renewable energy generation	3,202,000	2,302,000	320,200,000	100.00	3,124,832	43,528	43,528	Note 1
	TCC Yun-Kai Green Energy Corporation	Taiwan	Renewable energy generation	25,000	25,000	2,500,000	100.00	22,148	65	65	Note 1
	TCC Lien-Hsin Green Energy Corporation	Taiwan	Renewable energy generation	4,012,000	4,012,000	401,200,000	100.00	4,025,239	17,895	17,895	Note 1
	TCC Chang-Ho Green Energy Corporation	Taiwan	Renewable energy generation	2,456	2,456	245,635	100.00	2,346	(30)	(30)	Note 1
	TCC Kao Cheng Green Energy Corporation	Taiwan	Renewable energy generation	82,000	82,000	8,200,000	100.00	83,784	1,562	1,562	Note 1
	TCC Nan Chung Green Energy Corporation	Taiwan	Renewable energy generation	170,000	170,000	17,000,000	100.00	170,075	625	625	Note 1
	Chang-Wang Wind Power Co, Ltd.	Taiwan	Renewable energy generation	720,000	720,000	72,000,000	100.00	740,347	43,743	43,743	Note 1
	TCC Ping-Zhi Green Energy Corporation	Taiwan	Renewable energy generation	2,000	2,000	200,000	100.00	1,852	(31)	(31)	Note 1
	Chia-Ho Green Energy Corporation	Taiwan	Renewable energy generation	3,145,000	100,000	314,500,000	85.00	3,108,585	(10,134)	(9,545)	Note 1
	TCC Tung-Li Green Energy Corporation	Taiwan	Renewable energy generation	270,000	150,000	27,000,000	100.00	242,952	(21,013)	(21,013)	Note 1
Ta-Ho Maritime Holdings Ltd.	THC International S.A.	Panama	Marine transportation	2,699,049	1,814,799	94,310,000	100.00	6,090,684	248,276	248,276	Note 1
	Ta-Ho Maritime (Hong Kong) Limited	Hong Kong	Marine transportation	141,168	141,168	5,100,000	100.00	1,025,345	63,783	63,783	Note 1
	Ta-Ho Maritime (Singapore) Pte. Ltd.	Singapore	Marine transportation	2,768	2,768	100,000	100.00	73,028	(30)	(30)	Note 1
TCC International Ltd. (Group)	Quon Hing Concrete Co., Ltd.	Hong Kong	Investment holding	157,899	157,899	100,000	50.00	233,343	135,570	67,785	
	Hong Kong Concrete Co., Ltd.	Hong Kong	Cement processing services	24,211	24,211	129,150	31.50	190,844	99,941	31,481	
	TCC Recycle Energy Technology Company	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	11,019,388	-	1,101,938,824	38.73	11,133,156	419,262	15,195	Note 1
TCC Recycle Energy Technology Company	E-One Moli Energy Corp.	Taiwan	Manufacturing and sales of Lithium battery	27,683,427	15,683,427	2,766,310,703	100.00	27,141,505	418,013	418,013	Note 1
E-One Moli Energy Corp.	E-One Holdings Ltd.	British Virgin Islands	Investment holding	2,050,040	2,050,040	65,344,940	100.00	536,510	74,751	74,751	Note 1
	Molie Quantum Energy Corporation	Taiwan	Manufacturing and sale of batteries, power generation machinery, electronic components, etc.	22,001,000	10,001,000	2,200,100,000	100.00	21,824,123	(94,224)	(94,224)	Note 1
E-One Holdings Ltd.	E-One Moli Holdings (Canada) Ltd.	Canada	Investment holding	2,430,170	2,430,170	23,800	100.00	536,473	74,751	74,751	Note 1
E-One Moli Holdings (Canada) Ltd.	E-One Moli Energy (Canada) Ltd.	Canada	Battery research and development and sales	1,917,161	1,917,161	6,649,200	100.00	533,765	74,746	74,746	Note 1
TCC Energy Storage Technology Corporation	Energy Helper TCC Corporation	Taiwan	Renewable energy retail and energy technology services	10,000	-	1,000,000	100.00	9,599	(401)	(401)	Note 1
TCC Dutch	Cimpor Global Holdings B.V.	Netherlands	Holding company	26,255,753	26,255,753	100,000	40.00	30,866,698	7,066,885	2,759,525	
	TCEH	Netherlands	Investment holding	10,627,883	10,627,883	75,001,000	100.00	8,980,951	(933,161)	(933,161)	Note 1
TCEH	NHOA S.A.	France	Investment holding	7,595,278	7,595,278	16,635,102	65.15	6,043,134	(1,240,776)	(923,167)	Note 1

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2022	December 31, 2021	Shares/Units (In Thousands)	%	Carrying Amount			
NHOA S.A.	NHOA ENERGY S.R.L.	Italy	Renewable energy and energy storage system construction	\$ 1,963,292	\$ 1,002,240	2,000,000	100.00	\$ 1,634,271	\$ (257,067)	\$ (257,067)	Note 1
	ELECTRO POWER SYSTEM MANUFACTURING	Italy	Intellectual property	664,059	664,059	1,004,255	100.00	227,365	90,713	90,713	Note 1
	Comores Energie Nouvelles S.A.R.L.	Union of the Comoros	Independent power plants	18,719	305	100	100.00	(21,847)	(9,634)	(6,909)	Note 1
	ATLANTE TOPCO S.R.L.	Italy	Investment holding	420,706	-	1,000,000	100.00	91,403	(378,005)	(378,005)	Note 1
	NHOA CORPORATE S.R.L.	Italy	Investment holding	671,676	-	1,000,000	100.00	177,716	(417,828)	(417,828)	Note 1
NHOA AMERICAS LLC	NHOA LATAM S.A.C.	Peru	Renewable energy and energy storage system construction	3	-	300	10.00	256	2,474	247	Note 1
NHOA CORPORATE S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Italy	Electric vehicle charging equipment	528,255	-	16,344,531	49.90	177,440	(837,233)	(417,779)	Notes 1 and 2
NHOA ENERGY S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Italy	Electric vehicle charging equipment	-	528,255	-	-	-	(837,233)	-	Notes 1 and 2
	NHOA AMERICAS LLC	U.S.A.	Renewable energy and energy storage system construction	274	274	10,000	100.00	(1,708)	(38,719)	(38,719)	Note 1
	NHOA AUSTRALIA PTY LTD	Australia	Renewable energy and energy storage system construction	505,225	505,225	25,210,000	100.00	527,944	22	22	Note 1
	NHOA LATAM S.A.C.	Peru	Renewable energy and energy storage system construction	23	-	2,700	90.00	2,556	2,474	2,226	Note 1
	ATLANTE S.R.L.	Italy	Renewable energy and charging equipment	-	78,136	-	-	-	-	-	Notes 1 and 2
ATLANTE TOPCO S.R.L.	ATLANTE S.R.L.	Italy	Renewable energy and charging equipment	896,136	-	5,000,000	100.00	489,148	(377,550)	(377,550)	Notes 1 and 2
ATLANTE S.R.L.	ATLANTE IBERIA S.L.	Spain	Renewable energy and charging equipment	128	-	4,000	100.00	(2,510)	(45,087)	(45,087)	Note 1
	ATLANTE FRANCE S.A.S.	France	Renewable energy and charging equipment	3,192	-	100,000	100.00	23,982	(72,782)	(72,782)	Note 1
	ATLANTE Fast Charging Portugal LDA	Portugal	Renewable energy and charging equipment	4,000	-	1,000	100.00	(1,586)	(1,646)	(1,646)	Note 1
FREE2MOVE ESOLUTIONS S.P.A.	FREE2MOVE ESOLUTIONS FRANCE S.A.S.	France	Electric vehicle charging equipment	1,553	-	100,000	100.00	(2,698)	(4,154)	(4,154)	Note 1
	FREE2MOVE ESOLUTIONS SPAIN S.L.U.	Spain	Electric vehicle charging equipment	3,126	-	100,000	100.00	(3,102)	(6,109)	(6,109)	Note 1
	FREE2MOVE ESOLUTIONS NORTH AMERICA LLC	U.S.A.	Electric vehicle charging equipment	3,071	-	100,000	100.00	(50,646)	(50,504)	(50,504)	Note 1
	FREE2MOVE ESOLUTIONS UK LTD	UK	Electric vehicle charging equipment	3,709	-	100,000	100.00	(863)	(851)	(851)	Note 1

Note 1: All intercompany transactions have been eliminated upon consolidation.

Note 2: Due to the Group strategic development and operating arrangement, the Group proceeded an organizational restructuring by transferring the equity interest of ATLANTE S.R.L. held by NHOA ENERGY S.R.L. to ATLANTE TOPCO S.R.L. and FREE2MOVE ESOLUTIONS S.P.A. held by NHOA ENERGY S.R.L. to NHOA CORPORATE S.R.L. in 2022.

(Concluded)

TABLE 9

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2022
(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, 2022 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022 (Note 2)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount as of December 31, 2022 (Note 3)	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outflow	Inflow							
TCC Fuzhou Cement Co., Ltd.	Manufacturing and sale of cement	\$ 499,038	(b)	\$ 281,956	\$ -	\$ -	\$ 281,956	\$ (124,393)	100.00	\$ (124,393)	\$ 898,783	\$ -	Note 6
TCC Fuzhou Yangyu Port Co., Ltd.	Service of port facility	153,550	(b)	86,756	-	-	86,756	7,315	100.00	7,315	313,905	-	Note 6
TCC Liuzhou Construction Materials Company Limited	Manufacturing and sale of slag powder	414,585	(b)	99,500	-	-	99,500	(27,389)	42.00	(11,504)	353,766	-	Note 6
TCC Yingde Cement Co., Ltd.	Manufacturing and sale of cement	7,812,624	(b)	4,881,692	-	-	4,881,692	362,692	100.00	362,692	30,512,659	-	Note 6
Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	7,155,430	(b)	4,176,406	-	-	4,176,406	241,523	100.00	241,523	18,130,163	-	Note 6
TCC (Gui Gang) Cement Ltd.	Manufacturing and sale of cement	10,222,619	(b)	7,312,047	-	-	7,312,047	(1,678,662)	100.00	(1,678,662)	22,938,444	-	Note 6
Jiangsu TCC Investment Co., Ltd.	Investment holding	1,535,500	(b)	867,558	-	-	867,558	22,628	100.00	22,628	4,032,381	-	Note 6
Yingde Dragon Mountain Cement Co., Ltd.	Manufacturing and sale of cement	1,887,109	(b)	3,336,123	-	-	3,336,123	412,526	100.00	412,526	15,707,514	-	Note 6
TCC Liaoning Cement Company Limited	Manufacturing and sale of cement	1,635,368	(b)	1,369,098	-	-	1,369,098	(90,447)	100.00	(90,447)	1,795,063	-	Note 6
TCC Anshun Cement Company Limited	Manufacturing and sale of cement	4,713,678	(b)	3,434,176	-	-	3,434,176	(68,328)	100.00	(68,328)	7,296,107	-	Note 6
TCC Chongqing Cement Company Limited	Manufacturing and sale of cement	3,623,780	(b)	2,620,219	-	-	2,620,219	120,471	100.00	120,471	9,672,136	-	Note 6
Guangan Changxing Cement Company Ltd.	Manufacturing and sale of cement	2,364,363	(b)	1,716,547	-	-	1,716,547	216,775	100.00	216,775	6,280,442	-	Note 6
TCC (Dong Guan) Cement Company Ltd.	Manufacturing and sale of cement	614,200	(b)	347,023	-	-	347,023	21,576	100.00	21,576	3,544	-	Note 6
Guizhou Kong On Cement Company Limited	Manufacturing and sale of cement	623,413	(b)	281,002	-	-	281,002	(116,499)	65.00	(75,725)	349,159	-	Note 6
TCC New (Hangzhou) Management Company Limited	Operation management	245,680	(b)	138,809	-	-	138,809	(4,195)	100.00	(4,195)	64,848	-	Note 6
Guizhou Kaili Rui An Jian Cai Co., Ltd.	Manufacturing and sale of cement	1,717,623	(b)	1,098,632	-	-	1,098,632	(89,289)	100.00	(89,289)	3,690,907	-	Note 6
TCC Shaoguan Cement Co., Limited	Manufacturing and sale of cement	2,122,061	(b)	1,988,473	-	-	1,988,473	(255,685)	100.00	(255,685)	1,576,446	-	Note 6
TCC Huaying Cement Company Limited	Manufacturing and sale of cement	4,187,071	(b)	3,152,936	-	-	3,152,936	(415,140)	100.00	(415,140)	3,294,583	-	Note 6
TCC Huaihua Cement Company Limited (Note 4)	Manufacturing and sale of cement	1,322,400	(b)	5,771,739	-	-	5,771,739	(443,837)	100.00	(443,837)	4,563,663	-	Note 6
TCC Jingzhou Cement Company Limited (Note 4)	Manufacturing and sale of cement	661,200	(b)	-	-	-	-	(122,645)	100.00	(122,645)	2,152,452	-	Note 6
TCC Huaihua Concrete Company Limited (Note 4)	Sale of ready-mixed concrete	44,080	(b)	-	-	-	-	(14,562)	100.00	(14,562)	18,345	-	Note 6
TCC Jiangsu Mining Industrial Company Limited	Mining excavation	122,840	(b)	384,087	-	-	384,087	51,862	100.00	51,862	401,336	-	Note 6
TCC Yingde Mining Industrial Company Limited	Mining excavation	353,165	(b)	277,854	-	-	277,854	(5,545)	100.00	(5,545)	360,789	-	Note 6
TCC Guigang Mining Industrial Company Limited	Mining excavation	153,550	(b)	132,625	-	-	132,625	4,652	100.00	4,652	397,997	-	Note 6
Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	645,816	(b)	-	-	-	-	(111,179)	100.00	(111,179)	482,341	-	Note 6
Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	1,741,160	(b)	-	-	-	-	126,153	100.00	126,153	3,579,624	-	Note 6
Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	102,486	(b)	-	-	-	-	4,608	100.00	4,608	8,850	-	Note 6
Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	110,200	(b)	-	-	-	-	(15,358)	100.00	(15,358)	81,455	-	Note 6
Anshun Xin Tai Construction Materials Company Limited	Filtering of sand and gravel and sale of ready-mixed concrete	66,120	(b)	93,843	-	-	93,843	(8,227)	100.00	(8,227)	56,289	-	Note 6
Fuzhou TCC Information Technology Co., Ltd. (Note 5)	Software product and equipment maintenance	2,955	(b)	2,955	-	-	2,955	9,717	100.00	9,717	27,049	39,372	Note 6
Da Tong (Guigang) International Logistics Co., Ltd. (Note 5)	Logistics and transportation	153,550	(b)	-	-	-	-	64,081	100.00	64,081	1,009,376	-	Note 6
Da Tong (Ying De) Logistics Co., Ltd. (Note 5)	Logistics and transportation	22,040	(b)	-	-	-	-	12,757	100.00	12,757	146,297	-	Note 6
Guigang Da-Ho Shipping Co., Ltd. (Note 5)	Marine transportation	17,632	(b)	-	-	-	-	39,263	100.00	39,263	574,843	-	Note 6
Prosperity Conch Cement Co., Ltd.	Manufacturing and sale of cement	2,556,640	(b)	2,248,152	-	-	2,248,152	1,354,080	25.00	338,520	8,198,939	-	
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	3,636,600	(b)	1,465,697	-	-	1,465,697	66,909	30.00	22,426	1,536,535	-	Note 3
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	1,818,653	(b)	709,757	-	-	709,757	152,030	30.00	40,931	929,214	-	Note 3
Sichuan Taichang Building Material Group Company Limited	Manufacturing and sale of cement	881,600	(b)	354,801	-	-	354,801	34,426	30.00	10,328	565,573	-	
Yingjing Xinan New material Co., Ltd.	Manufacturing and sale of cement	88,160	(b)	-	-	-	-	-	30.00	-	(168,966)	-	
Guangan Xin Tai Construction Materials Company Limited	Manufacturing and sale of concrete aggregate	68,324	(b)	48,437	-	-	48,437	-	50.00	-	-	-	
Guigang TCC Dong Yuan Environmental Technology Company Limited	Dangerous waste treatment	881,600	(b)	515,736	-	-	515,736	91,439	100.00	91,439	1,015,695	-	Note 6
Beijing TCC Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	26,448	(b)	26,448	-	-	26,448	(42,124)	100.00	(42,124)	(106,096)	-	Note 6
TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environment, cement, business management consulting	7,449,520	(b)	3,085,600	4,379,161	-	7,464,761	(11,949)	100.00	(11,949)	6,796,117	-	Note 6
Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	35,264	(b)	13,224	-	-	13,224	(6,136)	100.00	(6,136)	(72,866)	-	Note 6
TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	17,632	(b)	9,698	-	-	9,698	139	55.00	77	8,981	-	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, 2022 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2022 (Note 2)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Amount as of December 31, 2022 (Note 3)	Accumulated Repatriation of Investment Income as of December 31, 2022	Note
					Outflow	Inflow							
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Technology development, enterprise management consulting	\$ 132,240	(b)	\$ -	\$ -	\$ -	\$ -	\$ (4,288)	45.00	\$ (1,740)	\$ 88,687	\$ -	Note 6
TCC (Hangzhou) Recycle Resource Technology Environmental Limited	Resource recycling technology development, business management and sales	2,468,480	(b)	-	-	-	-	28,786	100.00	28,786	2,532,021	-	
Guigang Conch-TCC New Material Technology Co., Ltd	Technology development and service, Manufacturing and sale of dedicated chemical production	105,792	(b)	-	-	-	-	138,332	40.00	55,333	90,781	-	
Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	661,200	(b)	-	-	-	-	1,500	100.00	1,500	656,578	-	Note 6
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	Manufacturing and sale of cement, technology development, enterprise management and sales	1,763,200	(b)	-	-	-	-	(199,029)	40.00	(79,612)	604,483	-	
TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd.	Resource recycling technology consultation, biomass energy technology and fuel sales, solid waste treatment	4,408	(b)	-	-	-	-	(126)	100.00	(126)	2,420	-	Note 6
TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd.	Resource recycling technology consultation, solid waste treatment, biomass fuel sales	26,448	(b)	-	-	-	-	86	100.00	86	26,548	-	Note 6
TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd.	Resource reusing technology and development, solid waste treatment, biomass fuel processing and sales	4,408	(b)	-	-	-	-	(65)	100.00	(65)	4,346	-	Note 6
TCC Yongren (Hangzhou) Environmental Technology Co., Ltd.	Resource regeneration technology research and development, solid waste treatment, biomass fuel processing and sales	4,408	(b)	-	-	-	-	(1)	100.00	(1)	4,410	-	Note 6
TCC (Shaoguan) Environment Technology Co., Ltd.	Biomass fuel processing and sales, solid waste treatment, urban and kitchen waste treatment	4,408	(b)	-	-	-	-	13	100.00	13	4,423	-	Note 6
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	Co-processing fly ash disposal and domestic waste fly ash in Cement Kiln	22,040	(b)	-	-	-	-	88	65.00	-	12,129	-	

Accumulated Investment in Mainland China as of December 31, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$80,519,806	\$81,212,007	(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: Investment gain (loss) was based on the associates' audited financial statements except Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd., Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd. and TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. The Group considers that there would be no significant adjustments if such financial statements were to be audited.

Note 4: As of December 31, 2022, 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, 4, 6, 7 and 10 for the information about significant transactions with investees in the mainland China either directly or indirectly through a third area.

(Concluded)

TABLE 10

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

(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	\$ 724,389	30 days	0.6
				Operating costs and expenses	220,213	30 days	0.2
				Accounts receivable from related parties	195,623	30 days	-
		Taiwan Transport & Storage Corporation	1	Operating costs and expenses	666,070	30 days	0.6
				Accounts payable to related parties	148,407	30 days	-
				Operating costs and expenses	483,438	20 days	0.4
		Ho Sheng Mining Co., Ltd.	1	Operating costs and expenses	106,198	30 days	0.1
		Jin Chang Minerals Corporation	1	Operating costs and expenses	288,053	30 days	0.3
		Kuan-Ho Refractories Industry Corporation	1	Operating costs and expenses	242,147	By contract	0.2
		TCCIH	1	Operating revenue	441,949	By contract	0.4
		HKCCL	1	Operating revenue	820,408	65 days after the end of the day when shipment was made	0.7
		Ta-Ho Maritime Corporation	1	Operating costs and expenses	2,181,766	30 days	1.9
				Accounts payable to related parties	565,708	30 days	0.1
				Operating revenue	739,495	50 days after the end of the day when delivery was made	0.6
		E.G.C. Cement Corporation	1	Accounts receivable from related parties	105,628	50 days after the end of the day when delivery was made	-
				Lease liabilities - non-current	220,992	By contract	-
				Property in Construction	314,717	By contract	0.1
1	Ho-Ping Power Company	Hoping Industrial Port Corporation	3	Operating costs and expenses	1,062,754	20 days	0.9
		HPC Power Service Corporation	3	Operating costs and expenses	505,973	By contract	0.4
2	Taiwan Transport & Storage Corporation	Hoping Industrial Port Corporation	3	Operating revenue	241,701	30 days	0.2
3	Da Tong (Guigang) International Logistics Co., Ltd.	TCC (Guigang) Cement Ltd.	3	Operating revenue	336,318	By negotiation	0.3
4	Guigang Da-Ho Shipping Co., Ltd.	TCC (Guigang) Cement Ltd.	3	Operating revenue	238,680	By negotiation	0.2
		TCC Yingde Cement Co., Ltd.	3	Operating revenue	173,952	By negotiation	0.2
		TCC (Hangzhou) Environment Protection Technology Co., Ltd.	3	Operating revenue	175,179	By negotiation	0.2
5	E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd.	3	Operating revenue	1,674,851	By negotiation	1.5
				Accounts receivable from related parties	559,791	By negotiation	0.1
6	Molie Quantum Energy Corporation	Taiwan Cement Corporation	2	Lease liabilities - non-current	1,122,149	By contract	0.2

(Continued)

No.	Investee Company	Counterparty	Relationship (Note 1)	Transactions Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
7	NHOA ENERGY S.R.L.	Taiwan Cement Corporation TCC Yingde Cement Co., Ltd.	2	Operating revenue	\$ 334,350	By negotiation	0.3
			3	Operating revenue	714,544	By negotiation	0.6
				Accounts receivable from related parties	345,902	By negotiation	0.1
				Contract liabilities	122,301	By negotiation	-
		TCC Lien-Hsin Green Energy Corporation	3	Operating revenue	261,673	By negotiation	0.2
				Accounts receivable from related parties	270,969	By negotiation	0.1
				Contract liabilities	160,828	By negotiation	-
				Contract liabilities	134,464	By negotiation	-
		TCC Energy Storage Technology Corporation	3				
8	TCC (Hangzhou) Environment Protection Technology Co., Ltd.	TCC Yingde Cement Co., Ltd.	3	Operating revenue	4,753,837	By negotiation	4.2
				Accounts receivable from related parties	544,709	By negotiation	0.1
		TCC (Guigang) Cement Ltd.	3	Operating revenue	2,352,837	By negotiation	2.1
				Accounts receivable from related parties	360,387	By negotiation	0.1
		TCC Shaoguan Cement Co., Limited	3	Operating revenue	1,365,104	By negotiation	1.2
				Accounts receivable from related parties	148,766	By negotiation	-
9	E-One Moli Energy (Canada) Ltd.	E-One Moli Energy Corp.	3	Service revenue	126,584	By negotiation	0.1
10	TCC Yingde Cement Co., Ltd.	NHOA ENERGY S.R.L.	3	Prepayments for property, plant and equipment	275,740	By contract	0.1
11	TCC Lien-Hsin Green Energy Corporation	NHOA ENERGY S.R.L.	3	Property in Construction	517,481	By contract	0.1
12	TCC Energy Storage Technology Corporation	NHOA ENERGY S.R.L.	3	Property in Construction	126,758	By contract	-

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.

(Concluded)