

**Taiwan Cement Corporation and
Subsidiaries**

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the combined financial statements of affiliates as of and for the year ended December 31, 2023 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 27, 2024

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, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

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

Key Audit Matters

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

The description of the key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023 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, 2023. 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

The financial statements of Cimpor Global Holdings B.V., an investee company held through Taiwan Cement (Dutch) Holdings B.V. accounted for using the equity method, for the year ended December 31, 2023, were audited by other auditors. Our opinion, insofar as it relates to the amounts included for the investee in the Groups's consolidated financial statements, is based solely on the reports of the other auditors. The aforementioned investment accounted for using the equity method constituted NT\$35,716,009 thousand, representing 7.6% of the Group's total assets as of December 31, 2023. The Group's share of comprehensive income from the aforementioned investments accounted for using the equity method amounted to NT\$3,560,296 thousand for the years ended December 31, 2023, which accounted for 24.8% of the Group's consolidated income before income tax.

We have also audited the parent company only financial statements of Taiwan Cement Corporation as of and for the years ended December 31, 2023 and 2022, 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, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ya-Ling Wong and Hui-Min Huang.

Ya-Ling Wong Hui-Min Huang

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2024

Notice to Readers

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

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

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 66,366,622	14	\$ 88,842,494	19
Financial assets at fair value through profit or loss (Notes 4, 7, 33 and 35)	727,762	-	611,802	-
Financial assets at fair value through other comprehensive income (Notes 4, 8, 33 and 35)	6,972,790	2	5,934,753	1
Financial assets at amortized cost (Notes 4, 6 and 35)	34,236,957	7	20,954,299	5
Notes receivable (Notes 4, 9 and 24)	11,043,595	2	19,450,723	4
Accounts receivable (Notes 4, 9, 10 and 24)	12,362,489	3	15,148,760	3
Notes and accounts receivable from related parties (Notes 4 and 34)	563,421	-	513,975	-
Other receivables (Notes 4 and 26)	3,558,791	1	2,309,268	1
Other receivables from related parties (Notes 4, 13 and 34)	25,823	-	415,606	-
Inventories (Notes 4 and 12)	11,494,015	3	16,089,980	4
Prepayments (Note 34)	4,884,225	1	4,268,024	1
Disposal groups held for sale (Notes 4 and 11)	196,403	-	-	-
Other current assets (Notes 4 and 24)	680,407	-	1,084,374	-
Total current assets	153,113,300	33	175,624,058	38
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4, 7, 33 and 35)	278,424	-	284,876	-
Financial assets at fair value through other comprehensive income (Notes 4, 8, 34 and 35)	19,847,669	4	22,751,646	5
Financial assets at amortized cost (Notes 4, 6 and 35)	22,599,386	5	9,577,103	2
Investments accounted for using the equity method (Notes 4, 14 and 35)	58,053,608	12	53,586,673	12
Property, plant and equipment (Notes 4, 15, 25, 34 and 35)	124,115,635	27	114,739,983	25
Right-of-use assets (Notes 4, 16, 25 and 34)	15,397,170	3	15,503,775	3
Investment properties (Notes 4, 17, 25 and 35)	15,493,520	3	5,323,016	1
Intangible assets (Notes 4, 18 and 25)	29,757,225	6	27,934,663	6
Prepayments for property, plant and equipment (Notes 15 and 34)	8,734,339	2	9,658,047	2
Long-term finance lease receivables (Notes 4 and 10)	18,204,271	4	21,372,402	5
Net defined benefit assets (Notes 4 and 22)	1,558,089	-	1,567,531	-
Other non-current assets (Notes 4, 26 and 35)	2,285,886	1	2,885,188	1
Total non-current assets	316,325,222	67	285,184,903	62
TOTAL	\$ 469,438,522	100	\$ 460,808,961	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 19, 31, 33 and 35)	\$ 20,251,073	4	\$ 22,416,812	5
Short-term bills payable (Note 19)	2,784,443	1	3,065,961	1
Financial liabilities at fair value through profit or loss (Notes 4, 7 and 34)	-	-	641,522	-
Contract liabilities (Note 24)	2,001,946	1	1,774,714	-
Notes and accounts payable (Note 35)	12,815,863	3	13,691,411	3
Other payables (Notes 15 and 21)	15,337,889	3	9,771,591	2
Other payables to related parties (Note 34)	1,375,133	-	750,236	-
Current income tax liabilities (Notes 4 and 26)	3,057,589	1	1,063,356	-
Lease liabilities (Notes 4, 16 and 35)	515,108	-	400,136	-
Long-term loans and bonds payable - current portion (Notes 19, 20, 31, 33 and 35)	13,859,614	3	21,511,839	5
Other current liabilities	582,578	-	121,833	-
Total current liabilities	72,581,236	16	75,209,411	16
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 20)	82,390,353	17	72,136,574	16
Long-term loans (Notes 19, 31, 32 and 35)	36,791,733	8	42,864,736	9
Lease liabilities (Notes 4, 16 and 34)	3,719,264	1	3,550,048	1
Deferred income tax liabilities (Notes 4 and 26)	12,942,041	3	12,359,419	3
Long-term bills payable (Note 19)	5,086,333	1	14,990,589	3
Net defined benefit liabilities (Notes 4 and 22)	133,115	-	119,623	-
Other non-current liabilities (Notes 14 and 15)	1,893,406	-	1,302,781	-
Total non-current liabilities	142,956,245	30	147,323,770	32
Total liabilities	215,537,481	46	222,533,181	48
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE CORPORATION (Notes 4, 23 and 30)				
Ordinary shares	75,511,817	16	71,561,817	16
Preference shares	2,000,000	-	2,000,000	-
Capital surplus	74,119,162	16	65,985,865	14
Retained earnings	70,576,781	15	66,527,594	14
Other equity	9,457,953	2	11,991,090	3
Treasury shares	(732,459)	-	(171,600)	-
Equity attributable to shareholders of the Corporation	230,933,254	49	217,894,766	47
NON-CONTROLLING INTERESTS (Notes 23 and 30)	22,967,787	5	20,381,014	5
Total equity	253,901,041	54	238,275,780	52
TOTAL	\$ 469,438,522	100	\$ 460,808,961	100

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

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

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 34)	\$ 109,314,335	100	\$ 113,929,706	100
OPERATING COSTS (Notes 4, 12, 22, 25 and 34)	<u>88,780,566</u>	<u>81</u>	<u>103,794,557</u>	<u>91</u>
GROSS PROFIT	<u>20,533,769</u>	<u>19</u>	<u>10,135,149</u>	<u>9</u>
OPERATING EXPENSES (Notes 22, 25 and 34)				
Marketing	967,612	1	820,576	1
General and administrative	8,095,687	8	6,850,260	6
Research and development	<u>1,440,310</u>	<u>1</u>	<u>1,302,175</u>	<u>1</u>
Total operating expenses	<u>10,503,609</u>	<u>10</u>	<u>8,973,011</u>	<u>8</u>
INCOME FROM OPERATIONS	<u>10,030,160</u>	<u>9</u>	<u>1,162,138</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates and joint ventures (Notes 4 and 14)	4,568,339	4	3,919,856	3
Interest income (Note 25)	3,402,888	3	2,102,495	2
Dividend income (Note 4)	1,433,442	2	2,498,353	2
Other income (Note 25)	670,792	1	583,112	1
Net gain on disposal of investment properties (Note 17)	332,065	-	502,346	-
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	57,357	-	(514,394)	-
Finance costs (Notes 4 and 25)	(3,542,684)	(3)	(2,869,888)	(2)
Other expenses (Notes 20 and 25)	(763,103)	(1)	(829,313)	(1)
Net loss on disposal of property, plant and equipment (Note 15)	(111,686)	-	(20,296)	-
Foreign exchange gains (losses), net	(847,143)	(1)	201,611	-
Non-financial assets impairment loss (Notes 15 and 18)	<u>(873,596)</u>	<u>(1)</u>	<u>(89,923)</u>	<u>-</u>
Total non-operating income and expenses	<u>4,326,671</u>	<u>4</u>	<u>5,483,959</u>	<u>5</u>
INCOME BEFORE INCOME TAX	14,356,831	13	6,646,097	6
INCOME TAX EXPENSE (Notes 4 and 26)	<u>4,352,218</u>	<u>4</u>	<u>2,489,012</u>	<u>2</u>
NET INCOME	<u>10,004,613</u>	<u>9</u>	<u>4,157,085</u>	<u>4</u>

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TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	%	Amount	%
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)	\$ (28,691)	-	\$ (282,252)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 23)	(1,735,932)	(1)	(6,366,804)	(6)
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 23)	64,129	-	(352,936)	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 26)	6,880	-	57,170	-
	<u>(1,693,614)</u>	<u>(1)</u>	<u>(6,944,822)</u>	<u>(6)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 23)	(1,870,284)	(2)	4,288,246	4
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 23)	1,029,458	1	3,801,499	3
	<u>(840,826)</u>	<u>(1)</u>	<u>8,089,745</u>	<u>7</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(2,534,440)</u>	<u>(2)</u>	<u>1,144,923</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 7,470,173</u>	<u>7</u>	<u>\$ 5,302,008</u>	<u>5</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 7,997,814	7	\$ 5,404,984	5
Non-controlling interests	<u>2,006,799</u>	<u>2</u>	<u>(1,247,899)</u>	<u>(1)</u>
	<u>\$ 10,004,613</u>	<u>9</u>	<u>\$ 4,157,085</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Shareholders of the Corporation	\$ 5,438,043	5	\$ 6,253,579	6
Non-controlling interests	<u>2,032,130</u>	<u>2</u>	<u>(951,571)</u>	<u>(1)</u>
	<u>\$ 7,470,173</u>	<u>7</u>	<u>\$ 5,302,008</u>	<u>5</u>

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

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

	2023		2022	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 27)				
Basic earnings per share	<u>\$ 1.06</u>		<u>\$ 0.74</u>	
Diluted earnings per share	<u>\$ 1.04</u>		<u>\$ 0.73</u>	

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Shareholders of the Corporation													
	Retained Earnings							Other Equity						
	Share Capital		Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain/Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Treasury Shares	Total	Non-controlling Interests	Total Equity
Ordinary Shares	Preference Shares													
BALANCE AT JANUARY 1, 2022	\$ 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	-	-	-	-	-	-	-	-	66,820	-	66,820
Treasury shares transferred to employees	-	-	(31,702)	-	-	-	-	-	-	-	191,535	159,833	-	159,833
Cancellation of treasury shares	(6,696)	-	(22,512)	-	-	-	-	-	-	-	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
Appropriation of 2022 earnings														
Legal reserve	-	-	-	520,555	-	(520,555)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(3,566,091)	(3,566,091)	-	-	-	-	(3,566,091)	-	(3,566,091)
Preferred share dividends distributed by the Corporation	-	-	-	-	-	(350,000)	(350,000)	-	-	-	-	(350,000)	-	(350,000)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(145,345)	(145,345)
Proceeds from capital reduction of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(100,200)	(100,200)
Net income for the year ended December 31, 2023	-	-	-	-	-	7,997,814	7,997,814	-	-	-	-	7,997,814	2,006,799	10,004,613
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	(26,634)	(26,634)	(854,729)	(1,679,110)	702	-	(2,559,771)	25,331	(2,534,440)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	7,971,180	7,971,180	(854,729)	(1,679,110)	702	-	5,438,043	2,032,130	7,470,173
Issuance of global depositary receipts	3,950,000	-	8,390,525	-	-	-	-	-	-	-	-	12,340,525	-	12,340,525
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	54,540	-	-	-	-	-	-	-	-	54,540	-	54,540
Buy-back of treasury shares	-	-	-	-	-	-	-	-	-	-	(732,459)	(732,459)	-	(732,459)
Difference between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	-	-	-	(1,754)	(1,754)	-	-	-	-	(1,754)	862,044	860,290
Changes in ownership interests of subsidiaries	-	-	(309,134)	-	-	(4,148)	(4,148)	-	-	-	-	(313,282)	(61,856)	(375,138)
Compensation costs of treasury shares transferred to employees	-	-	37,766	-	-	-	-	-	-	-	-	37,766	-	37,766
Treasury shares transferred to employees	-	-	(40,400)	-	-	-	-	-	-	-	171,600	131,200	-	131,200
Reversal of special reserve recognized from asset disposals	-	-	-	-	(5,369)	5,369	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2023	\$ 75,511,817	\$ 2,000,000	\$ 74,119,162	\$ 24,470,947	\$ 12,999,032	\$ 33,106,802	\$ 70,576,781	\$ (9,148,904)	\$ 18,607,806	\$ (949)	\$ (732,459)	\$ 230,933,254	\$ 22,967,787	\$ 253,901,041

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 14,356,831	\$ 6,646,097
Adjustments for:		
Depreciation expense	8,266,622	7,473,531
Amortization expense	1,018,100	1,054,300
Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	(57,357)	514,394
Finance costs	3,542,684	2,869,888
Interest income	(3,402,888)	(2,102,495)
Dividend income	(1,433,442)	(2,498,353)
Share-based compensation	126,950	103,396
Share of profit of associates and joint ventures	(4,568,339)	(3,919,856)
Loss on disposal of property, plant and equipment, net	111,686	20,296
Gain on disposal of investment properties, net	(332,065)	(502,346)
Loss on disposal of intangible assets	2,607	-
Loss on disposal of investments, net	-	16
Non-financial asset impairment loss	873,596	89,923
Write-down of inventories	65,867	259,108
Unrealized loss (gain) on foreign exchange, net	1,215	(18,198)
Loss on redemption of bonds payable	393,503	-
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	4,522	(618,799)
Notes receivable	8,195,756	6,742,899
Accounts receivable	2,666,730	(5,325,704)
Notes and accounts receivable from related parties	(51,129)	(44,065)
Other receivables	(966,069)	(138,781)
Other receivables from related parties	389,559	(52,768)
Inventories	4,409,178	(2,774,387)
Prepayments	(628,132)	(19,124)
Other current assets	333,890	(286,894)
Contract liabilities	318,744	352,425
Notes and accounts payable	(831,942)	3,565,856
Other payables	1,738,234	(293,088)
Other payables to related parties	625,222	(640,789)
Other current liabilities	404,103	(62,315)
Net defined benefit liabilities	(112,071)	(45,669)
Cash generated from operations	35,462,165	10,348,498
Income tax paid	(1,711,015)	(4,156,197)
Net cash generated from operating activities	33,751,150	6,192,301

(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (209,156)	\$ (286,227)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	229,968	-
Acquisition of financial assets at amortized cost	(26,528,183)	-
Disposal of financial assets at amortized cost	-	390,801
Acquisition of long-term equity investments accounted for using the equity method	(99,198)	(65,443)
Acquisition of subsidiaries	(329,336)	-
Payments for property, plant and equipment	(24,726,266)	(23,458,453)
Proceeds from disposal of property, plant and equipment	212,985	98,435
Payments for intangible assets	(1,913,693)	(901,526)
Payments for investment properties	-	(1,255)
Proceeds from disposal of investment properties	559,212	560,763
Decrease in finance lease receivables	3,168,131	2,962,021
Decrease (increase) in other non-current assets	882,916	(707,292)
Interest received	3,089,449	1,732,229
Dividends received	<u>2,785,290</u>	<u>3,074,114</u>
Net cash used in investing activities	<u>(42,877,881)</u>	<u>(16,601,833)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	(2,185,384)	(27,377,773)
Decrease in short-term bills payable	(281,518)	(3,703,085)
Issuance of bonds	22,773,544	11,050,000
Redemption of bonds payable	(22,194,450)	-
Increase in long-term loans	57,040,690	48,396,400
Repayment of long-term loans	(62,342,123)	(28,834,975)
Increase in long-term bills payable	30,500,000	39,900,000
Decrease in long-term bills payable	(40,500,000)	(37,500,000)
Repayment of the principal portion of lease liabilities	(525,451)	(442,617)
Increase in other non-current liabilities	643,345	155,205
Cash dividends paid	(4,061,436)	(7,627,265)
Proceeds from issuance of ordinary shares	12,340,525	13,393,957
Treasury shares transferred to employees	131,200	159,833
Payment for buy-back of treasury shares	(732,459)	-
Acquisition of subsidiaries	(37,980)	(18,966)
Interest paid	(3,867,477)	(3,044,895)
Changes in non-controlling interests	<u>788,265</u>	<u>1,535,612</u>
Net cash generated from (used in) financing activities	<u>(12,510,709)</u>	<u>6,041,431</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(838,432)</u>	<u>2,088,653</u>
		(Continued)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

	2023	2022
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (22,475,872)	\$ (2,279,448)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>88,842,494</u>	<u>91,121,942</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 66,366,622</u>	<u>\$ 88,842,494</u>

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

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

1. 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 27, 2024.

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

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

Except for the following, the initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Group’s accounting policies.

Amendments to IAS 12 “International Tax Reform - Pillar Two Model Rules”

The amendments introduce a temporary exception to the requirements in IAS 12 by stipulating that the Group should neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also require the Group to disclose that it has applied the exception and separately disclose its current tax expense (income) related to Pillar Two income taxes. In addition, for periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, the Group should disclose qualitative and quantitative information that helps users of financial statements understand the Group’s exposure to Pillar Two income taxes. The requirement that the Group apply the exception and the requirement to disclose that fact are applied immediately and retrospectively upon issuance of the amendments. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023, but not for any interim period ending on or before December 31, 2023.

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

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

Note 1: Unless stated otherwise, the above IFRS Accounting Standards 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.

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

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

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments 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.

l. 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. Non-current assets held for sale

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

o. 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 33.

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 33.

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.

p. 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.

q. 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' 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.

r. 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.

s. 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.

t. 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.

u. 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.

v. 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.

w. 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.

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

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 on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations, and volatility in energy market on the cash flow projection, growth rate, discount rate, profitability, and other relevant material estimates. The estimations and the underlying assumptions are reviewed on an ongoing basis 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	
	2023	2022
Cash on hand	\$ 9,772	\$ 29,162
Checking accounts and demand deposits	37,737,275	27,747,698
Cash equivalents		
Time deposits with original maturities of 3 months or less	25,433,147	57,861,359
Bonds with repurchase agreements	<u>3,186,428</u>	<u>3,204,275</u>
	<u>\$ 66,366,622</u>	<u>\$ 88,842,494</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	
	2023	2022
Cash in banks	0.01%-5.84%	0.01%-6.05%
Bonds with repurchase agreements	1.16%-5.50%	0.84%-4.30%

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

	December 31	
	2023	2022
Current	\$ 34,236,957	\$ 20,954,299
Non-current	<u>22,599,386</u>	<u>9,577,103</u>
	<u>\$ 56,836,343</u>	<u>\$ 30,531,402</u>

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

December 31	
2023	2022
0.01%-5.80%	0.01%-6.24%

Refer to Note 35 for information relating to pledged financial assets at amortized cost.

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	2022
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative instruments (not under hedge accounting)		
Redemption options and put options of convertible bonds	\$ 1,347	\$ -
Non-derivative financial assets		
Domestic listed shares	277,498	197,210
Domestic emerging market shares	108,582	95,145
Foreign government bonds	313,505	277,772
Foreign corporate bonds	21,727	41,675
Foreign beneficiary certificates	<u>5,103</u>	<u>-</u>
	<u>\$ 727,762</u>	<u>\$ 611,802</u>

Financial assets at FVTPL - non-current

Financial assets mandatorily classified as at FVTPL

Non-derivative financial assets		
Foreign government bonds	<u>\$ 278,424</u>	<u>\$ 284,876</u>

Financial liabilities at FVTPL - current

Held for trading

Derivative instruments (not under hedge accounting)		
Redemption options and put options of convertible bonds	<u>\$ -</u>	<u>\$ 641,522</u>

Refer to Note 35 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	
	2023	2022
<u>Current</u>		
Domestic investments		
Listed shares	\$ 6,919,103	\$ 5,883,584
Convertible preference shares	<u>53,687</u>	<u>51,169</u>
	<u>\$ 6,972,790</u>	<u>\$ 5,934,753</u>
<u>Non-current</u>		
Domestic investments		
Listed shares	\$ 247,374	\$ -
Unlisted shares	8,826,122	8,032,322
Privately placed listed shares	1,884,630	1,030,300
Foreign investments		
Listed shares	8,613,198	13,412,634
Unlisted preference shares	<u>276,345</u>	<u>276,390</u>
	<u>\$ 19,847,669</u>	<u>\$ 22,751,646</u>

The Corporation subscribed privately placed ordinary shares of Phihong Technology Co., Ltd. via private placement in December 2021. The privately placed ordinary shares may not be transferred to others within 3 years under the relevant laws and regulations. In October 2023, the Corporation also participated in the capital increase of ordinary shares by cash in the amount of NT\$209,156 thousand.

Refer to Note 35 for information relating to investments in equity instruments at FVTOCI pledged as collateral for credit accommodations.

9. NOTES AND ACCOUNTS RECEIVABLE

	December 31	
	2023	2022
Notes receivable	\$ 11,052,888	\$ 19,460,178
Less: Allowance for impairment loss	<u>(9,293)</u>	<u>(9,455)</u>
	<u>11,043,595</u>	<u>19,450,723</u>
Accounts receivable	12,614,063	15,351,598
Less: Allowance for impairment loss	<u>(251,574)</u>	<u>(202,838)</u>
	<u>12,362,489</u>	<u>15,148,760</u>
	<u>\$ 23,406,084</u>	<u>\$ 34,599,483</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	
	2023	2022
Up to 90 days	\$ 15,403,105	\$ 23,611,140
91-180 days	7,584,648	10,595,776
181-365 days	275,980	376,993
Over 365 days	<u>142,351</u>	<u>15,574</u>
	<u>\$ 23,406,084</u>	<u>\$ 34,599,483</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	
	2023	2022
Balance at January 1	\$ 212,293	\$ 176,959
Add: Net remeasurement of loss allowance	56,497	33,790
Less: Amounts written off	(5,253)	(601)
Foreign exchange translation gains and losses	<u>(2,670)</u>	<u>2,145</u>
Balance at December 31	<u>\$ 260,867</u>	<u>\$ 212,293</u>

10. FINANCE LEASE RECEIVABLES

	December 31	
	2023	2022
<u>Undiscounted lease payments</u>		
Year 1	\$ 5,883,831	\$ 5,578,575
Year 2	6,586,142	6,127,364
Year 3	6,863,309	6,285,029
Year 4	8,656,958	6,294,158
Year 5	<u>-</u>	<u>8,716,844</u>
	27,990,240	33,001,970
Less: Unearned finance income	6,155,155	8,619,669
Less: Accumulated impairment	<u>47,878</u>	<u>47,878</u>
Net investment in leases presented as finance lease receivables	<u>\$ 21,787,207</u>	<u>\$ 24,334,423</u>
Current (included in accounts receivable)	\$ 3,582,936	\$ 2,962,021
Non-current	<u>18,204,271</u>	<u>21,372,402</u>
	<u>\$ 21,787,207</u>	<u>\$ 24,334,423</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. DISPOSAL GROUPS HELD FOR SALE

	December 31	
	2023	2022
Buildings and land held for sale	<u>\$ 196,403</u>	<u>\$ -</u>

On December 21, 2023, the Board of Directors of TCC Chemical Corporation, the Group's subsidiary, resolved to sell land and buildings in Lanya Section, Shilin District, Taipei City in order to strengthen its financial structure, which were originally classified as investment properties for rent purposes. The selling price is expected to exceed the carry amount of relevant net assets; therefore, there is no impairment loss that should be recognized when it is classified as disposal groups held for sale.

12. INVENTORIES

	December 31	
	2023	2022
Finished goods	\$ 2,980,091	\$ 3,817,136
Work in process	2,434,648	3,274,639
Raw materials	<u>6,079,276</u>	<u>8,998,205</u>
	<u>\$ 11,494,015</u>	<u>\$ 16,089,980</u>

The costs of inventories recognized as cost of goods sold for the years ended December 31, 2023 and 2022 were \$82,321,521 thousand and \$97,241,445 thousand, respectively.

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

	For the Year Ended December 31	
	2023	2022
Write-downs of inventory	<u>\$ 65,867</u>	<u>\$ 259,108</u>

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
			2023	2022	
Taiwan Cement Corporation	Taiwan Transport & Storage Corporation	Warehousing, transportation and sale of sand and gravel	83.9	83.9	
	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	99.3	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	4)
	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. ("TCCI")	Investment holding	100.0	100.0	
	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	47.3	45.5	1)
	Taiwan Cement (Dutch) Holdings B.V. ("TCC Dutch")	Investment holding	82.5	100.0	9)
	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	
	Tuo Shan Recycle Technology Company	Waste collection and treatment	100.0	100.0	
	TCC Recycle Energy Technology Company	Investment holding	36.7	36.6	1), 2)
Taiwan Transport & Storage Corporation	E.G.C. Cement Corporation	Sale of cement	49.4	49.4	
	Ta-Ho Maritime Corporation	Marine transportation	29.4	29.2	1)
	Tai-Jie Transport & Storage Corporation	Transportation	100.0	100.0	
TCC Investment Corporation	Union Cement Traders Inc.	Import and export trading	100.0	100.0	
	Ho-Ping Power Company	Thermal power generation	0.5	0.5	
	Ta-Ho Maritime Corporation	Marine transportation	-	-	
	TCC Recycle Energy Technology Company	Investment holding	1.1	1.1	2)
HKCMCL	TCC Development Ltd.	Property leasing	100.0	100.0	
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Investment	100.0	100.0	
TCC Information Systems Corporation	Taicem Information (Samoa) Pte., Ltd.	Investment	100.0	100.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			December 31		
			2023	2022	
Hoping Industrial Port Corporation	TCC Recycle Energy Technology Company	Investment holding	0.4	0.4	2)
TCCI	TCCIH	Investment holding	52.7	54.5	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	
	TCC Recycle Energy Technology Company	Investment holding	1.1	1.1	2)
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Renewable energy generation	100.0	100.0	
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	85.0	6)
	TCC Tung-Li Green Energy Corporation	Renewable energy generation	100.0	100.0	
	SHI-MEN Green Energy Corporation	Renewable energy generation	51.0	-	10)
	HO-PING Ocean Renewable Resource Corporation	Renewable energy generation	100.0	-	4)
TCC Energy Storage Technology Corporation	Energy Helper TCC Corporation	Renewable energy retail and energy technology services	100.0	100.0	4)
Ta-Ho Maritime Holdings Ltd.	Ta-Ho Maritime (Hong Kong) Limited	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	
Taicem Information (Samoa) Pte., Ltd.	Fuzhou TCC Information Technology Co., Ltd.	Software product and equipment maintenance	100.0	100.0	
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	4)
	Guigang Da-Ho Shipping Co., Ltd.	Marine transportation	100.0	100.0	
TCC Dutch	Taiwan Cement Europe Holdings B.V. (“TCEH”)	Investment holding	100.0	100.0	
TCEH	NHOA S.A.	Investment holding	87.8	65.2	12)
NHOA S.A.	NHOA ENERGY S.R.L.	Renewable energy and energy storage system construction	-	100.0	8)
	ELECTRO POWER SYSTEM MANUFACTURING	Renewable energy and energy storage system construction	100.0	100.0	
	Comores Énergie Nouvelles S.A.R.L.	Renewable energy and energy storage system construction	-	100.0	8), 10)
	NHOA CALLIOPE S.R.L.	Investment holding	-	100.0	4), 8)
	NHOA CORPORATE S.R.L.	Investment holding	100.0	100.0	4), 8)
NHOA CORPORATE S.R.L.	ATLANTE S.R.L.	Renewable energy and charging equipment	100.0	-	8)
	FREE2MOVE ESOLUTIONS S.P.A.	Electric vehicle charging equipment	49.9	49.9	3)
	NHOA ENERGY S.R.L.	Renewable energy and energy storage system construction	100.0	-	8)
NHOA ENERGY S.R.L.	NHOA AMERICAS LLC	Renewable energy and energy storage system construction	100.0	100.0	
	NHOA AUSTRALIA PTY LTD	Renewable energy and energy storage system construction	100.0	100.0	
	NHOA LATAM S.A.C.	Renewable energy and energy storage system construction	90.0	90.0	4)

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2023	2022	
	NHOA Taiwan Ltd.	Renewable energy and energy storage system construction	100.0	-	4)
	NHOA UK LTD	Renewable energy and energy storage system construction	100.0	-	4)
	Comores Énergie Nouvelles S.A.R.L.	Renewable energy and energy storage system construction	100.0	-	8)
NHOA CALLIOPE S.R.L.	ATLANTE S.R.L.	Renewable energy and charging equipment	-	100.0	4), 8)
NHOA AMERICAS LLC	NHOA LATAM S.A.C.	Renewable energy and energy storage system construction	10.0	10.0	4)
ATLANTE S.R.L.	ATLANTE IBERIA S.L.	Renewable energy and charging equipment	100.0	100.0	4)
	ATLANTE FRANCE S.A.S.	Renewable energy and charging equipment	100.0	100.0	4)
	ATLANTE INFRA PORTUGAL S.A.	Renewable energy and charging equipment	100.0	-	10)
	ATLANTE ITALIA S.R.L.	Renewable energy and charging equipment	100.0	-	10)
ATLANTE IBERIA S.L.	ATLANTE Fast Charging Portugal LDA	Renewable energy and charging equipment	100.0	100.0	4)
ATLANTE FRANCE S.A.S.	ALPIS S.A.S.	Renewable energy and charging equipment	51.0	-	4)
FREE2MOVE ESOLUTIONS S.P.A.	FREE2MOVE ESOLUTIONS FRANCE S.A.S.	Electric vehicle charging equipment	100.0	100.0	4)
	FREE2MOVE ESOLUTIONS SPAIN S.L.U.	Electric vehicle charging equipment	100.0	100.0	4)
	FREE2MOVE ESOLUTIONS NORTH AMERICA LLC	Electric vehicle charging equipment	100.0	100.0	4)
	FREE2MOVE ESOLUTIONS UK LTD	Electric vehicle charging equipment	100.0	100.0	4)
TCC Recycle Energy Technology Company	E-One Moli Energy Corp.	Manufacturing and sales of Lithium battery	100.0	100.0	
E-One Moli Energy Corp.	E-One Holdings Ltd.	Investment holding	100.0	100.0	
	Molie Quantum Energy Corporation	Manufacturing and sales of batteries, power generation machinery and electronic components	100.0	100.0	
E-One Holdings Ltd.	E-One Moli Holdings (Canada) Ltd.	Investment holding	100.0	100.0	
E-One Moli Holdings (Canada) Ltd.	E-One Moli Energy (Canada) Ltd. ("EMC")	Battery research and development and sales	100.0	100.0	
EMC	E-One Moli Quantum Energy (Canada) Ltd. ("EMQE")	Manufacturing and sales of batteries, power generation machinery and electronic components	100.0	-	4)
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	38.7	2)
	TCC Dutch	Investment holding	17.5	-	9)
Upper Value Investment Limited	Prime York Ltd.	Investment holding	100.0	100.0	
	Prosperity Minerals (International) Ltd.	Investment holding	100.0	100.0	
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 (Yargoan) 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	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			December 31		
			2023	2022	
TCC Hong Kong Cement (QHC) Ltd.	Chiefolk Company Ltd.	Investment holding	70.0	70.0	
Chiefolk Company Ltd.	TCC International (Liuzhou) Ltd.	Investment holding	100.0	100.0	
TCC International (Liuzhou) Ltd.	TCC Liuzhou Company Ltd.	Investment holding	100.0	100.0	
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	4)
	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	74.9	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	12.5	21.5	14)
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	87.5	78.5	14)
TCC International (Guangxi) Ltd.	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	
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	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2023	2022	
	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Environmental protection, cement and enterprise management consulting	25.1	41.4	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 Zhongxin (Anshun) Renewable Resources Technology Company Limited	Crop straw treatment and processing and utilization services	51.0	-	4)
TCC New (Hangzhou) Management Company Limited	Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	16.7	100.0	7)
Scitus Holdings	Scitus Cement (China) Operating Co., Ltd.	Investment holding	100.0	100.0	
	Hexagon XIV Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon XIII Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon IX Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon VIII Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon V Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon IV Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon III Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon II Holdings Ltd.	Investment holding	100.0	100.0	
	Hexagon Holdings Ltd.	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	13)
Hexagon III Holdings Ltd.	Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	90.0	90.0	13)
Hexagon XIV Holdings Ltd.	Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	75.0	75.0	13)
Scitus Luzhou Cement Co., Ltd.	TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	-	55.0	11)
Jurong TCC Cement Co., Ltd.	TCC Huaihua Cement Company Limited	Manufacturing and sale of cement	69.0	69.0	

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)		Remark
			2023	2022	
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	
	TCC Yongren (Hangzhou) Environmental Technology Co., Ltd.	Resource recycling technology consultation, solid waste treatment, biomass fuel sales	100.0	100.0	
	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	
	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	
	TCC Zhihe (Hangzhou) Environmental Protection Co., Ltd.	Resource recycling, environmental protection, solid waste treatment, business management and sales-related businesses	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	
TCC Zhihe (Hangzhou) Environmental Protection Technology Co., Ltd.	Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	83.3	-	7)
TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd.	TCC (Guangdong) Renewable Resources Technology Company Limited	Resource recycling research and experimental development, sales of renewable resources, technical services and business management	100.0	-	4)
TCC (Guangdong) Renewable Resources Technology Company Limited	123 (Guangdong) Environmental Protection Technology Co., Ltd	Environmental protection material processing, manufacturing, and operation and related services	100.0	-	10)

(Concluded)

Remarks:

- 1) The Corporation purchased a portion of ordinary shares of TCC Recycle Energy Technology Company and Taiwan Cement Engineering Corporation in 2023. Taiwan Transport & Storage Corporation purchased a portion of ordinary shares of Ta-Ho Maritime Corporation in 2023. Refer to Note 30 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%. The Corporation invested in TCCIH in 2023, and its percentage of ownership was increased to 47.3%. The original shareholder, TCCI, did not simultaneously invest which resulted in decrease of the percentage of ownership to 52.7%.
- 2) 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 78.0%.
- 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.

- 4) 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. NHOA Taiwan Ltd., NHOA UK LTD, TCC Zhihe (Hangzhou) Environmental Protection Co., Ltd., TCC (Guangdong) Renewable Resources Technology Company Limited、HO-PING Ocean Renewable Resource Corporation, ALPIS S.A.S, E-One Moli Quantum Energy (Canada) Ltd. and TCC Zhongxin (Anshun) Renewable Resources Technology Company Limited were established in 2023. ATLANTE TOPCO S.R.L. changed its name to NHOA CALLIOPE S.R.L. in the first quarter of 2023. TCC (Dong Guan) Cement Company Ltd. and Da Tong (Ying De) Logistics Co., Ltd. completed the cancellation of its registration in 2023. Tung Chen Mineral Corporation was in liquidation at the end of December 2023.
- 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%. TCCI (HK) invested in TCC (Hangzhou) Environmental Protection Technology Co., Ltd. in 2023, and its percentage of ownership was increased to 74.9%. The original shareholder, TCC Yingde Cement Co., Ltd., did not simultaneously invest which resulted in decrease of the percentage of ownership to 25.1%.
- 6) 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%.
- 7) TCC Zhihe (Hangzhou) Environmental Protection Co., Ltd. invested in Kaili TCC Environment Technology Co., Ltd. in 2023, and its percentage of ownership was increased to 83.3%. The original shareholder, TCC New (Hangzhou) Management Company Limited, did not simultaneously invest which resulted in decrease of the percentage of ownership to 16.7%.
- 8) Due to the change for the Group's 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. In addition, NHOA CALLIOPE S.R.L. is merged into NHOA CORPORATE S.R.L., resulting in NHOA CORPORATE S.R.L. as the surviving company in 2023. The record date of the merger was May 29, 2023. The Group transferred the shares of NHOA ENERGY S.R.L. and Comores Énergie Nouvelles S.A.R.L. held by NHOA S.A. to NHOA CORPORATE S.R.L. and NHOA ENERGY S.R.L., respectively, in 2023.
- 9) TCC Dutch increased its capital by cash in 2023, and the Group participated in the subscription of shares via TCCIH, and its percentage of ownership was increased to 17.5%. The original shareholder, the Corporation, did not simultaneously invest which resulted in decrease of the percentage of ownership to 82.5%.

- 10) NHOA S.A. purchased 40% shares of Comores Énergie Nouvelles S.A.R.L. in 2022, which resulted the shareholding increased to 100%. ATLANTE S.R.L. purchased shares of ATLANTE INFRA PORTUGAL S.A. and ATLANTE ITALIA S.R.L. in 2023. TCC (Guangdong) Renewable Resources Technology Company Limited purchased shares of 123 (Guangdong) Environmental Protection Technology Co., Ltd. in 2023. SHI-MEN Green Energy Corporation increased its capital by cash in 2023, and TCC Green Energy Corporation participated in the subscription of shares. Due to the non-subscription by other shareholders, the shareholdings of the Group increased to 51% and gained control over SHI-MEN Green Energy Corporation. Refer to Note 29 for detailed information relating to the aforementioned acquisition transaction.
- 11) Due to the transfer of shares in TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd., the shareholdings of the Group was decreased from 55% to 30%, and turned to be qualified as an investment accounted for using the equity method from the first quarter of 2023. According to the share transfer agreement, the Group may repurchase 15% of the shares within 3 years.
- 12) NHOA S.A. increased its capital by cash in 2023. Due to the non-subscription by other shareholders, the shareholdings of the Group increased from 65.2% to 87.8%.
- 13) In order to consolidate the operating resources and improve the management efficiency of the Group, the Group intends to merge Scitus Luzhou Cement Co., Ltd. with Scitus Naxi Cement Co., Ltd., resulting in Scitus Luzhou Cement Co., Ltd. as the surviving company. In consideration of the local market and the future outlook, the Group planned to proceed the cancellation of Sade Concrete Company Limited's registration. As of December 31, 2023, the aforementioned procedures were in progress.
- 14) Jingyang Industrial Limited invested in Jurong TCC Environmental Protection Co., Ltd. in 2023, and its percentage of ownership was increased to 87.5%. The original shareholder, Jiangsu TCC Investment Co., Ltd., did not simultaneously invest which resulted in decrease of the percentage of ownership to 12.5%.

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

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2023	2022
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	
	2023	2022
Current assets	\$ 18,023,065	\$ 14,494,105
Non-current assets	20,690,014	23,740,225
Current liabilities	(5,521,759)	(6,655,281)
Non-current liabilities	(2,337,908)	(7,497,223)
Equity	<u>\$ 30,853,412</u>	<u>\$ 24,081,826</u>

(Continued)

	December 31	
	2023	2022
Equity attributable to:		
Owners of Ho-Ping Power Company	\$ 18,508,599	\$ 14,445,628
Non-controlling interests of Ho-Ping Power Company	<u>12,344,813</u>	<u>9,636,198</u>
	<u>\$ 30,853,412</u>	<u>\$ 24,081,826</u>
		(Concluded)
	For the Year Ended December 31	
	2023	2022
Operating revenue	<u>\$ 26,931,765</u>	<u>\$ 22,985,566</u>
Net profit (loss) for the year	\$ 6,772,093	\$ (1,488,561)
Other comprehensive income (loss) for the year	<u>(508)</u>	<u>1,192</u>
Total comprehensive income (loss) for the year	<u>\$ 6,771,585</u>	<u>\$ (1,487,369)</u>
Net profit (loss) attributable to:		
Owners of Ho-Ping Power Company	\$ 4,063,276	\$ (893,137)
Non-controlling interests of Ho-Ping Power Company	<u>2,708,817</u>	<u>(595,424)</u>
	<u>\$ 6,772,093</u>	<u>\$ (1,488,561)</u>
Total comprehensive income (loss) attributable to:		
Owners of Ho-Ping Power Company	\$ 4,062,970	\$ (892,422)
Non-controlling interests of Ho-Ping Power Company	<u>2,708,615</u>	<u>(594,947)</u>
	<u>\$ 6,771,585</u>	<u>\$ (1,487,369)</u>
Net cash inflow (outflow) from:		
Operating activities	\$ 17,570,393	\$ (3,486,510)
Investing activities	(3,253,429)	(1,449,849)
Financing activities	<u>(8,225,597)</u>	<u>6,585,300</u>
Net cash inflow	<u>\$ 6,091,367</u>	<u>\$ 1,648,941</u>
Dividends paid to non-controlling interests of Ho-Ping Power Company	<u>\$ -</u>	<u>\$ 800,000</u>

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in associates	\$ 57,872,421	\$ 53,485,857
Investments in joint ventures	<u>181,187</u>	<u>100,816</u>
	<u>\$ 58,053,608</u>	<u>\$ 53,586,673</u>
		(Continued)

	December 31	
	2023	2022
Material associates		
Cimpor Global Holdings B.V.	\$ 35,716,009	\$ 30,866,698
Associates that are not individually material		
Prosperity Conch Cement Company Limited	7,503,277	8,198,939
International CSRC Investment Holdings Co., Ltd.	6,960,847	6,971,331
CCC USA Corp.	1,850,128	1,899,822
ONYX Ta-Ho Environmental Services Co., Ltd	1,678,864	1,391,240
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	1,449,160	1,536,535
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	805,971	929,214
Sichuan Taichang Building Material Group Company Limited	582,526	565,573
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	543,551	604,483
Quon Hing Concrete Co., Ltd.	337,886	233,343
Hong Kong Concrete Co., Ltd.	235,740	190,844
Guigang Conch-TCC New Material Technology Co., Ltd.	175,975	90,781
Chongqing Xuanjie Taini Environmental Protection Technology Co., Ltd.	25,267	-
Synpac Ltd.	7,220	7,054
Joint ventures that are not individually material		
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	93,738	88,687
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	65,221	12,129
Jiangsu Environmental Resources TCC Solid Waste Disposal Co., Ltd.	14,577	-
TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	5,225	-
D-concrete INC.,	<u>2,426</u>	<u>-</u>
	<u>\$ 58,053,608</u>	<u>\$ 53,586,673</u>
		(Concluded)

For the amounts of the Group's investments accounted for using the equity method provided as loan guarantees, refer to Note 35.

a. Material associates

	Proportion of Ownership	
	December 31	
	2023	2022
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	
	2023	2022
Current assets	\$ 28,648,609	\$ 22,714,456
Non-current assets	75,147,030	68,009,154
Current liabilities	(13,690,984)	(15,231,225)
Non-current liabilities	(15,017,801)	(12,938,960)
Non-controlling interests	<u>(10,472,213)</u>	<u>(9,147,080)</u>
Equity attributable to the Group	<u>\$ 64,614,641</u>	<u>\$ 53,406,345</u>
Proportion of the Group's ownership	40%	40%
Equity attributable to the Group	\$ 25,845,857	\$ 21,362,538
Goodwill	<u>9,870,152</u>	<u>9,504,160</u>
Carrying amount	<u>\$ 35,716,009</u>	<u>\$ 30,866,698</u>
	For the Year Ended December 31	
	2023	2022
Operating revenue	<u>\$ 49,949,028</u>	<u>\$ 42,893,926</u>
Net profit for the year	\$ 9,170,680	\$ 7,066,885
Other comprehensive income	<u>937,534</u>	<u>4,323,558</u>
Total comprehensive income for the year	<u>\$ 10,108,214</u>	<u>\$ 11,390,443</u>

Oyak Cimento A.S., a subsidiary of Cimpor Global Holdings B.V. located in Turkey, has been deemed an economic entity under high inflation since December 31, 2022. On December 31, 2023, 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 on the current balance sheet, the profit or loss of the net currency position should be included in the current income statement. 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	
	2023	2022
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%
Sichuan Taichang Building Material Group Company Limited	30.0%	30.0%
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	40.0%	40.0%
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.	40.0%	40.0%
Chongqing Xuanjie Taini Environmental Protection Technology Co., Ltd. (Note 3)	49.0%	-
Synpac Ltd.	25.0%	25.0%
Yingjing Xinan New Material Co., Ltd. (Note 2)	30.0%	30.0%
	For the Year Ended December 31	
	2023	2022
The Group's share of:		
Net income for the year	\$ 1,003,600	\$ 1,162,071
Other comprehensive income (loss)	<u>(140,349)</u>	<u>410,234</u>
Total comprehensive income for the year	<u>\$ 863,251</u>	<u>\$ 1,572,305</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 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, 2023 and 2022, the credit balance recognized in other non-current liabilities by the Group was \$165,570 thousand and \$168,966 thousand, respectively.

Note 3: The Group invested in Chongqing Xuanjie Taini Environmental Protection Technology Co., Ltd. in 2023. The Group invested \$25,576 thousand, and owned 49% of Chongqing Xuanjie Taini 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 proportion 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	
	2023	2022
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. (Note 4)	70.0%	45.0%
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. (Note 5)	65.0%	65.0%
TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd. (Note 6)	30.0%	-
Jiangsu Environmental Resources TCC Solid Waste Disposal Co., Ltd. (Note 7)	49.0%	-
D-concrete INC., (Note 8)	49.0%	-
	For the Year Ended December 31	
	2023	2022
The Group's share of:		
Net income (loss) for the year	\$ 4,443	\$ (1,740)
Other comprehensive income (loss)	<u>(3,935)</u>	<u>3,999</u>
Total comprehensive income for the year	<u>\$ 508</u>	<u>\$ 2,259</u>

Note 4: The Group increased its investment in Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. in 2023, and the investment amount was \$4,382 thousand. The proportion of the Group's ownership was 70%. The original transferor may repurchase 15% of the shares within 3 years. The Group increased its investment in Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd. in 2022, and the investment amount was \$53,721 thousand. The proportion of the Group's ownership was 45%.

Note 5: The Group increased its investment in TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. for the years ended December 31, 2023 and 2022, and the investment amounts were \$54,021 and \$11,722 thousand, respectively. The proportion of the Group's ownership was 65%.

Note 6: Due to the transfer of the shares in TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd., the shareholdings of the Group were decreased from 55% to 30% and turned to be qualified as an investment accounted for using the equity method. According to the share transfer agreement, the Group may repurchase of 15% of the shares within 3 years.

Note 7: The Group increased its investment in \$12,769 thousand in Jiangsu Environmental Resources TCC Solid Waste Disposal Co., Ltd. in 2023. The proportion of the Group's ownership was 49%.

Note 8: The Group increased its investment of \$2,450 thousand in D-concrete INC., in 2023, and the proportion of the Group's ownership was 49%.

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, 2023 and 2022 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., D-concrete INC. and TCC Zhongrun (Anshun) Environmental Technology Co., Ltd. for the year ended December 31, 2022. 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, 2023	\$ 25,962,059	\$ 55,143,179	\$ 90,215,835	\$ 19,870,094	\$ 17,109,894	\$ 208,301,061
Additions	34,999	918,720	1,767,302	367,891	25,941,923	29,030,835
Disposals	-	(266,038)	(391,595)	(488,540)	-	(1,146,173)
Acquisitions through business combinations (Note 29)	-	-	142,461	-	32,200	174,661
Reclassification	(10,610,111)	5,816,172	10,243,426	1,336,543	(17,271,728)	(10,485,698)
Effects of foreign currency exchange differences	1,127	(762,744)	(1,231,061)	(76,678)	(101,257)	(2,170,613)
Balance at December 31, 2023	<u>\$ 15,388,074</u>	<u>\$ 60,849,289</u>	<u>\$ 100,746,368</u>	<u>\$ 21,009,310</u>	<u>\$ 25,711,032</u>	<u>\$ 223,704,073</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2023	\$ 808,904	\$ 22,819,836	\$ 61,297,681	\$ 8,554,038	\$ 80,619	\$ 93,561,078
Disposals	-	(169,153)	(231,926)	(420,423)	-	(821,502)
Depreciation expenses	-	1,536,188	4,437,970	1,308,865	-	7,283,023
Acquisitions through business combinations (Note 29)	-	-	15,134	-	-	15,134
Impairment losses	-	524,572	209,734	4,814	-	739,120
Reclassification	-	(17,004)	17,334	105	-	435
Effects of foreign currency exchange differences	-	(296,815)	(850,736)	(39,679)	(1,620)	(1,188,850)
Balance at December 31, 2023	<u>\$ 808,904</u>	<u>\$ 24,397,624</u>	<u>\$ 64,895,191</u>	<u>\$ 9,407,720</u>	<u>\$ 78,999</u>	<u>\$ 99,588,438</u>
Carrying amount at December 31, 2023	<u>\$ 14,579,170</u>	<u>\$ 36,451,665</u>	<u>\$ 35,851,177</u>	<u>\$ 11,601,590</u>	<u>\$ 25,632,033</u>	<u>\$ 124,115,635</u>
<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>

In order to accelerate the operation transformation and intelligent production, the subsidiary of the Group, E-One Moli Energy Corp., planned to dismantle part of the existing plant and equipment. Accordingly, E-One Moli Energy Corp recognized the impairment losses of \$26,036 thousand after assessing the recoverable amount was zero in 2023.

In order to consolidate the operating resources and improve the management efficiency of the Group, the Group intended to merge Scitus Luzhou Cement Co., Ltd. with Scitus Naxi Cement Co., Ltd. in China, resulting in Scitus Luzhou Cement Co., Ltd. as the surviving company. In consideration of the local market and the future prospect, the Group planned to proceed the cancellation of Scitus Luzhou Concrete Company Limited's registration. The Group recognized the impairment losses of amounting to \$713,084 thousand in 2023 after assessing that the recoverable amounts of the aforementioned plan and 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 35.

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

	For the Year Ended December 31	
	2023	2022
Acquisitions of property, plant and equipment	\$ 29,030,835	\$ 19,026,470
Increase (decrease) in prepayments for equipment	(4,793)	4,244,054
Decrease (increase) in payables for equipment (included in other payables)	(4,299,776)	242,687
Increase in other non-current liabilities	<u>-</u>	<u>(54,758)</u>
	<u>\$ 24,726,266</u>	<u>\$ 23,458,453</u>

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
<u>Carrying amount</u>		
Land	\$ 13,312,942	\$ 13,525,477
Buildings	1,556,617	1,531,828
Machinery	407,519	354,777
Others	<u>120,092</u>	<u>91,693</u>
	<u>\$ 15,397,170</u>	<u>\$ 15,503,775</u>

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	<u>\$ 1,075,662</u>	<u>\$ 1,268,727</u>
Depreciation charge for right-of-use assets		
Land	\$ 613,584	\$ 645,079
Buildings	225,519	182,940
Machinery	81,393	84,383
Others	<u>42,391</u>	<u>41,649</u>
	<u>\$ 962,887</u>	<u>\$ 954,051</u>

Except for the aforementioned additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the years ended December 31, 2023 and 2022.

b. Lease liabilities

	December 31	
	2023	2022
<u>Carrying amount</u>		
Current	<u>\$ 515,108</u>	<u>\$ 400,136</u>
Non-current	<u>\$ 3,719,264</u>	<u>\$ 3,550,048</u>

Range of discount rates for lease liabilities was as follows:

	December 31	
	2023	2022
Land	1.63%-5.40%	1.79%-4.90%
Buildings	0.71%-5.50%	0.71%-4.75%
Machinery	1.85%-2.70%	1.85%-2.20%
Others	0.85%-4.75%	0.85%-4.75%

c. Material lease-in activities and terms

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

d. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	<u>\$ 705,743</u>	<u>\$ 808,485</u>
Expenses relating to low-value asset leases	<u>\$ 2,115</u>	<u>\$ 2,897</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 349,635</u>	<u>\$ 329,326</u>
Total cash outflow for leases	<u>\$ (1,704,530)</u>	<u>\$ (1,624,278)</u>

The Group's leases of certain assets 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, 2023	\$ 5,343,571	\$ 1,259,219	\$ 6,602,790
Disposals	(227,147)	-	(227,147)
Reclassification	10,481,131	(167,714)	10,313,417
Effects of foreign currency exchange differences	-	(61)	(61)
Balance at December 31, 2023	<u>\$ 15,597,555</u>	<u>\$ 1,091,444</u>	<u>\$ 16,688,999</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 546,871	\$ 732,903	\$ 1,279,774
Depreciation expenses	-	20,712	20,712
Reclassification	-	(104,971)	(104,971)
Effects of foreign currency exchange differences	-	(36)	(36)
Balance at December 31, 2023	<u>\$ 546,871</u>	<u>\$ 648,608</u>	<u>\$ 1,195,479</u>
Carrying amount at December 31, 2023	<u>\$ 15,050,684</u>	<u>\$ 442,836</u>	<u>\$ 15,493,520</u>
<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>

The Corporation disposed of investment properties in the years ended December 31, 2023 and 2022, and the Corporation recognized gain on disposal of investment properties in the amount of \$332,065 thousand and \$502,346 thousand, respectively.

The Corporation intention was to plan other development uses for its originally self-used land in 2023 and reclassify its property, plant and equipment to investment properties in the amount of \$10,614,790 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, 2023 and 2022, the fair values of investment properties were \$30,191,726 thousand and \$13,242,491 thousand, respectively.

The investment properties pledged as collateral for bank borrowings are set out in Note 35.

18. INTANGIBLE ASSETS

	Goodwill	Operational Concession	Mining Rights	Technical Expertise	Others	Total
<u>Cost</u>						
Balance at January 1, 2023	\$ 16,488,971	\$ 7,681,476	\$ 6,460,330	\$ 1,209,299	\$ 2,606,785	\$ 34,446,861
Additions	-	-	1,396,034	-	517,659	1,913,693
Acquisitions through business combinations (Note 29)	318,812	-	-	-	81,426	400,238
Disposals	-	-	-	-	(6,954)	(6,954)
Reclassification	-	-	724,856	-	91,986	816,842
Effects of foreign currency exchange differences	(74,047)	-	(164,536)	46,569	24,764	(167,250)
Balance at December 31, 2023	<u>\$ 16,733,736</u>	<u>\$ 7,681,476</u>	<u>\$ 8,416,684</u>	<u>\$ 1,255,868</u>	<u>\$ 3,315,666</u>	<u>\$ 37,403,430</u>
<u>Accumulated amortization and impairment</u>						
Balance at January 1, 2023	\$ 156,000	\$ 1,662,221	\$ 2,280,441	\$ 342,636	\$ 2,070,900	\$ 6,512,198
Amortization expenses	-	151,111	324,633	249,104	293,252	1,018,100
Impairment losses	133,609	-	-	-	867	134,476
Acquisitions through business combinations (Note 29)	-	-	-	-	7,597	7,597
Disposals	-	-	-	-	(4,347)	(4,347)
Effects of foreign currency exchange differences	(643)	-	(46,947)	15,263	10,508	(21,819)
Balance at December 31, 2023	<u>\$ 288,966</u>	<u>\$ 1,813,332</u>	<u>\$ 2,558,127</u>	<u>\$ 607,003</u>	<u>\$ 2,378,777</u>	<u>\$ 7,646,205</u>
Carrying amount at December 31, 2023	<u>\$ 16,444,770</u>	<u>\$ 5,868,144</u>	<u>\$ 5,858,557</u>	<u>\$ 648,865</u>	<u>\$ 936,889</u>	<u>\$ 29,757,225</u>
<u>Cost</u>						
Balance at January 1, 2022	\$ 16,138,810	\$ 7,681,476	\$ 5,772,594	\$ 1,220,651	\$ 2,148,967	\$ 32,962,498
Additions	-	-	579,758	-	321,768	901,526
Reclassification	-	-	-	(63,094)	90,150	27,056
Effects of foreign currency exchange differences	350,161	-	107,978	51,742	45,900	555,781
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>\$ 2,606,785</u>	<u>\$ 34,446,861</u>
<u>Accumulated amortization and impairment</u>						
Balance at January 1, 2022	\$ 156,000	\$ 1,511,110	\$ 1,904,654	\$ -	\$ 1,674,357	\$ 5,246,121
Amortization expenses	-	151,111	343,595	328,393	231,201	1,054,300
Impairment losses	-	-	-	-	89,923	89,923
Reclassification	-	-	-	-	44,971	44,971
Effects of foreign currency exchange differences	-	-	32,192	14,243	30,448	76,883
Balance at December 31, 2022	<u>\$ 156,000</u>	<u>\$ 1,662,221</u>	<u>\$ 2,280,441</u>	<u>\$ 342,636</u>	<u>\$ 2,070,900</u>	<u>\$ 6,512,198</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>\$ 535,885</u>	<u>\$ 27,934,663</u>

In order to consolidate the operating resources and improve the management efficiency of the Group, the Group intended to merge Scitus Luzhou Cement Co., Ltd. merged with Scitus Naxi Cement Co., Ltd. in China, resulting in Scitus Luzhou Cement Co., Ltd. as the surviving company. In consideration of the local market and the future prospect, the Group planned to proceed the cancellation of Scitus Luzhou Concrete Company Limited's registration. The Group recognized the impairment losses amounting to \$134,476 thousand of goodwill and other intangible assets after evaluating the recoverable amount of the aforementioned plan.

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	
	2023	2022
Secured borrowings		
Bank loans	\$ 340,000	\$ 420,000
Unsecured borrowings		
Bank loans - unsecured	19,901,493	20,912,856
Bank loans - letters of credit	<u>9,580</u>	<u>1,083,956</u>
	<u>19,911,073</u>	<u>21,996,812</u>
	<u>\$ 20,251,073</u>	<u>\$ 22,416,812</u>
Interest rate	1.65%-6.71%	1.29%-5.60%

b. Short-term bills payable

	December 31	
	2023	2022
Commercial paper	\$ 2,790,000	\$ 3,078,000
Less: Unamortized discount on bills payable	<u>(5,557)</u>	<u>(12,039)</u>
	<u>\$ 2,784,443</u>	<u>\$ 3,065,961</u>
Interest rate	1.84%-1.97%	1.94%-2.79%

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

	December 31	
	2023	2022
Secured borrowings	\$ 4,221,192	\$ 2,202,828
Unsecured borrowings	<u>33,828,315</u>	<u>41,388,300</u>
	38,049,507	43,591,128
Less: Current portion	<u>(1,257,774)</u>	<u>(726,392)</u>
	<u>\$ 36,791,733</u>	<u>\$ 42,864,736</u>
Long-term bills payable	\$ 5,100,000	\$ 15,100,000
Less: Discount on bills payable	<u>(13,667)</u>	<u>(109,411)</u>
	<u>\$ 5,086,333</u>	<u>\$ 14,990,589</u>
Interest rate		
Long-term loans	1.35%-6.79%	1.58%-6.17%
Long-term bills payable	2.12%-2.27%	1.92%-2.09%

Long-term loans consist of unsecured borrowings, secured borrowings. The principals of long-term unsecured and secured borrowings are due in March 2043, 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	
	2023	2022
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	7,750,000
2 nd issued in 2022	3,300,000	3,300,000
3 rd issued in 2022	<u>9,300,000</u>	<u>-</u>
	81,550,000	72,250,000
Less: Discount on bonds payable	<u>(108,420)</u>	<u>(113,426)</u>
	<u>81,441,580</u>	<u>72,136,574</u>
Less: Current portion	<u>(12,596,556)</u>	<u>-</u>
	<u>68,845,024</u>	<u>72,136,574</u>

(Continued)

	December 31	
	2023	2022
Overseas unsecured convertible bonds		
1 st issued in 2021	\$ 5,550	\$ 22,200,000
1 st issued in 2023	15,471,193	-
Less: Discount on bonds payable	<u>(1,926,130)</u>	<u>(1,414,553)</u>
	<u>13,550,613</u>	<u>20,785,447</u>
Less: Current portion	<u>(5,284)</u>	<u>(20,785,447)</u>
	<u>\$ 82,390,353</u>	<u>\$ 72,136,574</u>
		(Concluded)

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 aggregate 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.

The Corporation issued domestic unsecured bonds at par value in the aggregate amount of NT\$9,300,000 thousand on January 13, 2023. According to the issuance conditions, the unsecured bonds are classified into bonds A and bonds B with a fixed coupon rate of 2.40% and 2.65% per annum, and with the issuance amounts of NT\$6,100,000 thousand and NT\$3,200,000 thousand, respectively. The bonds will be repaid in a one-off payment on January 13, 2030 and January 13, 2033, 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 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. After several price adjustment, the conversion price has been adjusted to NT\$51.66 per share since October 20, 2023. 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, 2023, no conversion had been requested except for the bondholders who exercised the put option.

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 bondholders exercised the put option on December 7, 2023, and the Corporation recognized loss on redemption of bonds payable in the amount of \$393,503 thousand (included in other expenses). In addition, since over 90% of the convertible bonds have been redeemed, the Corporation early redeemed the rest of the outstanding convertible bonds on February 1, 2024.

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>371,013</u>
Liability component at December 31, 2022	20,785,447
Interest charged at an effective interest rate	323,935
Bondholders exercised the put option	<u>(21,104,098)</u>
Liability component at December 31, 2023	<u>\$ 5,284</u>

Overseas unsecured convertible bonds 1st issued in 2023

In August 2023, the Corporation's Board of Directors approved to issue overseas unsecured convertible bonds for the first time. This proposal was approved and became effective under the letter issued by the FSC dated October 2, 2023 (Ref. No. Jin-Guan-Zheng-Fa-Zi 11203562931). The bonds, which have a zero-coupon rate and a duration of 5 years, were listed on the Singapore Stock Exchange on October 24, 2023, and have a face value of US\$420,000 thousand. The Corporation should redeem the whole bonds in U.S. dollars on the maturity date based on the par value of the bonds plus a yield rate of 2.65% per annum (calculated semi-annually).

Bondholders may request the Corporation to convert the bonds into the Corporation's ordinary shares at the price of NT\$37.27 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 2023 First Overseas Unsecured Convertible Bonds Issuance and Conversion Rules of the Corporation. Bondholders can request the Corporation to convert the bonds at the fixed exchange rate of US\$1=NT\$32.293, which is to be divided by the conversion price per share on the conversion date. As of December 31, 2023, no conversion had been requested.

From the third 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. The early redemption amount is the amount calculated semi-annually based on the par value of the bonds plus interest compensation at 2.65% per annum.

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 third anniversary of the issue date.

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 2.80% per annum on initial recognition.

	Convertible Bonds
Proceeds from issuance at October 2023 (less transaction costs of \$89,516 thousand)	\$ 13,473,544
Redemption of option derivatives (accounting for financial assets measured at FVTPL) and transaction costs	<u>1,347</u>
Liability component at the date of issue (less transaction costs allocated to the liability component of \$93,947 thousand)	13,474,891
Interest charged at an effective interest rate	<u>70,438</u>
Liability component at December 31, 2023	<u>\$ 13,545,329</u>

21. OTHER PAYABLES

	December 31	
	2023	2022
Payables for equipment	\$ 5,165,890	\$ 866,737
Salaries and bonuses payable	2,134,856	2,077,884
Deposits and retention money	1,142,512	1,248,255
Interest payable	790,120	584,850
Taxes payable	612,893	528,094
Payables for electricity	396,611	252,828
Freight payable	341,650	173,982
Others	<u>4,753,357</u>	<u>4,038,961</u>
	<u>\$ 15,337,889</u>	<u>\$ 9,771,591</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	
	2023	2022
Present value of defined benefit obligation	\$ (962,751)	\$ (933,990)
Fair value of plan assets	<u>2,387,725</u>	<u>2,381,898</u>
	<u>\$ 1,424,974</u>	<u>\$ 1,447,908</u>
Net defined benefit assets	<u>\$ 1,558,089</u>	<u>\$ 1,567,531</u>
Net defined benefit liabilities	<u>\$ 133,115</u>	<u>\$ 119,623</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, 2023	<u>\$ (933,990)</u>	<u>\$ 2,381,898</u>	<u>\$ 1,447,908</u>
Service costs			
Current service costs	(20,903)	-	(20,903)
Net interest income (expense)	<u>(13,136)</u>	<u>29,824</u>	<u>16,688</u>
Recognized in profit or loss	<u>(34,039)</u>	<u>29,824</u>	<u>(4,215)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	49,129	49,129
Actuarial loss - changes in financial assumptions	(2,376)	-	(2,376)
Actuarial loss - experience adjustments	<u>(75,444)</u>	<u>-</u>	<u>(75,444)</u>
Recognized in other comprehensive income (loss)	<u>(77,820)</u>	<u>49,129</u>	<u>(28,691)</u>
Contributions from the employer	-	13,592	13,592
Benefits paid	<u>83,098</u>	<u>(86,718)</u>	<u>(3,620)</u>
Balance at December 31, 2023	<u>\$ (962,751)</u>	<u>\$ 2,387,725</u>	<u>\$ 1,424,974</u>

(Continued)

	Present Value of Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets
Balance at January 1, 2022	\$ (1,008,358)	\$ 2,715,472	\$ 1,707,114
Service costs			
Current service costs	(9,992)	-	(9,992)
Net interest income (expense)	(5,148)	13,617	8,469
Recognized in profit or loss	(15,140)	13,617	(1,523)
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	(43,448)	-	(43,448)
Recognized in other comprehensive loss	(2,646)	(279,606)	(282,252)
Contributions from the employer	-	12,321	12,321
Benefits paid	92,144	(79,906)	12,238
Others	10	-	10
Balance at December 31, 2022	\$ (933,990)	\$ 2,381,898	\$ 1,447,908
			(Concluded)

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	
	2023	2022
Discount rates	1.13%-1.25%	1.13%-1.50%
Long-term average rates of salary increase	1.50%-3.00%	1.50%-3.00%

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	
	2023	2022
Discount rates		
0.25% increase	<u>\$ (14,261)</u>	<u>\$ (15,253)</u>
0.25% decrease	<u>\$ 14,647</u>	<u>\$ 15,690</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 14,236</u>	<u>\$ 15,256</u>
0.25% decrease	<u>\$ (13,933)</u>	<u>\$ (14,908)</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	
	2023	2022
The expected contributions to the plan for the next year	<u>\$ 13,177</u>	<u>\$ 13,005</u>
The average duration of the defined benefit obligation	5-12 years	6-12 years

23. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2023	2022
Number of shares authorized (in thousands)	<u>10,000,000</u>	<u>8,500,000</u>
Shares authorized	<u>\$ 100,000,000</u>	<u>\$ 85,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>7,551,182</u>	<u>7,156,182</u>
Shares issued	<u>\$ 75,551,817</u>	<u>\$ 71,561,817</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 2023, the Corporation's shareholders meeting resolved to amend the Articles of Incorporation to increase the authorized share capital and the number of shares to \$100,000,000 thousand and 10,000,000 thousand of shares, respectively.

The changes in the number of issued shares included 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 the capital increase was December 13, 2018, and 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 a 4.0525% coupon rate per annum (on December 14, 2023, the interest rate was reset to a five-year term 1.4900% IRS interest rate + 2.5625% fixed interest rate according to the issuance conditions). 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 depositary receipt

In May 2022, the shareholders meeting of the Corporation resolved the issuance of new ordinary shares for sponsoring issuance of global depositary 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 depositary receipts represents five ordinary shares of the Corporation with the total number of 420,000 thousand of shares.

In May 2023, the shareholders meeting of the Corporation resolved the issuance of new ordinary shares by capital increase for participating the issuance of global depositary receipts. This proposal was approved and took effect upon receipt of the letter issued by the FSC dated October 2, 2023 (Ref. No. Jin-Guan-Zheng-Fa-Zi 1120356293). The Corporation has issued 79,000 thousand of units at the offer price of US\$4.87 each on the Luxembourg Stock Exchange in October 2023. The total issue price is US\$384,730 thousand. Each unit of the global depositary receipts represents five ordinary shares of the Corporation with the total number of 395,000 thousand of shares.

As of December 31, 2023, 100 units were outstanding.

b. Capital surplus

	December 31	
	2023	2022
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)</u>		
Issuance of ordinary shares	\$ 61,757,229	\$ 53,366,704
Conversion of bonds	10,539,771	10,539,771
Treasury share transactions	169,861	186,289
Donations	31,537	31,537
Forfeited share options	1,388,162	36,879
Exercised employee share options	22,347	22,347
<u>May be used to offset a deficit only</u>		
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	334	1,337,823
Changes in interests in associates accounted for using the equity method	<u>207,411</u>	<u>462,005</u>
	<u>\$ 74,119,162</u>	<u>\$ 65,985,865</u>

Note: 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).

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 - 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 2022 and 2021, which were approved in the shareholders' general meetings in May 2023 and May 2022, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2022	2021	2022	2021
Legal reserve	\$ 520,555	\$ 2,068,477		
Cash dividends on preference shares	350,000	350,000	<u>\$ 1.75</u>	<u>\$ 1.75</u>
Cash dividends on ordinary shares	3,566,091	6,116,173	<u>\$ 0.50</u> (Note 2)	<u>\$ 1.00</u> (Note 1)
Share dividends on ordinary shares	-	6,116,173	<u>\$ -</u>	<u>\$ 1.00</u> (Note 1)

Note 1: 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.

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 \$0.49971973 per ordinary share.

As of February 27, 2024, the appropriation of earnings for 2023 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 \$5,369 thousand and \$35,459 thousand were reversed for the years ended December 31, 2023 and 2022, 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	
	2023	2022
Balance at January 1	\$ (8,294,175)	\$ (16,068,895)
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	(1,884,187)	3,973,221
Share from associates and joint ventures accounted for using the equity method	<u>1,029,458</u>	<u>3,801,499</u>
Balance at December 31	<u>\$ (9,148,904)</u>	<u>\$ (8,294,175)</u>

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ <u>20,286,916</u>	\$ <u>26,988,909</u>
Recognized for the year		
Unrealized loss - equity instruments	(1,742,261)	(6,343,964)
Share from associates and joint ventures accounted for using the equity method	<u>63,151</u>	<u>(358,029)</u>
Other comprehensive loss recognized for the year	<u>(1,679,110)</u>	<u>(6,701,993)</u>
Balance at December 31	<u>\$ 18,607,806</u>	<u>\$ 20,286,916</u>

3) Cash flow hedges

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ (1,651)	\$ -
Recognized for the year		
Share from associates accounted for using the equity method	<u>702</u>	<u>(1,651)</u>
Balance at December 31	<u>\$ (949)</u>	<u>\$ (1,651)</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 20,381,014	\$ 21,177,340
Net income (loss)	2,006,799	(1,247,899)
Other comprehensive income (loss) during the year		
Exchange differences on translating of the financial statements of foreign operations	13,903	315,025
Unrealized gain (loss) on financial assets at FVTOCI	6,329	(22,840)
Remeasurement of defined benefit plans	5,099	4,143
Changes in ownership interests of subsidiaries	(61,856)	(212,724)
Dividends paid by subsidiaries	(145,345)	(1,161,092)
Capital reduction of subsidiaries	(100,200)	-
Non-controlling interests from acquisition of subsidiaries (Note 29)	9,805	-
Increase cash capital by subsidiaries	888,465	1,535,612
Acquisition of non-controlling interests in subsidiaries (Note 30)	<u>(36,226)</u>	<u>(6,551)</u>
Balance at December 31	<u>\$ 22,967,787</u>	<u>\$ 20,381,014</u>

g. Treasury shares

(In Thousands of Shares)

	For the Year Ended December 31	
	2023	2022
Number of shares at January 1	4,000	9,061
Increase during the year	20,000	-
Transferred to employees	(4,000)	(4,391)
Cancelled during the year	<u>-</u>	<u>(670)</u>
Number of shares at December 31	<u>20,000</u>	<u>4,000</u>

The Corporation's Board of Directors resolved in January 2023 to buy back 20,000 thousand shares mainly for transferring to employees, the total amount was \$732,459 thousand. The compensation costs recognized for transferring treasury shares to employees were \$37,766 thousand and \$66,820 thousand for the year ended December 31, 2023 and 2022, 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.

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	
	2023	2022
Operating revenue	<u>\$ 109,314,335</u>	<u>\$ 113,929,706</u>

b. Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Notes and accounts receivable (Note 9)	<u>\$ 23,406,084</u>	<u>\$ 34,599,483</u>	<u>\$ 35,483,726</u>
Contract assets (included in other current assets)	<u>\$ 103,566</u>	<u>\$ 548,725</u>	<u>\$ 179,035</u>
Contract liabilities	<u>\$ 2,001,946</u>	<u>\$ 1,774,714</u>	<u>\$ 1,439,222</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

Net profit includes the following items:

a. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
An analysis of depreciation by item		
Property, plant and equipment	\$ 7,283,023	\$ 6,498,290
Right-of-use assets	962,887	954,051
Investment properties	<u>20,712</u>	<u>21,190</u>
	<u>\$ 8,266,622</u>	<u>\$ 7,473,531</u>
An analysis of depreciation by function		
Operating costs	\$ 7,521,263	\$ 6,856,441
Operating expenses	<u>745,359</u>	<u>617,090</u>
	<u>\$ 8,266,622</u>	<u>\$ 7,473,531</u>
An analysis of amortization of intangible assets by function		
Operating costs	\$ 954,297	\$ 973,065
Marketing expenses	6	-
General and administrative expenses	59,690	78,991
Research and development expenses	<u>4,107</u>	<u>2,244</u>
	<u>\$ 1,018,100</u>	<u>\$ 1,054,300</u>

b. Employee benefits expense

	For the Year Ended December 31	
	2023	2022
Retirement benefit plans		
Defined contribution plans	\$ 661,480	\$ 679,120
Defined benefit plans	<u>4,215</u>	<u>1,523</u>
	<u>665,695</u>	<u>680,643</u>
Share-based payments		
Equity - settled	126,950	103,396
Remuneration of directors	118,800	91,990
Other employee benefits	<u>9,694,571</u>	<u>8,893,531</u>
Total employee benefits expense	<u>\$ 10,606,016</u>	<u>\$ 9,769,560</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 6,518,772	\$ 6,191,094
Operating expenses	<u>4,087,244</u>	<u>3,578,466</u>
	<u>\$ 10,606,016</u>	<u>\$ 9,769,560</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 \$73,955 thousand and \$88,035 thousand for the year ended December 31, 2023. The compensation of employees and remuneration of directors paid in cash were \$79,123 thousand and \$61,622 thousand for the year ended December 31, 2022, which was approved by the Corporation's board of directors in March 2023.

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, 2022 and 2021.

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	
	2023	2022
Interest on bank borrowings	\$ 1,764,108	\$ 1,532,208
Interest on corporate bonds	1,459,152	1,054,515
Interest on lease liabilities	125,315	97,542
Other finance costs	<u>194,109</u>	<u>185,623</u>
	<u>\$ 3,542,684</u>	<u>\$ 2,869,888</u>

	For the Year Ended December 31	
	2023	2022
Capitalized interest amount	\$ <u>32,190</u>	\$ <u>-</u>
Capitalization rate	3.7%	-

e. Interest income

	For the Year Ended December 31	
	2023	2022
Interest on bank deposits	\$ 3,388,731	\$ 2,093,718
Others	<u>14,157</u>	<u>8,777</u>
	<u>\$ 3,402,888</u>	<u>\$ 2,102,495</u>

f. Other income

	For the Year Ended December 31	
	2023	2022
Government grants	\$ 52,571	\$ 96,751
Rental income	9,366	21,007
Others	<u>608,855</u>	<u>465,354</u>
	<u>\$ 670,792</u>	<u>\$ 583,112</u>

g. Other expenses

	For the Year Ended December 31	
	2023	2022
Loss on redemption of corporate bonds payable	\$ 393,503	\$ -
Loss on work stoppages	125,100	120,647
Others	<u>244,500</u>	<u>708,666</u>
	<u>\$ 763,103</u>	<u>\$ 829,313</u>

26. INCOME TAX

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

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	\$ 3,555,995	\$ 2,110,889
Income tax on unappropriated earnings	49,251	303,239
Adjustments for prior years	<u>(56,302)</u>	<u>(232,472)</u>
	<u>3,548,944</u>	<u>2,181,656</u>
Deferred tax		
In respect of the current year	<u>803,274</u>	<u>307,356</u>
Income tax expense recognized in profit or loss	<u>\$ 4,352,218</u>	<u>\$ 2,489,012</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	
	2023	2022
Income before income tax	<u>\$ 14,356,831</u>	<u>\$ 6,646,097</u>
Income tax expense at the statutory rate	\$ 2,871,366	\$ 1,329,219
Non-deductible expenses in determining taxable income	303,847	1,016,445
Tax-exempt income	(382,999)	(472,158)
Unrecognized loss carryforwards and deductible temporary differences	428,785	(301,193)
Loss carryforwards utilized in the current year	(9)	(6,074)
Effects of different tax rate of subsidiaries operating in other jurisdictions	225,998	228,374
Income tax on unappropriated earnings	49,251	303,239
Land value increment tax	14,709	-
Adjustments for prior years	(56,302)	(232,472)
Others	<u>897,572</u>	<u>623,632</u>
Income tax expense recognized in profit or loss	<u>\$ 4,352,218</u>	<u>\$ 2,489,012</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2023	2022
<u>Deferred tax</u>		
Deferred tax in the current year		
Remeasurement on defined benefit plan	<u>\$ (6,880)</u>	<u>\$ (57,170)</u>

c. Current tax assets and liabilities

	December 31	
	2023	2022
Current tax assets		
Tax refund receivable (included in other receivables)	<u>\$ 261,532</u>	<u>\$ 277,067</u>
Current tax liabilities		
Current income tax liabilities	<u>\$ 3,057,589</u>	<u>\$ 1,063,356</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, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Others	Closing Balance
<u>Deferred income tax assets</u>					
Loss carryforwards	\$ 23,071	\$ (20,000)	\$ -	\$ (9)	\$ 3,062
Defined benefit plan	21,970	2,135	(676)	-	23,429
Inventories	125,106	(27,715)	-	(905)	96,486
Others	<u>416,779</u>	<u>14,531</u>	<u>-</u>	<u>101,231</u>	<u>532,541</u>
	<u>\$ 586,926</u>	<u>\$ (31,049)</u>	<u>\$ (676)</u>	<u>\$ 100,317</u>	<u>\$ 655,518</u>
<u>Deferred income tax liabilities</u>					
Land value increment tax	\$ 5,058,370	\$ (2,489)	\$ -	\$ -	\$ 5,055,881
Finance leases	2,519,224	(297,665)	-	-	2,221,559
Property, plant and equipment	1,327,819	266,340	-	(8,941)	1,585,218
Retained earnings from foreign subsidiaries	2,003,960	112,934	-	(179,686)	1,937,208
Defined benefit plan	286,476	5,483	(7,556)	-	284,403
Others	<u>1,163,570</u>	<u>687,622</u>	<u>-</u>	<u>6,580</u>	<u>1,857,772</u>
	<u>\$ 12,359,419</u>	<u>\$ 772,225</u>	<u>\$ (7,556)</u>	<u>\$ (182,047)</u>	<u>\$ 12,942,041</u>

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	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>17,325</u>	<u>416,779</u>
	<u>\$ 373,167</u>	<u>\$ 198,835</u>	<u>\$ (3,589)</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>24,629</u>	<u>1,163,570</u>
	<u>\$ 11,922,865</u>	<u>\$ 506,191</u>	<u>\$ (60,759)</u>	<u>\$ (8,878)</u>	<u>\$ 12,359,419</u>

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

	December 31	
	2023	2022
Loss carryforwards		
Expire in 2023	\$ -	\$ 639,948
Expire in 2024	629,479	631,499
Expire in 2025	679,291	679,251
Expire in 2026	855,831	787,448
Expire in 2027	3,488,790	3,428,552
Expire in 2028	4,149,726	830
Expire in 2029	144,802	144,802
Expire in 2030	349,714	374,735
Expire in 2031	1,197,041	1,279,008
Expire in 2032	127,306	108,182
Expire in 2033	<u>1,086,767</u>	<u>-</u>
	<u>\$ 12,708,747</u>	<u>\$ 8,074,255</u>

f. Unused loss carryforwards information

Loss carryforwards as of December 31, 2023 were comprised of:

Unused Amount	Expiry Year
\$ 629,479	2024
679,291	2025
855,831	2026
3,488,790	2027
4,149,726	2028
144,802	2029
349,714	2030
1,197,041	2031
127,306	2032
<u>1,102,077</u>	2033
<u>\$ 12,724,057</u>	

g. Unrecognized deferred income tax liabilities in respect of investments

As of December 31, 2023 and 2022, the taxable temporary differences in respect of investments in subsidiaries and associates for which no deferred income tax liabilities have been recognized were \$95,592,657 thousand and \$96,366,824 thousand, respectively.

h. Income tax return assessments

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

Year	Company
2021	Taiwan Cement Corporation, TCC Investment Corporation, Ho Sheng Mining Co., Ltd., Union Cement Traders Inc., TCC Information Systems Corporation, Taiwan Cement Engineering 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, TCC Chemical Corporation, Ta-Ho RSEA Environment Co., Ltd., Ta-Ho Maritime Corporation, TCC Sustainable Energy Investment Corporation, TCC Energy Storage Technology Corporation, TCC Green Energy Corporation, Chang-Wang Wind Power Co., Ltd., 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, TCC Tung-Li Green Energy Corporation, Feng Sheng Enterprise Company Limited, Tuo Shan Recycle Technology Company, Molie Quantum Energy Corporation, TCC Recycle Energy Technology Company, E-One Moli Energy Corp., Tai-Jie Transport & Storage Corporation, Taiwan Transport & Storage Corporation, TCC Chia-Chien Green Energy Corporation
2022	Tung Chen Mineral Corporation

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic earnings per share	<u>\$ 1.06</u>	<u>\$ 0.74</u>
Diluted earnings per share	<u>\$ 1.04</u>	<u>\$ 0.73</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	
	2023	2022
Profit for the year attributable to owners of the Corporation (Note)	\$ 7,647,814	\$ 5,054,984
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds	<u>303,514</u>	<u>230,158</u>
Profit used in the computation of diluted earnings per share	<u>\$ 7,951,328</u>	<u>\$ 5,285,142</u>

(Continued)

	<u>For the Year Ended December 31</u>	
	2023	2022
<u>Number of shares (in thousands)</u>		
Weighted average number of ordinary shares in computation of basic earnings per share	7,202,161	6,835,603
Effect of potentially dilutive ordinary shares:		
Compensation of employees	2,604	2,948
Convertible bonds	<u>455,074</u>	<u>354,302</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>7,659,839</u>	<u>7,192,853</u> (Concluded)

Note: Preference share dividends of \$350,000 thousand were deducted in 2023 and 2022, 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.

The Group did not issue employee share options for year ended December 31, 2023. Relevant information on employee share options was as follows:

	<u>For the Year Ended December 31</u>	
	2023	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance at January 1	542	\$ -
Options granted	-	-
Options forfeited	<u>(6)</u>	-
Balance at December 31	<u>536</u>	-
Options exercisable, end of the year	<u>-</u>	-
Weighted-average fair value of options granted (NTD)	<u>\$ 342.52</u>	

Relevant information on outstanding employee share options was as follows:

	December 31, 2023
Remaining contractual life (in years)	0.5 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 \$89,184 thousand for the year ended December 31, 2023.

29. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
ATLANTE INFRA PORTUGAL S.A.	Renewable energy and charging equipment	February 9, 2023	100	<u>\$ 323,633</u>
ATLANTE ITALIA S.R.L.	Renewable energy and charging equipment	May 29, 2023	100	<u>\$ 158,738</u>
123 (Guangdong) Environmental Protection Technology Co., Ltd.	Environmental protection material processing, manufacturing, and operation and related services	June 14, 2023	100	<u>\$ 27,897</u>
SHI-MEN Green Energy Corporation	Renewable energy generation	September 20, 2023	51	<u>\$ 10,200</u>

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 spun-off from Kilometer Low Cost, S.A., divided into two phases: (i) 60% of the equity of Kilometer Low Cost, S.A. will be acquired first, and (ii) ATLANTE S.R.L. is planning to acquire the remaining 40% of the equity in 2024 according to the agreement, in the consideration between EUR1,700 thousand and EUR6,700 thousand, depending on the operation performance of Kilometer Low Cost, S.A. for 2023. The consideration estimated by the Group is \$149,307 thousand, and the company name of Kilometer Low Cost, S.A. has been changed to ATLANTE INFRA PORTUGAL S.A.

In order to enlarge the Group's electric vehicle infrastructure deployment in Italy, ATLANTE S.R.L. has completed the 100% equity acquisition of RESSOLAR CHARGING S.R.L. in May 2023, and the company name of RESSOLAR CHARGING S.R.L. has changed to ATLANTE ITALIA S.R.L.

In order to enlarge the Group's environmental protection business, TCC (Guangdon) Renewable Resources Technology Company Limited has completed the 100% equity acquisition of 123 (Guangdong) Environmental Protection Technology Co., Ltd in June 2023.

In order to develop various renewable energy resources, TCC Green Energy Corporation participated in capital increase by cash of SHI-MEN Green Energy Corporation in September 2023, leading to an increase of the percentage of ownership in SHI-MEN Green Energy Corporation to 51% and subsequently gaining control of it.

b. Consideration transferred

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Cash	\$ 174,326	\$ 158,738	\$ 21,442	\$ 10,200
Contingent consideration agreement (included in other payables)	<u>149,307</u>	<u>-</u>	<u>6,455</u>	<u>-</u>
	<u>\$ 323,633</u>	<u>\$ 158,738</u>	<u>\$ 27,897</u>	<u>\$ 10,200</u>

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

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Current assets				
Cash and cash equivalents	\$ 15,381	\$ -	\$ -	\$ 19,989
Account receivables	3,812	1,884	-	-
Other current assets	38,138	379	10	10

(Continued)

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Non-current assets				
Property, plant and equipment	\$ 88,469	\$ 71,058	\$ -	\$ -
Intangible assets	73,829	-	-	-
Other non-current assets	95,210	-	-	-
Current liabilities				
Accounts payables and other payables	(35,206)	(8,601)	(5,780)	-
Long-term borrowings - current portion	(20,652)	-	-	-
Other current liabilities	(31,360)	(26,820)	-	-
Non-current liabilities				
Long-term borrowings	<u>(68,289)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 159,332</u>	<u>\$ 37,900</u>	<u>\$ (5,770)</u>	<u>\$ 19,999</u> (Concluded)

A tentative set of accounting principle was applied in the acquisition of the aforementioned target companies.

d. Goodwill recognized on acquisitions

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Consideration transferred	\$ 323,633	\$ 158,738	\$ 27,897	\$ 10,200
Non-controlling interests	-	-	-	9,805
Fair value of identifiable net assets acquired	<u>(159,332)</u>	<u>(37,900)</u>	<u>5,770</u>	<u>(19,999)</u>
Goodwill recognized on acquisitions	<u>\$ 164,301</u>	<u>\$ 120,838</u>	<u>\$ 33,667</u>	<u>\$ 6</u>

As of December 31, 2023, the Group had not finished identifying the difference between the investment cost and net fair value of identifiable assets acquired and liabilities assumed of the aforementioned target companies. Hence, the difference is tentatively recognized under the entry of intangible asset - goodwill.

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

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Consideration paid in cash	\$ 174,326	\$ 158,738	\$ 21,442	\$ 10,200
Less: Outstanding cash and cash equivalent balances acquired	<u>(15,381)</u>	<u>-</u>	<u>-</u>	<u>(19,989)</u>
	<u>\$ 158,945</u>	<u>\$ 158,738</u>	<u>\$ 21,442</u>	<u>\$ (9,789)</u>

- f. The financial results of the acquirees since the acquisition dates were as follows:

	ATLANTE INFRA PORTUGAL S.A.	ATLANTE ITALIA S.R.L.	123 (Guangdong) Environmental Protection Technology Co., Ltd.	SHI-MEN Green Energy Corporation
Operating revenue	<u>\$ 39,651</u>	<u>\$ 10,223</u>	<u>\$ 378</u>	<u>\$ -</u>
Net loss	<u>\$ (16,435)</u>	<u>\$ (57,550)</u>	<u>\$ (14,031)</u>	<u>\$ (74)</u>

Had the merger and acquisition of such corporations occurred on January 1, 2023, the Group's revenue would have been \$109,319,147 thousand, and the profit would have been \$9,993,304 thousand for the year ended December 31, 2023. This amount do not reflect the revenue and results of operations of the Group that actually would have been achieved if the merger and acquisition had been completed at the beginning of the year of merger and acquisition, nor shall it be used as a projection of future operating results.

30. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the year ended December 31, 2023

- a. During 2023, the Group acquired a portion of the shares of Ta-Ho Maritime Corporation, and the proportion of ownership was 94.2%.

Acquirer	Transport & Storage Corporation Ta-Ho Maritime Corporation
Acquiree	
Cash consideration paid	\$ (7,197)
The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>7,570</u>
Differences from equity transactions	<u>\$ 373</u>

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

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>373</u>
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- b. During 2023, the Group acquired a portion of the shares of Taiwan Cement Engineering Corporation, and the proportion of ownership was 99.3%.

Acquirer	Taiwan Cement Corporation
Acquiree	Taiwan Cement Engineering Corporation

Cash consideration paid	\$ (823)
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The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>824</u>
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Differences from equity transactions	<u>\$ (1)</u>
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Acquirer	Taiwan Cement Corporation
Acquiree	Taiwan Cement Engineering Corporation

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>\$ 1</u>
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- c. During 2023, the Group acquired a portion of the shares of TCC Recycle Energy Technology Company, and the proportion of ownership was 78.0%.

Acquirer	Taiwan Cement Corporation
Acquiree	TCC Recycle Energy Technology Company

Cash consideration paid	\$ (29,960)
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The proportionate share of subsidiaries' net assets carrying amount transferred from non-controlling interests	<u>27,832</u>
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Differences from equity transactions	<u>\$ (2,128)</u>
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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	\$ (374)
Unappropriated earnings	<u>(1,754)</u>
	<u>\$ (2,128)</u>

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, 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%.

Acquirer	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>

Acquirer	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)

The above transactions were accounted for as equity transactions since there was no change in the Group's control over these subsidiaries.

31. CASH FLOWS INFORMATION

Changes in liabilities arising from financing activities:

For the year ended December 31, 2023

	Opening Balance	Cash Flows	Acquisition of Subsidiaries	Effect of Exchange Rate	Closing Balance
Short-term borrowings	\$ 22,416,812	\$ (2,185,384)	\$ -	\$ 19,645	\$ 20,251,073
Long-term borrowings (including expired within a year)	<u>43,591,128</u>	<u>(5,301,433)</u>	<u>88,941</u>	<u>(329,129)</u>	<u>38,049,507</u>
	<u>\$ 66,007,940</u>	<u>\$ (7,486,817)</u>	<u>\$ 88,941</u>	<u>\$ (309,484)</u>	<u>\$ 58,300,580</u>

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>

32. 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.

33. 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, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	\$ 13,550,613	\$ -	\$ -	\$ 14,265,497	\$ 14,265,497

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

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets mandatorily classified as at FVTPL				
Domestic listed shares	\$ 277,498	\$ -	\$ -	\$ 277,498
Domestic emerging market shares	108,582	-	-	108,582
Foreign government bonds	591,929	-	-	591,929
Foreign corporate bonds	21,727	-	-	21,727
Foreign beneficiary certificates	5,103	-	-	5,103
Derivative instrument - redemption options and put options of convertible bond	<u>-</u>	<u>-</u>	<u>1,347</u>	<u>1,347</u>
	<u>\$ 1,004,839</u>	<u>\$ -</u>	<u>\$ 1,347</u>	<u>\$ 1,006,186</u>
Financial assets at FVTOCI				
Equity instrument investment				
Domestic listed shares	\$ 7,166,477	\$ -	\$ -	\$ 7,166,477
Foreign listed shares	8,613,198	-	-	8,613,198
Domestic privately placed listed shares	-	1,884,630	-	1,884,630
Domestic unlisted shares	-	-	8,826,122	8,826,122
Domestic unlisted preferred shares	-	-	276,345	276,345
Domestic convertible preference shares	<u>53,687</u>	<u>-</u>	<u>-</u>	<u>53,687</u>
	<u>\$ 15,833,362</u>	<u>\$ 1,884,630</u>	<u>\$ 9,102,467</u>	<u>\$ 26,820,459</u>

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>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2023 and 2022.

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, 2023
Financial assets at FVTOCI	
Equity instrument investment	
Balance at January 1, 2023	\$ 8,308,712
Recognized in other comprehensive income	1,023,723
Proceeds from capital reduction	<u>(229,968)</u>
Balance at December 31, 2023	<u>\$ 9,102,467</u>

(Continued)

	For the Year Ended December 31, 2023
Financial assets at FVTPL	
Derivative instrument investment	
Balance at January 1, 2023	\$ -
Additions	<u>1,347</u>
Balance at December 31, 2023	<u>\$ 1,347</u>
Financial liabilities at FVTPL	
Derivative instrument investment	
Balance at January 1, 2023	\$ 641,522
Recognized in loss	(55,326)
Disposals	<u>(586,196)</u>
Balance at December 31, 2023	<u>\$ -</u> (Concluded)
	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>

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 the fair value. As of December 31, 2023 and 2022, the historical volatility used were 16.84% and 19.41%, 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	
	2023	2022
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	
	2023	2022
Comprehensive discount for lack of marketability and non-controlling interests		
1% increase	<u>\$ (14,833)</u>	<u>\$ (18,973)</u>
1% decrease	<u>\$ 14,833</u>	<u>\$ 18,973</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	
	2023	2022
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	
	2023	2022
Discount for lack of marketability		
1% increase	<u>\$ (3,541)</u>	<u>\$ (3,476)</u>
1% decrease	<u>\$ 3,541</u>	<u>\$ 3,476</u>

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

	December 31	
	2023	2022
Discount rate	8.2%	9.1%
Dividend growth rate	1.5%	1.6%
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	
	2023	2022
Discount for lack of marketability		
1% increase	<u>\$ (80,358)</u>	<u>\$ (67,522)</u>
1% decrease	<u>\$ 80,358</u>	<u>\$ 67,522</u>

c. Categories of financial instruments

	December 31	
	2023	2022
<u>Financial assets</u>		
Financial assets at FVTPL		
Financial assets mandatorily classified as at FVTPL	\$ 1,006,186	\$ 896,678
Financial assets measured at amortized cost (1)	168,961,355	178,584,630
Financial assets at FVTOCI		
Equity instruments investment	26,820,459	28,686,399
<u>Financial liabilities</u>		
Financial liabilities at FVTPL		
Held for trading	-	641,522
Financial liabilities measured at amortized cost (2)	190,692,434	201,199,749

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

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

1) Market risk

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

The Group 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 positions and exchange rate fluctuations.

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

The carrying amounts of the significant monetary assets and liabilities not denominated in the functional currency (including those eliminated on consolidation) at the end of reporting period are set out in Note 37.

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	
	2023	2022
NTD	\$ (31,289)	\$ (11,359)
HKD	\$ (129,648)	\$ (130,475)
EUR	\$ (7,902)	\$ (12,020)

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	
	2023	2022
Cash flow interest rate risk		
Financial assets	\$ 37,737,275	\$ 27,747,698
Financial liabilities	58,300,580	66,007,940

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, 2023 and 2022 would increased/decreased by \$150,949 thousand and \$110,991 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, 2023 and 2022 would increased/decreased by \$233,202 thousand and \$264,032 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 prices 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, 2023 and 2022 would increased/decreased by \$50,242 thousand and \$44,834 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, 2023 and 2022 would increased/decreased by \$1,341,023 thousand and \$1,434,320 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 collaterals for certain customers or certain geographical locations.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings 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, 2023 and 2022, the amount of unused financing facilities was \$185,440,051 thousand and \$136,077,349 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, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 1,785,931	\$ 22,444,305	\$ 6,717,111	\$ 212,379	\$ 3,061
Lease liabilities	83,778	92,636	454,640	1,897,891	4,660,223
Variable interest rate liabilities	4,230,717	9,589,652	6,436,068	35,195,554	3,724,680
Fixed interest rate liabilities	<u>231,200</u>	<u>2,789,475</u>	<u>13,441,180</u>	<u>45,301,593</u>	<u>52,369,560</u>
	<u>\$ 6,331,626</u>	<u>\$ 34,916,068</u>	<u>\$ 27,048,999</u>	<u>\$ 82,607,417</u>	<u>\$ 60,757,524</u>

Additional information about the maturity analysis for financial 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	\$ 30,947,347	\$ 212,379	\$ 3,016	\$ -	\$ 45	\$ -
Lease liabilities	631,054	1,897,891	1,638,212	611,949	552,542	1,857,519
Variable interest rate liabilities	20,256,437	35,195,554	967,666	388,379	2,368,635	-
Fixed interest rate liabilities	<u>16,461,855</u>	<u>45,301,593</u>	<u>30,609,030</u>	<u>21,760,530</u>	<u>-</u>	<u>-</u>
	<u>\$ 68,296,693</u>	<u>\$ 82,607,417</u>	<u>\$ 33,217,924</u>	<u>\$ 22,760,858</u>	<u>\$ 2,921,222</u>	<u>\$ 1,857,519</u>

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	\$ 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 financial 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>

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, 2023 and 2022, the face amounts of these unsettled bills receivable were \$1,483,295 thousand and \$842,874 thousand, respectively. The unsettled bills receivable will be due in 11 months and 12 months, after December 31, 2023 and 2022, 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, 2023 and 2022, the Group did not recognize gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

34. TRANSACTIONS WITH RELATED PARTIES

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

(Continued)

Related Party	Relationship with the Group
International CSRC Investment Holdings Co., Ltd.	Associate
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)	Joint venture
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	Joint venture
Jiangsu Environmental Resources TCC Solid Waste Disposal Co., Ltd.	Joint venture
D-concrete INC.	Joint venture
Chongqing Xuanjie Taini Environmental Protection Technology Co., Ltd.	Joint venture
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
Zerova Technologies Taiwan Limited.	The Group acts as key management of its parent company
Zerova Technologies USA LLC	The Group acts as key management of its parent company
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

(Continued)

Related Party	Relationship with the Group
FCA AUSTRIA GMBH	Related party in substance
FCA BELGIUM S.A.	Related party in substance
FCA FRANCE	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 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
Alfa Romeo Dealers	Related party in substance
Winbond Electronics Corporation	Related party in substance
Hannstar Display Corporation.	Related party in substance
Walton Advanced Engineering, Inc.	Related party in substance
Walsin Lihwa Corporation	Related party in substance
Stellantis Europe S.P.A	Related party in substance
Stellantis Belux SA	Related party in substance
FCA US LLC	Related party in substance
AUTOMOBILES PEUGEOT	Related party in substance
AUTOMOBILES CITROEN	Related party in substance
Stellantis Auto SAS	Related party in substance
Stellantis España SL	Related party in substance

(Concluded)

b. Operating transactions

	For the Year Ended December 31	
	2023	2022
<u>Sales</u>		
Related party in substance	\$ 244,894	\$ 197,727
Management personnel in substance	561,918	581,509
Associate	511,015	522,791
The Group acts as key management personnel	416,498	464,785
Same key management personnel	153,818	239,641
The Group acts as key management of its parent company	78,243	21,261
Joint venture	<u>589</u>	<u>-</u>
	<u>\$ 1,966,975</u>	<u>\$ 2,027,714</u>

(Continued)

	For the Year Ended December 31	
	2023	2022
<u>Purchases of goods</u>		
The Group acts as key management of its parent company	\$ 1,073,294	\$ 75
The Group acts as key management personnel	961,041	819,698
Related party in substance	207,988	1,981
Associate	56,181	34,134
Management personnel in substance	43,428	38,122
Same key management personnel	<u>447</u>	<u>467</u>
	<u>\$ 2,342,379</u>	<u>\$ 894,477</u>
<u>Operating expenses</u>		
Management personnel in substance	\$ 30,323	\$ 29,150
The Group acts as key management personnel	26,178	62,837
Same key management personnel	14,019	14,311
Associate	<u>1,234</u>	<u>1,234</u>
	<u>\$ 71,754</u>	<u>\$ 107,532</u>
		(Concluded)

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

	December 31	
	2023	2022
Related party in substance		
PSA AUTOMOBILES S.A.	\$ 57,414	\$ 47,698
MASERATI S.P.A.	30,641	341
Stellantis Europe S.P.A.	27,739	-
Others	<u>87,989</u>	<u>20,783</u>
	<u>203,783</u>	<u>68,822</u>
Management personnel in substance		
Chia Hsin Cement	110,880	110,880
Others	<u>3,250</u>	<u>3,136</u>
	<u>114,130</u>	<u>114,016</u>
Associate		
Quon Hing	87,462	137,255
Others	<u>24,578</u>	<u>24,044</u>
	<u>112,040</u>	<u>161,299</u>
The Group acts as key management personnel		
CTCI Corporation	21,393	88,653
China Hi-Ment	20,160	42,072
Pan Asia Corporation	<u>30,325</u>	<u>16,271</u>
	<u>71,878</u>	<u>146,996</u>
Same key management personnel	<u>11,284</u>	<u>12,838</u>
The Group acts as key management of its parent company	<u>50,306</u>	<u>10,004</u>
	<u>\$ 563,421</u>	<u>\$ 513,975</u>

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

	December 31	
	2023	2022
The Group acts as key management personnel	\$ 290,271	\$ 215,810
Management personnel in substance	7,486	3,730
Associate	59,625	49,131
Related party in substance	89,673	-
Others	<u>139</u>	<u>208</u>
	<u>\$ 447,194</u>	<u>\$ 268,879</u>

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

c. Other receivables

	December 31	
	2023	2022
<u>Included in other receivables from related parties</u>		
Joint venture		
Guangan TCC Jiuyuan	\$ 17,435	\$ 93,477
Related party in substance		
Fiat Chrysler Automobiles N.V.	-	153,784
Associate		
Quon Hing	6,907	7,284
Baoshan Kungang	-	155,007
Others	<u>979</u>	<u>1,009</u>
	<u>7,886</u>	<u>163,300</u>
Others	<u>502</u>	<u>5,045</u>
	<u>\$ 25,823</u>	<u>\$ 415,606</u>

Other receivables from related parties above included share subscriptions receivable, dividend receivables and interest receivables.

d. Other payables

	December 31	
	2023	2022
Related party in substance		
Fiat Chrysler Automobiles ITALY S.P.A.	\$ 863,874	\$ 249,375
Others	<u>61,336</u>	<u>-</u>
	<u>925,210</u>	<u>249,375</u>
The Group acts as key management of its parent company		
CTCI Resources Engineering Inc.	396,677	151,160
Others	<u>913</u>	<u>-</u>
	<u>397,590</u>	<u>151,160</u>
The Group acts as key management personnel		
CTCI Corporation	<u>38,238</u>	<u>334,896</u>
Management personnel in substance	<u>9,359</u>	<u>10,720</u>
Associate	<u>4,729</u>	<u>4,018</u>
Same key management personnel	<u>7</u>	<u>67</u>
	<u>\$ 1,375,133</u>	<u>\$ 750,236</u>

e. Prepayments

Related Party Category	December 31	
	2023	2022
The Group acts as key management of its parent company	\$ 124,542	\$ -

f. Acquisitions of property, plant and equipment

Related Party Category/Name	Purchase Price For the Year Ended December 31	
	2023	2022
The Group acts as key management of its parent company		
CTCI Resources Engineering Inc.	\$ 1,345,357	\$ 666,260
CTCI Smart Engineering Inc.	1,013,742	1,598,993
Others	873	-
	<u>2,359,972</u>	<u>2,265,253</u>
The Group acts as key management personnel		
CTCI Corporation	85,410	968,603
Others	873	21,886
	<u>86,283</u>	<u>990,489</u>
Management personnel in substance	-	438
Related party in substance	87	-
	<u>\$ 2,446,342</u>	<u>\$ 3,256,180</u>

g. Lease arrangements

Related Party Category/Name	For the Year Ended December 31	
	2023	2022
<u>Acquisition of right-of-use assets</u>		
Management personnel in substance		
Chia Hsin R.M.C.	\$ -	\$ 23,501

Line Item	Related Party Category/Name	December 31	
		2023	2022
Lease liabilities	Management personnel in substance		
	Chia Hsin R.M.C.	\$ 11,908	\$ 16,317

Related Party Category	For the Year Ended December 31	
	2023	2022
<u>Interest expense</u>		
Management personnel in substance	\$ 250	\$ 328

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

h. Remuneration of key management personnel

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	\$ 501,452	\$ 467,309
Post-employment benefits	15,988	12,775
Share-based payment		
Equity-settled	103,581	41,970
Other long-term employee benefits	<u>21,498</u>	<u>16,985</u>
	<u>\$ 642,519</u>	<u>\$ 539,039</u>

35. 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	
	2023	2022
Financial assets at FVTPL (including current and non-current portion)	\$ 278,424	\$ 284,876
Financial assets at FVTOCI (including current and non-current portion)	342,930	297,990
Property, plant and equipment	5,474,029	3,014,199
Investment accounted for using the equity method	37,715	37,618
Investment properties	800,005	815,814
Right-of-use asset	3,600,953	-
Guarantee deposits (included in other non-current assets)	1,129,956	1,081,564
Pledged bank deposits (included in financial assets measured at amortized cost)		
Current	1,193,447	1,453,836
Non-current	2,480,942	2,101,228

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

Name	December 31	
	2023	2022
The Corporation	\$ 94,844	\$ 71,368
Ho-Ping Power Company	1,325,464	2,832,947
TCC Recycle Energy Technology Company	437,840	1,517,946
TCC Dutch (Group)	343,200	-
TCC Energy Storage Technology Corporation	340	-
Kuan-Ho Refractories Industry Corporation	-	2,056

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

Name	December 31	
	2023	2022
The Corporation	\$ 41,859	\$ 22,120
Ho-Ping Power Company	1,148,000	1,148,000
TCCI (Group)	1,685,959	2,294,828
Taiwan Transport & Storage Corporation	28,562	28,502
TCC Recycle Energy Technology Company	-	94,857
TCC Dutch (Group)	4,845,924	1,262,893
TCC Energy Storage Technology Corporation	2,000	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.</p> <p>3) At the same time, Ho-Ping Power Company has also filed to Constitutional Court for constitutional complaint against the final court decisions and review of the constitutionality of statutes and regulations. However, on July 26, 2023, the Constitutional Court ruled the application inadmissible.</p> <p>4) 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 has dismissed this administrative appeal, and Ho-Ping Power Company has also submitted a pleading to Taipei High Administrative Court.</p>

(Continued)

Company Name	Ta-Ho RSEA Environment Co., Ltd.
	5) 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.

(Concluded)

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	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 on May 12, 2021, and Taipei High Administrative Court on July 28, 2023, that the plaintiff's litigation was both dismissed, to which Taiwan Power Company has filed an appeal to Taiwan Supreme Court.

- 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 purchase amount is not exceeding US\$50,000 thousand.
- e. On May 12, 2020, the Board of Directors of TCC (Hangzhou) Environment Protection Technology Co., Ltd., the Group's subsidiary, resolved to outsource construction project and invite tender. The contract has been signed on October 30, 2020 and the total amount is RMB566,888 thousand. On September 15, 2022, the Board of Directors of TCC (Hangzhou) Environmental Technology Co., Ltd. resolved on the headquarters curtain wall construction with the total amount of RMB256,000 thousand. On May 11, 2023, the Board of Directors of TCC (Hangzhou) Environmental Technology Co., Ltd. resolved to outsource the renovation construction project and invitation to tender with the total amount of RMB216,000 thousand, and the contract was updated with a total amount of RMB185,842 thousand on October 18, 2023.
- 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 Corporation's local Commission, and entered into a contract with CTCI Resources Engineering Inc. to use the cement kiln heat to jointly dispose of waste living in Hualien County, with a total amount not exceeding \$3,450,000 thousand.

- h. On November 14, 2023, the Board of Directors of the Corporation resolved the proposal to build the plant and purchase production line equipment for green cells in Canada. The total amount of investment is approximately \$25,500,000 thousand. In addition to bank loans or applying for government grants, the Corporation is contemplating directly or indirectly to increase the capital of EMC and/or increase the capital of EMC via investment from overseas or domestic subsidiaries and having EMC participate in the capital increase in cash of EMQE with EMC is intended. The amount of capital increase does not exceed US\$300,000 thousand.
- i. On November 27, 2023, the Board of Directors of the Corporation resolved to increase the indirect shareholdings of Oyak Denizli, a reinvestment company in Turkey, and Cimpor, a reinvestment company in Portugal, the subsidiaries of Cimpor Global Holdings B.V. invested by the Group via an investment accounted for using the equity method. The Corporation intended to directly increase the capital of TCC Dutch itself or indirectly increase the capital of TCC Dutch via overseas or domestic subsidiaries of the Corporation, and that the share issued in the capital increase acquired by TCC Dutch and/or its subsidiaries, which means: (a) increasing its shareholdings of Oyak Denizli to 60%, and (b) increasing its shareholdings of Cimpor to 100%. The total amount of investment is approximately EUR193,440 thousand and EUR480,000 thousand, respectively. In addition, according to the relevant laws and regulations of the Turkish authority, the Corporation should compulsorily acquire the outstanding shares of Oyak Cimento Fabrikalari Anonim Sirketi, the subsidiary of Oyak Denizli, on Turkish securities exchange market, and the actual transaction amount will be settled and adjusted at closing pursuant to the definitive agreement of the investment.
- j. 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.
- k. 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.
- l. 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 December 21, 2023, the total amount of investment was raised to \$23,983,000 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 and December 1, 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.

- m. TCC Lien-Hsin Green Energy Corporation plans to build a large-scale energy storage system in Hualien Hoping Industrial Park, the total amount of investment is approximately \$4,000,000 thousand. On December 26, 2023, the total amount of investment was raised to \$5,000,000 thousand. 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.

37. 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, 2023

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
Monetary items			
USD	\$ 176,246	30.705 (USD:NTD)	\$ 5,411,633
USD	650,632	7.810 (USD:HKD)	19,964,962
USD	34,595	1.107 (USD:EUR)	1,300,921
Non-monetary items			
EUR	1,051,089	33.980 (EUR:NTD)	35,716,009
USD	60,490	30.705 (USD:NTD)	1,857,348
<u>Financial liabilities</u>			
Monetary items			
USD	122,500	7.810 (USD:HKD)	3,758,973
USD	48,870	30.705 (USD:NTD)	1,500,554

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
<u>Financial liabilities</u>			
Monetary items			
USD	312,614	7.800 (USD:HKD)	9,602,377
USD	95,516	30.710 (USD:NTD)	2,933,283

The realized and unrealized foreign exchange gains (losses) were \$(847,143) thousand and \$201,611 thousand for the years ended December 31, 2023 and 2022, 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.

38. 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 (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the share capital (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the share capital (Table 6)
- 9) Trading in derivative instruments (Notes 7, 20 and 33)
- 10) Intercompany relationships and significant intercompany transactions (Table 9)
- 11) Information on investees (Table 7)

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

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the 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)

39. 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.

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

- d. Segments revenue and results

	Segment Revenue		Segment Income	
	For the Year Ended December 31		For the Year Ended December 31	
	2023	2022	2023	2022
Cement segment	\$ 68,618,900	\$ 77,353,929	\$ 3,773,007	\$ 3,745,425
Electricity and energy segment	37,570,974	33,370,795	5,712,571	(3,102,137)
Other segments	<u>3,124,461</u>	<u>3,204,982</u>	<u>632,617</u>	<u>580,472</u>
	<u>\$ 109,314,335</u>	<u>\$ 113,929,706</u>	10,118,195	1,223,760
Administrative expenses and director's remuneration			(88,035)	(61,622)
Non-operating income and expenses			<u>4,326,671</u>	<u>5,483,959</u>
Income before income tax			<u>\$ 14,356,831</u>	<u>\$ 6,646,097</u>

Segment income represented profit before tax earned by each segment without an allocation of central administration expenses, director's remuneration and non-operating income and expenses.

e. Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

	For the Year Ended December 31	
	2023	2022
Cement	\$ 48,544,706	\$ 58,298,922
Power generation	26,931,765	22,985,566
Concrete	18,700,925	17,861,293
Energy storage and charger	5,321,096	3,762,270
Battery	4,821,812	6,219,920
Waste treatment	748,807	729,172
Renewable energy	496,301	403,039
Others	<u>3,748,923</u>	<u>3,669,524</u>
	<u>\$ 109,314,335</u>	<u>\$ 113,929,706</u>

f. 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	
	2023	2022	2023	2022
Taiwan	\$ 63,957,117	\$ 60,022,631	\$ 101,786,588	\$ 84,155,132
Asia	40,295,784	50,147,738	81,277,738	82,416,588
Europe	<u>5,061,434</u>	<u>3,759,337</u>	<u>10,573,223</u>	<u>7,512,274</u>
	<u>\$ 109,314,335</u>	<u>\$ 113,929,706</u>	<u>\$ 193,637,549</u>	<u>\$ 174,083,994</u>

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

g. 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	
	2023	2022
Taiwan Power Company	<u>\$ 27,901,872</u>	<u>\$ 23,605,027</u>

TABLE 1

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	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 (Note 2)	Other receivables from related parties	Yes	\$ 100,000	\$ -	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 1,157,330	\$ 1,157,330	
2	Hong Kong Cement Co., Ltd.	TCCIH (Note 2)	Other receivables from related parties	Yes	537,153	508,659	508,659	5.49	The need for short-term financing	-	Operating capital	-	-	-	1,488,240	2,976,480	
3	TCC Development Ltd.	TCCIH (Note 2)	Other receivables from related parties	Yes	302,512	286,817	286,817	4.83	The need for short-term financing	-	Operating capital	-	-	-	1,298,836	1,298,836	
4	TCCI	TCCIH (Note 2)	Other receivables from related parties	Yes	3,891,000	3,684,600	-	-	The need for short-term financing	-	Operating capital	-	-	-	107,653,934	215,307,868	
		TCC Dutch (Note 2)	Other receivables from related parties	Yes	1,735,500	1,699,000	-	-	The need for short-term financing	-	Operating capital	-	-	-	107,653,934	215,307,868	
		TCEH (Note 2)	Other receivables from related parties	Yes	694,200	679,600	-	-	The need for short-term financing	-	Operating capital	-	-	-	107,653,934	215,307,868	
5	TCEH	NHOA ENERGY S.R.L. (Note 2)	Other receivables from related parties	Yes	347,100	339,800	339,800	4.66	The need for short-term financing	-	Operating capital	-	-	-	16,794,139	33,588,278	
		ATLANTE S.R.L. (Note 2)	Other receivables from related parties	Yes	520,650	509,700	509,700	4.66	The need for short-term financing	-	Operating capital	-	-	-	16,794,139	33,588,278	
		NHOA S.A. (Note 2)	Other receivables from related parties	Yes	555,360	543,680	543,680	4.81	The need for short-term financing	-	Operating capital	-	-	-	6,717,656	6,717,656	
		TCC Dutch (Note 2)	Other receivables from related parties	Yes	1,388,400	1,359,200	1,189,300	4.78	The need for short-term financing	-	Operating capital	-	-	-	16,794,139	33,588,278	
6	Yingde Dragon Mountain Cement Co., Ltd.	TCC Yingde Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	892,620	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	15,883,173	31,766,346	
		TCC Liaoning Cement Company Limited (Note 2)	Other receivables from related parties	Yes	1,017,587	985,393	648,285	2.84	The need for short-term financing	-	Operating capital	-	-	-	15,883,173	31,766,346	
		TCC (Gui Gang) Cement Ltd. (Note 2)	Other receivables from related parties	Yes	7,587,270	7,347,230	5,834,565	2.59-3.05	The need for short-term financing	-	Operating capital	-	-	-	15,883,173	31,766,346	
7	TCC (Gui Gang) Cement Ltd.	Guigang TCC DongYuan Environmental Technology Company Limited (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC Huaying Cement Company Limited (Note 2)	Other receivables from related parties	Yes	1,285,373	1,244,707	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC (Hangzhou) Recycle Resource Technology Limited (Note 2)	Other receivables from related parties	Yes	44,631	43,219	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC Anshun Cement Company Limited (Note 2)	Other receivables from related parties	Yes	446,310	432,190	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	892,620	864,380	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC Jingzhou Cement Company Limited (Note 2)	Other receivables from related parties	Yes	669,465	648,285	432,190	2.93	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		Guizhou Kong On Cement Company Limited (Note 2)	Other receivables from related parties	Yes	290,102	280,924	43,219	2.93	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	446,310	432,190	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	
		TCC Yingde Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	1,338,930	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	21,314,942	42,629,884	

(Continued)

No.	Lender	Borrower	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			
8	TCC Yingde Cement Co., Ltd.	123 (Guangdong) Environmental Protection Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	\$ 88,682	\$ 86,438	\$ 25,919	2.93-3.02	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 26,710,680	\$ 53,421,360	
		TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	89,262	86,438	15,127	3.02	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd. (Note 2)	Other receivables from related parties	Yes	44,631	43,219	2,161	3.02	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Beijing TCC Environment Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	178,524	172,876	140,462	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC (Hangzhou) Environmental Protection Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	3,052,760	2,956,180	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	132,108	127,928	127,928	3.65	The need for short-term financing	-	Operating capital	-	-	-	10,684,272	10,684,272	
		Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	803,358	777,942	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	223,155	216,095	12,966	2.93	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Guizhou Kong On Cement Company Limited (Note 2)	Other receivables from related parties	Yes	446,310	432,190	43,219	2.93	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Liaoning Cement Company Limited (Note 2)	Other receivables from related parties	Yes	223,155	216,095	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Shaoguan Cement Co., Limited (Note 2)	Other receivables from related parties	Yes	5,240,083	5,074,301	4,754,090	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Anshun Cement Company Limited (Note 2)	Other receivables from related parties	Yes	888,792	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Guangan Changxing Cement Company Ltd. (Note 2)	Other receivables from related parties	Yes	888,792	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	892,620	864,380	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Jingzhou Cement Company Limited (Note 2)	Other receivables from related parties	Yes	223,155	216,095	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		TCC Chongqing Cement Company Limited (Note 2)	Other receivables from related parties	Yes	446,310	432,190	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
		Guizhou Kaili Rui An Jian Cai Co., Ltd. (Note 2)	Other receivables from related parties	Yes	669,465	648,285	-	-	The need for short-term financing	-	Operating capital	-	-	-	26,710,680	53,421,360	
9	TCC Fuzhou Cement Co., Ltd.	TCC Liaoning Cement Company Limited (Note 2)	Other receivables from related parties	Yes	308,739	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	566,037	1,698,111	
		Guizhou Kaili Rui An Jian Cai Co., Ltd. (Note 2)	Other receivables from related parties	Yes	223,155	216,095	-	-	The need for short-term financing	-	Operating capital	-	-	-	566,037	1,698,111	
10	TCCIH	TCC Yingde Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	217,283	210,409	204,025	-	The need for short-term financing	-	Operating capital	-	-	-	182,757,078	365,514,156	
11	Prime York Ltd.	Upper Value Investment Limited (Note 2)	Other receivables from related parties	Yes	211,344	200,379	200,379	-	The need for short-term financing	-	Operating capital	-	-	-	2,573,453	5,146,906	
12	Jurong TCC Cement Co., Ltd.	TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	1,338,930	1,296,570	164,232	2.93	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Huaihua Concrete Company Limited (Note 2)	Other receivables from related parties	Yes	133,893	129,657	64,396	2.93-3.48	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Jingzhou Cement Company Limited (Note 2)	Other receivables from related parties	Yes	177,363	172,876	172,876	3.02	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		Guizhou Kong On Cement Company Limited (Note 2)	Other receivables from related parties	Yes	401,679	388,971	388,971	2.93-3.48	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		Kaili TCC Environment Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	401,679	388,971	207,451	2.93-3.10	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Anshun Cement Company Limited (Note 2)	Other receivables from related parties	Yes	888,792	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Chongqing Cement Company Limited (Note 2)	Other receivables from related parties	Yes	882,112	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		Guangan Changxing Cement Company Ltd. (Note 2)	Other receivables from related parties	Yes	444,396	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Liaoning Cement Company Limited (Note 2)	Other receivables from related parties	Yes	312,417	302,533	-	-	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	

(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			
		TCC Yingde Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	\$ 446,310	\$ -	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 18,501,960	\$ 37,003,920	
		Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	669,465	648,285	-	-	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	196,376	190,164	190,164	2.93	The need for short-term financing	-	Operating capital	-	-	-	18,501,960	37,003,920	
		TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	Other receivables from related parties	Yes	310,386	302,533	172,876	3.45	The need for short-term financing	-	Operating capital	-	-	-	7,400,784	7,400,784	
13	TCC Anshun Cement Company Limited	Anshun Xin Tai Construction Materials Company Limited (Note 2)	Other receivables from related parties	Yes	89,262	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	Other receivables from related parties	Yes	89,262	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	2,875,220	2,875,220	
		Guizhou Kong On Cement Company Limited (Note 2)	Other receivables from related parties	Yes	264,634	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		Scitus Luzhou Concrete Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		Guizhou Kaili Rui An Jian Cai Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		TCC Chongqing Cement Company Limited (Note 2)	Other receivables from related parties	Yes	892,620	864,380	-	-	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
		TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	669,465	648,285	259,314	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	7,188,050	14,376,100	
14	Guangan Changxing Cement Company Ltd.	Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Other receivables from related parties	Yes	267,786	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	2,554,886	2,554,886	
		TCC Huaying Cement Company Limited (Note 2)	Other receivables from related parties	Yes	446,310	432,190	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,387,214	12,774,428	
		Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,387,214	12,774,428	
		TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	669,465	648,285	497,019	2.93	The need for short-term financing	-	Operating capital	-	-	-	6,387,214	12,774,428	
		Kaili TCC Environment Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	129,657	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,387,214	12,774,428	
		Guizhou Kaili Rui An Jian Cai Co., Ltd. (Note 2)	Other receivables from related parties	Yes	89,262	86,438	-	-	The need for short-term financing	-	Operating capital	-	-	-	6,387,214	12,774,428	
15	TCC Chongqing Cement Company Limited	Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
		Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	223,155	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
		TCC Huaying Cement Company Limited (Note 2)	Other receivables from related parties	Yes	111,578	108,048	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
		TCC Huaihua Cement Company Limited (Note 2)	Other receivables from related parties	Yes	892,620	864,380	855,304	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
		TCC Jingzhou Cement Company Limited (Note 2)	Other receivables from related parties	Yes	89,262	86,438	-	-	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
		Guizhou Kong On Cement Company Limited (Note 2)	Other receivables from related parties	Yes	133,893	129,657	129,657	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	9,613,022	19,226,044	
16	TCC New (Hangzhou) Management Company Limited	Scitus Luzhou Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	89,262	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,338,696	2,677,392	
		Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	195,534	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	1,338,696	2,677,392	
17	Prosperity Minerals (China) Ltd.	TCC New (Hangzhou) Management Company Limited (Note 2)	Other receivables from related parties	Yes	354,391	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	948,832	1,897,664	

(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			
18	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	\$ 49,094	\$ 47,541	\$ -	-	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 11,334,054	\$ 22,668,108	
		TCC (Guangdong) Renewable Resources Technology Company Limited (Note 2)	Other receivables from related parties	Yes	89,262	86,438	-	-	The need for short-term financing	-	Operating capita	-	-	-	11,334,054	22,668,108	
19	Guizhou Kaili Rui An Jian Cai Co., Ltd.	Scitus Naxi Cement Co., Ltd. (Note 2)	Other receivables from related parties	Yes	133,893	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,396,193	6,792,386	
		Kaili TCC Environment Technology Co., Ltd. (Note 2)	Other receivables from related parties	Yes	178,524	172,876	99,404	2.93-3.02	The need for short-term financing	-	Operating capital	-	-	-	3,396,193	6,792,386	
20	TCC Huaihua Cement Company Limited	TCC Jingzhou Cement Company Limited (Note 2)	Other receivables from related parties	Yes	89,262	86,438	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,225,174	6,450,348	
21	Scitus Luzhou Cement Co., Ltd.	Guizhou Kaili Rui An Jian Cai Co., Ltd. (Note 2)	Other receivables from related parties	Yes	89,262	86,438	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,537,847	7,075,694	
22	E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd. (Note 2)	Other receivables from related parties	Yes	167,640	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	5,119,314	10,238,628	
23	TCC (Guangdong) Renewable Resources Technology Company Limited	123 (Guangdong) Environmental Protection Technology Co., Ltd (Note 2)	Other receivables from related parties	Yes	6,695	6,483	-	-	The need for short-term financing	-	Operating capital	-	-	-	-	-	
24	NHOA S.A.	NHOA CORPORATE S.R.L. (Note 2)	Other receivables from related parties	Yes	3,058,200	3,058,200	1,984,398	5.20	The need for short-term financing	-	Operating capital	-	-	-	3,632,557	3,632,557	
		NHOA CORPORATE S.R.L. (Note 2)	Other receivables from related parties	Yes	263,900	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,632,557	3,632,557	
		NHOA CORPORATE S.R.L. (Note 2 and 3)	Other receivables from related parties	Yes	674,032	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	3,632,557	3,632,557	
25	NHOA ENERGY S.R.L.	NHOA AMERICAS LLC (Note 2)	Other receivables from related parties	Yes	162,125	153,525	84,220	5.46	The need for short-term financing	-	Operating capital	-	-	-	3,616,661	7,233,322	
		NHOA Taiwan Ltd. (Note 2)	Other receivables from related parties	Yes	64,850	61,410	11,599	5.46	The need for short-term financing	-	Operating capital	-	-	-	3,616,661	7,233,322	
		NHOA Taiwan Ltd. (Note 2)	Other receivables from related parties	Yes	17,220	16,990	3,518	4.20	The need for short-term financing	-	Operating capital	-	-	-	3,616,661	7,233,322	
26	NHOA AUSTRALIA PTY LTD.	NHOA ENERGY S.R.L. (Note 2)	Other receivables from related parties	Yes	173,550	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	506,752	1,013,504	
		NHOA ENERGY S.R.L. (Note 2)	Other receivables from related parties	Yes	324,250	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	506,752	1,013,504	
27	NHOA CORPORATE S.R.L.	FREE2MOVE ESOLUTIONS S.P.A. (Note 2)	Other receivables from related parties	Yes	832,510	832,510	832,510	4.68-5.00	The need for short-term financing	-	Operating capital	-	-	-	5,232,567	5,232,567	
28	NHOA CORPORATE S.R.L. (Note 3)	ATLANTE S.R.L. (Note 2)	Other receivables from related parties	Yes	2,718,400	2,718,400	1,329,977	5.55	The need for short-term financing	-	Operating capital	-	-	-	13,081,417	26,162,834	
29	ATLANTE S.R.L.	ATLANTE FRANCE S.A.S. (Note 2)	Other receivables from related parties	Yes	152,280	-	-	-	The need for short-term financing	-	Operating capital	-	-	-	5,847,312	11,694,624	
		ATLANTE INFRA PORTUGAL S.A. (Note 2)	Other receivables from related parties	Yes	169,730	169,730	169,730	5.55	The need for short-term financing	-	Operating capital	-	-	-	5,847,312	11,694,624	

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 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 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 B.V. were 200% and 100%, respectively, of its net equity as stated in its latest financial statements. NHOA CORPORATE S.R.L. engages in fund lending; when the fund loan object is FREE2MOVEE SOLUTIONS S.P.A., the aggregate and individual financing limits shall not exceed 40% of its net equity as stated in its latest financial statements. When the fund loan object is ATLANTE S.R.L., the aggregate and individual financing limits for individual objects shall not exceed 200% and 100%, respectively, of its net equity as stated in its latest financial statements. The aggregate and individual financing limits for TCC (Guangdong) Renewable Resources Technology Company Limited 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.
- Note 3: NHOA CALLIOPE S.R.L. is merged with NHOA CORPORATE S.R.L. through consolidation, and NHOA CORPORATE S.R.L. would be the surviving company.

(Concluded)

TABLE 2

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(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	\$ 115,466,627	\$ 1,420,000	\$ 1,420,000	\$ 780,000	\$ -	0.61	\$ 230,933,254	Yes	No	No	
		TCC Investment Corporation	b	115,466,627	2,370,000	2,370,000	1,590,000	-	1.03	230,933,254	Yes	No	No	
		TCC Chemical Corporation	b	115,466,627	1,299,117	1,299,117	106,117	-	0.56	230,933,254	Yes	No	No	
		Jin Chang Minerals Corporation	b	115,466,627	31,257	31,257	31,257	31,257	0.01	230,933,254	Yes	No	No	
		Ho Sheng Mining Co., Ltd.	b	115,466,627	99,884	99,884	99,884	99,884	0.04	230,933,254	Yes	No	No	
		TCC Energy Storage Technology Corporation	b	115,466,627	1,297,000	1,228,200	1,228,200	-	0.53	230,933,254	Yes	No	No	
		TCCI	b	115,466,627	6,841,675	6,478,755	1,658,070	-	2.81	230,933,254	Yes	No	No	
		E-one Moli Energy (Canada) Ltd.	b	115,466,627	4,744,006	4,744,006	-	-	2.05	230,933,254	Yes	No	No	
		E-One Moli Quantum Energy (Canada) Ltd.	b	115,466,627	4,744,006	4,744,006	-	-	2.05	230,933,254	Yes	No	No	
1	Ho Sheng Mining Co., Ltd.	Taiwan Cement Corporation	c	1,025,260	137,964	137,964	137,964	-	40.37	1,025,260	No	Yes	No	
2	TCC Green Energy Corporation	TCC Chemical Corporation	a	13,785,406	6,117	6,117	6,117	-	0.04	13,785,406	No	No	No	
3	TCCIH	TCC Yingde Cement Co., Ltd.	b	91,378,539	545,598	245,640	-	-	0.13	182,757,078	Yes	No	Yes	
		Jurong TCC Cement Co., Ltd.	b	91,378,539	1,847,702	933,432	-	-	0.51	182,757,078	Yes	No	Yes	
		TCC Fuzhou Cement Co., Ltd.	b	91,378,539	735,088	406,002	-	-	0.22	182,757,078	Yes	No	Yes	
		TCC Liaoning Cement Company Limited	b	91,378,539	575,744	554,430	-	-	0.30	182,757,078	Yes	No	Yes	
		TCC (Gui Gang) Cement Ltd.	b	91,378,539	1,374,768	1,074,675	-	-	0.59	182,757,078	Yes	No	Yes	
		TCC Chongqing Cement Company Limited	b	91,378,539	968,890	521,985	-	-	0.29	182,757,078	Yes	No	Yes	
		Guizhou Kong On Cement Company Limited	b	91,378,539	327,493	310,121	-	-	0.17	182,757,078	Yes	No	Yes	
		Guizhou Kaili Rui An Jian Cai Co., Ltd.	b	91,378,539	324,250	307,050	-	-	0.17	182,757,078	Yes	No	Yes	
		TCC Anshun Cement Company Limited	b	91,378,539	669,465	-	-	-	-	182,757,078	Yes	No	Yes	
4	TCC (Gui Gang) Cement Ltd.	Guigang Conch - TCC New Material Technology Co., Ltd.	f	10,657,471	133,893	-	-	-	-	21,314,942	No	No	Yes	
5	TCC Yingde Cement Co., Ltd.	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	d	13,355,340	12,415,424	12,101,320	2,044,099	-	45.31	26,710,680	No	No	Yes	
		TCC Shaoguan Cement Co., Ltd.	d	13,355,340	221,704	216,095	129,657	-	0.81	26,710,680	No	No	Yes	
6	Guangan Changxing Cement Company Ltd.	Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	b	3,193,607	288,798	281,492	166,247	-	4.41	6,387,214	No	No	Yes	
7	TCC Dutch	NHOA S. A.	b	25,938,273	1,154,231	1,130,705	1,129,956	1,129,956	2.18	51,876,546	Yes	No	No	

(Continued)

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)											
8	NHOA S. A.	NHOA AUSTRALIA PTY LTD	b	\$ 181,627,857	\$ 21,629,936	\$ 21,583,335	\$ 18,887,558	\$ -	237.67	\$ 227,034,822	Yes	No	No	
		NHOA ENERGY S.R.L.	b	181,627,857	3,779,945	2,519,122	256,198	-	27.74	227,034,822	Yes	No	No	
		ATLANTE S.R.L.	b	181,627,857	3,645,199	2,387,480	518,580	-	26.29	227,034,822	Yes	No	No	
		ATLANTE IBERIA S.L.	b	181,627,857	492,741	14,467	14,467	-	0.16	227,034,822	Yes	No	No	
		NHOA AMERICAS LLC	b	181,627,857	53,562	50,720	50,720	-	0.56	227,034,822	Yes	No	No	
		NHOA UK LTD	b	181,627,857	1,734,256	1,675,620	1,225,395	-	18.45	227,034,822	Yes	No	No	
		ATLANTE FRANCE S.A.S.	b	181,627,857	5,813	5,813	5,813	-	0.06	227,034,822	Yes	No	No	
9	NHOA ENERGY S.R.L.	NHOA AMERICAS LLC	b	72,333,226	440,963	426,568	375,847	-	11.79	90,416,533	Yes	No	No	
		NHOA LATAM S.A.C.	b	72,333,226	15,512	14,689	14,689	-	0.41	90,416,533	Yes	No	No	
		NHOA UK LTD	b	72,333,226	958,873	945,827	939,877	-	26.15	90,416,533	Yes	No	No	
		NHOA AUSTRALIA PTY LTD	b	72,333,226	5,050,000	4,910,449	2,317,874	-	135.77	90,416,533	Yes	No	No	

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.
- b. Ho Sheng Mining Co., Ltd. guaranteed by land 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 2,500% of its net equity in its latest financial statements for NHOA S.A., and 2,500% of its net equity in its latest financial statements for NHOA ENERGY S.R.L., and the limit for other the endorsers/guarantors was the net equity in their respective latest financial statements.

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

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

(Concluded)

TABLE 3

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(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, 2023				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	\$ 129,759	-	\$ 129,759	
	Taiwan Television Enterprise, Ltd.	The Corporation serves as supervisor	FVTPL - current	13,573	108,582	-	108,582	
	Chinatrust Financial Holding Co., Ltd.	-	FVTPL - current	3,576	101,368	-	101,368	
	China Hi-Ment Corporation	The Corporation serves as director	FVTOCI - current	30,196	1,739,299	-	1,739,299	
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	73,014	1,321,547	-	1,321,547	
	CTCI Corporation	The Corporation serves as director	FVTOCI - current	9,054	381,641	-	381,641	
	Chia Hsin Cement Corporation	Directors	FVTOCI - current	27,968	532,787	-	532,787	
	O-Bank	Related parties	FVTOCI - current	32,809	327,431	-	327,431	
	IBT II Venture Capital Corporation	-	FVTOCI - non-current	2,626	-	8.3	-	
	Chinatrust Investment Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	17,732	684,083	9.4	684,083	
	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	76,785	6,813,172	6.6	6,813,172	
	Excel Corporation	-	FVTOCI - non-current	600	-	9.5	-	
	Phihong Technology Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	4,200	247,374	9.998	247,374	
	Privately placed shares - Phihong Technology Co., Ltd.	The Corporation serves as director	FVTOCI - non-current	37,520	1,884,630	9.998	1,884,630	
	<u>Convertible preference shares</u>							
	O-Bank	Related parties	FVTOCI - current	2,956	30,889	-	30,889	
Taiwan Transport & Storage Corporation	<u>Ordinary shares</u>							
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,804	167,720	-	167,720	
TCC Investment Corporation	<u>Ordinary shares</u>							
	O-Bank	Related parties	FVTOCI - current	24,214	241,659	-	241,659	21,000 thousand shares were pledged
	Taishin Financial Holding Co., Ltd.	-	FVTOCI - current	13,967	252,801	-	252,801	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	8,501	161,936	-	161,936	7,000 thousand shares were pledged
	China Conch Venture Holdings Limited	-	FVTOCI - non-current	11,110	282,860	-	282,860	
	China Conch Environment Protection Holdings Limited	-	FVTOCI - non-current	11,110	68,096	-	68,096	
	Chinatrust Investment Co., Ltd.	The parent company serves as director	FVTOCI - non-current	6,530	251,939	3.5	251,939	
	Pan Asia Corporation	The parent company serves as supervisor	FVTOCI - non-current	1	14	-	14	
	<u>Convertible preference shares</u>							
	O-Bank	Related parties	FVTOCI - current	2,182	22,798	-	22,798	
Ta-Ho Maritime Corporation	<u>Ordinary shares</u>							
	Prosperity Dielectrics Co., Ltd.	-	FVTPL - current	951	46,371	-	46,371	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	26,277	500,567	-	500,567	
	Chinatrust Investment Co., Ltd.	The parent company serves as director	FVTOCI - non-current	3,967	153,047	2.1	153,047	
TCC Chemical Corporation	<u>Ordinary shares</u>							
	Taiwan Stock Exchange Corporation	The parent company serves as director	FVTOCI - non-current	4,384	389,035	-	389,035	
Hoping Industrial Port Corporation	<u>Ordinary shares</u>							
	Chinatrust Investment Co., Ltd.	The parent company serves as director	FVTOCI - non-current	6,266	241,751	3.3	241,751	
E.G.C. Cement Corporation	<u>Ordinary shares</u>							
	Feng Yu United Engineering Company	-	FVTPL - current	137	-	0.1	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				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	32,253	\$ 583,781	-	\$ 583,781	
	CTCI Corporation	The parent company serves as director	FVTOCI - current	13,365	563,348	-	563,348	
	Chia Hsin Cement Corporation	Director of parent company	FVTOCI - current	7,590	144,586	-	144,586	
TCCI (Group)	<u>Ordinary shares</u>							
	Anhui Conch Cement Co., Ltd.	-	FVTOCI - non-current	116,568	8,262,242	-	8,262,242	
	Yargoan Co., Ltd.	-	FVTOCI - non-current	19	-	12.5	-	
NHOA ENERGY S.R.L.	<u>Government bonds</u>							
	Europäische Union	-	FVTPL - current	-	61,551	-	61,551	
	Buoni Poliennali Del Tes	-	FVTPL - current	-	23,678	-	23,678	
	Spanien, Konigreich	-	FVTPL - current	-	44,453	-	44,453	
	France (GOVT OF)	-	FVTPL - current	-	60,516	-	60,516	
	Italien, Republik	-	FVTPL - current	-	111,379	-	111,379	
	Irland, Republik	-	FVTPL - current	-	11,928	-	11,928	
	<u>Corporate bonds</u>							
	RCI BANQUE SA	-	FVTPL - current	-	10,249	-	10,249	
	Goldman Sachs Group Inc.	-	FVTPL - current	-	8,013	-	8,013	
	RWE AG	-	FVTPL - current	-	3,465	-	3,465	
	<u>Beneficiary certificates</u>							
	Deutsche Institutional Money plus	-	FVTPL - current	-	5,103	-	5,103	
	<u>Government bonds</u>							
	Buoni Poliennali Del Tes	-	FVTPL - non-current	-	278,424	-	278,424	\$278,424 thousand were pledged
TCC Recycle Energy Technology Company	<u>Preference shares</u>							
	GROUP 14 TECHNOLOGIES, INC.	-	FVTOCI - non-current	353	276,345	0.3	276,345	

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

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

(Concluded)

TABLE 4

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**MARKETABLE SECURITIES ACQUIRED AND DISPOSED AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE SHARE CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(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 (Notes 1 and 3)	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	3,471,218	\$ 81,991,082	263,709	\$ 6,299,370	-	\$ -	\$ -	\$ -	\$ (1,864,630)	3,734,927	\$ 86,425,822
TCCI (HK)	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Investments accounted for using the equity method	-	Subsidiary	-	3,981,157	-	4,753,700	-	-	-	-	(244,473)	-	8,490,384
TCCIH	TCC Dutch	Investments accounted for using the equity method	-	Subsidiary	-	-	250	8,477,500	-	-	-	-	592,976	250	9,070,476
TCC Dutch	TCEH	Investments accounted for using the equity method	-	Subsidiary	180,001	8,980,951	250,000	8,477,500	-	-	-	-	(664,302)	430,001	16,794,149
TCEH	NHOA S.A.	Investments accounted for using the equity method	-	Subsidiary	16,635	6,043,134	224,922	7,627,118	-	-	-	-	(880,559)	241,557	12,789,693
NHOA S.A.	NHOA ENERGY S.R.L.	Investments accounted for using the equity method	-	Subsidiary	2,000	1,634,271	13,000	1,868,900	-	-	-	-	(3,503,171)	-	-
	NHOA CORPORATE S.R.L.	Investments accounted for using the equity method	-	Subsidiary	1,000	177,716	11,000	6,490,180	-	-	-	-	1,979,443	12,000	8,647,339
NHOA CORPORATE S.R.L.	ATLANTE S.R.L.	Investments accounted for using the equity method	-	Subsidiary	5,000	489,148	7,000	5,776,600	-	-	-	-	(1,208,633)	12,000	5,057,115
	NHOA ENERGY S.R.L.	Investments accounted for using the equity method	-	Subsidiary	-	-	-	-	-	-	-	-	3,324,434	-	3,324,434
ATLANTE S.R.L.	ATLANTE FRANCE S.A.S.	Investments accounted for using the equity method	-	Subsidiary	100	23,982	29,400	998,494	-	-	-	-	(302,212)	29,500	720,264

Note 1: Including the share of profit and loss of subsidiaries, organizational restructuring and adjustments to shareholder's equity.

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

Note 3: Due to the adjustment of its investment structure, NHOA S.A. invested in NHOA CORPORATE S.R.L. with the equity of NHOA ENERGY S.R.L.

TABLE 5

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE SHARE CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(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	\$ (702,130)	(3)	65 days	\$ -	-	\$ 172,148	30	Note 2
			Purchases	181,194	1	30 days	-	-	(22,418)	(2)	Note 2
	TCCIH	Subsidiary	Service revenue	(447,099)	(2)	By contract	-	-	37,100	6	Note 2
	HKCCL	Subsidiary	Sales	(114,792)	-	65 days counting from the completion of shipment	-	-	-	-	Note 2
	E.G.C. Cement Corporation	Subsidiary	Sales	(721,508)	(3)	50 days after the end of the day when delivery was made	-	-	89,586	16	Note 2
	Taiwan Transport & Storage Corporation	Subsidiary	Purchases	656,554	3	30 days	-	-	(124,739)	(12)	Note 2
	Hoping Industrial Port Corporation	Subsidiary	Purchases	351,169	2	20 days	-	-	(7,383)	(1)	Note 2
	Ta-Ho Maritime Corporation	Subsidiary	Purchases	1,690,625	9	30 days	-	-	(305,087)	(28)	Note 2
	Ho Sheng Mining Co., Ltd.	Subsidiary	Purchases	345,496	2	30 days	-	-	(98,543)	(9)	Note 2
	Jin Chang Minerals Corporation	Subsidiary	Purchases	349,040	2	30 days	-	-	(83,350)	(8)	Note 2
	Kuan-Ho Refractories Industry Corporation	Subsidiary	Purchases	221,415	1	By contract	-	-	(122,010)	(11)	Note 2
	Chia Hsin Cement Corporation	Director	Sales	(556,268)	(2)	65 days after the end of the day when delivery was made	-	-	110,880	19	
	China Hi-Ment Corporation	The Corporation serves as director	Purchases	960,741	5	60 days	-	-	(290,271)	(27)	
			Sales	(108,997)	-	65 days after the end of the day when delivery was made	-	-	15,888	3	
	CTCI Corporation	The Corporation serves as director	Sales	(137,536)	(1)	By contract	-	-	21,394	4	
Ho-Ping Power Company	Hoping Industrial Port Corporation	The same parent company	Purchases	1,109,176	6	20 days	-	-	(28,960)	(19)	Note 2
	HPC Power Service Corporation	The same parent company	Purchases	545,642	3	By contract	-	-	(113,029)	(74)	Note 2
Hoping Industrial Port Corporation	Taiwan Cement Corporation	Parent company	Sales	(351,169)	(23)	30 days	-	-	7,383	20	Note 2
	Ho-Ping Power Company	The same parent company	Sales	(1,109,176)	(73)	20 days	-	-	28,960	77	Note 2
	Taiwan Transport & Storage Corporation	The same parent company	Purchases	234,494	34	30 days	-	-	(19,216)	(87)	Note 2
Feng Sheng Enterprise Company Limited	Taiwan Cement Corporation	Parent company	Sales	(181,194)	(5)	30 days	-	-	22,418	100	Note 2
			Purchases	702,130	20	30 days	-	-	(172,148)	(100)	Note 2
Taiwan Transport & Storage Corporation	Taiwan Cement Corporation	Parent company	Sales	(656,554)	(47)	30 days	-	-	124,739	78	Note 2
	Hoping Industrial Port Corporation	The same parent company	Sales	(234,494)	(17)	30 days	-	-	19,216	12	Note 2
	Linyuan Advanced Materials Technology Co., Ltd.	Same key management personnel	Sales	(109,566)	(8)	30 days	-	-	11,182	7	
Ta-Ho Maritime Corporation	Taiwan Cement Corporation	Parent company	Freight revenue	(1,690,625)	(74)	30 days	-	-	305,087	100	Note 2
TCCIH	Taiwan Cement Corporation	Parent company	Service expense	447,099	82	By contract	-	-	(37,100)	(13)	Note 2
Ho Sheng Mining Co., Ltd.	Taiwan Cement Corporation	Parent company	Sales	(345,496)	(87)	30 days	-	-	98,543	94	Note 2
HPC Power Service Corporation	Ho-Ping Power Company	The same parent company	Sales	(545,642)	(100)	By contract	-	-	113,029	100	Note 2
TCC (Gui Gang) Cement Ltd.	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	1,674,366	38	By negotiation	-	-	-	-	Note 2
TCC Yingde Cement Co., Ltd.	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	3,613,351	37	By negotiation	-	-	(427,177)	(31)	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 (Hangzhou) Environmental Protection Technology Co., Ltd	TCC Yingde Cement Co., Ltd.	The same ultimate parent company	Sales	\$ (3,613,351)	(60)	By negotiation	\$ -	-	\$ 427,177	54	Note 2
	TCC (Gui Gang) Cement Ltd.	The same ultimate parent company	Sales	(1,674,366)	(28)	By negotiation	-	-	-	-	Note 2
	TCC Shaoguan Cement Co., Ltd.	The same ultimate parent company	Sales	(739,153)	(12)	By negotiation	-	-	124,875	16	Note 2
TCC Shaoguan Cement Co., Ltd.	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	The same ultimate parent company	Purchases	739,153	44	By negotiation	-	-	(124,875)	(2)	Note 2
HKCCL	Taiwan Cement Corporation	Parent company	Purchases	114,792	11	65 days counting from the completion of shipment	-	-	-	-	Note 2
	Quon Hing Concrete Co., Ltd.	Associate	Sales	(340,964)	(26)	By negotiation	-	-	87,461	29	
E.G.C. Cement Corporation	Taiwan Cement Corporation	Parent company	Purchases	721,508	100	50 days after the end of the day when delivery was made	-	-	(89,586)	(100)	Note 2
Jin Chang Minerals Corporation	Taiwan Cement Corporation	Parent company	Sales	(349,040)	(100)	30 days	-	-	83,350	100	Note 2
Kuan-Ho Refractories Industry Corporation	Taiwan Cement Corporation	Parent company	Sales	(221,415)	(22)	By contract	-	-	122,010	85	Note 2
E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd.	The same ultimate parent company	Sales	(1,053,079)	(19)	90 days	-	-	158,639	14	Note 2
	Molie Quantum Energy Corporation	The same ultimate parent company	Sales	(647,239)	(12)	90 days	-	-	171,733	16	Note 2
E-One Moli Energy (Canada) Ltd	E-One Moli Energy Corp.	The same ultimate parent company	Purchases	1,053,079	100	90 days	-	-	(158,639)	(51)	Note 2
NHOA ENERGY S.R.L.	TCC Energy Storage Technology Corporation	The same ultimate parent company	Sales	(1,192,820)	(26)	By negotiation	-	-	180,060	18	Note 2
	TCC Lien-Hsin Green Energy Corporation	The same ultimate parent company	Sales	(2,925,921)	(65)	By negotiation	-	-	85,073	8	Note 2
FREE2MOVE ESOLUTIONS NORTH AMERICA LLC	Zerova Technologies USA LLC	The Group acts as key management of its parent company	Purchases	1,071,738	95	By negotiation	-	-	-	-	
Molie Quantum Energy Corporation	E-One Moli Energy Corp.	The same ultimate parent company	Sales	647,239	49	90 days	-	-	(171,733)	(40)	Note 2

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

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

(Concluded)

TABLE 6

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE SHARE CAPITAL
DECEMBER 31, 2023
(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	\$ 172,148	3.8	\$ -	-	\$ 151,358	\$ -
	Chia Hsin Cement Corporation	Director	110,880	5.0	-	-	97,020	-
E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd. (Note)	The same ultimate parent company	158,639	2.9	-	-	72,302	-
	Molie Quantum Energy Corporation (Note)	The same ultimate parent company	171,733	7.5	-	-	112,091	-
HPC Power Service Corporation	Ho-Ping Power Company (Note)	The same parent company	113,029	6.8	69,526	Collection on 2024.2.29	43,503	-
Kuan-Ho Refractories Industry Corporation	Taiwan Cement Corporation (Note)	Parent company	122,010	2.5	-	-	71,099	-
Ta-Ho Maritime Corporation	Taiwan Cement Corporation (Note)	Parent company	305,087	3.9	-	-	186,726	-
Taiwan Transport & Storage Corporation	Taiwan Cement Corporation (Note)	Parent company	124,739	4.8	-	-	66,000	-
NHOA ENERGY S.R.L.	TCC Energy Storage Technology Corporation (Note)	The same ultimate parent company	180,060	13.2	-	-	180,060	-
TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC Yingde Cement Co., Ltd. (Note)	The same ultimate parent company	427,177	7.4	-	-	240,291	-
	TCC Shaoguan Cement Co., Ltd. (Note)	The same ultimate parent company	124,875	5.4	23,470	-	-	-

Note: All intercompany transactions have been eliminated upon consolidation.

TABLE 7

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares/Units	%	Carrying Amount			
Taiwan Cement Corporation	TCCI	British Virgin Islands	Investment holding	\$ 33,774,761	\$ 33,774,761	1,100,875,900	100.00	\$ 107,653,934	\$ (22,548)	\$ (22,548)	Note 1
	Ho-Ping Power Company	Taiwan	Thermal power generation	6,037,720	6,037,720	805,940,306	59.50	18,357,780	6,772,093	4,029,396	Note 1
	Hoping Industrial Port Corporation	Taiwan	Hoping Industrial Port management	3,198,500	3,198,500	319,990,000	100.00	5,671,039	613,173	613,154	Note 1
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	528,506	528,506	204,491,711	64.79	3,927,045	637,208	412,831	Note 1
	Taiwan Transport & Storage Corporation	Taiwan	Warehousing, transportation and sale of sand and gravel	91,703	91,703	52,410,366	83.88	2,426,867	231,721	194,363	Note 1
	TCC Investment Corporation	Taiwan	Investment	190,000	190,000	239,800,000	100.00	3,716,324	128,836	128,836	Note 1
	Ho Sheng Mining Co., Ltd.	Taiwan	Mining excavation and sale of limestone	1,414,358	1,414,358	30,100,000	100.00	1,286,053	6,653	6,653	Note 1
	CCC USA Corp.	U.S.A.	Rubber raw materials	1,284,421	1,284,421	79,166	33.33	1,850,128	(153,548)	(51,183)	
	Taiwan Cement Engineering Corporation	Taiwan	Engineering services	321,337	320,514	59,748,593	99.31	730,073	5,464	6,801	Note 1
	ONYX Ta-Ho Environmental Services Co., Ltd.	Taiwan	Waste collection and treatment	72,000	72,000	84,212,462	50.00	1,678,864	1,084,159	542,080	
	Kuan-Ho Refractories Industry Corporation	Taiwan	Production and sale of refractory materials	181,050	181,050	52,316,208	95.29	745,722	90,080	85,836	Note 1
	Feng Sheng Enterprise Company Limited	Taiwan	Sale of ready-mixed concrete	250,000	250,000	27,260,611	45.43	525,819	293,827	133,498	Note 1
	TCC Chemical Corporation	Taiwan	Leasing property and energy technology services	1,510,842	1,510,842	140,000,000	100.00	1,566,965	179,747	179,747	Note 1
	TCC Information Systems Corporation	Taiwan	Information software design	71,000	71,000	14,904,000	99.36	320,910	2,768	2,750	Note 1
	Ta-Ho RSEA Environment Co., Ltd.	Taiwan	Waste collection and treatment	466,200	666,000	19,980,000	66.60	342,638	185,341	123,437	Note 1
	HKCMCL	Hong Kong	Investment holding	72,005	72,005	38,094	84.65	656,357	95,870	81,158	Note 1
	TCC Green Energy Corporation	Taiwan	Renewable energy generation	13,446,046	13,446,046	1,350,898,696	100.00	13,659,764	171,499	171,499	Note 1
	Jin Chang Minerals Corporation	Taiwan	Afforestation and sale of limestone	108,042	108,042	9,100,000	100.00	277,635	51,852	51,852	Note 1
	HPC Power Service Corporation	Taiwan	Business consulting	1,861	1,861	6,000	60.00	257,313	215,437	129,262	Note 1
	E.G.C. Cement Corporation	Taiwan	Sale of cement	184,359	184,359	8,062,600	50.64	119,165	24,862	12,591	Note 1
	Synpac Ltd.	British Virgin Islands	Investment	70,367	70,367	2,700,000	25.00	7,220	676	169	
	Tung Chen Mineral Corporation	Taiwan	Afforestation and sale of limestone	-	1,989	-	-	-	(13)	(13)	In liquidation
	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	68,467,141	62,167,771	3,734,927,496	47.29	86,425,822	(1,483,780)	(674,675)	Note 1
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	3,563,397	3,563,397	153,476,855	15.59	5,660,538	(494,442)	(77,062)	
	TCC Dutch	Netherlands	Investment holding	40,565,030	40,565,030	1,179,219	82.51	42,363,100	1,909,575	1,165,320	Note 1
	TCC Recycle Energy Technology Company	Taiwan	Investment holding	10,461,612	10,431,652	1,044,430,628	36.71	9,990,692	(1,560,423)	(571,808)	Note 1
	TCC Sustainable Energy Investment Corporation	Taiwan	Investment holding	1,000	1,000	100,000	100.00	889	(10)	(10)	Note 1
	TCC Energy Storage Technology Corporation	Taiwan	Energy storage equipment manufacturing production and sales	2,506,000	2,506,000	250,600,000	100.00	2,131,700	63,914	(198,346)	Note 1
	Tuo Shan Recycle Technology Company	Taiwan	Waste collection and treatment	1,000	1,000	100,000	100.00	935	(9)	(9)	Note 1
Taiwan Transport & Storage Corporation	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	310,637	303,435	92,733,570	29.27	1,780,849	637,208	186,836	Note 1
	E.G.C. Cement Corporation	Taiwan	Sale of cement	136,476	136,476	7,857,400	49.36	145,513	24,796	12,271	Note 1
	Tai-Jie Transport & Storage Corporation	Taiwan	Transportation	25,000	25,000	2,500,000	100.00	32,704	3,509	3,509	Note 1
TCC Investment Corporation	Union Cement Traders Inc.	Taiwan	Import and export trading	219,450	219,450	40,200,000	100.00	1,262,048	2,009	2,009	Note 1
	Ho-Ping Power Company	Taiwan	Thermal power generation	68,911	68,911	6,772,608	0.50	150,820	6,772,093	33,881	Note 1
	Ta-Ho Maritime Corporation	Taiwan	Marine transportation	343	343	59,140	0.02	1,136	637,208	119	Note 1
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	388,079	388,079	22,008,505	2.23	805,345	(494,442)	(11,051)	
	TCC Recycle Energy Technology Company	Taiwan	Investment holding	312,833	312,833	31,859,829	1.12	210,030	(1,560,423)	(17,790)	Note 1
	D-concrete INC.,	Taiwan	Design and sales of cement and concrete products	2,450	-	245,000	49.00	2,426	(49)	(24)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares/Units	%	Carrying Amount			
Ta-Ho Maritime Corporation	Ta-Ho Maritime Holdings Ltd.	Samoa	Investment	\$ 2,129,164	\$ 2,129,164	74,300,000	100.00	\$ 7,516,494	\$ 350,046	\$ 350,046	Note 1
TCC Information Systems Corporation	Taicem Information (Samoa) Pte., Ltd. International CSRC Investment Holdings Co., Ltd.	Samoa	Investment	3,042	3,042	100,000	100.00	67,777	3,174	3,174	Note 1
		Taiwan	Investment	49,882	49,882	2,055,473	0.21	75,256	(494,442)	(1,032)	
Hoping Industrial Port Corporation	TCC Recycle Energy Technology Company	Taiwan	Investment holding	112,898	112,898	11,695,699	0.41	77,085	(1,560,423)	(6,531)	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	19,401	231,721	1,554	Note 1
	International CSRC Investment Holdings Co., Ltd.	Taiwan	Investment	281,806	281,806	11,463,551	1.16	419,709	(494,442)	(5,756)	
	TCC Recycle Energy Technology Company	Taiwan	Investment holding	298,046	298,046	30,702,994	1.08	202,403	(1,560,423)	(17,143)	Note 1
Ho-Ping Power Company	Ho-Ping Renewable Energy Company	Taiwan	Renewable energy generation	1,000	1,000	100,000	100.00	992	-	-	Note 1
TCC Green Energy Corporation	TCC Chia-Chien Green Energy Corporation	Taiwan	Renewable energy generation	3,202,000	3,202,000	320,200,000	100.00	3,227,048	102,216	102,216	Note 1
	TCC Yun-Kai Green Energy Corporation	Taiwan	Renewable energy generation	25,000	25,000	2,500,000	100.00	22,355	208	208	Note 1
	TCC Lien-Hsin Green Energy Corporation	Taiwan	Renewable energy generation	4,012,000	4,012,000	401,200,000	100.00	4,216,541	25,266	25,266	Note 1
	TCC Chang-Ho Green Energy Corporation	Taiwan	Renewable energy generation	2,456	2,456	245,635	100.00	2,323	(23)	(23)	Note 1
	TCC Kao Cheng Green Energy Corporation	Taiwan	Renewable energy generation	142,000	82,000	14,200,000	100.00	144,522	2,144	2,144	Note 1
	TCC Nan Chung Green Energy Corporation	Taiwan	Renewable energy generation	170,000	170,000	17,000,000	100.00	171,558	1,550	1,550	Note 1
	Chang-Wang Wind Power Co, Ltd.	Taiwan	Renewable energy generation	720,000	720,000	72,000,000	100.00	753,436	31,402	31,402	Note 1
	TCC Ping-Chih Green Energy Corporation	Taiwan	Renewable energy generation	2,000	2,000	200,000	100.00	1,827	(25)	(25)	Note 1
	Chia-Ho Green Energy Corporation	Taiwan	Renewable energy generation	3,145,000	3,145,000	314,500,000	85.00	3,124,055	18,200	15,470	Note 1
	TCC Tung-Li Green Energy Corporation	Taiwan	Renewable energy generation	270,000	270,000	27,000,000	100.00	201,701	(41,251)	(41,251)	Note 1
	SHI-MEN Green Energy Corporation	Taiwan	Renewable energy generation	20,000	-	1,020,000	51.00	10,162	(73)	(37)	Note 1
	HO-PING Ocean Renewable Resource Corporation	Taiwan	Renewable energy generation	30,000	-	3,000,000	100.00	29,945	(55)	(55)	Note 1
Ta-Ho Maritime Holdings Ltd.	THC International S.A.	Panama	Marine transportation	2,699,049	2,699,049	94,310,000	100.00	6,408,502	333,577	333,577	Note 1
	Ta-Ho Maritime (Hong Kong) Limited	Hong Kong	Marine transportation	141,168	141,168	5,100,000	100.00	1,022,200	14,176	14,176	Note 1
	Ta-Ho Maritime (Singapore) Pte. Ltd.	Singapore	Marine transportation	2,768	2,768	100,000	100.00	75,411	2,430	2,430	Note 1
TCC International Ltd. (Group)	Quon Hing Concrete Co., Ltd.	Hong Kong	Investment holding	157,899	157,899	100,000	50.00	337,886	250,108	125,054	
	Hong Kong Concrete Co., Ltd.	Hong Kong	Cement processing services	24,211	24,211	129,150	31.50	235,740	205,482	64,727	
	TCC Recycle Energy Technology Company	Taiwan	Investment holding	11,019,388	11,019,388	1,101,938,824	38.73	10,535,672	(1,560,423)	(604,370)	Note 1
	TCC Dutch	Netherlands	Investment holding	8,477,500	-	250,000	17.00	9,070,476	1,909,575	205,273	Note 1
TCC Recycle Energy Technology Company	E-One Moli Energy Corp.	Taiwan	Manufacturing and sales of lithium battery	27,683,427	27,683,427	2,766,310,703	100.00	25,596,569	(1,562,757)	(1,562,757)	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	458,140	(90,488)	(90,488)	Note 1
	Molie Quantum Energy Corporation	Taiwan	Manufacturing and sales of batteries, power generation machinery, electronic components	22,001,000	22,001,000	2,200,100,000	100.00	21,346,353	(477,770)	(477,770)	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	458,119	(90,474)	(90,474)	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	557,241	(90,490)	(90,490)	Note 1
E-One Moli Energy (Canada) Ltd.	E-One Moli Quantum Energy (Canada) Ltd.	Canada	Manufacturing of lithium battery	2,321	-	100	100.00	2,320	-	-	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Shares/Units	%	Carrying Amount			
TCC Energy Storage Technology Corporation	Energy Helper TCC Corporation	Taiwan	Renewable energy retail and energy technology services	\$ 10,000	\$ 10,000	1,000,000	100.00	\$ 17,650	\$ 8,051	\$ 8,051	Note 1
TCC Dutch	Cimpor Global Holdings B.V.	Netherlands	Investment holding	26,255,753	26,255,753	100,000	40.00	35,716,009	8,900,743	3,560,296	Note 1
	TCEH	Netherlands	Investment holding	19,105,383	10,627,883	430,001,000	100.00	16,794,149	(979,467)	(979,467)	
TCEH	NHOA S.A.	France	Investment holding	15,222,396	7,595,278	241,557,486	87.78	12,789,693	(1,431,010)	(1,080,001)	Note 1
NHOA S.A.	NHOA ENERGY S.R.L.	Italy	Renewable energy and energy storage system construction	-	1,963,292	-	-	-	(151,296)	(151,296)	Notes 1 and 2
	ELECTRO POWER SYSTEM MANUFACTURING	Italy	Renewable energy and energy storage system construction	664,059	664,059	1,004,255	100.00	234,378	(1,729)	(1,729)	Note 1
	Comores Énergie Nouvelles S.A.R.L.	Union of the Comoros	Renewable energy and energy storage system construction	-	18,719	-	-	-	(18,442)	(18,442)	Notes 1 and 2
	NHOA CALLIOPE S.R.L.	Italy	Investment holding	-	420,706	-	-	-	(298,546)	(298,546)	Note 1
	NHOA CORPORATE S.R.L.	Italy	Investment holding	9,125,148	671,676	12,000,000	100.00	8,647,339	(837,146)	(837,146)	Note 1
NHOA CORPORATE S.R.L.	FREE2MOVE ESOLUTIONS S.P.A.	Italy	Electric vehicle charging equipment	528,255	528,255	16,344,531	49.90	57,276	(220,785)	(110,172)	Note 1
	NHOA ENERGY S.R.L.	Italy	Renewable energy and energy storage system construction	3,832,192	-	-	100.00	3,324,434	(151,296)	-	Notes 1 and 2
NHOA ENERGY S.R.L.	NHOA AMERICAS LLC	U.S.A.	Renewable energy and energy storage system construction	274	274	10,000	100.00	(64,829)	(61,458)	(61,458)	Note 1
	NHOA AUSTRALIA PTY LTD	Australia	Renewable energy and energy storage system construction	505,225	505,225	25,210,000	100.00	519,076	23,355	23,355	Note 1
	NHOA LATAM S.A.C.	Peru	Renewable energy and energy storage system construction	23	23	2,700	90.00	(39,459)	(34,990)	(31,491)	Note 1
	NHOA Taiwan Ltd.	Taiwan	Renewable energy and energy storage system construction	8,288	-	250,000	100.00	(20,543)	(20,724)	(20,724)	Note 1
	NHOA UK LTD	UK	Renewable energy and energy storage system construction	3,315	-	100,000	100.00	(14,199)	(20,791)	(20,791)	Note 1
	Comores Énergie Nouvelles S.A.R.L.	Union of the Comoros	Independent power plants	18,719	-	100	100.00	(6,433)	-	-	Notes 1 and 2
NHOA AMERICAS LLC	NHOA LATAM S.A.C.	Peru	Renewable energy and energy storage system construction	3	3	300	10.00	(3,946)	(34,990)	(3,499)	Note 1
NHOA CORPORATE S.R.L.	ATLANTE S.R.L.	Italy	Renewable energy and charging equipment	6,672,736	896,136	12,000,000	100.00	5,057,115	(919,685)	(621,139)	Note 1
ATLANTE S.R.L.	ATLANTE IBERIA S.L.	Spain	Renewable energy and charging equipment	128	128	4,000	100.00	126,230	(113,807)	(113,807)	Note 1
	ATLANTE FRANCE S.A.S.	France	Renewable energy and charging equipment	1,001,686	3,192	29,500,000	100.00	720,264	(201,162)	(201,162)	Note 1
	ATLANTE INFRA PORTUGAL S.A.	Portugal	Renewable energy and charging equipment	174,326	-	84,000	60.00	11,611	(27,391)	(16,435)	Note 1
	ATLANTE ITALIA S.R.L	Italy	Renewable energy and charging equipment	158,738	-	-	100.00	831,090	(57,550)	(57,550)	Note 1
	ALPIS S.A.S.	France	Renewable energy and charging equipment	3	-	-	100.00	3	-	-	Note 1
ATLANTE IBERIA S.L.	ATLANTE Fast Charging Portugal LDA	Portugal	Renewable energy and charging equipment	131	131	1,000	100.00	(1,545)	(6,639)	(6,639)	Note 1
FREE2MOVE ESOLUTIONS S.P.A.	FREE2MOVE ESOLUTIONS FRANCE S.A.S.	France	Electric vehicle charging equipment	1,553	1,553	100,000	100.00	(18,241)	(15,312)	(15,312)	Note 1
	FREE2MOVE ESOLUTIONS SPAIN S.L.U.	Spain	Electric vehicle charging equipment	3,126	3,126	100,000	100.00	(11,153)	(7,866)	(7,866)	Note 1
	FREE2MOVE ESOLUTIONS NORTH AMERICA LLC	U.S.A.	Electric vehicle charging equipment	3,071	3,071	100,000	100.00	353,564	409,802	409,802	Note 1
	FREE2MOVE ESOLUTIONS UK LTD	UK	Electric vehicle charging equipment	3,709	3,709	100,000	100.00	-	914	914	Note 1

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

Note 2: Due to the change in the Group's strategic development and operating arrangements, the Consolidated Corporation proceeded with an organizational restructuring by transferring the equity interests of NHOA ENERGY S.R.L. and Comores Energie Nouvelles S.A.R.L. held by NHOA S.A. to NHOA CORPORATE S.R.L. and NHOA ENERGY S.R.L., respectively, in 2023.

(Concluded)

TABLE 8

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(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, 2023 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 (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, 2023 (Note 3)	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outflow	Inflow							
TCC Fuzhou Cement Co., Ltd.	Manufacturing and sale of cement	\$ 498,956	(b)	\$ 281,910	\$ -	\$ -	\$ 281,910	\$ (100,127)	100.00	\$ (100,127)	\$ 566,037	\$ -	Note 6
TCC Fuzhou Yangyu Port Co., Ltd.	Service of port facility	153,525	(b)	86,742	-	-	86,742	6,148	100.00	6,148	227,188	-	Note 6
TCC Liuzhou Construction Materials Company Limited	Manufacturing and sale of slag powder	414,518	(b)	99,484	-	-	99,484	(13,646)	42.00	(5,731)	341,032	-	Note 6
TCC Yingde Cement Co., Ltd.	Manufacturing and sale of cement	7,811,352	(b)	4,880,898	-	-	4,880,898	511,570	100.00	511,570	25,895,354	-	Note 6
Jurong TCC Cement Co., Ltd.	Manufacturing and sale of cement	7,154,265	(b)	4,175,726	-	-	4,175,726	(84,380)	100.00	(84,380)	17,721,737	-	Note 6
TCC (Gui Gang) Cement Ltd.	Manufacturing and sale of cement	10,220,955	(b)	7,310,857	-	-	7,310,857	(1,432,115)	100.00	(1,432,115)	21,314,942	-	Note 6
Jiangsu TCC Investment Co., Ltd.	Investment holding	1,535,250	(b)	867,416	-	-	867,416	(59,899)	100.00	(59,899)	3,945,839	-	Note 6
Yingde Dragon Mountain Cement Co., Ltd.	Manufacturing and sale of cement	1,852,432	(b)	3,335,580	-	-	3,335,580	406,875	100.00	406,875	15,883,173	-	Note 6
TCC Liaoning Cement Company Limited	Manufacturing and sale of cement	1,605,317	(b)	1,368,875	-	-	1,368,875	(44,728)	100.00	(44,728)	1,717,422	-	Note 6
TCC Anshun Cement Company Limited	Manufacturing and sale of cement	4,712,910	(b)	3,433,617	-	-	3,433,617	(1,923)	100.00	(1,923)	7,198,423	-	Note 6
TCC Chongqing Cement Company Limited	Manufacturing and sale of cement	3,623,190	(b)	2,619,792	-	-	2,619,792	106,003	100.00	106,003	9,613,022	-	Note 6
Guangan Changxing Cement Company Ltd.	Manufacturing and sale of cement	2,363,978	(b)	1,716,267	-	-	1,716,267	242,291	100.00	242,291	6,387,214	-	Note 6
TCC (Dong Guan) Cement Company Ltd.	Manufacturing and sale of cement	614,100	(b)	346,967	-	-	346,967	43	100.00	43	-	-	Note 6
Guizhou Kong On Cement Company Limited	Manufacturing and sale of cement	623,312	(b)	280,956	-	-	280,956	(187,272)	65.00	(121,727)	222,722	-	Note 6
TCC New (Hangzhou) Management Company Limited	Operation management	245,640	(b)	138,787	-	-	138,787	(17,959)	100.00	(17,959)	122,729	-	Note 6
Guizhou Kaili Rui An Jian Cai Co., Ltd.	Manufacturing and sale of cement	1,686,061	(b)	1,098,453	-	-	1,098,453	(224,784)	100.00	(224,784)	3,396,193	-	Note 6
TCC Shaoguan Cement Co., Ltd.	Manufacturing and sale of cement	2,121,716	(b)	1,988,149	-	-	1,988,149	(168,828)	100.00	(168,828)	1,380,869	-	Note 6
TCC Huaying Cement Company Limited	Manufacturing and sale of cement	4,110,131	(b)	3,145,730	-	-	3,145,730	(457,171)	100.00	(457,171)	2,810,014	-	Note 6
TCC Huaihua Cement Company Limited (Note 4)	Manufacturing and sale of cement	1,298,100	(b)	5,758,548	-	-	5,758,548	(696,105)	100.00	(696,105)	3,801,631	-	Note 6
TCC Jingzhou Cement Company Limited (Note 4)	Manufacturing and sale of cement	649,050	(b)	-	-	-	-	(192,431)	100.00	(192,431)	1,920,403	-	Note 6
TCC Huaihua Concrete Company Limited (Note 4)	Sale of ready-mixed concrete	43,270	(b)	-	-	-	-	(74,863)	100.00	(74,863)	(55,466)	-	Note 6
TCC Jiangsu Mining Industrial Company Limited	Mining excavation	122,820	(b)	384,024	-	-	384,024	44,025	100.00	44,025	436,468	-	Note 6
TCC Yingde Mining Industrial Company Limited	Mining excavation	353,108	(b)	277,809	-	-	277,809	3,082	100.00	3,082	356,560	-	Note 6
TCC Guigang Mining Industrial Company Limited	Mining excavation	153,525	(b)	132,604	-	-	132,604	5,424	100.00	5,424	395,318	-	Note 6
Scitus Naxi Cement Co., Ltd.	Manufacturing and sale of cement	633,949	(b)	-	-	-	-	(713,910)	100.00	(713,910)	(227,189)	-	Note 6
Scitus Luzhou Cement Co., Ltd.	Manufacturing and sale of cement	1,709,165	(b)	-	-	-	-	38,103	100.00	38,103	3,537,847	-	Note 6
Scitus Hejiang Cement Co., Ltd.	Manufacturing and sale of cement	100,603	(b)	-	-	-	-	(1,301)	100.00	(1,301)	7,396	-	Note 6
Scitus Luzhou Concrete Co., Ltd.	Sale of ready-mixed concrete	108,175	(b)	-	-	-	-	(56,118)	100.00	(56,118)	24,764	-	Note 6
Anshun Xin Tai Construction Materials Company Limited	Filtering of sand and gravel and sale of ready-mixed concrete	64,905	(b)	93,628	-	-	93,628	(4,856)	100.00	(4,856)	50,394	-	Note 6
Fuzhou TCC Information Technology Co., Ltd. (Note 5)	Software product and equipment maintenance	3,071	(b)	3,071	-	-	3,071	3,173	100.00	3,173	29,675	39,372	Note 6
Da Tong (Guigang) International Logistics Co., Ltd. (Note 5)	Logistics and transportation	153,525	(b)	-	-	-	-	14,456	100.00	14,456	1,006,510	-	Note 6
Da Tong (Ying De) Logistics Co., Ltd. (Note 5)	Logistics and transportation	21,635	(b)	-	-	-	-	4,014	100.00	4,014	-	-	Note 6
Guigang Da-Ho Shipping Co., Ltd. (Note 5)	Marine transportation	17,308	(b)	-	-	-	-	11,276	100.00	11,276	575,378	-	Note 6
Prosperity Conch Cement Company Limited	Manufacturing and sale of cement	2,509,660	(b)	2,243,014	-	-	2,243,014	1,304,370	25.00	326,093	7,503,277	-	
Yunnan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	3,569,775	(b)	1,462,347	-	-	1,462,347	(111,069)	30.00	(33,321)	1,449,160	-	Note 3
Baoshan Kungang & K. Wah Cement Construction Materials Co., Ltd.	Manufacturing and sale of cement	1,785,234	(b)	708,135	-	-	708,135	180,672	30.00	54,201	805,971	-	Note 3
Sichuan Taichang Building Material Group Company Limited	Manufacturing and sale of cement	865,400	(b)	353,990	-	-	353,990	106,178	30.00	31,854	582,526	-	
Yingjing Xinan New material Co., Ltd.	Manufacturing and sale of cement	86,540	(b)	-	-	-	-	-	30.00	-	(165,570)	-	
Guangan Xin Tai Construction Materials Company Limited	Manufacturing and sale of concrete aggregate	67,069	(b)	48,327	-	-	48,327	-	50.00	-	-	-	
Guigang TCC Dong Yuan Environmental Technology Company Limited	Dangerous waste treatment	865,400	(b)	506,259	-	-	506,259	(11,753)	100.00	(11,753)	983,748	-	Note 6
Beijing TCC Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	25,962	(b)	25,962	-	-	25,962	(29,595)	100.00	(29,595)	(132,997)	-	Note 6
TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	Recycle resource technology development, business management and sales	12,072,330	(b)	7,312,630	4,753,700	-	12,066,330	9,435	100.00	9,435	11,334,054	-	Note 6
Kaili TCC Environment Technology Co., Ltd.	Waste collection and treatment	207,696	(b)	12,981	-	-	12,981	19,357	100.00	19,357	120,464	-	Note 6
TCC Jiuyuan (Xuyong) Environmental Technology Co., Ltd.	Technology development, enterprise management and sales	17,308	(b)	9,519	-	-	9,519	132	30.00	40	5,225	-	

(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, 2023 (Note 2)	Investment Flow (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023 (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, 2023 (Note 3)	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outflow	Inflow							
Guangan TCC Jiuyuan Environmental Protection Technology Co., Ltd.	Technology development, enterprise management and sales	\$ 129,810	(b)	\$ -	\$ -	\$ -	\$ -	\$ 3,600	70.00	\$ 2,520	\$ 91,537	\$ -	Note 6
TCC (Hangzhou) Recycle Resource Technology Limited	Resource recycling technology development, business management and sales	2,423,120	(b)	-	-	-	-	39,258	100.00	39,258	2,519,636	-	
Guigang Conch-TCC New Material Technology Co., Ltd	Technology development and service, manufacturing and sale of dedicated chemical production	103,848	(b)	-	-	-	-	221,755	40.00	88,702	175,975	-	
Jurong TCC Environmental Co., Ltd.	Dangerous waste treatment	1,116,150	(b)	-	472,605	-	472,605	21,480	100.00	21,480	1,138,238	-	Note 6
Jin Yu TCC (Dai Xian) Environmental Protection Technology Co., Ltd.	Manufacturing and sale of cement, technology development, enterprise management and sales	1,730,800	(b)	-	-	-	-	(124,311)	40.00	(49,724)	543,551	-	
TCC Yongren (Hangzhou) Renewable Resources Technology Co., Ltd.	Resource reusing technology and development, solid waste treatment, biomass fuel processing and sales	51,924	(b)	-	-	-	-	(64)	100.00	(64)	61,186	-	Note 6
TCC Yongren (Hangzhou) Renewable Resources Development Co., Ltd.	Resource regeneration technology research and development, solid waste treatment, biomass fuel processing and sales	25,962	(b)	-	-	-	-	(15,578)	100.00	(15,578)	(23,265)	-	Note 6
TCC Yongren (Hangzhou) Environmental Protection Technology Co., Ltd.	Resource recycling technology consultation, biomass energy technology and fuel sales, solid waste treatment	4,327	(b)	-	-	-	-	(400)	100.00	(400)	3,865	-	Note 6
TCC Yongren (Hangzhou) Environmental Technology Co., Ltd.	Resource recycling technology consultation, solid waste treatment, biomass fuel sales	4,327	(b)	-	-	-	-	10	100.00	10	4,331	-	Note 6
TCC (Shaoguan) Environment Technology Co., Ltd.	Biomass fuel processing and sales, solid waste treatment, urban and kitchen waste treatment	4,327	(b)	-	-	-	-	-	100.00	-	4,334	-	Note 6
TCC Zhongrun (Anshun) Environmental Technology Co., Ltd.	Co-processing fly ash disposal and domestic waste fly ash in Cement Kiln	103,848	(b)	-	-	-	-	-	65.00	-	67,422	-	Note 6
TCC Zhihe (Hangzhou) Environmental Protection Co., Ltd.	Resource recycling, environmental protection, solid waste treatment, business management and sales related businesses	177,407	(b)	-	-	-	-	4,315	100.00	4,315	104,726	-	
TCC (Guangdong) Renewable Resources Technology Company Limited	Resource recycling research and experimental development, sales of renewable resources, technical services and business management	21,635	(b)	-	-	-	-	(15,897)	100.00	(15,897)	(27,983)	-	Note 6
Jiangsu Environmental Resources Tcc Solid Waste Disposal Co., Ltd.	Municipal solid waste operating services, various engineering construction activities and hazardous waste management	25,962	(b)	-	-	-	-	3,891	49.00	1,907	14,577	-	Note 6
123 (Guangdong) Environmental Protection Technology Co., Ltd.	Environmental protection material processing, manufacturing, production and operation and related services	25,962	(b)	-	-	-	-	(13,935)	100.00	(13,935)	(19,575)	-	
Chongqing Xuanjie Taini Environmental Protection Technology Co., Ltd.	Biomass fuel processing and sales, processing and sales of renewable resources, etc.	51,924	(b)	-	-	-	-	(304)	49.00	(149)	25,267	-	
TCC Zhongxin (Anshun) Renewable Resources Technology Company Limited	Crop straw treatment and processing and utilization services	25,962	(b)	-	-	-	-	-	51.00	-	13,225	-	Note 6

Accumulated Investment in Mainland China as of December 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$90,025,247	\$90,717,335	(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. and Baoshan Kungang & K. Wah Cement Construction Materials 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, 2023, 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.

(Continued)

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 2023 stating that the Corporation is not limited by the restriction on the accumulated percentage or amount of investment in mainland China.

B. Refer to Tables 1, 2, 5, 6 and 9 for the information about significant transactions with investees in the mainland China either directly or indirectly through a third area.

(Concluded)

TABLE 9

TAIWAN CEMENT CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(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 Limited	1	Operating revenue	\$ 702,130	65 days	0.6
				Operating costs and expenses	181,194	30 days	0.2
				Accounts receivable from related parties	172,148	65 days	-
		Taiwan Transport & Storage Corporation	1	Operating costs and expenses	656,554	30 days	0.6
				Accounts payable to related parties	124,739	30 days	-
				Operating costs and expenses	351,169	20 days	0.3
		Ho Sheng Mining Co., Ltd.	1	Operating costs and expenses	345,496	30 days	0.3
		Jin Chang Minerals Corporation	1	Operating costs and expenses	349,040	30 days	0.3
		Kuan-Ho Refractories Industry Corporation	1	Operating costs and expenses	221,415	By contract	0.2
				Accounts payable to related parties	122,010	By contract	-
		TCCIH	1	Operating revenue	447,099	By contract	0.4
		HKCCL	1	Operating revenue	114,792	65 days after the end of the day when shipment was made	0.1
		Ta-Ho Maritime Corporation	1	Operating costs and expenses	1,690,127	30 days	1.5
				Accounts payable to related parties	305,087	30 days	0.1
1	Ho-Ping Power Company	Hoping Industrial Port Corporation HPC Power Service Corporation	3	Operating costs and expenses	1,109,176	20 days	1.0
			3	Operating costs and expenses	545,642	By contract	0.5
				Accounts payable to related parties	113,029	By contract	-
2	Taiwan Transport & Storage Corporation	Hoping Industrial Port Corporation	3	Operating revenue	234,494	30 days	0.2
3	E-One Moli Energy Corp.	E-One Moli Energy (Canada) Ltd.	3	Operating revenue	1,053,079	90 days	1.0
				Accounts receivable from related parties	158,639	90 days	-
		Molie Quantum Energy Corporation	3	Operating revenue	647,239	90 days	0.6
				Accounts receivable from related parties	171,733	90 days	-
4	Molie Quantum Energy Corporation	Taiwan Cement Corporation	2	Lease liabilities - non-current	1,109,769	By negotiation	0.2

(Continued)

No.	Investee Company	Counterparty	Relationship (Note 1)	Transactions Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
5	NHOA ENERGY S.R.L.	TCC Lien-Hsin Green Energy Corporation TCC Energy Storage Technology Corporation	3 3	Operating revenue	\$ 2,925,921	By negotiation	2.7
				Operating revenue	1,192,820	By negotiation	1.1
				Accounts receivable from related parties	180,060	By negotiation	-
6	TCC (Hangzhou) Environmental Protection Technology Co., Ltd.	TCC Yingde Cement Co., Ltd.	3	Operating revenue	3,613,351	By negotiation	3.3
				Accounts receivable from related parties	427,177	By negotiation	0.1
		TCC (Gui Gang) Cement Ltd. TCC Shaoguan Cement Co., Limited	3 3	Operating revenue	1,674,366	By negotiation	1.5
				Operating revenue	739,153	By negotiation	0.7
				Accounts receivable from related parties	124,875	By negotiation	-
7	TCC Lien-Hsin Green Energy Corporation	NHOA ENERGY S.R.L.	3	Property, plant and equipment - property in construction	2,619,503	By contract	0.6
		TCC Energy Storage Technology Corporation	3	Property, plant and equipment - property in construction	265,000	By contract	0.1
8	TCC Energy Storage Technology Corporation	NHOA ENERGY S.R.L.	3	Property, plant and equipment - property in construction	1,037,542	By contract	0.2
9	TCC Green Energy Corporation	TCC Energy Storage Technology Corporation	3	Property, plant and equipment - property in construction	146,675	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)