Stock Code 6869

J&V Energy Technology Co., Ltd.

Annual Report 2024 General Meeting

Printed on May 31, 2024

Annual Report Inquiry Website:
Market Observation Post System: http://mops.twse.com.tw

The Company’s website:
https://www.jv-holding.com

I. Name, title, contact number and email address of the spokesperson and deputy spokesperson

Spokesperson	Deputy Spokesperson
Name: Zhang, Jian-Wei	Name: Wang, Wen-Xuan
Title: Chief Sustainability Officer	Title: Investor Relations Manager
Contact No.: (02)2657-0355	Contact No.: (02)2657-0355
Email: spokesperson@jv-holding.com	Email: spokesperson@jv-holding.com

II. Address and phone number of J&V Energy Technology Co., Ltd.

Address: 4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City

Phone Number: (02)2657-0355

III. Name, address, website and phone number of the stock transfer agent

Name: Stock Affairs Agency Department, Fubon Securities Co., Ltd.

Address: 11F., No. 17, Xuchang St., Zhongzheng Dist., Taipei City, Taiwan (R.O.C.)

Website: https://www.fbs.com.tw/

Phone Number: (02)2361-1300

IV. Name of the CPA certificating the latest financial report, and the name, address, website and phone number of its accounting firm

CPA: Lin, Ya-Hui and Hsu, Sheng-Chung

Name of the accounting firm: PwC Taiwan

Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City, Taiwan (R.O.C.)

Website: https://www.pwc.tw/

Phone Number: (02)2729-6666

V. Name of the exchange where the overseas securities are listed and the method to inquire about the information of the said overseas securities: Not applicable.

VI. Company Website: http://www.jv-holding.com

J&V Energy Technology Co., Ltd.
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Chapter 1　Letter to Shareholders

Dear Shareholders,

The most recent 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 28) was held in Dubai, during which it was decided that globally, renewable energy must grow by 200%, and energy efficiency must double by 2030. This serves as a crucial indicator for the low-carbon transformation of the global energy system.

The International Energy Agency (IEA) predicted that by 2025, renewable energy will surpass coal within three years, becoming the primary source of electricity around the globe. Additionally, the International Renewable Energy Agency (IRENA) stated, annual additions of renewable energy capacity need to triple by 2030 to effectively mitigate the impacts of climate change.

Taiwan's energy transition is akin to boarding the high-speed railroad, actively developing green energy, reducing coal usage, and moving away from nuclear power. Under policy initiatives, in the year 2023, the Company achieved fruitful results. Progressing in the capital market, we transitioned from the Emerging Stock Market company to a listed company and, we were listed on the Innovation Board on March 14, 2023. On solar photovoltaic strategic layout, we invested in and constructed Taiwan's largest 128MW fishery-solar symbiotic field, which has already been connected to the grid for power generation, with fishing yields exceeding expectations. This project also achieved the goal of "solar and storage integration". Together with our subsidiary, TPE Energy Inc. ("**TPE ENERGY**"), we won the first batch of energy storage system combined with solar photovoltaic installation projects issued by the Ministry of Economic Affairs' Energy Bureau, planning to install a 6.2MW/22MWh energy storage system, becoming Taiwan's first completed solar-storage project. Meanwhile, to meet the demand of the electricity market, we accelerated the layout of energy storage and green energy trading businesses, strengthening the one-stop service of "generation, storage, and green energy trading", all of which saw breakthrough growth in 2023. Additionally, we continue to expand the scale of water treatment operations, develop various circular economy businesses, and form alliances with outstanding partners in various fields, aiming to become the "Berkshire Hathaway of the green energy industry".

In 2023, on the first anniversary of our listing on the Taiwan Innovation Board, we applied to transfer to the main board. On April 17, we became the first company to receive approval from the Taiwan Stock Exchange. We intend to complete the transition to the main board in Q2, and to become the first enterprise in Taiwan to transition from the Innovation Board to being listed on the main board.

I. Annual Operating Performance in 2023

1. Operating Report: The integration of renewable energy has boosted the Company's profitability, resulting in doubled tax-adjusted net profit .

Unit: NT$ Thousand	2023	2022	Annual Growth Rate
Consolidated Revenue	$ 6,783,555	$6,300,762	7.7%
Consolidated Gross Profit	1,272,300	1,306,509	(2.6%)
Operating Expense	440,500	430,438	2.3%
Operating Income	831,800	876,071	(5.1%)
Non-operating Income	383,686	(219,273)	275.0%
Consolidated Net Income	1,016,456	471,164	115.7%
Earnings Per Share (NT$)	8.77	4.03	117.6%
Share capital (shares)	1,162,091	1,127,091	
Gross profit margin (%)	19%	21%	
Operating margin (%)	15%	7%	

In 2023, the Company continued to strengthen its integrated renewable energy services brand. With the benefits of integration, operating income reached a record high of NT$6.783 billion, an increase of 7.7% year-on-year. The growth was primarily driven by engineering revenue from energy storage and solar photovoltaic projects, as well as revenue from power generation and green energy trading from previously held power plants. Gross profit was NT$1.272 billion, a decrease of 2.6% year-on-year, mainly due to project-related gross profit. Operating profit was NT$832 million, a decrease of 5.1% year-on-year. Non-operating income and expenses were NT$383 million, an increase of 275% year-on-year, primarily due to gains from financial assets measured at fair value through profit or loss and gains from disposal of investments. Consolidated net profit after tax was NT$1.016 billion, an increase of 115.7% year-on-year, with earnings per share of NT$8.77.

2. Execution of the budget:

According to "Regulations Governing the Publication of Financial Forecasts of Public Companies", since there is no requirement for the Company to disclose the 2023 financial forecast, there is no information on the budget execution for 2023.

II. Operational Outlook in 2024: Establishing a comprehensive layout of green and low-carbon projects, transforming into a sustainable investment company committed to circular economy principles.

According to statistics from the Energy and Climate Intelligence Unit (ECIU), there are currently 137 countries worldwide that have set net zero emissions targets, with over 90% committing to achieve them by 2050. This represents approximately 73% of global emissions. Taiwan is not falling behind in this net zero race. The "Taiwan 2050 Net Zero Emissions Pathway and Strategy" mentioned that sustainable energy will be the focus of the next stage, including the integration of forward-looking technologies such as grid system integration, energy storage, hydrogen energy, low-carbon solutions, circular economy principles, and carbon negative. Seizing the opportunity, the Company has repositioned its corporate brand from a renewable energy integration service provider to a sustainable investment company dedicated to the circular economy. We have comprehensively laid out green and low-carbon projects to build a sustainable low-carbon home.

Looking ahead to 2024, the Company holds an optimistic outlook for various business sectors, with energy storage, solar photovoltaics, and water treatment being the main drivers of revenue growth. In terms of business segments, our solar photovoltaic development currently has an installed capacity of 600MW. In addition to ongoing investment in new projects, we will acquire high-quality solar photovoltaic projects to enhance our solar photovoltaic assets. In energy storage, two of Taiwan's largest single projects (100MW each) will be completed successively, with a total installed capacity of 200MW. Upon completion, these projects will account for 20% of Taiwan's grid-connected energy storage market in 2025, with the total project cost of nearly 10 billion. On water treatment, the Company's awarded project has increased significantly in terms of tender value, ever since acquiring Weisheng Envirotech Co., Ltd. ("WEISHENG ") in 2021. Major projects include the construction of wastewater treatment plants and pipeline networks, as well as the tap water storage and booster station, on the west side of Taoyuan Airport, with the contract value of NT$2.65 billion. Additionally, we have secured contracts for the 7th operation maintenance, and equipment renewal of the Dihua Wastewater Treatment Plant, with a total contract value of NT$3.6 billion for three phases. The Taipei city Binjiang Water Resources Reclamation Center Construction Package project, including construction and expanded proxy operation, has a total contract value of NT$9.888 billion, which will contribute to stable revenue growth for the Company.

Green energy trading is particularly promising. Our subsidiary, GREENET CO., LTD. ("GREENET"), has been signing power purchase agreements with domestic and international companies since 2021. According to statistics from the National Renewable Energy Certificates Center, GREENET ranks first in the number of green certificates issued for solar photovoltaic power generation from January to April this year, with a market share of 26.44%, making it the leading power seller domestically. Especially noteworthy is that J&V Energy possesses not only solar and wind power assets but also energy storage facilities. Moreover, we continue to develop other renewable energy sources and collaborate with other power generation companies to provide high-quality and stable power supply and more reasonable electricity prices to green energy consumers.

III. Development Strategies in the Future

J&V Energy is optimistic about the significant demand for global net zero emissions and sustainable energy over the next decade. In addition to developing green energy, energy storage, and green energy trading, we are investing in biomass power plants to generate electricity from agricultural residues while refining carbon capture for reuse. To reduce carbon emissions from transportation, we are developing electric bicycles. We are also tackling plastic waste by producing 100% recycled plastic bags. Furthermore, we are breeding black soldier flies to decompose kitchen waste, utilizing biological decomposition to address the issue of kitchen waste. These investments will transform J&V Energy into a sustainable investment company committed to the circular economy.

In 2024, the Company expanded into overseas markets, focusing on key countries in Southeast Asia such as Vietnam, the Philippines, Thailand, and Indonesia, where Taiwanese investment and development are concentrated. Targeting Taiwanese factories established locally, we are investing in and constructing solar photovoltaic projects. Through collaboration with Taiwanese businesses, we swiftly grasp local ecology and regulatory constraints to make the most accurate investment decisions. We anticipate contributing revenue starting this year and foresee robust growth in the overseas renewable energy market within the next three to five years, aiming to maximize benefits for all shareholders.

IV. The Impact on The External Competitive, Regulatory, and Macro-operating Environment

The Company embodies the cooperative spirit of "Berkshire Hathaway of the green energy industry," combining strengths in development, fundraising, technical expertise, construction, operation and maintenance. We are fully committed to enhancing corporate ESG (Environmental, Social, and Governance) standards, increasing Taiwan's green energy supply, and promoting resource sustainability to create a low-carbon sustainable living environment. All employees at J&V Energy are dedicated to environmental sustainability, fostering collaboration among customers, suppliers, and partners to collectively achieve the important goal of net zero emissions.

Chairman:	Manager:	Accounting Supervisor:
Liao Fu-Sen	Chao Shu-Min	Huang Chih-Ying

Chapter 2 Company Profile

I. Date of Incorporation

February 15, 2016.

II. History of the Company

Timeline	Milestones
2016	1. J&V Holding Company Ltd. was officially established in February and changed its name and corporation type to J&V Energy Technology Co., Ltd. in May. The Company was dedicated to the investment in solar energy plants. 2. The Company is the first solar energy business to obtain a miscellaneous permit in the land subsidence area and is the first grid connection case. 3. The solar energy project in Taixi Township, Yunlin County, Taiwan’s largest land subsidence area was successfully connected to the grid (the “Taixi Project”). 4. The project in Su’ao Township, Yilan County, to utilize the First Solar high-efficiency modules on the largest membrane roof structures in Asia and successfully connect to the solar grid (“Su’ao Project”).
2017	1. The successful project to connect to the solar grid on the rooftop of the Legislative Yuan, and the Legislative Yuan becomes the third green congress in the world. 2. The Taixi Project won “The Quality Award for Public Construction” and “Special Award of the General Assembly & Special Award for Green Energy” of the 18th National Golden Award for Architecture (“NCGA”).
2018	1. The successful project to connect to the solar grid on Warehouse No.4 at Su’ao Port assisted Su’ao Port in obtaining recognition as an international green port. 2. Achieved Taiwan’s largest floating PV system tender for the Chiayi Xinwen detention basin. 3. Signed a solar cooperation agreement with BlackRock Real Assets (“BlackRock”) with a total capacity of 70MW. 4. The first company to donate the power supply revenue, from the Grid-connected of Taichung Landfill ground–mounted PV Systems on the Taichung Wenshan’s burial sites to charitable activities.

Timeline	Milestones
2018	5. Grid-connected of Kaohsiung Yongan detention basin, Kaohsiung Xiashe Bei, and Kaohsiung Sanye Bei floating PV system. 6. The Su'ao Project won the "Quality Award for Public Construction" of the 19th NCGA. 7. The Company has become a green project counseling business recognized by Pingtung Government.
2019	1. Collaboration on Google's Taiwan solar energy project and assisted renewable energy purchase, which is the first renewable energy transaction of Google in Asia. 2. Signed a second solar PV cooperation agreement with BlackRock with a total capacity of 115MW. 3. First roof PV power station on top of department stores with grid connection in Pingtung. 4. 2019 NCGA "Quality Award for Public Construction"–Kaohsiung Xiashe Bei power plant. 5. 2019 OEMA Golden Torch Award for "National Top 10 Potential Enterprise" and "National Top 10 Potential Manager". 6. The only government-recognized operating business of the "Green Energy Roofs Project" in South District, Taoyuan.
2020	1. Completion of fishery & electricity symbiosis demonstration site, collaborating with the Institute of Information Industry and Taiyen Green Energy Co., Ltd. 2. Successful solar PV system tender in Dacun Township, Changhua County and Taitung City, Taitung County. 3. 17th The National Brand Yushan Award of "Outstanding Entrepreneur". 4. Awarded the "Chinese Charity Ambassador Medal" in the 3rd Charity Festival of Chinese.
2021	1. Fishery & electricity symbiosis Project in Beimen District, Tainan City with an installed capacity of 128MW, had achieved two records and become the most iconic project: the largest fishery and solar coexistence project in Taiwan, and the first energy generation zone in Asia that Google purchased the green energy from. 2. The Company looked forward to the energy storage business and invested in TPE ENERGY, an energy storage system integration company, officially involved in the energy storage market.

Timeline	Milestones
2021	3. We were in partnership with Taiwan-based offshore wind energy companies such as Synera Renewable Energy CO., LTD. ("Synera") (previously named SWANCOR RENEWABLE ENERGY CO., LTD.), TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD. ("TIEN LI"), and YEONG GUAN HOLDINGS CO., LIMITED TAIWAN BRANCH (B.V. I.) ("YEONG GUAN"), to form the Taiwan Team to develop the Formosa Projects in Miaoli offshore. 4. Since the Company upheld the spirit of resource recycling and was concerned about water resource issues, we invested in WEISHENG, and actively developed the recycling of industrial wastewater, improving the scarcity of water resources effectively. 5. Our subsidiary GREENET obtained the Electricity Business License from the Bureau of Energy, Ministry of Economic Affairs ("BOE"). 6. Application for the supplemental public offering with Financial Supervisory Committee ("FSC"). 7. Our subsidiary GREENET assisted E. SUN Financial Holding ("E. SUN") to complete the first power wheeling and direct supply
2022	1. The Company has been listed on the emerging stock market. 2. Our subsidiary GREENET entered into a contract with Gogoro, a leading company of electric scooters, assisting it to complete the layout of renewable energy. 3. CommonWealth Magazine's 2,000 Survey: the Company is the first place among the "50 fastest growing companies in the service industry". 4. Our subsidiary, GREENET signed a 7-year power purchase agreement with Micron Technology, Inc. ("Micron") to provide 500 million kWh of green energy to promote Micron's goal of achieving net-zero emissions. 5. The Company will invest in two construction projects, each 100MW, totaling to 200MW worth of energy storage system, both are the single largest energy storage system project site in Taiwan. 6. The Company was awarded the SDG 7 Affordable Energy Bronze Award of the "2022 TSAA Taiwan Sustainable Action Award".

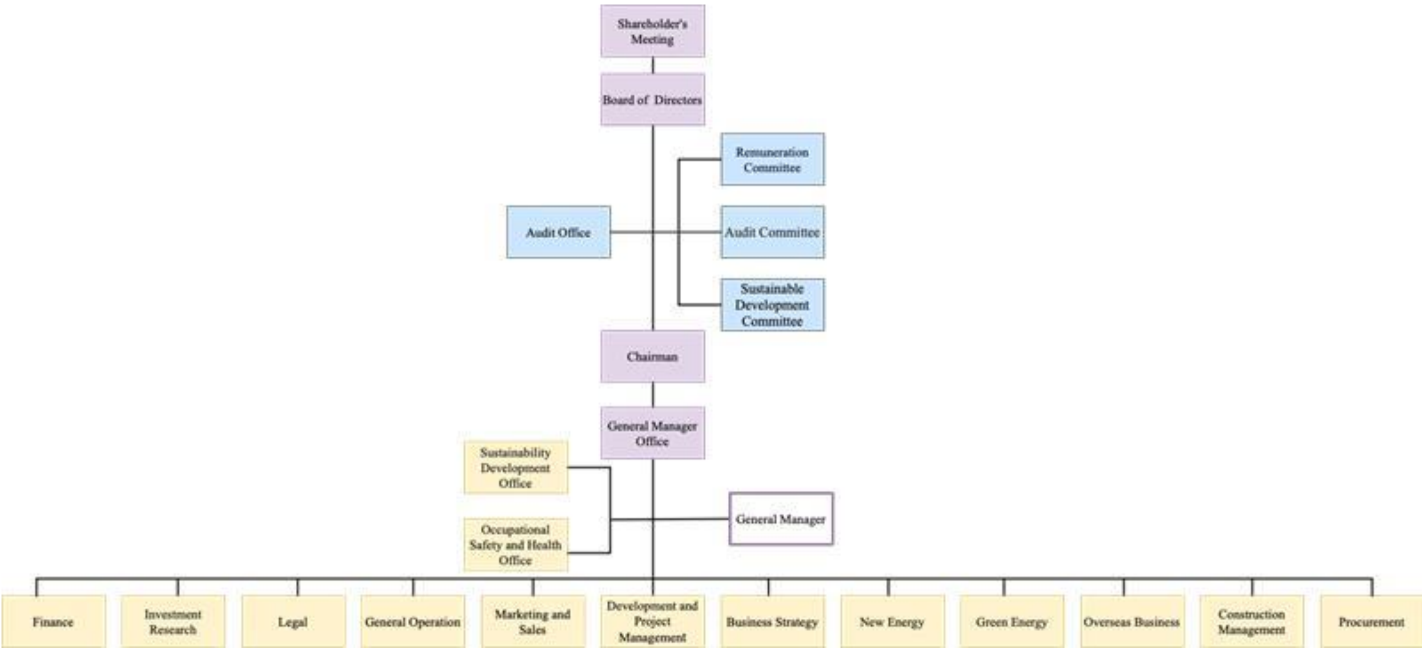
Timeline	Milestones
2022	7. The Formosa 4 wind farm, planned by the Taiwan Team, has been awarded the development rights for the first phase of the third block development stage. 8. The fishery & electricity symbiosis project in Beimen District, Tainan City, has a grid-connection with a capacity of 108MW.
2023	1. The Company was listed on the Innovation Board. 2. J&V Energy ranked first in the "2023 Fastest Growing Top 100" by "CommonWealth" magazine. 3. Subsidiary GREENET signed green energy electricity fee trust agreements with Bank SinoPac and Kaohsiung Bank, introducing the green energy electricity fee trust mechanism. 4. Subsidiary WEISHENG won the bid for the "Dihua Wastewater Treatment Plant Operation and Maintenance of the Seventh Phase and Equipment Update" project. 5. The fishery & electricity symbiosis project in Beimen District, Tainan City, has been fully completed and connected to the grid with a capacity of 128MW. 6. The Company signed a contract with DRSIGNAL BIOTECHNOLOGY CO., LTD. to announce a dual integration plan, marking a cross-domain collaboration between the green energy and biotechnology industries. 7. The Company was awarded both the "Top Ten Outstanding Enterprises" and "Top Ten Outstanding Enterprise Leaders" at the 22nd Golden Peak Awards. 8. The Company received the "Taiwan International Smart Energy Week Sustainable Innovation Award". 9. We have won the "Gold Award" in the Technology R&D category for the second consecutive year in the 1111 Happiness Enterprise Awards. 10. The Company acquired stakes in both Diwei Electric Power Co., Ltd.and Liangwei Electric Power Co., Ltd..

Timeline	Milestones
2024	1. Subsidiary WEISHENG has successively won bids for the "Jincheng, Taihu, Qingtian Water Resources Recycling Center, Wujiang Pumping Station and Sewage Treatment Facilities, and Pumping Station Commissioned Operation" project, the "Xinwu Area Sewage Sewer System Operation and Maintenance Work" project, and the "Binjiang Water Resources Reclamation Center Construction Package" project. 2. The Company has invested in NEXUS MATERIALS, INC., engaging in plastic recycling technology. 3. The Company joined forces with Guangyu International to form a cooperative alliance and secured the Taipei Zoo BOT project, aiming to create Taiwan's first green energy digital ecological theme park. 4. Subsidiary GREENET has sold over 50,000 solar photovoltaic certificates from January to date, claiming the top spot in the domestic power selling industry. 5. The Company’s subsidiary, TPE ENERGY INC., has secured the 60MW energy storage EPC project from Han Tai Energy Co., Ltd. 6. On April 12, the Company was approved by the Taiwan Stock Exchange to transfer to the main board for listing.

Chapter 3 Corporate Governance

I. The Organization System

1. Organization Chart



2. Tasks of Major Departments

Departments	Business Activities
Audit Office	1. Create and manage the internal audit system of the Company. 2. Audit of various systems, regulations, and procedures. 3. Submit audit reports and track the improvement effectiveness.
General Manager Office	1. Business planning and management. 2. Management of all departments in the Company. 3. Creation of the operating performance and analysis of management. 4. Plans on annual goals. 5. Relationship maintenance between the Company and the shareholders. 6. Implementation of corporate governance.
Occupational Safety and Health Office	1. Planning, formulation, and promotion of safety and health management matters, and supervision of relevant departments to ensure implementation. 2. Planning and implementation of safety and health education and training. 3. Statistical compilation, reporting, notification, and investigation analysis of occupational accidents.

Departments	Business Activities
Sustainability Development Office	1. Planning and promotion of various sustainability-related project topics. 2. Compilation and disclosure of company sustainability development information. 3. Collection and writing of sustainability reports.
Finance	1. Coordinate accounting and financial processing. 2. Plan and execute financial management and fund allocation for the Company. 3. Control budget and prepare and analyze management reports. 4. Prepare financial statements and establish analytical data for management reports. 5. Plan and execute tax planning for the Company and comply with relevant tax laws and regulations. 6. Handle matters related to the board of directors, shareholders' meetings, and share affairs.
Investment Research	1. Conduct study, analysis and evaluation on industries such as renewable energy and circular economy, etc. 2. Planning and execution various investment projects. 3. Post-investment management.
Legal	1. Review and management of internal and external contracts of the Company. 2. Legal consultation and related matters. 3. Compliance with company regulations. 4. Research and collection of related laws and regulations in the green energy industry.
General Operation	1. HR: human resources planning, recruitment management, salary management, performance management, education and training, employee relations, and related matters. 2. General Affairs: general affairs, procurement, environmental and facility management, asset management, and related matters. 3. IT: maintenance and management of the hardware and software of the information systems.
Marketing and Sales	1. Plan and execute the Company's marketing strategy and activities. 2. Management and maintenance of media relations and publicity.

Departments	Business Activities
Development and Project Management	1. Planning, and execution of solar energy project permits and approvals. 2. Evaluation, planning, and execution of solar energy project bidding. 3. Management of renewable energy business.
Business Strategy	1. Development of solar photovoltaic business. 2. Evaluation, planning, and execution of solar energy projects and land development.
New Energy	1. Development, assessment, and management of offshore and onshore wind power projects. 2. Development of other renewable energy sources (hydrogen, geothermal, carbon capture, biomass, etc.).
Green Energy	1. Planning and execution of green energy supply. 2. Development and promotion of green energy sales business. 3. Project management of green energy trading. 4. Promotion of carbon credit business.
Overseas Business	1. Business development in overseas renewable energy markets. 2. Assessment, planning, and execution of overseas projects. 3. Execution and monitoring of overseas projects.
Construction Management	1. Design and planning of renewable energy projects. 2. Various engineering contracts and related businesses. 3. Management of construction quality and progress. 4. Power plant monitoring and maintenance management. 5. Collection of new knowledge and trend development in renewable energy.
Procurement	1. Supplier development, screening, and regular evaluation 2. Inquiry, negotiation, and contract management. 3. Delivery schedule arrangement, management, and invoicing procedure.

II. Information on the directors, general manager, deputy general managers, senior managers, and supervisors of all departments and branches

1. Information on the directors

April 29, 2024; Unit: Share; %

Title	Nationality or Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note (Note 9)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C.	Liao, Fu-Sen	Male 71-80 years old	2023.08.30	3 years	2022.11.01	1,070,587	0.95	1,070,587	0.90	-	-	-	-	· Bachelor of Electronic Engineering, Vanung University · Supervisor of J&V Energy Technology Co., Ltd. · General Manager of SAN KWANG INSTRUMENTS CO., LTD. · General Manager of JIE DONG CO., LTD. · Director of Materials Analysis Technology Inc.	Note 1	-	-	-	-
Director	R.O.C.	Representative: Lee, Chung-Liang	Male 61-70 years old	2021.12.15	3 years	2021.12.15	-	-	-	-	-	-	-	-	· In-Service Master, International Business Department, National Taiwan University · Chairman of Collins · Director of EVERFOCUS ELECTRONICS CORP.	Note 2	-	-	-	-
	R.O.C.	Collins Co., Ltd. ("Collins")	-	-	-	-	900,000	0.80	900,000	0.76	-	-	-	-	-	Note 3	-	-	-	-

Title	Nationality or Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note (Note 9)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C.	Representative: Chao, Shu-Min	Female 31-40 years old	2023.12.27	3 years	2023.12.27	-	-	-	-	-	-	-	-	· Bachelor of Library and Information Science from National Taiwan University · Passed Taiwan Certified Public Accountant Examination · Manager of Audit Department at PwC Taiwan · Manager of Tax Department at PwC Taiwan · Chief Financial Officer at New Green Power Co., Ltd.	Note 4	-	-	-	-
	R.O.C.	Asia Energy Development Co., Ltd.	-	-	-	-	1,260,953	1.08	1,249,953	1.05	-	-	-	-	-	-	-	-	-	-

Title	Nationality or Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note (Note 9)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	R.O.C.	Wu, Ching-Sung	Male 71-80 years old	2021.12.15	3 years	2021.12.15	-	-	-	-	-	-	-	-	· Ph.D. in Business Administration, University of California, Los Angeles · Professor, Department of International Business, National Taiwan University · Independent Director at IBF Financial Holdings Co., Ltd. · Independent Director at MICROBASE TECHNOLOGY CORP. · Independent Director at Green River Holdings Co., Ltd. · Director of Vanguard International Semiconductor Corporation · Supervisor of Le Young Construction Co., Ltd. · Director of RiTdisplay Corporation · Director of TAIWAN TOBACCO & LIQUOR CORPORATION · Director of TAIGEN BIOTECHNOLOGY CO., LTD. · Commissioner, International Trade Commission, Ministry of Economic Affairs	Note 5	-	-	-	-

Title	Nationality or Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note (Note 9)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	R.O.C.	Kuo, Hui-Lan	Female 51-60 years old	2021.12.15	3 years	2021.12.15	-	-	-	-	-	-	-	-	‧ Master, Graduate Institute of National Development, National Taiwan University ‧ Commissioner, Technical Engineering Association ‧ Legal Consultant, Chinese Association of Real Estate Brokers ‧ Legal Consultant, Domestic Violence and Sexual Assault Prevention Center, Taipei City Government ‧ Legal Consultant, Social Welfare Department, New Taipei City Government ‧ Legal Consultant, Social Welfare Department, Taipei City Government ‧ Legal Consultant, Department of Cultural Affairs, Taipei City Government	Note 6	-	-	-	-

Title	Nationality or Place of Incorporation	Name	Gender/ Age	Date Elected	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and Other Companies	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note (Note 9)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	R.O.C.	Tang, Chia-Liang	Male 41-50 years old	2022.11.01	3 years	2022.11.01	-	-	-	-	-	-	-	-	· Master in the Department of Accounting, National Chung Cheng University · Lecturer in the Department of Accounting, National Taipei University of Business · Finance Department Manager of CHIA HSIN CEMENT CORPORATION · Assistant Manager in the Audit Department of Audit at Ernst & Young Global Limited · Audit Staff at Deloitte Taiwan	Note 7	-	-	-	-
Independent Directo	R.O.C.	Chen, Chi-Chang	Male 51-60 years old	2023.12.27	3 years	2023.12.27									· Bachelor of Chemistry from National Taiwan University · General Manager for Taiwan and Hong Kong at Mundi Pharma Co., Ltd. · Director of Oncology Business Unit at GlaxoSmithKline (GSK) Pharmaceutical Company	Note 8				

Note 1: Representative of E.B. TECH CO., LTD.;
Chairman of Advanced Bio-Design Inc;
Representative of corporate chairman authorized by FU DI ENERGY CO., LTD. ("FU DI ENERGY"), Jin Cheng Energy Co., Ltd. ("Jin Cheng Energy"), Yong Ze Energy Co., Ltd. ("Yong Ze Energy"), Skynergy Co., Ltd. ("Skynergy"), Guang Hui Energy Co., Ltd. ("Guang Hui Energy"), Tian Chuang Energy Co., Ltd. ("Tian Chuang Energy"), Jin Jie Energy Co., Ltd. ("Jin Jie Energy"), Jin Hong Energy Co., Ltd. ("Jin Hong Energy"), Storm Power Co., Ltd. ("Storm Power"), FU BAO YI

HAO ENERGY CO., LTD. (“FU BAO YI HAO ENERGY”), Guang Liang Energy Co., Ltd. (“Guang Liang Energy”), Zhu Ri Energy Co., Ltd. (“Zhu Ri Energy”), Enfinite Capital Taiwan Solar I Co. Ltd. (“Enfinite Capital”), TPE ENERGY, Chuang Jie Energy Co., Ltd. (“Chuang Jie Energy”), Yao Heng Lin Co., Ltd. (“Yao Heng Lin”), Yu Wei Power Co., Ltd. (“Yu Wei Power”), Di Wei Power Co., Ltd., J&M Power Development Co., Ltd. (“J&M Power Development”), Chen Yu Energy Co., Ltd. (Chen Yu Energy”), Yun Yi Energy Co., Ltd., Kuang Ting Energy Co., Ltd., and Xiangguang Energy Co., Ltd.;
Representative of corporate director, authorized byAnyanshan Biomedical Co., Ltd.
General Manager of Fu Bao Yi Hao Energy Co., Ltd. and Enfinite Capital
Supervisor of Arcadia Technology Inc.

Note 2: Chairman of VIE LONGUE BIOTECH INC.;
Director of GRENERGY, INC.;
Representative of corporate chairman, authorized by Collins, Sin Hwa Investment Co., Ltd., JESCO INTERNATIONAL CO., LTD., HI-CLEARANCE INC., HC-Healthcare Co., Ltd., GrowTrend Biomedical Co., Ltd., Hi-Investment Co., Ltd, Tosen Energy Co., Ltd., YU GUANG ENERGY CO., LTD. (“YU GUANG ENERGY”), CESone Co., Ltd., Collins Energy Solutions Co., Ltd., and Puden Solar Enterprise Co., Ltd.;
Representative of corporate director, authorized by THRoute Corporation, SanHo HealthCare Inc., AXMAN ENTERPRISE CO., LTD., Minoshin International Co., Ltd., AEROVISION AVIONICS, INC., and TAIWAN BIO THERAPEUTICS CO., LTD.

Note 3: Corporate director of QS CONTROL CORP.

Note 4: Supervisor of GOLDEN CYCLE CORP.;
Representative of corporate chairman authorized by Sunrise PV Electric Power Two, GREENET CO., LTD., Ruinen Energy Co., Ltd., Chuangda Energy Co., Ltd., and Zhongneng Energy Co., Ltd.;
Representative of corporate director, authorized by WEISHENG, Revo Power CO., LTD., Enfinite Capital, TPE ENERGY, Formosa 5 International Investment Co., Ltd., and NEXUS MATERIALS, INC.

Note 5: Representative of Zheng Qi Film Co., Ltd.;
Independent Director of ANDERSON INDUSTRIAL CORP..

Note 6: Chairman of Chia Ho International Law Firm;
Taiwan Zone Legal consultant of Jin Mao Partners Law Offices;
Representative of The Global Cross-border Digital Assets Limited Company;
Vice Chairman of Lung Ming Green Energy Technology Engineering Co., Ltd.;
Independent Director of De Jin Technology Co., Ltd.

Note 7: Head accountant of Xin Bang Accounting Firm;
Independent Director of I-HWA INDUSTRIAL CO., LTD.

Note 8: Representative of co creative consulting co., ltd.;
Representative of corporate director, authorized by MEDIA-WIND HEALTH STRATEGIES CO., LTD.

Note 9: The Company’s chairman and general manager are not the same person, spouses or in a relationship within one generation.

2. The Major Shareholders of the Entity Shareholders

Name	Major Shareholders	
Collins (note)	LCL CAPITAL INC.	20.16%
	WITTY MATE CORPORATION	10.28%
	Jing Xing Investment Co., Ltd.	5.05%
	Zhi Pen Enterprise Co., Ltd.	4.20%
	MasterLink Securities Corporation	3.40%
	Lu, Zheng-Yi	2.99%
	TAIWAN SHIN YEH ENTERPRISE CO., LTD.	2.30%
	Gao Sheng Investment Co., Ltd	2.18%
	Shun Kun Investment Co., Ltd.	1.15%
	Chang, Yao-Chung	1.08%
Asia Energy Development Co., Ltd.	Su, Yan-Ru	97.37%
	Zhang, Jian-Wei	2.63%

Note: It is based on the information as of April 14, 2024, the book closure date of Collins.

3. The Major Shareholders of the Preceding Entity Shareholders

April 14, 2024

Name	Major Shareholders	
LCL CAPITAL INC.	Tseng, Wen-Hsuan	84.40%
WITTY MATE CORPORATION	LCL CAPITAL INC.	90.60%
Jing Xing Investment Co., Ltd	Li, Xi-Lu	82.97%
Zhi Pen Enterprise Co., Ltd.	Tseng, Wen-Hsuan	88.00%
MasterLink Securities Corporation	Shin Kong Financial Holding Co., Ltd.	100.00%
TAIWAN SHIN YEH ENTERPRISE CO., LTD.	Liu, Hong-Cun	17.33%
	Tseng, Jin-Cheng	13.84%
	Tseng, Chun-Zhu	7.30%
	Tseng, Qiu-Meng	6.03%
Gao Sheng Investment Co., Ltd	Chen, Rou-Hua	32.43%
	Chen, Sheng-Zhong	22.22%
	Chen, Sheng-Yu	18.66%
	Chen, Sheng Hsuan	18.66%
	Lin, Qian- Zhi	8.03%
Shun Kun Investment Co., Ltd.	Chen, Qing-Kun	31.51%
	Huang, Chun-Chun	22.83%
	Chen, Jia-Wen	22.83%
	Chen, Xiao-Wen	22.83%

4. Disclosure of Information as Professional Qualifications and Independent Status of Directors and Independent Directors:

Conditions / Name	Professional Qualifications and Experience	Status of Independence	Number of Other Public Companies in which the Individual is Concurrently Serving as an Independent Director
Liao, Fu-Sen	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.	(1)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	None
Representative of Collins: Lee, Chung-Liang	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)	None
Representative of Asia Energy Development Co., Ltd.: Chao, Shu-Min	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background.	(3)(6)(8)(10)(11)(12)	None

Conditions / Name	Professional Qualifications and Experience	Status of Independence	Number of Other Public Companies in which the Individual is Concurrently Serving as an Independent Director
	Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.		
Wu, Ching-Sung	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company and an instructor or higher in the related department in a public or private junior college, college, or university	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1
Kuo, Hui-Lan	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

Conditions / Name	Professional Qualifications and Experience	Status of Independence	Number of Other Public Companies in which the Individual is Concurrently Serving as an Independent Director
	accounting, or otherwise necessary for the business of the company. A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company.		
Tang, Chia-Liang	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company an instructor or higher in the related department in a public or private junior college, college, or university A judge, public	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

Conditions / Name	Professional Qualifications and Experience	Status of Independence	Number of Other Public Companies in which the Individual is Concurrently Serving as an Independent Director
	prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company.		
Chen, Chi-Chang	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company and an instructor or higher in the related department in a public or private junior college, college, or university	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	None

Note: The independent status of directors during the two years before being elected or during the term of office. (Disclosed in the above schedule)

(1) Not an employee of the company or any of its affiliates.

(2) Not a director or supervisor of the company or any of its affiliates (do not apply to independent directors appointed in accordance with the Act or the laws and regulations

of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons in (2) or (3).

(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.

(6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises

powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

(10) Not a spouse, relative within the second degree of kinship of other directors.

(11) Not having the circumstances under Article 30 of the Company Act.

(12) Not a governmental, entity or its representative as defined in Article 27 of the Company Act.

5. Diversity and independence of the board of directors:

(1) Diversity of the board of directors:

Pursuant to Article 26 of the Corporate Governance Best Practice Principles of the Company, all members of the board of directors shall have the knowledge, skills, and experience necessary to perform their duties. The composition of the board of directors shall be diverse. In addition to directors concurrently serving as officers do not exceed one-third of the total number of the members of the board of directors, an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs to be formulated and include, without being limited to, the following two general standards:

A. Basic requirements and values: Gender, age, nationality, and culture.

B. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

The diversity and implementation of the board of directors are as follows:

Items / Name	Nationality	Gender	Employee	Term of Independent Director	Operating Judgment	Accounting and Finance Analysis	Crisis Management	Industrial Expertise	Global Market View	Leadership
Liao, Fu-Sen	R.O.C.	Male			V		V	V	V	V
Representative of Collins: Lee, Chung-Liang	R.O.C.	Male			V		V		V	V
Representative of Asia Energy Development Co., Ltd.: Chao Shu-Min	R.O.C.	Female	V		V	V	V	V	V	V
Wu, Ching-Sung	R.O.C.	Male		Within 2 years	V	V	V		V	V
Kuo, Hui-Lan	R.O.C.	Female		Within 2 years	V				V	V
Tang, Chia-Liang	R.O.C.	Male		Within 1 year	V	V	V		V	V
Chen, Chi-Chang	R.O.C.	Male		Within 1 year	V				V	V

Note 1: The current board of directors consists of 7 members, including 4 independent directors. They are all outstanding professionals with rich practical experience and possess the overall ability and background expertise required by the board of directors. The implementation of the policy of

diversified board members helps to enhance the effectiveness of corporate governance and management performance.

Note 2: The tenure distribution of independent directors is as follows: all independent directors have served for no more than three consecutive terms. All directors are nationals of this country, with a composition ratio of 4 independent directors and 2 female director (accounting for 57.14% and 28.57% of all directors, respectively). In the future, consideration will be given to gender equality by increasing the number of female directors. As of the end of 2023, one director was aged 31-40, one director was aged 41-50, two directors were aged 51-60, one directors were aged 61-70, and two director was aged 71-80. All independent directors comply with the regulations of the FSC. For information on the academic qualification, gender, professional qualifications, work experience, and other relevant information of each director, please refer to the director information stated in Chapter 3, Section II, Subsection 1.

(2) Independence of the board of directors:

There are four independent directors in the Company, which accounts for 57.14% of the board of directors. In addition, all independent directors comply with the regulations of the FSC and none of the circumstances prescribed in Article 26-3, Paragraph 3 and Paragraph 4 of the Securities Exchange Act exist among the directors and independent directors. For the intact information of all directors, including the relationship between each director, please refer to the director information stated in Chapter 3, Section II, Subsection 1.

6. Information on the general manager, deputy general managers, senior managers, and supervisors of all departments and branches

April 29, 2024; Unit: Share; %

Title	Nationality	Name	Gender	Date Effective	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and other companies	Other Managers who are a spouse or have a familial relationship within two generations			Note (Note 8)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
General Manager (concurrent as the department manager of Legal,)	R.O.C	Chao, Shu-Min	Female	2021.10.01	-	-	-	-	-	-	• Bachelor, Department of Library and Information Science, National Taiwan University • CPA of Taiwan • Manager, Department of Auditing, PwC Taiwan • Manager, Department of Taxation, PwC Taiwan • CFO of NEW GREEN POWER CO., LTD. ("NEW GREEN POWER") • Director, CFO and COO of J&V Energy	Note 1	-	-	-	-
Deputy General Manager	R.O.C	Tan, Yu-Xuan	Male	2021.10.01	5,842,800	4.92	14,308,059	12.06	1,048,046	0.88	• Bachelor, Department of Mathematics, National Taiwan University • Bachelor, Department of Finance, National Taiwan University • Supervisor of SINGATRON ENTERPRISE CO., LTD. • Director of NEW GREEN POWER • Director and CEO of J&V Energy	Note 2	-	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and other companies	Other Managers who are a spouse or have a familial relationship within two generations			Note (Note 8)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Spokesperson (concurrently as Chief Sustainability Officer)	R.O.C	Zhang, Jian-Wei	Male	2020.11.01	6,913,204	5.82	18,772,009	15.82	1,249,953	1.05	· Bachelor, Graduate of International Business Administration, Chinese Culture University · Director of NEW GREEN POWER · Executive director of ASIA ENERGY DEVELOPMENT CO., LTD. (“ASIA ENERGY DEVELOPMENT”) · CEO of Ever Fountain International Venture Capital · Co-Founder of ACHIEVEMENT INVESTMENT CO., LTD · Chairman, CEO and CSO of J&V Energy	Note 3	-	-	-	-
Senior Manager of Financial (concurrently as the officer of corporate governance, and Financial Manager)	R.O.C	Lin, Ta-Hsiang	Male	2019.10.01	314,130	0.26	-	-	-	-	· Master in Business Administration, New York University · CPA Taiwan · CPA USA · Assistant Manager, Department of Auditing, Deloitte Taiwan · Senior Associate, Department of Taxation, PwC Taiwan	Note 4	-	-	-	-
Senior Manager of Financial (Accounting Manager)	R.O.C	Huang, Chih-Ying	Male	2022.09.19	10,000	0.01	-	-	-	-	· Master in Accounting and Information Technology, National Chung Cheng University · Manager at PwC Taiwan	Note 5	-	-	-	-
Senior Manager of General Management	R.O.C.	He, Zong-Xuan	Male	2022.07.15	-	-	-	-	-	-	· Bachelor, Information Systems Management, Queensland University of Technology · Operational Consultant of ZU YUAN TRADING LIMITED · Operation Manager of Kuoni Tumlare	Note 6	-	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and other companies	Other Managers who are a spouse or have a familial relationship within two generations			Note (Note 8)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Senior Manager of Development and Project Management	R.O.C	Yang, Chih-I	Female	2023.12.01	24,000	0.02	-	-	-	-	· Master in Chemical Engineering and Materials Engineering, National Tamkang University · Vice General Manager, NEW GREEN POWER.	-	-	-	-	-
Senior Manager of Marketing and sales	R.O.C	Chang, Yu-Tzu	Female	2024.02.01	22,000	0.02	-	-	-	-	· Master in Business Administration, University of Leicester, UK · Special Projects Reporter, SETN Financial News Channel · Financial Journalist, Extraordinary News Channel · Text Reporter, CTi News	-	-	-	-	-
Senior Manager of Investment Research	R.O.C	He, Meng-Ying	Female	2023.10.02	-	-	-	-	-	-	· Master in Business Studies, National Taiwan University · Project Manager, WPG Holdings Co., Ltd. · Manager, China Development Financial Holding Corporation · Manager, Photonics Industry & Technology Development Association	Note 7	-	-	-	-
Senior Manager of Business Development	R.O.C	Chu, Chih-Hao	Male	2021.10.01	28,898	0.02	-	-	-	-	· Bachelor, Industrial Design, Asia University of Science and Technology · Manager, Xuxin Branch, Sino-American Silicon Products Inc. · Manager, GENERAL ENERGY SOLUTIONS INC. · Business Representative, Sunlight Group	-	-	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and other companies	Other Managers who are a spouse or have a familial relationship within two generations			Note (Note 8)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Senior Manager of New Energy (concurrently as Supervisor for Safety and Health Office)	R.O.C	Liu, Zhao-Yang	Male	2020.11.30	31,000	0.03	-	-	-	-	‧ Ph.D. in Engineering Science and Marine Engineering, National Taiwan University ‧ Researcher, Development Center, Metal Industries Research & Development Centre ‧ Deputy Engineer, Green Energy and Technology Promotion Center, Ministry of Economic Affairs	-	-	-	-	-
Senior Manager of Green Energy Business	R.O.C	Tang, Ya-Sheng	Male	2023.12.01	63,062	0.05	-	-	-	-	‧ Ph.D. in Electronic Engineering, Yang Ming Chiao Tung University ‧ Senior Engineer, Coretronic Corporation Co., Ltd. ‧ Section Chief, Economic Development Bureau, New Taipei City Government ‧ Director, Tourism and Communication Bureau, Taipei City Government	-	-	-	-	-
Chief Investment Officer of Overseas Business	Singapore	Chen, Chun-Chieh	Male	2024.01.02	-	-	-	-	-	-	‧ Bachelor's in Finance and Financial Management, Nanyang Technological University, Singapore ‧ Chairman, BlueFloat Energy Taiwan Island Holdings Co., Ltd. ‧ Chief Investment Officer, Dong Fang Offshore Co., Ltd. ‧ Chief Investment Officer, Yung Shin Energy Co., Ltd. ‧ Investment Manager, Macquarie Capital	-	-	-	-	-

Title	Nationality	Name	Gender	Date Effective	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Main Experience (Education)	Current Positions Served in the Company and other companies	Other Managers who are a spouse or have a familial relationship within two generations			Note (Note 8)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Senior Manager of Procurement	R.O.C	Lin, Jun-Ming	Male	2022.10.01	6,000	0.01	-	-	-	-	• Master in the Department of River and Marine Engineering, National Taiwan Ocean University • Senior staff in the procurement department of SCHNEIDER ELECTRIC TAIWAN CO., LTD. • Project procurement manager of CTCI CORPORATION	-	-	-	-	-
Senior Manager of Construction Management	R.O.C	Cheng, Rong-Sheng	Male	2019.09.26	30,000	0.03	-	-	-	-	• Bachelor, Department of Engineering and System Science, National Tsing Hua University • Manager of Project Management of Tatung Company • Engineer of WALSIN INFO-ELECTRIC INC. • Senior Manager, Department of Projects, SUN-FOREVER SOLAR ENERGY TECHNOLOGY CO., LTD. • Deputy Researcher, Industrial Technology Research Institute	-	-	-	-	-
Supervisor of Audit Office	R.O.C	Chen, Ling-Jin	Female	2021.05.04	6,000	0.01	-	-	-	-	• Bachelor, Department of Accounting, Chinese Culture University • Assistant Manager, Department of Internal Control and Audit, PwC Taiwan	-	-	-	-	-

Note 1: Supervisor of GOLDEN CYCLE CORP.;

Representative of corporate chairman, authorized by XU XIAO POWER CO., LTD. (“XU XIAO POWER”), GREENET, Rui Neng Energy Co., Ltd. (“Rui Neng Energy”), Chuang Da Energy Co., Ltd. (“Chuang Da Energy”), and Zhongneng Energy Co., Ltd.;

Representative of corporate director, authorized by WEISHENG, Revo Power Co. Ltd., Enfinite Capital, TPE ENERGY, Formosa 5 International Investment Co., Ltd, and NEXUS MATERIALS, INC.

Note 2: Chairman of Yong Jing Construction Co., Ltd., Yong Sheng Energy Co., Ltd. ("Yong Sheng Energy"), Yong Chen Energy Co., Ltd.;

Director of JPEK INTERNATIONAL CO., LTD., and Shun Chuang Energy Co., Ltd.;

Representative of BAO LIN INVESTMENT CO., LTD., BAO YUAN INVESTMENT CO., LTD. ("BAO YUAN INVESTMENT"), EIWA New Green Power Limited;

Representative of corporate chairman, authorized by Tai Wei Energy Co., Ltd. ("Tai Wei Energy");

Representative as corporate director, authorized by Yong Ji Energy Co., Ltd., Yong Sheng Energy, Yong Shang Construction Co., Ltd. and TPE ENERGY.

Note 3: Representative of MAGIC EMPIRE LIMITED;

Chairman of Ren He Hsiung Co., Ltd.

Director of ASIA ENERGY DEVELOPMENT;

Representative of corporate director, authorized by Winball Sport Culture and Education Co., Ltd. ("Winball") and TPE ENERGY.

Note 4: Supervisor of WEISHENG, TPE ENERGY, and Rui Quan Smart Energy CO., Ltd.;

Representative of corporate director, authorized by FU BAO YI HAO ENERGY, Yun An Energy Development Investment Co., Ltd, Liangwei Power Co., Ltd. And Jingjie Energy Co., Ltd.

Representative of Prudent Management Co., Ltd.

Note 5: Representative of corporate director, authorized by TPE ENERGY

Note 6: Representative of X.X International Trading Limited

Note 7: Supervisor of Wisdom Power International Co., Ltd.

Note 8: The Company's chairman and general manager are not the same person, spouses or in a relationship within one generation.

III. Remuneration for Directors, General Managers, and Deputy General Managers in the Most Recent Year

1. Remuneration of Directors and Independent Directors

Unit: NT$ Thousand; %

<table>
<tr><th rowspan="4">Title</th><th rowspan="4">Name</th><th colspan="8">Director's Remuneration</th><th colspan="2" rowspan="2">The Ratio of the Sum of A, B, C and D to the Net Profit after Tax (%)</th><th colspan="8">Related remuneration paid to the concurrent employees</th><th colspan="2" rowspan="2">The Ratio of the Sum of A, B, C, D, E, F and G to the Net Profit after Tax (%)</th><th rowspan="4">Receive remuneration from a reinvested business or the parent company other than the subsidiaries</th></tr>
<tr><th colspan="2">Base Compensation (A)</th><th colspan="2">Severance Pay (B)</th><th colspan="2">Directors Compensation(C)</th><th colspan="2">Allowances (D)</th><th colspan="2">Salary, Bonuses, and Allowances (E)</th><th colspan="2">Severance Pay (F)</th><th colspan="4">Employee Compensation (G)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th><th colspan="2">The Company</th><th colspan="2">All Companies in the Financial Statement</th><th rowspan="2">The Company</th><th rowspan="2">All Companies in the Financial Statement</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td>Chairman</td><td>Liao, Fu-Sen (Note 1)</td><td rowspan="4">2,407</td><td rowspan="4">3,596</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">7,228</td><td rowspan="4">7,228</td><td rowspan="4">60</td><td rowspan="4">60</td><td rowspan="4">9,695 / 0.95%</td><td rowspan="4">10,884 / 1.07%</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">-</td><td rowspan="4">9,695 / 0.95%</td><td rowspan="4">10,884 / 1.07%</td><td rowspan="4">None</td></tr>
<tr><td>Chairman</td><td>Lai, Chin-Lin (Note 2)</td></tr>
<tr><td>Director</td><td>Representative of Collins: Lee, Chung-Liang</td></tr>
<tr><td>Director</td><td>Representative of Asia Energy Development Co., Ltd.(Note 3) Chao Shu-Min</td></tr>
</table>

Title	Name	Director's Remuneration								The Ratio of the Sum of A, B, C and D to the Net Profit after Tax (%)		Related remuneration paid to the concurrent employees								The Ratio of the Sum of A, B, C, D, E, F and G to the Net Profit after Tax (%)		Receive remuneration from a reinvested business or the parent company other than the subsidiaries
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company		All Companies in the Financial Statement		The Company	All Companies in the Financial Statement	
																Cash	Stock	Cash	Stock			
Independent Director	Wu, Ching-Sung	2,193	2,193	-	-	-	-	104	104	2,297/ 0.23%	2,297/ 0.23%	-	-	-	-	-	-	-	-	2,297/ 0.23%	2,297/ 0.23%	None
Independent Director	Kuo, Hui-Lan																					
Independent Director	Lee, Tui-Chih (Note 2)																					
Independent Director	Tang, Chia-Liang																					
Independent Director	Chen, Chi-Chang (Note 3)																					

Note 1: Appointed as Chairman on August 30, 2023.

Note 2: Resigned on August 21, 2023.

Note 3: Assumed office after being elected as a director in the special shareholders' meeting on December 27, 2023

*In addition to the information disclosed in the table above, has any director provided services and received rewards for such services (e.g. serving as a consultant for the parent company/all companies in the financial statement/person in the reinvested business other than an employee): None.

*Please describe the policy, system, standards and structure of independent directors' remuneration, as well as the connection between the amount of remuneration paid and the director's responsibilities, risks, time investment and other factors:

(1) The remuneration for independent directors of the Company includes fixed directors' remuneration and the fixed remuneration for serving as the convener of the Remuneration Committee.

(2) In addition to referencing the usual industry standards for the reward of independent directors, the reward is also based on their level of involvement and performance evaluation in the Company's operations. Factors considered include: understanding of the Company's goals and tasks, awareness of their job responsibilities, professional abilities and decision-making quality, ability to manage and communicate internal and external relationships, ongoing learning, and other special contributions. The

remuneration is reviewed by the Remuneration Committee and presented to the board of directors for resolution of a reasonable amount, and the independent director remuneration system is reviewed and adjusted as needed based on actual business conditions and relevant laws and regulations.

(3) The traffic allowance of independent directors is based on the usual industry standards and is proposed for review by the Remuneration Committee and approved by the board of directors. The expenses are paid based on attendance in person or via video conference at meetings of the board of directors or functional committee by directors (including independent directors).

(4) To measure the performance, achievement, and contribution of the management team in response to future changes in the economic environment, and to consider avoiding the risk of encouraging directors and managers to engage in behavior that goes beyond the Company's risk tolerance in pursuit of remuneration the policy for independent director remuneration takes into account the business performance and future risks as evaluation criteria. The remuneration system is reviewed and adjusted as needed based on actual business conditions and relevant laws and regulations.

Table of Remuneration Ranges

Remuneration Range for Each Director	Director's Name			
	The sum of the First 4 Items (A+B+C+D)		Total Remuneration of the First 7 Items (A+B+C+D+E+F+G)	
	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement
Less than 1,000,000 dollars	Chao, Shu-Min, the representative of Asia Energy Development Co., Ltd. Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang Chen, Chi-Chang	Chao, Shu-Min, the representative of Asia Energy Development Co., Ltd. Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang Chen, Chi-Chang	Chao, Shu-Min, the representative of Asia Energy Development Co., Ltd. Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang Chen, Chi-Chang	Chao, Shu-Min, the representative of Asia Energy Development Co., Ltd. Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang Chen, Chi-Chang
1,000,000 dollars (included) ~ 2,000,000 dollars (excluded)	-	-	-	-
2,000,000 dollars (included) ~ 3,500,000 dollars (excluded)	Lai, Chin-Lin Representative of Collins: Lee, Chung-Liang	Representative of Collins: Lee, Chung-Liang	Lai, Chin-Lin Representative of Collins: Lee, Chung-Liang	Representative of Collins: Lee, Chung-Liang

Remuneration Range for Each Director	Director's Name			
	The sum of the First 4 Items (A+B+C+D)		Total Remuneration of the First 7 Items (A+B+C+D+E+F+G)	
	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement
3,500,000 dollars (included) ~ 5,000,000 dollars (excluded)	Liao, Fu-Sen	Liao, Fu-Sen Lai, Chin-Lin	Liao, Fu-Sen	Liao, Fu-Sen Lai, Chin-Lin
5,000,000 dollars (included) ~ 10,000,000 dollars (excluded)	-	-	-	-
10,000,000 dollars (included) ~ 15,000,000 dollars (excluded)	-	-	-	-
15,000,000 dollars (included) ~ 30,000,000 dollars (excluded)	-	-	-	-
30,000,000 dollars (included) ~ 50,000,000 dollars (excluded)	-	-	-	-
50,000,000 dollars (included) ~ 100,000,000 dollars (excluded)	-	-	-	-
More than 100,000,000 dollars	-	-	-	-
Total	A total of 9 people	A total of 9 people	A total of 9 people	A total of 9 people

2. Remuneration of General Manager and Deputy General Manager

Unit: NT$ Thousand; %

Position	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				The Ratio of the Sum of A, B, C, and D to the Net Profit after Tax (%)		Receive remuneration from a reinvested business other than the subsidiaries or the parent company
		The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement	The Company		All Companies in the Financial Statement		The Company	All Companies in the Financial Statement	
								Cash	Share	Cash	Share			
General Manager	Chao, Shu-Min	10,822	12,022	324	324	23,216	23,422	9,540	-	9,540	-	43,902/ 4.33%	45,308/ 4.47%	None
Deputy General Manager	Tan, Yu-Xuan													
Spokesperson	Zhang, Jian-Wei (Note)													

Note: Classified as the position of Deputy General Manager according to the job grading system of the Company.

Table of Remuneration Ranges

Remuneration Range for Each General Manager and Deputy General Manager	Name	
	The Company	All Companies in the Financial Statement
Less than 1,000,000 dollars	-	-
1,000,000 dollars (included) ~ 2,000,000 dollars (excluded)	-	-
2,000,000 dollars (included) ~ 3,500,000 dollars (excluded)	-	-
3,500,000 dollars (included) ~ 5,000,000 dollars (excluded)	-	-
5,000,000 dollars (included) ~ 10,000,000 dollars (excluded)	-	-
10,000,000 dollars (included) ~ 15,000,000 dollars (excluded)	Zhang, Jian-Wei Tan, Yu-Xuan	Zhang, Jian-Wei Tan, Yu-Xuan
15,000,000 dollars (included) ~ 30,000,000 dollars (excluded)	Chao, Shu-Min	Chao, Shu-Min
30,000,000 dollars (included) ~ 50,000,000 dollars (excluded)	-	-
50,000,000 dollars (included) ~ 100,000,000 dollars (excluded)	-	-
More than 100,000,000 dollars	-	-
Total	A total of 3 people	A total of 3 people

3. The Remuneration of the top five highest-paid managers of listed and OTC companies: Not applicable.

4. The Status of Remuneration for the Managers

Unit: NT$ Thousand

Title		Name	Share Amount	Cash Amount	Total	The Ratio of the Sum to the Net Profit after Tax (%)
Managers	General Manager	Chao, Shu-Min	-	10,740	10,740	1.06%
	Deputy General Manager	Tan, Yu-Xuan				
	Spokesperson	Zhang, Jian-Wei				
	Senior Manager	Lin, Ta-Hsiang				
	Senior Manager	Huang, Chih-Ying				
	Senior Manager	Yang, Chih-I				
	Senior Manager	Wu, Qi-Bin				
	Senior Manager	He, Meng-Ying				
	Senior Manager	Chu, Chih-Hao				
	Senior Manager	Chang, Chien-Chih				
	Senior Manager	Liu, Zhao-Yang				
	Senior Manager	Cheng, Rong-Sheng				
	Deputy Manager	Chen, Ling-Jin				

5. Analysis of the total remuneration as a percentage of net income after taxes stated in the individual or consolidated financial statement, paid by the Company and by all companies listed in the consolidated financial statement in the most recent two years to the Company's Directors, General Manager and Deputy General Managers. Describe the policies, standards, and packages for payment of remuneration, the procedures for determining remuneration, and its linkage to business performance and future risk exposure.

(1) Analysis of the total remuneration as a percentage of net income after taxes in the most recent two years to the Company's Directors, General Manager and Deputy General Manager are as the following:

Items	2023		2022	
	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement
Directors	1.18%	1.30%	2.28%	2.42%
Supervisors	Not applicable	Not applicable	Not applicable	Not applicable
General Manager and Deputy General Manager	4.33%	4.47%	7.97%	8.37%

The above-mentioned remuneration is handled in accordance with the Company's Articles of Incorporation ("AOI"), resolutions of the board of directors, shareholders' meeting resolutions, or company personnel-related regulations of all companies within the consolidated financial statements. The remuneration of the Company is based on the operating results of the current year. As shown in the above table, the remuneration for directors, and deputy general managers and above positions in 2023 decreased in proportion due to a significant increase in profits compared to 2022.

(2) The correlation between the remuneration policy, standard and package, procedures for stipulating the remuneration, and the business operating performance and future risks.

A. The remuneration policy, standard and package

a. The directors' remuneration is determined in accordance with the Company's "Regulations for the Remuneration of the Directors and the Managers". The remuneration for independent directors performing their duties is determined by the Remuneration Committee in consideration of the usual industry standards and is paid as a fixed remuneration, without being involved in the distribution of directors' remuneration. According to the Company's AOI, if the Company makes a profit in the current year, the Company may allocate up to 3% of the profit for directors' remuneration, subject to approval by the resolutions of the board of directors. The Company regularly evaluates the directors' remuneration in accordance with the "Rules for Performance Evaluation of Board of Directors and Functional Committees" and the relevant performance assessment and reasonableness of the remuneration are reviewed by the Remuneration Committee and the board of directors.

b. The remuneration of the general managers is based on the based on the "Regulations for the Remuneration of the Directors and the Managers" which stipulates various bonuses and special fees to reward and recognize the efforts of employees in their work. The related bonuses are also given based on the Company's annual operating performance, financial condition, operating conditions, and personal work performance. In addition, if the Company makes a profit in the current year, not less than 1% will be set aside as employees' remuneration according to the Company's AOI. The performance evaluation results based on the performance management system are used as a reference for the issuance of management bonuses, and the remuneration system is reviewed from time to time in accordance with the actual operating conditions and related laws and regulations.

c. The package of remuneration provided by the Company is determined according to the regulations of the Remuneration Committee, and includes cash rewards, stock options, bonus shares, retirement benefits, severance pay, various allowances, and other measures that provide substantial incentives. Its scope is consistent with that of the remuneration of directors and general managers stated in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

B. Procedures for stipulating the remuneration

a. The regular evaluation of the remuneration of directors and managers is based on the "Rules for Performance Evaluation of

Board of Directors and Functional Committees" and the performance management method for employees. The remuneration for the chairman and general manager is determined by referencing the salary level in the industry and linking it to the Company's operational performance indicators, which are then submitted for review by the board of directors.

b. The performance evaluation and reasonableness of remuneration for the directors and managers are reviewed and evaluated by the Remuneration Committee and the board of directors on an annual basis. In addition to considering individual performance and contributions to the Company, the overall operational performance of the Company, future industry risks and development trends are also taken into account. The remuneration system is also reviewed in a timely manner in response to the actual operating conditions and related laws and regulations. Furthermore, after considering the current trend of corporate governance, reasonable remuneration is given to balance the sustainable operation and risk management of the Company. The actual amount of remuneration for directors and managers in 2023 was determined by the board of directors after being reviewed by the Remuneration Committee.

C. The correlation between the business operation performance and future risks

a. The remuneration policy and related payment standards and systems are reviewed primarily based on the overall business performance of the Company, with consideration given to performance achievement rates and contributions to enhance the overall organizational effectiveness of the board of directors and management team. Additionally, the Company would refer to industry remuneration standards to ensure that the remuneration for our management team is competitive within the industry, thus retaining outstanding management talents.

b. The performance objectives for our management team are linked to risk management to ensure that possible risks within their scope of responsibilities are managed and prevented. The rating results are then used to link with relevant human resources and compensation policies. The Company's key decisions at the management level are made after balancing various risk factors, and the performance of such decisions is reflected in the Company's profitability, thereby relating the compensation of management with risk control performance.

IV. The Operational Status of Corporate Governance

1. The operation of the board of directors:

In the most recent year, the board of directors had 8 meetings (A), and the attendance records of the directors are listed as follows:

Title	Name	Number of attendance in person (B)	Number of entrusted attendance	Percentage of attendance in person (%)(B/A)	Note
Chairman	Liao, Fu-Sen	7	1	87.50	Appointed as Chairman on August 30, 2023.
Chairman	Lai, Chin-Lin	5	-	100.00	Resigned on August 21, 2023
Director	Representative of Collins: Lee, Chung-Liang	8	-	100.00	
Director	Representative of Asia Energy Development Co., Ltd, Chao, Shu-Min	-	-	-	Assumed the office on December 27, 2023
Independent Director	Wu, Ching-Sung	8	-	100.00	-
Independent Director	Kuo, Hui-Lan	7	1	87.50	-
Independent Director	Lee, Tui-Chih	5	-	100.00	Resigned on August 21, 2023
Independent Director	Tang, Chia-Liang	8	-	100.00	-
Independent Director	Chen, Chi-Chang	-	-	-	Assumed the office on December 27, 2023

Other matters that shall be recorded:

1. If any of the following situations occur in the operation of the board of directors, the date, session, agenda, opinions of all independent directors, and the Company's handling of said opinions should be disclosed:
   (1) Matters stipulated in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee and is not subject to Article 14-3 of the Securities and Exchange Act. Relevant information can be found in the "The Operation Status of Audit Committee" section of this annual report.
   (2) Other resolutions of the board of directors that were opposed or reserved by independent directors with records or written statements: None.

2. The directors shall avoid the process of resolution that involves related interested parties, and the name of the directors, the content of the resolution, the reasons for the avoidance of conflict of interests and the participation status in the voting process shall be stated: None.
3. Disclosure of the frequency, period, scope, methods, and content of the board of directors self or peer evaluation, as required of TWSE/TPEx listed companies and filling out the execution status in Exhibit 2:

Frequency	Period	Scope	Method	Content
Conduct every year	January 1, 2023-December 31, 2023	The performance evaluation of the board of directors, individual members of the board of directors, and functional committee (Remuneration Committee and Audit Committee)	Internal evaluation of the board of directors and self-evaluation of the members of the board of directors	1. The performance evaluation of the board of directors This includes participation in the Company's operations, quality of the decision-making, composition and structure of the board of directors, selection and continuing education of directors, and internal controls. 2. The performance evaluation of individual director This includes understanding the Company's goals and mission, awareness of director responsibilities, participation in the Company's operations, management of internal relationships and communication, Director's expertise and continuing education, and internal controls. 3. The performance evaluation of the functional committee This includes participation in the Company's operations, understanding of the functional committee's responsibilities, quality of decision-making, composition and selection of functional committee members, and internal controls.

4. Targets for strengthening the functions of the board of directors in the current and the most recent year (e.g., setting up an Audit Committee and enhancing information transparency) and evaluation of the implementation:

(1) The Company has stipulated "Rules and Procedure for the Meeting of the Board of Directors" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies". The attendance status of the meeting of the board of directors s is publicly disclosed on the Market Observation Post System ("MOPS"). The "Rules and Procedure for the Meeting of the Board of Directors" is also disclosed on the Company's website, and significant resolutions of the board of directors are disclosed in this annual report. For more information on the Company's corporate governance, please refer to this annual report on the operation of corporate governance and the reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Additionally, to enhance information transparency, the Company has established an investor-relationship zone on its website, which regularly updates information related to the Company's finances and operations. The Company has also established a system of responsible persons and spokespersons for investor relations to maintain and protect shareholders' rights (2) The Company has elected the members of the second term of the Remuneration Committee at the first special meeting of the sixth term of the board of directors held on December 15, 2021. The election of independent directors, Wu, Ching-Sung, Lee, Tui-Chih, and Kuo, Hui-Lan, as the members of the Remuneration Committee was unanimously approved by all attending directors. (3) The Company set up the Audit Committee at the eighth meeting of the 5th term of the board of directors held on October 28, 2021. (4) The composition of the Company's director is diverse, including expertise from various industries, academia, and law, and two of the directors is female. (5) The chairman of the Company does not concurrently hold any executive positions.

2. The Operation Status of the Audit Committee

In the most recent year, the Audit Committee had 7 meetings (A), and the attendance records of the independent directors are listed as follows:

Title	Name	Number of attendance in person (B)	Number of entrusted attendance	Percentage of attendance in person (%)(B/A)	Note
Independent Director	Wu, Ching-Sung	7	-	100.00	
Independent Director	Kuo, Hui-Lan	6	1	85.71	
Independent Director	Lee, Tui-Chih	5	-	100.00	Resigned on August 21, 2023
Independent Director	Tang, Chia-Liang	7	-	100.00	
Independent Director	Chen, Chi-Chang	-	-	-	Assumed the office on December 27, 2023
Other matters that shall be recorded:					

1. If any of the following situations occur in the operation of the Audit Committee, the date, session, agenda, dissent or reserved opinions or the content of the major suggestion of independent directors, the resolution outcome, and the Company's handling of said opinions should be disclosed:

(1) Matters stipulated in Article 14-5 of the Securities and Exchange Act:

Meeting Date (Term)	Descriptions of the major matters	Resolution of the Audit Committee	The Company's handling of said resolutions
2023.01.12 (eleventh meeting in the first term)	1. Proposal for the funding and loan limits of the Company's investment companies. 2. Proposal to establish the "Employee Subscription Method for Cash Increase" of the Company.	No objection Approved as presented	Not applicable
2023.03.09 (twelfth meeting in the first term)	1. Approval of the Company's operating report and financial statements for the 2022. 2. Resolution on profit distribution for the 2022. 3. Assessment of the independence and suitability of the appointed auditors of the Company. 4. Appointment and remuneration of the Company's auditors. 5. Release the directors (including independent directors) from non-compete obligations. 6. Adoption of the Company's "Internal Control System Statement" for 2022. 7. Revision of the "Corporate Governance Practices Guidelines" and "Sustainable Development Practices Guidelines" of the Company. 8. Establishment and revision of the Company's internal control system and various management methods.	No objection Approved as presented	Not applicable
2023.05.10 (thirteenth meeting in the first term)	1. Approval of the Company's consolidated financial report for the first quarter of 2023. 2. Amendment of the "Shareholders' Meeting Rules" of the Company. 3. Resolution to waive participation in Cash Capital Increase Issuance of New Shares and setting other benefit	No objection Approved as presented	Not applicable

	standard date actions by Subsidiary "WEISHENG ENVIRONTECH CO., LTD.. 4. Endorsements and provision of guarantee.		
2023.06.19 (fourteenth meeting in the first term)	1. Proposal for the Company's investment in Greenhealth Water Resources Co., Ltd. 2. Endorsements and provision of guarantee.	No objection Approved as presented	Not applicable
2023.08.11 (fifteenth meeting in the first term)	1. Approval of the Company's consolidated financial report for the second quarter of 2023. 2. Endorsements and provision of guarantee.	No objection Approved as presented	Not applicable
2023.10.04 (sixteenth meeting in the first term)	1. The Company issued its first domestic secured convertible bonds 2. Endorsements and provision of guarantee.	No objection Approved as presented	Not applicable
2023.11.08 (seventeenth meeting in the first term)	1. Approval of the Company's consolidated financial report for the third quarter of 2023. 2. Endorsements and provision of guarantee. 3. Release the directors (including independent directors) from non-compete obligations.	No objection Approved as presented	Not applicable

(2) Other resolutions that were opposed by the Audit Committee while approved by two-thirds of the directors: None.

2. The independent directors shall avoid the process of resolution that involves related interest parties, and the name of the directors, the content of the resolution, the reasons for the avoidance of conflict of interests and the participation status in the voting process shall be stated: None.

3. Communications between the independent directors and CPAs (including corporate finance, an operating status that is in material nature, the communication method, and the conclusion):

(1) The Company's internal audit reports are submitted to the independent directors in accordance with the law after the completion of each audit project, and there were no objections from the independent directors.

(2) The Company's internal audit staff attends every meeting of the Audit Committee and presents audit reports at regular meetings of the board of directors, and the independent directors have no objections to the report items.

(3) The independent directors of the Company communicate and understand financial reporting matters and other issues with the CPA in person or in writing.

3. The operation of corporate governance and the reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
1. Does the company stipulate and release its Corporate Governance Best-Practice Principles according to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company has stipulated the "Corporate Governance Best Practice Principles", and "Procedures for Ethical Management and Guidelines for Conduct" according to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", to preserve the rights of shareholders and stakeholders.	No difference
2. The company's equity structure and shareholders' rights and interests (1) Does the company stipulate internal operating procedures to conduct matters in regard to the shareholders' recommendations, doubts, disputes and litigation, and implement it based on these procedures? (2) Has the company a list of major shareholders who actually control the company and a list of shareholders who control these major shareholders?	 V V		(1) The Company has a spokesperson and an investor relations mechanism responsible for handling shareholder suggestions and inquiries. If there are legal issues involved, they will be referred to the Company's legal personnel or professional legal advisors for handling. (2) The Company has dedicated personnel to handle related matters and has entrusted a professional share registry agency to handle share-related affairs in accordance with the law. Therefore, the Company can identify the major shareholders and the list of major shareholders.	No difference

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
(3) Does the company create, implement, and manage the risk and its firewall mechanism between the related companies?	V		(3) The Company has stipulated "Rules of Supervision and Management to the Subsidiaries", "Management of Related Parties Transaction" and "Rules Governing Financial and Business Matters Between this Corporation and its Affiliates". There are exclusive people responsible for the finance, business, and account of the affiliates and all the operations are independent, concurrently supervised and audited by the parent company, which manages the risk efficiently.	
(4) Has the company stipulated internal regulations that prohibit insiders from buying and selling securities with unpublished information in the market?	V		(4) In order to prevent insider trading, the Company has stipulated "Procedures for Handling Material Inside Information and Prevention of Insider Trading" to regulate the avoidance of conflicts of interest related to internal personnel's duties and to prevent them from using undisclosed information known to them or leaking it to others.	
3. Founding and duties of the board of directors (1) Does the Board establish a diversity policy, and specific management goals and implemented them accordingly?	V		(1) The board of directors of the Company approved "Corporate Governance Best Practice Principles" on April 7, 2022. Article 26 of the said Principles formulates a diversified policy for directors, which emphasizes professional knowledge and skills, as well as evaluation	No difference

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
			conditions based on the ideal goals of corporate governance.	
(2) In addition to founding the Remuneration Committee and Audit Committee according to the laws and regulations, does the company voluntarily create other committees with similar functions?	V		(2) The Company has resolved to establish the Sustainable Development Committee on November 8, 2023, with responsibilities including setting the annual sustainable development plan and strategic direction, approving the sustainability report, and ensuring the realization of sustainable development goals such as corporate governance, environmental protection, and social welfare.	
(3) Does the Company stipulate performance assessment regulations and assessment methods for the board of directors and conduct the performance assessment on a yearly basis, and does the results of the performance assessment report to the board of directors for the reference of individual directors' salary and nomination of reappointment?	V		(3) The board of directors of the Company has approved "Rules for Performance Evaluation of Board of Directors and Functional Committees" on October 28, 2021, which stated that the internal and external evaluation results of the board of directors should be completed by the end of the first quarter of the next year. At least once every three years, an external independent institution or team of external experts and scholars should conduct a performance evaluation of the board of directors and the directors. The evaluation will cover at least the following five aspects: i. Participation in company operations ii. Improving the quality of the decision-	

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
(4) Does the company regularly assess the independent status of the certified public accountant?	V		making of the board of directors iii. Composition and structure of the board of directors iv. Selection and ongoing education of directors v. Internal controls (4) The Company's board of directors shall evaluate the independence and competency of the CPA at least once a year and requires the CPA to provide a "Statement of Absolute Independence." After confirming that the accountant has no other financial interests or business relationships with the Company other than signing and tax-related expenses, and that the accountant's family members do not violate independence requirements, the appointment and fees of the accountant shall be deliberated. The evaluation of the independence of the CPA was conducted at the meeting of the board of directors on March 9, 2023.	
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (e.g, including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with	V		The Company has, as resolved by the board of directors, established a corporate governance officer position, which is concurrently held by a senior manager in the finance department who is a certified public accountant. Its main responsibilities include handling matters related to the board of directors and	No difference

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?			shareholders' meetings in accordance with the laws, preparing minutes of the board of directors and shareholders' meetings, assisting directors in their appointment and continuing education, providing necessary information for directors to perform their duties, and assisting directors in complying with laws and regulations.	
5. Does the company have a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and supply vendors) and create a stakeholder area on the Company's website, and appropriately react and respond to important corporate social responsibility issues to stakeholders?	V		The company has established a spokesperson and investor relations system as a communication channel with stakeholders and has set up a contact section on the company website for exchanging opinions at any time.	No difference
6. Does the Company entrust a professional share agency to conduct the affairs in regard to the shareholders' meeting?	V		We appointed Fubon Securities Co., Ltd. as the agent for stock affairs, handling the relevant matters of shareholders' meetings.	No difference
7. Information disclosure (1) Has the company set up a website to disclose information on financial business and corporate governance? (2) Does the Company use other approaches for information disclosure (such as creating an English website, designating a person to be responsible for collecting and disclosing the	 V V		 (1) The Company has disclosed the information of the financial, business and corporate governance on the Company's website of the stakeholder's zone. (2) The Company has designated a dedicated person to be responsible for the collection and disclosure of the information of the Company and has implemented a spokesperson system in	 No difference No difference

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
Company's information, implementing the spokesperson system, and uploading videos of the investor conferences on the Company's website)? (3) Does the Company announce and declare the annual financial report within two months after the end of the fiscal year, and announce in advance and declare the first, second and third quarter financial reports as well as the monthly operating report before the deadline?		V	accordance with regulations. The Company website is: https://www.jv-holding.com (3) The Company has completed the announcement and filing of the financial report before the regulatory deadline and subsequent actions will be evaluated based on actual needs to assess whether to advance the related operational schedule if necessary.	The Company has completed the announcement and filing of the financial report in accordance with the regulatory deadline and subsequent actions will be evaluated based on actual needs to assess whether to advance the related operational schedule if necessary.
8. Does the Company have other important information that can help investors to understand the operation of corporate governance (including but not limited to employees rights, employees care, investor relations, relationships with suppliers, stakeholders' rights, training for directors and supervisors, the implementation status of risk management policy and risk measurement standard, the implementation of customer policy, the liability insurance purchased by the Company for the directors and supervisors, etc.)	V		(1) Employee rights: The Company has established a labor-management meeting and an employee welfare committee to protect employee rights and promote related welfare and has established relevant regulations in accordance with labor laws to fulfill its responsibility of caring for employees. (2) Employee care: The Company values the relationship between employers and employees, regularly holds birthday parties and dinners for new employees, and listens to employee opinions in a timely manner. The Company also, valuing the physical condition of its employees, subsidizes annual health checkups, continues to improve the office environment, moves towards international	No difference

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
			standards, and ensures that all employees can complete their work according to their will without physical or psychological coercion, and without discrimination based on race, gender, age, religion or political orientation. (3) Investor relationship: The Company has a spokesperson and an investor relationship mechanism responsible for handling related opinions or issues from investors. (4) Supplier relationship: The Company has signed relevant procurement contracts with suppliers and maintains good communication and relationships. (5) Rights of stakeholders: The Company has a spokesperson and an investor relations mechanism, and stakeholders can communicate through the Company's website, telephone, email, and other means. (6) Director training: The directors of the Company have professional backgrounds and relevant practical management experience, and the Company not only arranges relevant director courses in accordance with legal regulations, but also plans seminars on corporate governance topics. (7) Implementation of risk management policies	

Evaluation Items	Implementation Status			Reasons for the differences with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary of the description	
			and risk measurement standards: The Company focuses on the development of green energy industries, values the importance of compliance with relevant regulations, and continuously promotes and reviews internal standard operating procedures to reduce and avoid any possible risks. (8) Implementation of customer policies: The Company provides a business contact person on its website and has a customer service mailbox to provide inquiry or consultation services, maintains good relationships with customers, and collaboratively creates the best interests. (9) Directors' liability insurance: The Company has purchased liability insurance for its directors.	
9. Please state the improvement of the company's corporate governance and propose the priority matters and measures for reinforcement from among those which have not been improved, according to the evaluation results of the current year issued by the Corporate Governance Center of the Taiwan Stock Exchange Corporation: Not Applicable.				

4. The formation and operations of the Remuneration Committee:

(1) Information about the members of the Remuneration Committee

Conditions / Name Title	Professional Qualifications	Status of Independence	Number of Other Public Companies in which the Individual is Concurrently Serving as an Independent Director
Chen, Chi-Chang Independent Director Convener	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	None
Wu, Ching-Sung Independent Director Convener	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. An instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	1
Kuo, Hui-Lan Independent Director	Please refer to the director information stated in Chapter 3, Section II, Subsection 1 for the relevant educational and professional background. A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialists who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company, or has work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)	1

Note: Disclosure of the independence status of committee members during the two years before their appointment and throughout their tenure. (Those who meet the criteria are disclosed in the table above)

(1) Not an employee of the company or any of its affiliates.

(2) Not a director or supervisor of the company or any of its affiliates (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(3) Not a natural-person shareholder who holds shares, together with those held by the

person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons in (2) or (3).

(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, Paragraph 1 or 2 of the Company Act.

(6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company (do not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

(9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$ 500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

(10) Not having the circumstances under Article 30 of the Company Act.

(2) The operating status of the Remuneration Committee

A. The Company's Remuneration Committee has three members.

B. The term of the current Remuneration Committee: December 15, 2021 to December 14, 2024. In the most recent year, the Remuneration Committee had 2 meetings (A), and the attendance records of the members are listed as follows:

Title	Name	Number of attendance in person (B)	Number of entrusted attendance	Percentage of attendance in person (%)(B/A) (Note)	Note
Convener	Chen, Chi-Chang	-	-	-	Assumed the office on December 27, 2023
Member	Wu, Ching-Sung	2	-	100.00	-
Member	Kuo, Hui-Lan	1	1	50.00	-
Member	Lee, Tui-Chih	2	-	100.00	Resigned on August 21, 2023

Other matters that shall be recorded:

1. If the board of directors does not adopt or has revised the recommendations of the Remuneration Committee, the date, period, agenda, decision, and handling of the Company's opinion on the Remuneration Committee (If the board of directors approves a better salary and remuneration than those recommended by the Remuneration Committee, it shall specify the differences and reasons): None.
2. If any members have dissenting or reserved opinions with recorded or written statements regarding the resolution of the Remuneration Committee, the date, period, agenda, all members' opinions, and how the Remuneration Committee handles the members' opinions shall be specified: None.
3. The date, period, agenda, resolution, and how the Company handles the opinions of the Remuneration Committee regarding the opinions of the Remuneration Committee.

Meeting Date (Term)	Content	Resolution of the Remuneration Committee	The Company's handling of said resolutions
2023.01.12 (fifth meeting in the second term)	1. Year-end performance bonus and the adjustment of the remuneration of the managers 2. Distribution of the new shares issued through cash capital increase to grant employee stock options to managerial staff 3. Resolution on the Election of the Convener of the Remuneration Committee	No objection Approved as presented	File to the board of directors and approved by all attended directors
2023.03.09 (sixth meeting in the second term)	1. Distribution of remuneration for employees and directors in 2022 2. Adjustment to the remuneration of the managers	No objection Approved as presented	File to the board of directors and approved by all attended directors

5. Implementation of sustainable development promotion and difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
1. Does the Company have a special unit (or part-time) for promoting corporate social responsibility, which is authorized by the board of directors to the high management and the implementation status is reported to the board of directors?	V		The Company has stipulated the " Sustainable Development Best Practice Principles" by resolution of board of directors on April 7, 2022. It is implemented and managed by General Manager Office, and will be reviewed annually, and the related information will be reported to the board of directors. On November 8, 2023, the Board of Directors passed a resolution to establish the "Sustainable Development Committee," composed of senior managers and directors of the company, to assist the Board in continuously promoting corporate social responsibility and enhancing corporate governance to achieve sustainable operation. The committee established the "Sustainable Development Office" and appointed a "Chief Sustainability Officer," who oversees three working groups: "Environmental Sustainability," "Social Inclusion," and "Corporate Governance," to ensure the promotion and implementation of sustainable development-related work. The "Sustainable Development Committee" reports annually to the Board of Directors on the results of sustainable development initiatives, including (1)	No material difference

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			identifying sustainable issues that require attention and proposing response plans, (2) setting goals and revising policies related to sustainability issues, and (3) monitoring the implementation of sustainable business operations.	
2. Does the Company, based on the materiality principle, assess the risk of the environmental, social, and governance issues relating to business operations and establish relevant risk management policies or strategies?		V	The Company places great emphasis on risk management in all aspects of our operations. We have established systematic measures to reduce pollution emissions during environmental development and strive for sustainable development that emphasizes ecological coexistence. On the social front, we regularly participate in public welfare activities, such as green energy initiatives, children's soccer programs, and hearing-impaired baseball teams. Our corporate governance is guided by our "Corporate Governance Best Practice Principles", which strengthens the role of the board of directors and promotes communication with stakeholders while complying with relevant laws and regulations. The sustainability report for 2023 of the Company is prepared in accordance with the internationally recognized reporting guidelines (GRI Standards) and analyzed based on materiality principles. We engage in communication with both internal and external stakeholders and conduct a thorough review of domestic and international research	The Company has, as resolved by the board of directors, stipulated the "Policy for Risk Management" on December 27, 2022, which would be jointly promoted by all departments. The risk management policies or strategies are still under work, with no significant differences in other aspects.

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			reports, literature, and integrated assessment data from various departments and subsidiaries. This process enables us to assess significant ESG (Environmental, Social, and Governance) issues, formulate effective risk management policies for identification, measurement, evaluation, monitoring, and control, and implement specific action plans to mitigate the impact of related risks.	
3. Environmental issues (1) Does the Company create a suitable environmental management system according to its characteristics in the industry? (2) Is the Company committed to enhancing the efficiency of using various resources and using recyclable materials that have a low impact on the environment? (3) Does the Company assess the potential risks and opportunities at present and in the future of climate change and take climate-related countermeasures?	V V V		(1) The Company is committed to the development of renewable and clean energy services and technologies, providing comprehensive energy services such as solar energy, offshore wind energy, energy storage, green energy, and wastewater treatment. (2) The Company is involved in promoting environmental protection policies, and classifying and recycling waste according to categories to reduce environmental impact. Our subsidiary WEISHENG is engaged in water resource recycling, treating sewage and wastewater for reuse to improve resource utilization efficiency and reduce environmental pollution. (3) Faced with the risk of climate change, the Company has developed contingency measures, collected government policies and related law amendment schedules in a timely manner, conducted impact assessment and contingency plans in advance, and conducted relevant insurance operations for related equipment to avoid natural disaster losses. In addition, under the national energy policy, the Company actively invests in the renewable energy business.	No material difference No material difference No material difference

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
(4) Does the Company measure the amount of greenhouse gas emissions, water consumption, and total weight of waste for the past two years, and stipulate policies for greenhouse gas reduction, reduction of water consumption, or waste treatment?		V	(4) The Company implements energy conservation and carbon reduction plans, such as controlling air conditioning temperatures and digitizing document approvals, and promotes the Earth Hour event during public welfare activities, as well as continually formulating and promoting various energy-saving policies.	Planning to disclose the performance of reduction of carbon emission and energy reservation; however, we are currently in the process of compiling statistics on greenhouse gas emissions, water usage, and total waste weight.
4. Social Issues (1) Does the Company stipulate relevant management policies and procedures according to the relevant regulations and conventions of international human rights?	V		(1) Based on the Labor Standards Act ("LSA") and related interpretations, the Company has established a set of work rules that guarantee equal employment rights to all employees regardless of gender, race, religion, or other factors. We also provide a channel for employees to file work-related complaints or consultations and take great care to safeguard their physical and mental health.	No material difference
(2) Does the Company stipulate and implement reasonable welfare regulations for employees (including remuneration, holidays and other benefits), and appropriately distribute the revenue of operating performance or results to employees' remuneration?	V		(2) The Company provides employees with more generous leave benefits than required by the LSA, and has a staff welfare committee responsible for organizing various quality benefits for employees. These include employee travel subsidies, birthday vouchers, free health check-ups, marriage and funeral	

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			subsidies, etc. Additionally, monthly birthday celebrations are held, and various leisure activities are organized regularly to enhance the quality of leisure life and promote camaraderie among employees.	
(3) Does the Company provide a safe and healthy working environment for employees and regularly conduct safety and health education training for employees?	V		(3) The Company's office environment is designed based on the concept of intelligent offices, providing diverse workspaces while also taking into consideration humanistic factors, such as the provision of rest areas. We also conduct annual health checkups to ensure the safety and well-being of our employees. In addition, the company has established an "Occupational Safety and Health Office" to enhance the working environment for employee safety and health. Regular occupational safety and health education and training courses are also conducted to ensure a safe and healthy workplace.	
(4) Does the Company propose an effective career development training plan for employees?	V		(4) The Company has established "Regulations of Education and Training for Employees", emphasizing personal career and professional development for employees, with the goal of becoming a learning organization and promoting sustainable business	

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
			practices. We provide different courses for employees to continue their education. Also, during the scheduled annual KPI meeting, the supervisor and the employee discuss and set personal annual ability development plan, through periodic reviews and feedbacks, assist the employee in tailoring the best development plan.	
(5) Does the Company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		(5) The Company strictly abides by confidentiality agreements with clients and follows international standards when providing related services. We also have a contact person and customer service channels to address client inquiries or complaints.	
(6) Does the Company stipulate supplier management policies that request suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor rights, and what is the implementation status?	V		(6) The Company places great emphasis on environmental and social protection, as well as occupational health and safety and labor rights, and takes these factors into consideration when working with suppliers.	
5. Does the Company refer to the international report to prepare standards or guidelines such as Sustainable reports that disclose the non-financial related		V	The Company compiled its sustainability report for the fiscal year 2023 according to the Universal Standards, Industry Standards, and Materiality Guidelines issued by the Global	No material difference

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
information of the Company? Does the preceding report obtain assurance or opinion from a third-party authentication unit?			Reporting Initiative (GRI). The report discloses significant economic, environmental, and social (including human rights) themes and impacts identified by the Company, as well as disclosure items and reporting requirements. Additionally, the report includes an index of industry-specific information based on the Sustainability Accounting Standards Board (SASB) guidelines, along with a content index corresponding to SASB indicators. The sustainability report for 2023 also includes a content index corresponding to the GRI standards, with annotations indicating that the report was subject to limited assurance by PricewaterhouseCoopers Taiwan, based on the Assurance Standard No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Chinese Institute of Certified Public Accountants (CICPA), which is developed based on the International Assurance Standard ISAE 3000. The sustainability report is publicly available on the Company's website at https://www.jv-holding.com/.	
6. Describe the difference, if any, between actual practice and the Sustainable Development principles, if the company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies: The Company has stipulated the " Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies". The operation status and the difference from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" are stated above.				

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
7. Other useful information for explaining the status of corporate social responsibility practices: Please refer to the company's official website, https://www.jv-holding.com/				

6. Climate-Related Information of Listed and OTC Companies

(1) Implementation Status of Climate-Related Information

Items	Implementation Status
1. Disclosure of the supervision and governance of climate-related risks and opportunities by the board of directors and management.	The Board of Directors of J&V Energy serves as the highest supervisory body for climate change management, overseeing the review and deliberation of climate risk policies and control systems. In response to the risks and opportunities posed by extreme weather events, various levels of the company actively participate in discussions to identify and assess the impacts of climate change, develop corresponding response measures, and refer to the framework of the Task Force on Climate-related Financial Disclosures (TCFD) to establish a process for identifying and evaluating climate risks. This facilitates the analysis and identification of climate risks and opportunities, and through qualitative or quantitative methods, evaluates the likelihood and impact of potential operational and financial impacts on the company's operations and business. Under the jurisdiction of the J&V Energy Board of Directors, the "Sustainability Development Committee" has been established, with the Chairman of the Board serving as the Director, and the General Manager acting as the convener. The committee includes a Sustainability Development Office, with the Chief Sustainability Officer as the management representative, and is divided into three ESG functional groups: "Environmental Sustainability Group," "Social Inclusion Group," and "Corporate Governance Group." Each group focuses on different business areas such as operations, markets, finances, human resources, and climate change, jointly promoting risk management plans and operations, and coordinating with relevant departments of the company to plan and implement sustainable business initiatives. The Sustainability Development Committee convenes at least twice a year and reports on its operations and achievements to the Board of Directors. Additionally, the company's "Audit Committee" and "Remuneration Committee" also play a role in governing certain climate-related issues. The Audit Committee convenes quarterly meetings to discuss relevant issues, including the implementation of internal control systems for climate-related risks and audit

<table>
<tr><th>Items</th><th>Implementation Status</th></tr>
<tr><td></td><td>findings, while the Remuneration Committee holds semiannual meetings to assess and review executive compensation based on ESG-related performance (including climate change-related issues management). Through the linkage of compensation systems and the outcomes of climate change management, it encourages management to operate the company's business profitably while achieving sustainable operations, thereby realizing the company's sustainability goals and striving to meet the expectations of stakeholders.</td></tr>
<tr><td>2. Describe how identified climate risks and opportunities affect the business, strategy, and finances of the company (short-term, medium-term, long-term).</td><td>Through the process of identifying and assessing climate risks, analyzing the identification of climate risks and opportunities, and evaluating their likelihood and impact, both qualitatively and quantitatively, we aim to identify potential operational and financial impacts on J&V Energy.
(1) Identification: Utilizing the TCFD framework, climate risks and opportunities are identified through departmental interviews, initially qualitatively, to inventory the potential climate risks and opportunities for J&V Energy and assess their impact.
(2) Assessment: Based on the likelihood and impact of climate-related risks and opportunities, assessments are conducted using qualitative or quantitative methods to identify the climate risk and opportunity factors that J&V Energy should focus on.
(3) Analysis: Based on the identification results, measures or monitoring mechanisms are developed to address climate-related risks and opportunities.
(4) Management: Disclosure of the results of climate risk and opportunity identification, explaining the potential impacts J&V Energy may face regarding various climate risks and opportunities, and proposing strategies and management approaches to address each risk.

<table>
<tr><th></th><th>Risk Categories and Opportunities</th><th>short-term (2~3year)</th><th>medium-term, (3~5year)</th><th>long-term (5year or more)</th></tr>
<tr><td>Risk</td><td>Transition Risk
Risks arising from global energy transition and environmental sustainability trends, including policy and</td><td>1. Electricity Industry Regulations
2. Fuel/Energy Tax Regulations</td><td>1. Changes in Corporate Customer Demand
2. Impact of Company's Low-Carbon Green</td><td>Zero-emission trend</td></tr>
</table>
</td></tr>
</table>

Items	Implementation Status				
		regulatory, market, and reputational risks.		Energy Image and Reputation on Stakeholders' Investment Willingness	
		Physical risks (1) Immediate risks: Mainly driven by single acute climate disaster events, such as heatwaves, droughts, heavy rainfall, unusually high or low temperatures, and other increasingly severe extreme weather events. (2) Long-term risks: Long-term changes in climate patterns, such as increased occurrence of floods, wildfires, and heatwaves due to global warming, leading to	Damage to operational assets due to extreme weather events such as typhoons, floods, and high temperatures.	Disruption of the supply chain due to natural disasters.	Rising sea levels.

Items	Implementation Status				
		continuous escalation of risk management costs for businesses.			
	Opportunities	**Climate opportunities** refer to the potential benefits that businesses can gain from adapting their strategies to climate change.	1. Green energy sources 2. Providing low-carbon products and service.	Improving energy/resource efficiency	1. Increasing demand for green energy/low-carbon products in the market 2. Enhancing operational resilience through risk assessment and prevention

The Company has conducted an assessment of the aforementioned risks and identified climate-related risks and opportunities that may have significant financial impacts. The proposed strategies to address them are as follows:

Transition Risk／Climate opportunities		
Risk／Opportunities	**financial impact－／＋**	**coping strategies**
R: Electricity-related regulations O: Energy usage O: Energy sources	+Increase revenue by supplying green energy to large electricity consumers +Meet customer demands to increase revenue +Improve energy efficiency to reduce operating costs +Increase revenue from resale of electricity and electricity sales	J&V Energy provides integrated services for planning, design, construction, and operation of renewable energy power plants and energy storage facilities for customers, while expanding investments in renewable energy power plants to offer customers diverse and stable green energy sources, thereby generating revenue for the company

Items	Implementation Status		
	R: Fuel/energy tax regulations O: Resource efficiency	-Increase in operating costs +Meet customer demands to increase revenue +Improve energy efficiency to reduce operating costs	1. J&V Energy implements ISO 14064-1 greenhouse gas inventorying and ISO 14001 environmental management systems, and establishes short, medium, and long-term carbon reduction actions and goals. 2. J&V Energy invests in and holds shares in its subsidiary, Wei Sheng Environmental Science, to develop industrial and domestic wastewater reuse and seawater desalination, promoting efficient water resource utilization and enhancing industry development prospects. Water-saving equipment is installed internally, and water reduction is advocated
	R: Changes in customer demand O: Products and services	+Increase revenue from increased demand for green energy +Meet customer demands to increase revenue	1. By investing in diverse renewable energy power plants and establishing subsidiaries such as Taineng Green Power for electricity sales and Taipower Energy for energy storage, J&V Energy provides integrated services for energy creation, storage, and green energy trading, meeting customer demands and increasing profit opportunities. 2. J&V Energy invests in various types of renewable energy power plants to create stable power sources and replicates Taiwan's experiences overseas, assisting customers in establishing renewable energy power plants to seize opportunities arising from climate change and generate

Items	Implementation Status		
			revenue for the company.
	R: Perception changes among stakeholders O: Market changes	-Decrease in investment willingness +Increase in investment willingness leads to increased revenue	1. In response to international trends, regulatory changes, and market developments, J&V Energy adjusts internal management regulations, enhances transparency, and responds promptly, enhancing its corporate image as a low-carbon green energy provider. Through investor meetings and external events, J&V Energy explains its operational layout and future plans to stakeholders. 2. J&V Energy aligns its investments with government policies to develop various types of renewable energy power plants and ventures into biomass energy, energy storage equipment, and circular economy projects to meet market demand.

Transition Risk／Climate opportunities		
Risk／Opportunities	**financial impact－／＋**	**coping strategies**
R: Extreme changes in climate patterns leading to increased frequency of windstorms and floods. R: Disruption in the supply chain.	-Shutdown of operational sites leading to decreased revenue. -Damage to machinery and equipment resulting in property loss. -Increase in raw material prices leading to higher operational costs.	1. Prior to site selection, design, and construction phases of project development, stringent measures are taken to ensure the stability of the power generation system. Waterproofing issues are also taken into consideration in both cabling and design to minimize the potential impact of disasters.

<table>
<tr><th>Items</th><th colspan="3">Implementation Status</th></tr>
<tr><td></td><td></td><td></td><td>Each power plant is insured against relevant natural disasters, with an estimated annual expenditure of approximately 3.41 million New Taiwan Dollars for disaster insurance.
2. Developing alternative raw materials.
3. Seeking suppliers from other regions.</td></tr>
<tr><td>3. Describe the financial impact of extreme weather events and transition actions.</td><td colspan="3">Extreme Weather Events and Financial Impact:
J&V Energy promotes the construction of solar power plants and energy storage facilities. There are currently 61 metered solar power plants and 1 energy storage facility in Taiwan, all of which are important assets of the Company. The 2023 global risk report identified extreme weather events as one of the short-term risks. Issues such as typhoons and floods could potentially damage solar power plants, leading to increased operating costs. To mitigate potential financial impacts from extreme weather risks, the Company believes in conducting scientific scenario analyses to assess potential financial impacts and facilitate timely response and remediation.
The Company utilizes the Flood Risk Tool provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) to assess risks. Based on the RCP8.5 scenario analysis, the risk levels are categorized into five levels, with level five representing the highest risk area where potential flooding could affect solar power plants. According to the analysis results of 2023, none of the Company's current operational areas are categorized as level five risk areas. The Company will continue to conduct climate scenario analyses to anticipate and prevent potential disasters at solar power plants caused by extreme weather events, and formulate corresponding prevention strategies and precautionary measures promptly.

Transition Actions and Financial Impact:
Under transition risks, domestic and international energy transitions and net-zero carbon policies may lead to policy and regulatory changes, technological advancements, and market shifts. These changes in nature, speed, and focus may increase operating costs or decrease sales volume, depending on factors such as greenhouse gas emissions control regulations, renewable energy regulations, and stakeholder preference changes. However, the company's ongoing diversification into renewable energy and expansion into environmental protection and circular economy sectors have not significantly impacted revenue under various scenarios.
Furthermore, the company implements energy-saving and carbon reduction projects to set carbon reduction targets for operations and supply chains, reduce energy consumption, water resource consumption, and waste, and enhance</td></tr>
</table>

Items	Implementation Status
	climate resilience. The financial impact of this project on the company includes increased capital investment and operating costs.
4. Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The board of directors of the Company serves as the highest governing body for climate change management, responsible for supervising and reviewing climate risk policies and control systems. To strengthen corporate governance and achieve sustainable development, the Risk Management Policy was adopted and established by the board on December 27, 2022. Under the board's jurisdiction, the Sustainable Development Committee was formed, with the Sustainability Office serving as the management representative. The committee comprises three ESG functional teams: Environmental Sustainability, Social Inclusion, and Corporate Governance. These teams focus on various business areas such as operations, markets, finance, human resources, climate change, and information security to promote risk management plans and operations. Responsibilities include formulating risk management policies and related measures, establishing the company's risk management operation mechanism, assisting and monitoring risk management operations in various units, and ensuring the effective implementation of internal control procedures. The board supervises and tracks the implementation of risk management by the management team to enhance the resilience of the company.
5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	The Company has not yet implemented scenario analysis using climate models.
6. If there is a transformation plan to manage climate-related risks, describe the plan's content and the indicators and objectives used to identify and manage physical and transition risks.	Aspiring to become a benchmark for green enterprise and to achieve net-zero emissions, we have developed a decarbonization plan. This plan targets reductions in direct emissions from operational activities (Scope 1), indirect emissions from energy use (Scope 2), and indirect emissions from value chain activities (Scope 3). Implementation measures include: (1) Continuous proactive voluntary decarbonization: Internal initiatives such as paperless operations, replacement of energy-consuming equipment, transition to electric vehicles, promotion of water and electricity conservation among employees, and waste reduction and recycling efforts. (2) Adoption of renewable energy: Significant increase in the proportion of renewable energy use, with 25% of electricity at our Taipei office sourced from green energy in 2023. We plan to extend this initiative to our supply chain to actively support net-zero emissions. (3) Investment in the circular economy: Investment in net-zero emission projects and participation in carbon offset projects. Due to the length of content regarding indicators and goals for identifying and managing physical and transitional risks, please refer to Chapter 5 Section 1 of the 2023 Sustainability Report of J&V Energy, Climate Change Management, for more details.

Items	Implementation Status
7. If internal carbon pricing is used as a planning tool, explain the basis for price setting.	The Company has not yet developed a specific internal carbon pricing mechanism. However, we will continue to research internal carbon pricing mechanisms and carefully evaluate implementation methods to manage and reduce our carbon emissions effectively.
8. If climate-related goals are set, provide information on the activities covered, greenhouse gas emission scope, planning schedule, progress achieved each year, etc. If carbon offsetting or renewable energy certificates (RECs) are used to achieve these goals, explain the sources and quantities of carbon offsets or the number of RECs exchanged.	Based on the results of risk identification and international trends, the Company has developed action plans to address climate change, set performance management indicators, established short, medium, and long-term goals for greenhouse gas management, energy resource management, water resources, etc., and regularly reviews progress and effectiveness in achieving these goals. In line with the government's "Sustainable Development Roadmap for Listed Companies," the Company has adopted the ISO 14064-1:2018 greenhouse gas inventory standard as a benchmark since 2023. We have conducted a corporate-level inventory and obtained third-party external verification in 2024. To effectively manage energy resources and reduce energy consumption, the Company has implemented energy-saving measures for office management and the use of green energy. In 2023, we used 29,292 kWh of green energy and purchased 9 green energy certificates (9,000 kWh of green energy). We achieved the RE25 goal in 2023 and plan to achieve RE100 in 2024. Additionally, we are gradually implementing the ISO 50001 energy management system to effectively manage energy performance and continue implementing energy-saving and carbon reduction initiatives. We aim to make a positive impact and reduce environmental footprint.

Green electricity usage		
short-term (2~3year)	**medium-term, (3~5year)**	**long-term (5year or more)**
In 2023, we transitioned 25% of our electricity supply to green energy.	In 2024, we aim to achieve 100% green energy usage throughout the year.	We are committed to maintain this transition.
Outcome Performance		
Taipei office’s 2023 green electricity transition target has reached 25%		

Replace equipment (energy saving, water saving)		
short-term (2~3year)	**medium-term, (3~5year)**	**long-term (5year or more)**
1. Office advocacy for turning off lights when not in use and conserving water. 2. Setting the office air conditioning to 26 degrees Celsius during summer. 3. Providing employees and visitors	We are committed to maintain this transition.	We are committed to maintain this transition.

Items	Implementation Status		
	with the use of reusable cups to reduce plastic cup usage. 4. Equipping the employee break area with microwave ovens, electric cookers, and other heating appliances for the convenience of colleagues who bring their own food containers, thereby increasing their willingness to use environmentally friendly utensils.		
	Waste reduction (office, casework projects)		
	short-term (2~3year)	**medium-term, (3~5year)**	**long-term (5year or more)**
	Office - Digitization of Administrative Operations 1. Implementing an electronic approval system to reduce paper usage. 2. Establishing a resource recycling area and ensuring proper waste sorting, with disposal handled by qualified waste disposal contractors appointed by the building management. Site - Waste Reduction in Engineering Activities 1. Through systematic engineering management, controlling material wastage during construction to be less than 1% and planning the saved materials as spare parts. 2. Reusing packaging materials and accessories used in transportation or at the time of delivery. 3. After replacement, materials can be	We are committed to maintain this transition.	We are committed to maintain this transition.

Items	Implementation Status		
	strengthened on existing sites through reassembly and modification. If waste is properly managed, most of it consists of valuable materials that can be directly recycled by professional vendors.		
9. Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans (fill in 1-1 and 1-2 separately).	According to the Financial Supervisory Commission's Letter No. 11103849344, "Consolidated Financial Statements of Listed or Over-the-Counter Companies with Paid-in Capital of Less Than NT$5 Billion," listed or over-the-counter companies with paid-in capital of less than NT$5 billion are required to complete disclosure of greenhouse gas inventory information starting from 2027 year and disclosure of verification information starting from 2029. The anticipated schedule plan is as follows: 1. Parent company completes greenhouse gas inventory: Complete the voluntary inventory, internal audit, and engage AFNOR ASIA for third-party verification in March, May, and June in 2024, respectively. 2. Subsidiary company completes greenhouse gas inventory: Planned to commence relevant planning in 2025. 3. Parent company completes external verification: Engaging AFNOR ASIA for third-party verification in June 2024. 4. Subsidiary company completes external verification: Planned to commence relevant planning in 2025.		

7. Implementation of ethical corporate management and differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and reasons thereof

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons thereof
	Yes	No	Summary	
1. Stipulation of integrity policies and solutions (1) Has the company established integrity policies approved by the board of directors and disclosed, in a memorandum or external correspondence, the policies and practices it has in place to maintain business integrity? Are its board of directors and senior management actively implementing these policies and practices? (2) Has the company established an evaluation mechanism to periodically analyze and evaluate business activities that have a relatively higher risk of unethical conduct and thus taken steps to prevent the unethical occurrences listed in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies	V V		(1) The board of directors of the Company has approved the "Code of Ethical Conduct" and the "Procedures for Ethical Management and Guidelines for Conduct", including the principles of fairness, honesty, trustworthiness and transparency for directors, managers and employees of subsidiaries and organizations to engage in business activities, and set these principles in other Company's regulations to implement ethical management and compliance with laws and regulations. (2) The Company, from the management team to employees, puts emphasis on ethical management, regularly analyzes and evaluates the risk of unethical behavior within the scope of business, plans internal organizations and division of authority, and sets up a mechanism of mutual supervision with business activities with a higher risk of unethical behavior, which complies with the prevention measures in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice	No material difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons thereof
	Yes	No	Summary	
(3) Has the company established and implemented measures against dishonest conduct, and does it periodically review and amend them? Are these measures supported by proper procedures, behavioral guidelines, disciplinary actions, and compliance systems?	V		Principles for TWSE/GTSM Listed Companies". (3) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct", set up a mechanism of mutual supervision and a reporting system, and regularly promotes and reviews the ethical management policies.	
2. Implementation of ethical corporate management (1) Does the company evaluate the integrity of all counterparties with which it has business relationships? Are integrity clauses included in the agreements it signs with business partners? (2) Does the company have a unit under its board of directors handling business integrity-related matters? Does this unit report its integrity policies and unethical conduct prevention programs, as well as their implementation, to the board of directors on a regular basis (at least once a year)? (3) Does the Company have any policy preventing conflicts of interest and channels facilitating the reporting of such conflicts?	V V V		(1) The Company and its customers or suppliers all take good faith as the premise of interacting to promote the legality of the contract and the principle of good faith as the basis for business conduct. (2) The Company has designated the Audit Office as the designated department to promote the integrity of corporate management, which is under the board of directors, and reports to the board of directors at least annually on relevant operations and supervision. (3) The Company has established a "Code of Ethics," and both management and employees uphold a high level of self-discipline and ethical standards, assist	No material difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons thereof
	Yes	No	Summary	
			the auditing unit in reviewing internal conflicts of interest and provide proper channels for communication. The Company also arranges insider disqualification courses and provide information to our directors and management annually.	
(4) Has the company implemented effective accounting and internal control systems for maintaining business integrity? Are relevant audit plans made by the internal auditors based on unethical conduct assessments to examine compliance with unethical conduct prevention or are these audits done by the company's CPAs?	V		(4) The Company has a professional and effective accounting system and internal control system. All employees follow the audit plan drawn up by the internal audit unit and provide sufficient assistance. If any unethical behavior with potential risks is detected, effective improvements will be made immediately and relevant situations will be reported to the board of directors annually.	
(5) Does the Company organize internal or external training on a regular basis to maintain business integrity?	V		(5) The Company regularly conducts courses for directors and managers on ethical corporate management, and offers internal education and training courses for all employees annually. The Company would also introduce and explain relevant internal regulations and laws during new hire orientation.	

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons thereof
	Yes	No	Summary	
3. Operation of the company's whistleblowing system (1) Does the company provide incentives and means for employees to report malpractice? Does the company assign dedicated personnel to investigate malpractice reports? (2) Has the Company implemented any standard procedures or confidentiality measures for handling malpractice reports? (3) Does the company provide proper whistleblower protection?	V V V		(1) The Company has a whistleblowing system with the auditing unit being the responsible unit. Employees may report anonymously or by letter. (2) The responsible unit of the Company shall keep the whistleblower confidential. All whistleblowing cases are handled in strict confidence, and appropriate protection measures shall be taken to ensure the privacy of the whistleblower. (3) The Company strictly protects the whistleblower, handles it with the highest confidentiality, and prohibits any retaliation. If there is any major violation, it will be reported to the competent authority or to the judicial authority for investigation.	No material difference
4. Enhancement of information disclosure Does the company disclose its integrity principles and related progress on its website and the MOPS?	V		The Company has set up a website (https://www.jv-holding.com/) and plans to disclose relevant information.	No difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons thereof
	Yes	No	Summary	
5. If the company has established Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, describe any discrepancy between the principles and their implementation: The Company has stipulated the "Code of Ethical Conduct" and the "Procedures for Ethical Management and Guidelines for Conduct" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies". The operation has no material difference from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies".				
6. Other important information that facilitates a better understanding of the company's implementation of ethical corporate management (such as the review and amendment of the Code of Ethical Conduct): In addition to the Code of Ethical Conduct, the Company has also stipulated other internal regulations (such as Internal Handling of Material Nonpublic Information and Prevention of Insider Trading Management Procedures). The Company also arranges for directors to attend corporate governance courses from time to time and the "Code of Ethical Conduct" will be revised as necessary depending on the Company's operational development.				

8. Search for the corporate governance regulations and other relevant regulations:

   The Company has established the Corporate Governance Best Practice Principles and relevant rules and regulations, which are posted on the corporate governance section of the Company's website.

9. Other important information to promote understanding of the Company's corporate governance implementation:

   The Company has stipulated the "Internal Material Information Processing and Insider Trading Prevention Management Operations", and has informed all directors, managers and all employees of this practice. In order to prevent violations or occurrences of insider trading, the Company also conducts annual education for all employees and managers on the prevention of insider trading.

10. Implementation status of internal control system:

(1) Internal Control Declaration:

J&V Energy Technology Co., Ltd.
Internal Control Declaration

Date: March 5, 2024

The 2023 internal control system of J&V Energy Technology Co., Ltd. (the "Company") is based on self-assessment. The Company hereby declares as follows:

I. The Company understands that the creation, implementation, and maintenance of the internal control system is the responsibility of the board of directors and manager of the Company. The Company has already created said system. The purpose of said system is to provide reasonable assurance for achieving operational effectiveness and efficiency (including profitability, business performance and protection of assets, etc.), reliability of financial reports, and compliance with the relevant laws and regulations.

II. The internal control system has its inherent limitations. Regardless of how the structure is designed, an effective internal control system can only provide reasonable assurance for achieving the abovementioned purposes, and the effectiveness of the internal control system may also vary due to changes in the environment and circumstances. However, the Company's internal control system has a self-monitoring mechanism. Once the shortcoming is identified, the Company will take immediate corrective measures.

III. The Company has determined whether the design and implementation of the internal control system are effective based on criteria set forth in the "Regulations for the Stipulation of Internal Control Systems for Listed Companies" (the "Regulations"). The criteria used in the Regulations are based on the five components of the internal control system in the process of management control: (1) control environment; (2) risk assessment; (3) operation control; (4) information and communication and (5) supervision. Each component includes several sub-items. Please refer to the Regulations for the preceding criteria.

IV. The Company has already adopted the aforementioned criteria of the internal control system to determine and evaluate the effectiveness of the design and implementation of the internal control system.

V. On the basis of the aforementioned assessment, the Company believes that the internal control system of the Company on December 31, 2023 (including the supervision and management of subsidiaries), including the level of achieving the operational effectiveness and objective of efficiency, the reliability of financial reports, and the design and implementation of the relevant internal control system regarding relevant compliance with the laws and regulations are valid and can be reasonably ensured the achievement of the aforementioned objectives.

VI. To meet the requirements for the Company's listing application, the Company, in accordance with Article 25 of the Regulations and Article 6 of the Operating Procedures for the Review of Securities Listing by Taiwan Stock Exchange Corporation," has commissioned an accountant to conduct a special review of the internal control system, which includes reliability of external financial reports and safeguarding asset security (preventing assets from being acquired, used, or disposed of without authorization) during the aforementioned period. As mentioned above, the design and implementation of the internal control system are effective and there are no significant deficiencies affecting the reliability of financial information recording, processing, aggregation, and reporting, nor are there any significant deficiencies affecting asset security, preventing assets from being acquired, used, or disposed of without authorization.

VII. This Internal Control Declaration (this Declaration) will be included in the main content of the Company's annual report and will be publicly announced. If the aforementioned content is false or not accurately disclosed, the Company shall bear the legal liabilities set forth in Articles 20, 32, 171 and 174 of the Securities and Exchange Act.

VIII. This Declaration was approved by the board of directors on March 5, 2024. Among the 7 attending directors, no one held an objective opinion, and the rest of the attending directors agreed to the content of this Declaration.

J&V Energy Technology Co., Ltd.
Chairman： Liao, Fu-Sen (Signature)
General Manager： Chao, Shu-Min (Signature)

(2) Companies appointing CPAs to review the internal control system shall disclose the review report provided by the CPAs:

In order to apply for the transfer of stock listing to the main board, the Company appointed a CPA to review the Company’s internal control system for the year 2023..

Internal Control System Review Assurance Report

J&V Energy Technology Co., Ltd.:

Attached herewith is the statement issued by J&V Energy Technology Co., Ltd., stating that its internal control system related to external financial reporting and asset safeguarding was effectively designed and executed as of December 31, 2023 (hereinafter referred to as the **"Statement"**). The Statement has been subject to a reasonable assurance review by the CPA, which has now been completed.

Target, Target Information, and Applicable Criteria

The Assurance Subject is evaluated based on the design and execution of J&V Energy Technology Co., Ltd.'s internal control system related to external financial reporting and asset safeguarding as of December 31, 2023, as well as the statement issued on March 5, 2024, on the assessment of its internal control system related to external financial reporting and asset safeguarding on its effective design and implementation. (collectively “**Assurance Subject**”)

The applicable criteria for measuring or evaluating the Assurance Subject are the effectiveness assessment criteria of the “Regulations Governing Establishment of Internal Control Systems by Public Companies.”

Inherent Limitations:

Due to inherent limitations in any internal control system, J&V Energy Technology Co., Ltd.'s internal control system mentioned above may not prevent or detect errors or fraud that have occurred. Additionally, future changes in the environment may reduce the extent of compliance with internal control systems. Therefore, the effectiveness of the internal control system in this period does not imply its effectiveness in the future.

Responsibility of Management Team:

The responsibility of management team is to establish an internal control system in accordance with relevant laws and regulations, and to review it regularly to maintain the design and execution of the internal control system continuously effective. After evaluating its effectiveness, management team issues an internal control system statement based on its evaluation.

Responsibility of the CPA:

The responsibility of the CPA is to perform necessary procedures on the Assurance Subject in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies." and Assurance Standard No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" to obtain reasonable assurance regarding the required procedure for execution of Assurance Subject and express conclusions on whether the Assurance Subject complies with applicable criteria in all material respects and whether an appropriate conclusion can be expressed.

Independence and Quality Control Standards:

The CPA and the accounting firm to which the CPA belongs have adhered to the provisions of professional ethics regulations regarding independence and other ethical standards. The fundamental principles of these standards include honesty, fairness, objectivity, professional competence, due professional care, confidentiality, and professional demeanor. Additionally, the accounting firm to which the CPA belongs adheres to quality control standards, maintaining a comprehensive quality control system, including written policies and procedures related to compliance with professional ethics, professional standards, and applicable laws and regulations.

Summary of Procedures Performed:

The CPA planned and executed necessary procedures based on professional judgment to obtain evidence related to the Assurance Subject. These conducted procedures included understanding the company's internal control system, evaluating management's assessment of the overall effectiveness of the internal control system, testing and evaluating the effectiveness of the design and implementation of internal control systems related to external financial reporting and asset protection, as well as other review procedures deemed necessary by the CPA. The CPA believes that these review procedures provide a reasonable basis for our conclusions.

Conclusion of Assurance:

In the CPA's opinion, based on the criteria for assessing the effectiveness of internal control systems under the " Assurance Engagements Other than Audits or Reviews of Historical Financial Information," the internal control system of J&V Energy Technology Co., Ltd. related to external financial reporting and asset protection was effectively designed and implemented in all material aspect as of December 31, 2023. Moreover, the statement issued by J&V Energy Technology Co., Ltd. on March 5, 2024, stating the effective design and implementation of its internal control system related to external financial reporting and asset protection, is appropriate in all material respects.

PwC Taiwan

CPA

Financial Supervisory Commission

Approval Document No.: Jin Guan Zheng Shen No. 1120348565

Approval Document No.: Jin Guan Zheng Shen No. 1070323061

March 12, 2024

11. The Company and its personnel have been punished by law or the Company has undertaken disincentive measures for its personnel for breaching the internal control system, and any material deficiencies and revisions in the most recent year up to the printed date of this annual report: None.

12. Material resolutions made in the shareholders' meeting and the meeting of the board of directors in the most recent year and up to the printed date of this annual report:

(1) Material Resolutions of the Shareholders' Meeting:

Date	Important Resolutions	Implementation Status
2023.05.30 2023 General Meeting	1. The Company's 2022 business report and financial statement	Approved as proposed
	2. The Company's 2022 dividend distribution proposal	Approved as proposed
	3. Amendment to the "AOI"	Approved as proposed. The amendment was approved by the MOEA on June 14, 2023 and the Company operates in accordance with the revised AOI.
	4. Release the directors (including independent directors) from non-compete obligations	Approved as proposed
2023.12.27 First Special Shareholders' Meeting in 2023	1. By-election of the directors (including independent directors)	By-elected Candidates: Director: Chao, Shu-Min, the representative of Asia Energy Development Co., Ltd. Independent Director: Chen, Chi-Chang The registration for this election was approved by the MOEA on January 18, 2024.
	2. Release the directors (including the independent	Approved as proposed

Date	Important Resolutions	Implementation Status
	director) from non-compete obligations	
2024.03.12 First Special Shareholders' Meeting in 2024	1. Proposal to Apply for Listing on the Main Board	Approved as proposed, execution according to the resolution.
	2. Cash Capital Increase and Issuance of New Shares Prior to Transitioning to the Main Board, Proposal to Waive Preemptive Rights of Existing Shareholders	Approved as proposed, execution according to the resolution.
	3. Amendment to the Rules and Procedures of Shareholders' Meeting	Approved as proposed, execution according to the resolution.
	4. Amendment to the "AOI"	Approved as proposed. Received approval for registration change from the Ministry of Economic Affairs on March 19, 2024, and operated according to the revised procedures thereafter.

(2) Material Resolutions of the board of directors：

Meeting Date (Term)	Major Resolutions	Result
2023.01.12 (twelfth meeting in the sixth term)	1. Proposal for the Fund Loan Limit to Invested Companies 2. Proposal for Adding the "Cash Capital Increase Employee Subscription Method" 3. Annual Manager Performance Bonus Distribution and Salary Adjustment for the Year 2022. 4. Allocation of New Shares Issued in Cash Capital Increase to Managerial Staff Subscription. 5. Proposal for Application to Mega International Commercial Bank for Renewal and Increase of Credit Line. 6. Proposal for Application to Kaohsiung Bank for Credit Line	Approved
2023.03.09 (thirteenth meeting in the sixth term)	1. Operating and Financial Reports for the Year 2022 2. Allocation of Employee and Director Compensation for the Year 2022 3. Salary Adjustment for Managers 4. Dividend Distribution for the Year 2022 5. Assessment of Independence and Qualifications of Signing Accountants 6. Appointment and Compensation of Signing Accountants 7. Release the directors (including independent directors) from non-compete obligations 8. Approval of the Company's "Internal Control Declaration" for the Year 2022 9. Amendment of the Company's "Corporate Governance Best Practice Principles" and "Sustainable Development Best Practice Principles" 10. Establishment and Revision of the Company's Internal Control System and Various Management Measures 11. Amendment of the Company's "Articles of Incorporation" 12. Proposal for Pre-approval of Non-assurance Services to be Provided to the Company and its Subsidiaries by PwC Taiwan and its Affiliated Firms 13. Application to Bank of Panshin for Credit Line 14. Joint Credit Application for Company Holding 15% shares in Green Forever Ltd. to a Consortium of Banks led by Bank of Taiwan and Management Bank, with Full Shares of Green Forever Ltd. Provided as Collateral and Related Matters 15. Convening of the 2023 Annual General Meeting of Shareholders	Approved

Meeting Date (Term)	Major Resolutions	Result
	16. Matters related to proposals of shareholders holding more than one percent of the Company's shares	
2023.05.10 (fourteenth meeting in the sixth term)	1. First Quarter Consolidated Financial Report for the Year 2023 2. Amendment of the Company's "Shareholders Meeting Rules" 3. Proposal for Waiving Participation in Cash Capital Increase Issuance of New Shares and setting other benefit standard date actions by Subsidiary "WEISHENG ENVIRONTECH CO., LTD." 4. Endorsement and provision of guarantee 5. Proposal to Jointly Apply for Credit Line with Bank SinoPac, International Bills Finance Corporation, and Other Banks, Based on Company's 15% Ownership in Green Forever Ltd., with Conditions Specified in the Credit Agreement, Opening a Guarantee and Performance Guarantee Account at Bank SinoPac, and Pledging the Guarantee and Performance Guarantee Account as Collateral, among Other Related Matters 6. Application for Renewal of Credit Line from First Commercial Bank 7. Application for Renewal of Credit Line from O-Bank 8. Proposal for Change of Proxy Spokesperson for the Company	Approved
2023.06.19 (fifteenth meeting in the sixth term)	1. Proposal for Investment in Equity of Greenhealth Water Resources Co., Ltd. by the Company 2. Endorsement and provision of guarantee	Approved
2023.08.11 (sixteenth meeting in the sixth term)	1. Proposal for Second Quarter Consolidated Financial Report for the Year 2023 by the Company 2. Endorsement and provision of guarantee	Approved
2023.08.30 (second special meeting in the sixth term)	1. Election of the Company's Directors.	Approved
2023.10.04 (seventeenth meeting in the sixth term)	1. Proposal for Issuance of the First Secured Convertible Corporate Bonds in the Country by the Company 2. Application for Guarantee Facility for Corporate Bonds from Bank SinoPac by the Company 3. Endorsement and provision of guarantee 4. Proposal for Renewal of Credit Line from Bank SinoPac and Taipei Fubon Commercial Bank by the Company 5. Proposal for Application for Credit Line from Taipei Fubon Commercial Bank by the Company	Approved
2023.11.08 (eighteenth meeting in the sixth term)	1. Proposal for Third Quarter Consolidated Financial Report for the Year 2023 by the Company 2. Proposal for Annual Audit Plan for the Year 2024 by the Company 3. Endorsement and provision of guarantee 4. Proposal for Donations to Related Parties by the Company 5. Establishment of Sustainability Development Committee, Formulation of the "Organizational Regulations of Sustainability Development Committee," and Appointment of Members by the Company 6. Election and Compensation Proposal for Members of Salary and Compensation Committee by the Company 7. Election Proposal for Directors (including Independent Directors) by the Company 8. Nomination and Review of Director and Independent Director Candidates by the Company 9. Release the directors (including independent directors) from non-compete obligations. 10. Proposal for Convening the First Extraordinary Shareholders' Meeting of Year 2023 by the Company	Approved

Meeting Date (Term)	Major Resolutions	Result
	11. Proposal to Address Shareholder Nominations for Directors and Independent Director Candidates at the First Extraordinary Shareholders' Meeting of Year 2023 by the Company	
2024.01.22 (nineteenth meeting in the sixth term)	1. Proposal for Key Focus and Goals of Sustainability Development and Promotion Targets for Year 2024 by the Company 2. Proposal for Operational Plan and Budget for Year 2024 by the Company 3. Proposal for Compensation of Newly Hired Managers by the Company 4. Amendment Proposal for Adjustment of Compensation for Independent Directors and Revision of Director and Manager Compensation Policy by the Company 5. Proposal for Determination of Director Compensation Distribution Rate for Year 2023 by the Company 6. Proposal for Distribution of Year-end Performance Bonuses and Adjustment of Salaries for Managers for Year 2023 by the Company 7. Proposal for Change in Accounting Manager by the Company 8. Proposal for Funding and Loan Limits for Investment in Subsidiaries by the Company 9. Endorsement and provision of guarantee 10. Proposal for Application for Listing Transfer to the Main Board of Stock Exchange by the Company 11. Proposal for Cash Capital Increase and New Share Issuance before Listing Transfer to Main Board, and Proposal to Waive Preemptive Rights of Existing Shareholders by the Company 12. Contract Signing with Yuanta Securities Co., Ltd., and KGI Securities Co., Ltd. for Listing Transfer Assistance by the Company 13. Amendment Proposal for “Rules of Shareholders' Meetings” by the Company 14. Amendment Proposal for “Articles of Incorporation” by the Company 15. Proposal for Renewal of Credit Line from Cathay United Bank, Bank of Kaohsiung, Chang Hwa Commercial Bank, and Mega International Commercial Bank by the Company 16. Proposal for Convening the First Extraordinary Shareholders' Meeting of Year 2024 by the Company	Approved
2024.03.05 (twentieth meeting in the sixth term)	1. Proposal for the Year 2023 Operating Report and Financial Statements by the Company 2. Proposal of Distribution of Employee Compensation and Director Compensation for the Year 2023 on March 5, 2024Janua 3. Proposal for Distribution of Profits for the Year 2023 by the Company 4. Proposal for Evaluation of Independence and Suitability of the Company's Signing Auditor 5. Proposal for Appointment and Remuneration of the Company's Signing Auditor 6. Approval of the Company's Year 2023 Internal Control System Statement 7. Amendment Proposal for “Operating Procedures the Board of Directors” and “Organizational Regulations of the Audit Committee” by the Company 8. Proposal for Capital Increase for Subsidiary, Storm Power Co., Ltd. (hereinafter referred to as “Storm Power”), by the Company 9. Endorsement and provision of guarantee 10. Approval of Financial Forecasts for the First and Second Quarters of Year 2024 by the Company 11. Proposal for Donations to Related Parties by the Company 12. Proposal for Convening the Shareholders' Annual Meeting for Year 2024 by the Company 13. Acceptance of Shareholder Proposals Reaching 1% or Above by the Company	Approved

Meeting Date (Term)	Major Resolutions	Result
2024.04.23 (twenty-first meeting in the sixth term)	1. Proposal for Cash Capital Increase and New Share Issuance for Public Subscription prior to Listing Transfer to Publicly Traded Company by the Company 2. Clarification that Overdue Accounts Receivable as of the End of March, Year 2024, are not of a Loan Nature by the Company 3. Proposal for Setting the Benchmark Date for Conversion of “Domestic First Guaranteed Convertible Corporate Bonds” into Common Stock by the Company	Approved
2024.05.14 (twenty-second meeting in the sixth term)	1. Proposal for the Year 2023 Sustainability Development Execution Status by the Company 2. Proposal for First Quarter Consolidated Financial Report for the Year 2024 by the Company 3. Proposal for Investment in “GSSG Solar Taiwan 1 Co., Ltd” (hereinafter referred to as “ GSSG”) Equity by the Company 4. Amendment Proposal for “Corporate Governance Best Practices Principles” by the Company 5. Endorsement and provision of guarantee 6. Proposal for Renewal of Credit Lines from First Commercial Bank, Bank of Kaohsiung, and Bank of Panshin by the Company 7. Proposal for Distribution of Employee Compensation for Year 2023 by the Company 8. Proposal for Allocation of New Shares Issued through Cash Capital Increase to Managers' Employee Stock Subscription by the Company 9. Proposal for Salary Adjustments for Managers by the Company	Approved

13. Major contents of any dissenting opinions on record or stated in a written statement made by directors regarding material resolutions passed by the board of directors in the most recent year to the printed date of this annual report:

    None.

14. In the most recent year up to the printed date of this annual report, a summary of the resignation and dismissal of the chairman, general manager, accounting manager, financial manager, internal audit manager, managers of corporate governance and research and development manager:

Position	Name	Date of Appointment	Date of Termination	Reason for resignation or dismissal
Chief Officer of Marketing and Sales	Tsai, Chin-Yu	2021.04.12	2023.03.10	Personal health issues
Chairman	Lai, Chin-Lin	2021.12.15	2023.08.21	Personal career planning resignation
Accounting Supervisor	Lin, Ta-Hsiang	2020.05.08	2024.01.22	Job transfer

V. Certified Public Accountant Fee Information

1. The amount of audit fees and non-audit fees paid to CPAs, their respective firms and affiliates, and the content of non-audit services

   Information on CPA Fees：

Unit: NT$ Thousand

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee (Note)	Total	Note
PwC Taiwan	Lin, Ya-Hui Hsu, Sheng-Chung	2023	4,220	4,095	8,315	-

Note: The non-audit fees mainly consist of tax consulting and certification services of NT$ 1,635,000, IPO consulting services of NT$900,000 and internal control review services of NT$ 1,200,000.

2. Replacements of CPA firm and the audit fee in the replacing years is less than that in the preceding year, the amount, ratio, and the reason for such change before and after said replacement should be disclosed:

   None.

3. If the audit fee is reduced by more than 10% from last year, the amount, ratio, and reason for such change should be disclosed:

   None.

VI. Information Regarding Changing the Accountant

1. Former CPA

<table>
<tr><td>Replacement Date</td><td colspan="5">2024.03.05</td></tr>
<tr><td>Replacement reasons and explanations</td><td colspan="5">The internal adjustment from the CPA firm.</td></tr>
<tr><td rowspan="3">Describe whether the Company terminated or the CPA did not accept the appointment</td><td colspan="3">Party
Status</td><td>CPA</td><td>Consignor</td></tr>
<tr><td colspan="3">Termination of appointment</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="3">No longer accepted (continued) appointment</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Other issues (except for unqualified issues) in the audit reports within the last two years</td><td colspan="5">None</td></tr>
<tr><td rowspan="5">Differences with the company</td><td rowspan="4">Yes</td><td></td><td colspan="3">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="3">Disclosure of the financial report</td></tr>
<tr><td></td><td colspan="3">Audit scope or procedure</td></tr>
<tr><td></td><td colspan="3">Others</td></tr>
<tr><td>None</td><td>V</td><td colspan="3"></td></tr>
<tr><td>Supplementary disclosure (Specific disclosures mentioned in Article 10, Subparagraph 6, Item 1-4 to Item 1-7 of the Regulations Governing Information to be Published in Annual Reports of Public Companies)</td><td colspan="5">None</td></tr>
</table>

2. Succeeding CPA

Name of accounting firm	PwC Taiwan
Name of CPA	Lin, Ya-Hui Lin, Yung-Chih
Date of appointment	2024.03.05
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA’s written opinion of disagreement toward the former CPA	None

3. The reply from former CPA to the three items under Article 10, Subparagraph 6, Items 1 and 2 of the Regulations Governing Information: Not applicable.

VII. Information on the company’s chairman, general manager, and the managerial officer responsible for financial or accounting affairs, who has worked in the office of the certified public accountant or the affiliated enterprise in the most recent year: None.

VIII. The status of shareholding transfer and change of equity pledge for the directors, managers, and shareholders holding more than 10% of the total issued shares

1. Changes of shareholding for the directors, managers and major shareholders

Unit: share

Title	Name	2023		As of May 31, 2024	
		Increase (decrease) of shareholding	Increase (decrease) of equity pledge	Increase (decrease) of shareholding	Increase (decrease) of equity pledge
Chairman	Liao, Fu-Sen (Note 1)	-	-	-	-
Chairman	Lai, Chin-Lin (Note 2)	-	-	N/A	N/A
Major shareholder	Su, Yan-Ru	-	-	-	-
Major shareholder	Wang, Hai-Ling	-	-	-	1,500,000
Director	Collins	-	-	-	-
	Representative: Lee, Chung-Liang	-	-	-	-
Director	Asia Energy Development Co., Ltd. (Note 3)	(6,000)	-	(5,000)	-
	Chao, Shu-Min (Note 3)	-	-	-	-
Independent Director	Wu, Ching-Sung	-	-	-	-
Independent Director	Kuo, Hui-Lan	-	-	-	-
Independent Director	Lee, Tui-Chih (Note 2)	-	-	N/A	N/A
Independent Director	Tang, Chia-Liang	-	-	-	-
Independent Director	Chen, Chi-Chang (Note 3)	-	-	-	-
General Manager	Chao, Shu-Min	-	-	-	-
Deputy General Manager	Tan, Yu-Xuan	-	-	-	1,500,000
Spokesperson	Zhang, Jian-Wei	-	-	-	-
Chief Officer of Marketing and Sales	Tsai, Chin-Yu (Note 4)	16,000	-	N/A	N/A
Senior Manager of Financial	Lin, Ta-Hsiang	16,000 (22,000)	-	(7,000)	-
Senior Manager of Financal	Huang, Chih-Ying	10,000	-	-	-
Senior Manager of General Management	He, Zong-Xuan	-	-	-	-
Senior Manager of Marketing and Sales	Chang, Yu-Tzu (Note 5)	N/A	N/A	(2,000)	-
Senior Manager of Development and Project Management	Yang, Chih-I (Note 6)	-	-	-	-
Investment Research	He, Meng-Ying (Note 7)	-	-	-	-
Senior Manager of Business Development	Chu, Chih-Hao	-	-	-	-
Senior Manager of New Energy	Liu, Chao-Yang	(3,000)	-	(11,000)	-
Senior Manager of Green Energy Business	Tang, Ya-Sheng (Note 6)	-	-	(15,000)	-
Chief Investment Officer of Overseas Business	Chen, Chieh (Note 8)	N/A	N/A	-	-
Senior Manager of Construction Management	Cheng, Rong-Sheng	-	-	-	-

Title	Name	2023		As of May 31, 2024	
		Increase (decrease) of shareholding	Increase (decrease) of equity pledge	Increase (decrease) of shareholding	Increase (decrease) of equity pledge
Senior Manager of Procurement	Lin, Jun-Ming	6,000	-	-	-
Audit Officer	Chen, Ling-Jin	6,000	-	-	-

Note: Shareholders who hold more than 10% of the shares are all members of the board of directors or managers of the Company, therefore, changes in shareholdings and pledges are not repeatedly disclosed.
Note 1: Assumed as a chairman on August 30, 2023.
Note 2: Resigned as a director on August 21, 2023.
Note 3: Assumed the office after the by-election at the special shareholders meeting on December 27, 2023.
Note 4: Resigned on March 10, 2023.
Note 5: Assumed the office on February 1, 2024.
Note 6: Assumed the office on December1, 2023.
Note 7: Assumed the office on October 1, 2023.
Note 8: Assumed the office on January 2, 2024.

2. Information of director, managers and major shareholders' equity transfer to related parties: None.
3. Information of directors, managers and major shareholders' equity pledge to related parties: None.

IX. Information regarding whether the top ten shareholders of the company are related persons or spouses, family relatives within second generations

April 29, 2024; Unit: Shares; %

Name	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Note
	Shares	%	Shares	%	Shares	%	Title (or name)	Relationships	
Su, Yan-Ru	17,872,009	15.06	7,813,204	6.58	1,249,953	1.05	Zhang, Jian-Wei	Spouse	-
Wang, Hai-Ling	12,808,059	10.79	7,342,800	6.19	1,048,046	0.88	Tan, Yu-Xuan	Spouse	-
Firich Enterprises Company Ltd.	10,076,000	8.49	-	-	-	-	-	-	-
Representative: Hsu, Ming-Che	-	-	-	-	-	-	-	-	-
Formosan Union Chemical Corporation	9,190,318	7.74	-	-	-	-	-	-	-
Representative: Huang, Sheng-Tsai	-	-	-	-	-	-	-	-	-
Zhang, Jian-Wei	6,913,204	5.82	18,772,009	15.82	1,249,953	1.05	Su, Yan-Ru	Spouse	-
Tan, Yu-Xuan	5,842,800	4.92	14,308,059	12.06	1,048,046	0.88	Wang, Hai-Ling	Spouse	-
Chao, Peng-Hsuan	1,998,694	1.68	-	-	-	-	-	-	-
Liang, Wen-Chih	1,322,449	1.11	-	-	-	-	-	-	-
ASIA ENERGY DEVELOPMENT	1,269,953	1.05	-	-	-	-	Su, Yan-Ru; Zhang, Jian-Wei	Manager and shareholders	-
Representative: Zheng, Mei-Juan	16,000	0.01	-	-	-	-	-	-	-
Yang, Ming-Yi	1,094,000	0.92	-	-	-	-	-	-	-

X. The number of shares on the same invested business held by the company's directors, managers, and the businesses directly or indirectly controlled by the company, and to be calculated with the comprehensive shareholding

December 31, 2023; Unit: 1000 shares; %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors /Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Jin Cheng Energy	30,000	100	-	-	30,000	100
Chen Yu Energy	15,300	100	-	-	15,300	100
FU DI ENERGY	6,000	100	-	-	6,000	100
KUANG TING ENERGY	250	100	-	-	250	100
XU XIAO POWER	7,000	100	-	-	7,000	100
YUN YI ENERGY	170	100	-	-	170	100
J&M Power Development	630	100	-	-	630	100
Phanta Energy Inc. ("Phanta Energy")	6,500	76.47	-	-	6,500	76.47
Formosa Biomass(Note2)	2,650	83.33	-	-	2,650	83.33
Xiang Guang Energy	100	100	-	-	100	100
Guang Liang Energy	1,600	100	-	-	1,600	100
Zhu Ri Energy	2,100	100	-	-	2,100	100
GREENET	4,500	100	-	-	4,500	100
TPE ENERGY	23,337	78.58	3,000	10.10	26,337	88.68
Chuang Jie Energy	100	100	-	-	100	100
WEISHENG	21,150	61.12	804	2.33	21,954	63.45
Rui Neng Energy	120	100	-	-	120	100
Zhongneng Energy Co., Ltd.	500	100	-	-	500	100
Skynergy	8,500	100	-	-	8,500	100
Storm Power	3,400	100	-	-	3,400	100
Jin Hong Energy	100	100	-	-	100	100
Jin Jie Energy	100	100	-	-	100	100
FU BAO YI HAO ENERGY	26,000	20.64	-	-	26,000	20.64
Winball	2,350	20.45	593	5.16	2,943	25.61
Ruiguan Smart Energy Co., Ltd.	50	50.00	-	-	50	50.00
Greenhealth Water Resources Co., Ltd.	30,400	20.00	-	-	30,400	20.00
Revo Power CO., LTD.	700	50.00			700	50.00
Liangwei Electric Power Co., Ltd.	3,920	49.00			3,920	49.00
Yongze Energy Co., Ltd.	2,300	100	-	-	2,300	100
Guanghui Energy Co., Ltd.	500	100	-	-	500	100
Diwei Electric Power Co., Ltd.	3,000	100			3,000	100

Note1: Investment by the Company using the equity method.
Note2: Disbanded on October 2, 2023

Chapter 4 Capital Overview

I. Capital and shares

1. Capital sources

(1) Capital formation:

Unit: 1,000 shares

Date	Price of issuance	Authorized Capital		Paid-in Capital		Notes		
		Number of shares	Amount	Number of shares	Amount	Source	Capital increase by assets other than cash	Others
2016.02	10	1,000	10,000	1,000	10,000	Incorporation	None	Note 1
2016.06	10	14,000	140,000	14,000	140,000	Capital increase of NT$ 130,000,000	None	Note 2
2016.08	10	100,000	1,000,000	28,250	282,500	Capital increase of NT$ 142,500,000	None	Note 3
2016.10	10	100,000	1,000,000	48,070	480,700	Capital increase of NT$ 198,200,000	None	Note 4
2017.01	10	100,000	1,000,000	50,470	504,700	Capital increase of NT$ 24,000,000	None	Note 5
2017.03	10	100,000	1,000,000	54,934	549,340	Capital increase of NT$ 44,640,000	None	Note 6
2017.05	10	100,000	1,000,000	64,070	640,703	Capital increase of NT$ 91,363,000	None	Note 7
2017.12	10	100,000	1,000,000	67,570	675,703	Capital increase of NT$ 35,000,000	None	Note 8
2018.02	13	100,000	1,000,000	72,789	727,891	Capital increase of NT$ 52,188,000	None	Note 9
2021.03	14.7	200,000	2,000,000	77,709	777,091	Conversion stock warrant of NT$ 49,200,000	None	Note 10
2021.05	20	200,000	2,000,000	107,709	1,077,091	Capital increase of NT$ 300,000,000	None	Note 11
2021.09	68	200,000	2,000,000	112,709	1,127,091	Capital increase of NT$ 50,000,000	None	Note 12
2023.03	96	200,000	2,000,000	116,209	1,162,091	Capital increase of NT$ 35,000,000	None	Note 13
2024.04	89.9	200,000	2,000,000	117,604	1,176,040	Conversion Corporate Bond ConversionNT$13,949,000	None	Note 14

Note 1: Approval letter of Fu Chan Ye Shang Zi No. 10581343600 issued by the TCG dated February 15, 2016
Note 2: Approval letter of Fu Chan Ye Shang Zi No. 10586615400 issued by the TCG dated June 7, 2016
Note 3: Approval Letter of Fu Chan Ye Shang Zi No. 10589020610 issued by the TCG dated August 15, 2016
Note 4: Approval Letter of Fu Chan Ye Shang Zi No. 10592931700 issued by the TCG dated October 5, 2016
Note 5: Approval Letter of Jin Shou Shang Zi No. 10601003160 issued by the MOEA dated January 12, 2017
Note 6: Approval Letter of Jin Shou Shang Zi No. 10601032600 issued by the MOEA dated March 16, 2017
Note 7: Approval Letter of Jin Shou Shang Zi No. 10601060310 issued by the MOEA dated May 11, 2017
Note 8: Approval Letter of Jin Shou Shang Zi No. 10601171670 issued by the MOEA dated December 25, 2017
Note 9: Approval Letter of Jin Shou Shang Zi No. 10701021860 issued by the MOEA dated February 27, 2018
Note 10: Approval Letter of Jin Shou Shang Zi No. 11001044260 issued by the MOEA dated March 22, 2021
Note 11: Approval Letter of Jin Shou Shang Zi No. 11001089520 issued by the MOEA dated May 28, 2021
Note 12: Approval Letter of Jin Shou Shang Zi No. 11001171150 issued by the MOEA dated September 13, 2021
Note 13: Approval Letter of Jin Shou Shang Zi No. 11230046640 issued by the MOEA dated March 13, 2023
Note 14: Approval Letter of Jin Shou Shang Zi No. 11330069130 issued by the MOEA dated May 7, 2024

(2) Types of shares:

May 31, 2024; Unit: share

Types of shares	Authorized share capital			Note
	Issued shares	Unissued shares	Total	
Registered common shares	118,687,353 (Note)	81,312,647	200,000,000	Listed Shares

Note: Among them, 1,083,409 shares have not yet undergone change registration.

(3) Related information on the general declaration system:

None.

2. Shareholder structure

April 29, 2024; Unit: share; person; %

Shareholder Structure / Amount	Government agency	Financial institution	Other corporations	Individual	Foreign institutions and foreigners	Total
Number of persons	-	2	42	3,205	24	3,273
Number of shares held	-	25,796	26,569,712	89,499,606	2,592,239	118,687,353
Shareholding percentage	-	0.02	22.39	75.41	2.18	100.00

3. Dispersion of Equity

(1) Dispersion of common shares

April 29, 2024; Unit: share; person; %

Class of Shareholding	Number of shareholders	Number of Shares Held	Shareholding percentage (%)
1-999	744	69,428	0.06
1,000-5,000	1,673	3,333,452	2.81
5,001-10,000	329	2,669,200	2.25
10,001-15,000	114	1,485,331	1.25
15,001-20,000	74	1,364,787	1.15
20,001-30,000	74	1,863,819	1.57
30,001-40,000	37	1,286,386	1.08
40,001-50,000	28	1,305,464	1.10
50,001-100,000	103	7,432,525	6.26
100,001-200,000	33	4,915,274	4.14
200,001-400,000	30	8,715,992	7.34
400,001-600,000	13	6,559,292	5.53
600,001-800,000	5	3,430,307	2.89
800,001-1,000,000	3	2,700,000	2.28
1,000,001and above	13	71,556,096	60.29
Total	3,273	118,687,353	100.00

(2) Dispersion of special shares: The Company has not issued special shares.

4. List of Major Shareholders

Shareholders who hold more than 5% of the share of the Company. If the number of such shareholders does not reach ten, the name, shares held and the shareholding ratio of the top ten shareholders shall be disclosed.

April 29, 2024; Unit: Share

Shares / Name of Major Shareholders	Number of Shares held	Shareholding Ratio(%)
Su, Yan-Ru	17,872,009	15.06
Wang, Hai-Ling	12,808,059	10.79
Firich Enterprises Company Ltd.	10,076,000	8.49
Formosan Union Chemical Corporation	9,190,318	7.74
Zhang, Jian-Wei	6,913,204	5.82
Tan, Yu-Xuan	5,842,800	4.92
Chao, Peng-Hsuan	1,998,694	1.68
Liang, Wen-Chih	1,322,449	1.11
ASIA ENERGY DEVELOPMENT	1,249,953	1.05
Yang, Ming-Yi	1,094,000	0.92

5. Market price, net value, earnings, dividends and related information in the past two years

Unit: NT$; 1,000 shares

Year / Item			2022	2023	As of May 31, 2024 (Note 1)
Market price per share	Highest		Unlisted (or OTC)	120.50	161.50
	Lowest		Unlisted (or OTC)	80.40	95.10
	Average		Unlisted (or OTC)	95.84	132.33
Net value per share	Before distribution		23.63	33.59	34.17
	After distribution		21.57	(Note2)	Undistributed
Earnings per share	Weighted average shares		112,709	115,557	116,394
	Earnings per share		4.03	8.77	(0.02)
Dividend per share	Cash dividend		2.00	6.11 (Note 2)	Undistributed
	Non-compensated distribution	Dividend from earnings	-	-	Undistributed
		Stock distribution by additional paid-in capital	-	-	Undistributed
	Cumulative unpaid dividends		-	-	Undistributed
Return on Investment Analysis	Price-to-Earning Ratio		Unlisted (or OTC)	10.93	Not applicable
	Price-Dividend ratio		Unlisted (or OTC)	Undistributed	Undistributed
	Cash dividend yield		Unlisted (or OTC)	Undistributed	Undistributed

Note 1: The book value per share and earnings per share are based on information audited (reviewed) by accountants in the most recent quarter up to the printed date of this annual report; other entries are based on information in the year up to the printed date of this annual report.

Note 2: The profit distribution proposal for 2023 was approved by the board of directors on March 5, 2024, and has not yet been resolved by the shareholders' meeting.

6. The dividend policy and implementation:

(1) The dividend policy stipulated in the Company's Articles of Incorporation.

Any net profit in the annual final accounts shall be used by the Company to pay taxes and offset the cumulative losses, and then 10% of the balance thereafter shall be set aside as a legal reserve, and appropriate or reverse the special reserve in accordance with the law. For the remaining net profit, along with the unappropriated earnings in the preceding years, the board of directors shall propose a plan to distribute the dividends to shareholders and submitted to the shareholders' meeting for approval.

The dividend policy of the Company is to distribute dividends appropriately in accordance with its current and future development plans, taking into account the investment environment, capital requirements and domestic and international competition, as well as the interests of shareholders. The total amount of dividends to be distributed from earnings each year shall not be less than 10% of the distributable earnings for that year, and the dividends shall be distributed in cash or in shares, of which the percentage of cash dividends shall not be less than 10% of the total dividends, provided that if the Company has significant investment plans and no other funds are available, the board of directors may, upon approval of the shareholders' meeting, withhold the payment of cash dividends.

(2) Dividend distribution proposed (implemented) for the year:

As resolved by the board of directors on March 5, 2024, a cash dividend of NT$ 709,496,971 is proposed to be allocated from the distributable earnings of 2023. The distribution date will be set by the chairman, after resolved by the general shareholders' meeting in 2024.

7. The impact of the proposed non-compensated distribution on the Company's business performance, earnings per share and return on shareholders' investment:

None.

8. Employees' remuneration and directors' remuneration

(1) The percentage or range of remuneration for employees and Directors based on the Articles of Incorporation

In accordance with the AOI, the Company, for each profitable fiscal year, shall allocate no less than 1% of profit as employees' remuneration, which shall be distributed in shares or cash by resolution of the board of directors, and the recipients shall include employees of the Company's subsidiaries who meet specific requirements. The Company may, by resolution of the board of directors, allocate no more than 3% of the aforementioned profit as directors' remuneration. The distribution of employees' remuneration and directors' remuneration shall be reported to the shareholders' meeting. If the Company has accumulated losses, the Company shall have reserved a sufficient amount to offset its accumulated losses.

(2) The basis for estimating the amount of employees' remuneration and directors' remuneration, the basis for calculating the number of shares for employees' remuneration based on share distribution, and the accounting treatment if the actual amount distributed differs from the estimated amount:

The employees' and directors' remuneration is estimated based on the pre-tax net profit before deducting employees' and directors' remuneration and is calculated based on the allocation percentage stipulated in the Company's AOI. On the resolution date of the board of directors at the end of the year, if there is a difference between the actual distribution amount and the estimated amount, it will be adjusted based on accounting estimates and recorded as an adjustment to the profit and loss account in the year of the said resolution.

(3) The remuneration distribution approved by the board of directors:

A. If there is any discrepancy between the amount of employees' remuneration and directors' remuneration distributed in cash or share and the estimated amount in the recognized expense year, the discrepancy, reason and handling situation shall be disclosed:

The board of directors approved the distribution of employees' and directors' remuneration for 2023 on March 5, 2024. The employees' and directors' remuneration is NT$ 12,570,000 and NT$ 7,228,000 respectively, all of which are distributed in cash. There is no discrepancy in expense recognition.

B. The amount of employees' remuneration distributed by share and its ratio of the total after-tax net profit and total employees' remuneration in the individual financial report of the current period: None.

(4) The actual remuneration distribution status of the employees and directors in the preceding year (including the number of shares and the share price). If there is a discrepancy between that recognized, the amount in difference, reason and countermeasure shall be specified

The employees' and directors' remuneration distribution in 2022 was approved by the board of directors on March 9, 2023. The amounts distributed for employees' and directors' remuneration were NT$10,610,000 and NT$ 6,238,000, respectively, and were reported to the shareholders' meeting on May 30, 2023. There was no difference between the actual distribution and the estimated amount recognized in 2022.

9. The Company's treasury stock: None

II. The Status of Corporate Bond

1. The Status of Corporate Bonds

May 31, 2024

Type of Bond	Domestic First Secured Convertible Corporate Bonds
Issuance Date	November 28, 2023
Face Value	Face Value per bond: NT$100,000
Issuance and Trading Location	Not applicable
Issue Price	Issuance at 100.50% of face value
Total Amount	NT$850,000,000
Interest Rate	0%
Term	Three years, maturity date: November 28, 2026
Guarantee Institution	BANK SINOPAC COMPANY LIMITED
Trustee	Trust Department of KGI Bank Co., Ltd.
Underwriter	KGI Securities Co. Ltd.
Signing Legal Counsel	Handsome Attorneys-at-Law QIU, YA-WEN attorney

Signing Auditor		PwC Taiwan Accountants LIN, YA-HUI and Hsu, Sheng-Chung
Repayment Method		Except for holders of convertible corporate bonds converted into common stock according to Article 10 of these regulations or redeemed by the Company in advance pursuant to Article 18 of these regulations, or canceled by the Company through redemption by securities dealers, the Company shall redeem the convertible corporate bonds in cash at 100.75% of the face value of the bond (with a yield at maturity of 0.25%) upon maturity.
Outstanding Amount		NT$627,200,000
Terms for Redemption or Early Redemption		Please refer to the issuance and conversion method for details.
Restrictive Clauses Attachment		None
Name of Credit Rating Agency, Rating Date, and Corporate Bond Rating Result		Not applicable
Other Rights	As of the cutoff date of the annual report printing, the amount converted (exchanged or subscribed) into common stock, American depositary receipts, or other securities	Total converted common stock: NT$24,783,000
	Procedure for Issuance and Conversion (Exchange or Subscription)	Please refer to the issuance and conversion method for details.
Issuance and Conversion, Exchange, or Subscription Methods, Issuance Conditions on Possible Dilution of Equity, and Impact on Existing Shareholder Equity		Creditors may choose the most favorable time for conversion during the conversion period, which defers the dilution of equity and helps maintain stable profitability to ensure a stable long-term return for shareholders.
Name of Custodian Institution for Exchange Target		Not applicable

2. Convertible Bond Data：

Bond Type		Domestic First Secured Convertible Corporate Bonds	
Item / Year		2023	As of May 31, 2024
Conversion Bond Information	Highest	111.80	179.00
	Lowest	106.60	111.25
	Average	109.83	137.39
Conversion Price		89.90	89.90
Issuance Date and Issuance Conversion Price		November 28, 2023/ 89.90	
Method of Fulfilling Conversion Obligations		Issuance of new shares	

3. Exchangeable Bond Data: None.
4. The company adopts the method of general declaration to raise and issue ordinary corporate bonds: None.
5. Issued convertible bonds with warrants attached: None.
6. Situation of private placement of corporate bonds: None.

III. The status of preference shares: None.

IV. The status of global depository receipts: None.

V. The status of the employee stock option certificate: None

VI. The status of restricted shares for employees: None.

VII. The status of issuance of new shares in connection with mergers or acquisitions: None

VIII. Implementation of the capital allocation plans: None.

Chapter 5 Overview of Business Operation

I. Content of business operations

1. Business Scope

(1) The main business scope

CC01010	Manufacture of Power Generation, Transmission and Distribution Machinery
D101091	Renewable-Energy-Based Electricity Retailing Business
D401010	Thermal Energy Supply
E599010	Piping Engineering
E601010	Electric Appliance Construction
E601020	Electric Appliance Installation
E603010	Cable Installation Engineering
E603050	Automatic Control Equipment Engineering
E604010	Machinery Installation
EZ05010	Instrument and Meters Installation Engineering
EZ99990	Other Engineering
E701040	Simple Telecommunications Equipment Installation
F113010	Wholesale of Machinery
F113020	Wholesale of Electrical Appliances
F113030	Wholesale of Precision Instruments
F113110	Wholesale of Batteries
F119010	Wholesale of Electronic Materials
F213110	Retail Sale of Batteries
F213010	Retail Sale of Electrical Appliances
F219010	Retail Sale of Electronic Materials
F401010	International Trade
H201010	Investment
I301010	Information Software Services
I301020	Data Processing Services
I301030	Electronic Information Supply Services
IG02010	Research and Development Service
IG03010	Energy Technical Services
ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

(2) Operation Ratio of the Main Products (Services)

Unit: NT$ Thousand; %

Item \ Year	2022		2023	
	Amount	Ratio	Amount	Ratio
Construction revenue	5,742,197	91.13	5,958,940	87.84
Revenue from electric power generation	178,012	2.83	344,122	5.07
Services revenue	112,299	1.78	283,260	4.18
Others	268,254	4.26	197,233	2.91
Total	6,300,762	100.00	6,783,555	100.00

(3) Current Services of the Company

The one-stop integrated service of development and construction, investment, installation, maintenance and operation of renewable energy service, including site planning and design, power generation simulation investment plan, permit application, power plant construction project management, and maintenance and operation monitoring management. In terms of business structure, it can be divided into:

A. Solar Energy: Develop and own roof, floating, and ground-mounted solar energy projects. The Company has focused on developing fishery & electricity symbiosis sites in recent years.

B. Offshore and Onshore Wind Energy: Wind farm development and investment industry supply chain.

C. Renewable Energy Trading Platform: Provide customized green energy bulk tariff services.

D. Energy Storage:

Providing turnkey construction projects for energy storage systems, maintenance, and services for qualified traders, as well as integrating solar photovoltaic systems with energy storage systems to create a new form of renewable energy site. This is aimed at addressing the intermittent and variable nature of renewable energy generation and its impact on the power grid.

E. Water Treatment: Industrial wastewater treatment and recycling, construction and substitutive operation of sewage plants for domestic water, wastewater treatment for water quality and water resources, and seawater desalination treatment.

F. Biomass Energy: Using recycled wood, general or agricultural waste, and food waste as fuel to produce biomass energy such as industrial steam, heat, and electricity.

(4) New Products (Services) planned to be developed

A. Development of small-scale energy storage markets for commercial and residential use and providing customized solutions.

B. Expand the development of offshore wind power in Japan.

C. Expanding into overseas markets by exporting the entire business model to industrial zones in Southeast Asia.

D. Develop steam extracted from high-temperature geothermal sources to drive turbines to generate electricity.

E. In line with the government's "Taiwan 2050 Net-zero Emissions Roadmap" by planning for the electrification of all transportation vehicles and developing the electric vehicle business.

F. Develop power generation from water level differences generated by existing water quantities from hydraulic structures, such as waterways, canals, pipelines, or other water resources, for purposes other than hydraulic power.

G. Development of various renewable energy, such as geothermal energy and hydrogen energy.

2. Overview of the industry

(1) The current situation and development of the industry

With the rise of environmental awareness, the newly-installed capacity of renewable energy has surpassed fossil fuel and nuclear power generation for four consecutive years. By

2020, many major industrial countries have pledged to meet their carbon neutrality goals and move towards 100% renewable energy. In order to achieve the goal of sustainable development, Taiwan is actively promoting energy transformation based on the principles of energy development such as “greening”, “increasing gas”, “reducing coal” and “non-nuclear”, while moving toward the goal of reducing air pollution and carbon emissions.

For Taiwan, green energy is the solution to raise energy self-sufficiency. According to the 2022 Energy Statistics Manual, Taiwan’s energy self-sufficiency is currently 3.15%, and nearly 96.85% of our energy still relies on imported energy. However, with the upsurge of developing renewable energy, the government has begun to formulate relevant policies and supporting measures to develop renewable energy installations in order to reduce reliance on imported energy. This is not only more friendly to the environment, but also reduces the risk of relying on foreign aid for domestic electricity supply.

Renewable energy is to use solar energy, wind power, river water level drop, burning biomass energy and waste to replace limited fuel energy and reduce the pollution caused by power generation devices to the environment. Taiwan’s current major renewable energy sources are solar energy, wind power, hydroelectric power, and methane, among which solar energy, with the government’s active promotion, has achieved a significant increase in the amount of power generation and is gradually becoming one of the major sources of renewable energy. According to Taipower’s electricity generation statistics for the past ten years, the proportion of renewable energy generation has increased from 4.6% in 2012 to 9.9% in 2023, while nuclear power generation has decreased from 18.4% to 7.0%. From these statistics, renewable energy generation has shown a substantial growth trend in the last decade, renewable energy policies have achieved significant accomplishments and results.

Power Generation (Note) and Structure of Taipower Systems in the Last Decade

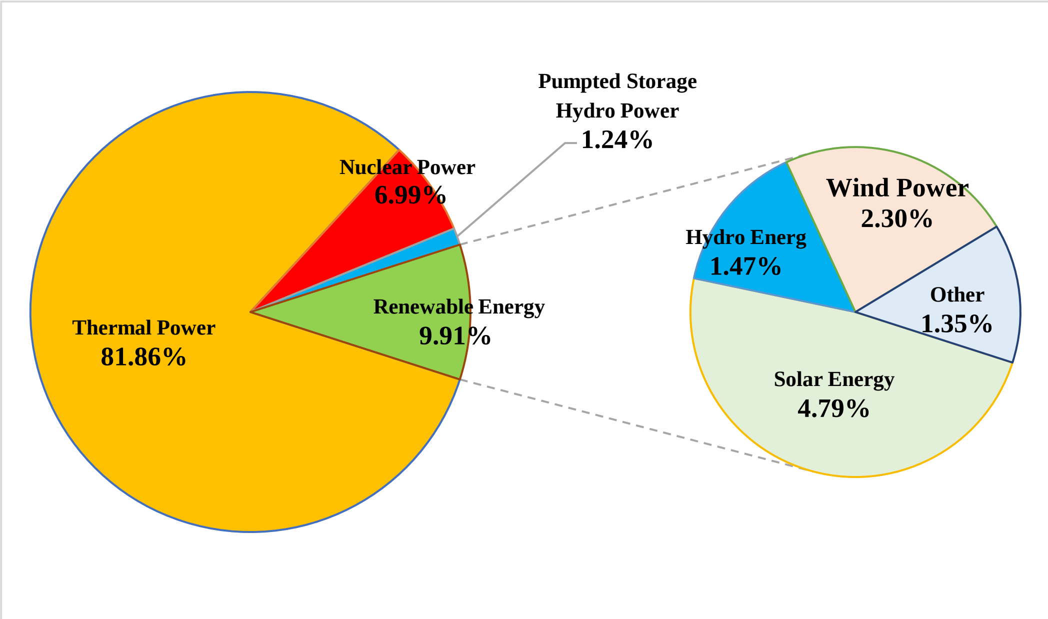
Year	Pumped Storage HydroPower	Renewable Energy	Nuclear Power	Fossil Fuel
2012	1.4%	4.6%	18.4%	75.7%
2013	1.5%	4.6%	18.8%	75.2%
2014	1.4%	4.0%	18.6%	76.0%
2015	1.4%	4.2%	16.0%	78.3%
2016	1.5%	5.1%	13.5%	79.9%
2017	1.4%	4.9%	9.3%	84.4%
2018	1.4%	4.9%	11.4%	82.2%
2019	1.4%	6.0%	13.4%	79.2%
2020	1.3%	5.8%	12.7%	80.2%
2021	1.3%	6.3%	10.8%	81.6%
2022	1.2%	8.6%	9.2%	81.0%
2023	1.2%	9.9%	7.0%	81.9%

Note: Power Generation= (Taipower electricity generation - Taipower electricity consumption at its power plants)+electricity purchased from private power plants. (Source: Taipower)

In order to implement the energy policy and lay a solid foundation for promotion, the government listed the green energy industry as one of the “5+2” industrial innovation plans and the Executive Yuan passed the promotion plan on October 27, 2016, striving to achieve the target of 20% of renewable energy generation by 2025, with 20GW of solar power and 5.6GW of offshore wind energy, being the focus of promotion, 1.2GW of cumulative installed capacity of land-based wind power and 2.15GW of hydropower, to implement energy transformation so as to gradually reduce the proportion of nuclear power generation to achieve the vision of non-nuclear homeland.

In 2023, Taiwan's renewable energy generation accounted for 9.9% of total electricity generation, its power generation has reached 24.33 billion kWh. Currently, the government is making great efforts to develop solar energy and wind power, and many private enterprises have invested in the solar energy business particularly. Stable growth of the solar energy industry is expected to attract international enterprises which value the importance of renewable energy development, and increase Taiwan's competitiveness in the global market. Taiwan could thus move towards non-nuclear, coal reduction and renewable energy transformation.

The proportion of renewable energy power generation in 2023



Solar photovoltaic

Due to the narrowness of the land and dense population in Taiwan, it is not easy to obtain large-scale land development and build a solar energy plant. In order to achieve the capacity installation target of 20GW in 2025, the fishery & electricity symbiosis project has become the focus of future industry development since it can use lands in multiple and compound ways. In May 2021, the Council of Agriculture, Executive Yuan ("COA") identified 4,702 hectares of uncontroversial areas for priority promotion, and if all of them can be promoted, 2GW of installed capacity will be achieved. Following the policy of "Non-nuclear Homeland in 2025", without affecting the original agricultural production, it can take into account the development of green energy facilities, optimize the farming production environment, reduce the labor of farming, prevent the invasion of extreme weather, promote industrial upgrading and increase the income of farmers to create a "win-win" situation for both agriculture (fishery) and electoral industries. In order to achieve the goal of green energy, the government has been promoting thefishery & electricity symbiosis. Since October 2020, the government has announced the implementation of "fishery & electricity symbiosis pioneering areas" mostly located in Tainan City, Chiayi County, Pingtung County, Kaohsiung City, Changhua County and Yunlin County, with fish farms covering an area of about 10,000 hectares. At the beginning of the policy, some farmers were concerned that the installation and maintenance of solar panels might cause a decrease in production, inconvenience and pollution. However, experiments conducted by the Fisheries Research Institute, COA confirmed that with a shading rate of 40%, 70% of the production capacity of the production of clams, tilapia, grouper and perch could still be maintained. Although the shade of the solar panel will reduce some of the production capacity, it also has the effect of preventing high temperatures in summer and cold damage in winter. It is hoped to achieve no reduction in production capacity through further management in the future. Solar energy operators can also hire farmers to clean and maintain the solar panels, so that they can jointly maintain fish farms and solar energy power plants and increase farmers' income, creating a win-win situation for both fishery and electoral industries.

Offshore and Onshore Wind Energy

Although solar energy and wind power installations are more economical in terms of renewable energy power generation, both solar energy and onshore wind power have difficulties in land acquisition, making offshore wind power an important option for renewable energy development. Taiwan Strait is rich in natural resources of wind energy, including airflow from the southwest in summer and the monsoon from the northeast in winter. As the Central Mountain Range and Fujian's Wuyi Mountains constriction accelerates the speed, the winds in the Taiwan Strait are strong. According to a study conducted by 4C Offshore, as many as 16 of the 20 locations with the best wind conditions in the world are located in Taiwan Strait, making it a suitable place for offshore wind power development.

In order to promote the "2025 Non-nuclear Homeland" and achieve the target of 20% of renewable energy generation by 2025, the Energy Administration, MOEA ("**EAMOEA**")has started to implement a three-phase development plan for offshore wind power, with the first phase being demonstration incentives, the second phase being potential sites and the third phase being block development. In May 2021, the EAMOEA held a meeting to explain the draft plan for the third phase of offshore wind power block development and announced the corresponding policy from 2026 to 2035. The capacity will increase by 1.5 GW per year. In addition, the EAMOEA released the operation directions for the application of the third phase of offshore wind power block development site planning in July 2021 and announced the industry-related policies for the offshore wind power block development in December 2021 to promote such development policies and ensure the orderly planning of Taiwan's offshore wind farms, and proper planning of related infrastructure and industrial capacity, so as to effectively achieve the goal of setting up offshore wind power. The localization project of the second phase will sustain to drive the domestic wind power industry supply chain to continue receiving orders. In addition, the Taiwan government estimates that the annual output value of the offshore wind power industry will reach NT$ 130.7 billion in 2026.

The "4-Year Wind Power Promotion Plan" proposed by the Ministry of Economic Affairs for the years 2017 to 2020 aims to establish medium to long-term fundamental measures, optimize installation environments, and plan for a target of 1.2 GW of onshore wind power installation. Through this plan, the goal is to promote energy diversification and self-sufficiency, stimulate domestic demand and employment, create a friendly development environment for wind power generation, and demonstrate Taiwan's determination to actively promote the development of renewable energy.

Entering the Free Electricity Retailing Market from the Power Generation Industry

In addition, the Taiwanese government and enterprises are actively developing green power in the hope of reducing carbon emissions and mitigating the effects of climate change. The amendment to the Electricity Act and the implementation of the National Renewable Energy Certificate ("T-REC") ushered in the era of green power liberalization. After the completion of the substantial amendment to the Electricity Act in 2017, the foundation for the gradual liberalization of Taiwan's electricity market was laid, and one of the key points was the stipulation and opening of the renewable energy trading platform in July 2021, which allowed private operators in power generation, electricity retailing, and electricity services to trade and compete through the platform, marking a milestone in power transformation. Due to the high professional complexity of power trading, different transactions will be opened in a gradual manner. At present, the renewable energy trading platform has first launched the internationally developed trading system “Day-Ahead Ancillary Services Market”, allowing private decentralized electricity resources to participate in bidding on the platform and become a virtual unit that can be adjusted at any time to maintain grid stability. Meanwhile, the government launched the “T-REC Trading Platform”, allowing power plants to sell electricity on the platform, making the green power market more flexible.

In response to the rising awareness of environmental protection and the international green energy trend, after the passage of the amendment to the Electricity Act, the liberalization of the electricity market in Taiwan also encourages diversified trading patterns and follows the principle of “green energy first”. Through the amendment to the Renewable Energy Development Act, the dual-track system of wholesale purchase and direct supply through power wheeling is allowed, and the surplus electricity wholesale purchase system is combined to ensure the power retailing rights of the power generation industry. In addition, under the conversion mechanism, it is guaranteed that the wholesale purchase rate of green power returned from the free market can be applied to the original rate, which further ensures that the power retailing rights of the power generation industry will not be affected under the green power trading market. With the launch of the “Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity”, major electricity consumers can purchase electricity and T-REC to meet the obligations imposed by the “Renewable Energy Development Act”. In light of the above, we acknowledge that the free trading market for green electricity is gradually becoming active, giving the power generation industry diversified channels for selling electricity, and providing multiple guarantees so that the power generation industry will not be in the dilemma of having but not being able to sell electricity.

Energy Storage

In order to expand the promotion of renewable energy, MOEA has set a target of 20% of renewable energy power generation by 2025. With the increasing proportion of renewable energy such as solar energy and wind power generation, the traditional power grid will face many challenges such as frequency instability and variable power generation due to intermittent power generation or duck curve. When the energy storage system is applied to the grid, it can realize supply-side management, peak cut, and smooth load, and can more effectively promote the application of renewable energy and reduce the rate of curtailment of wind and solar. Energy storage is considered an important tool to provide grid system operational stability indispensable key support package.

Furthermore, the government has released the terms and conditions for major electricity users, stipulating that they can choose to install renewable energy generation equipment or energy storage equipment, purchase T-REC, or pay a monetary substitution. The advantage of choosing to install an energy storage system is that due to the small land required, there is no need to face the uncertainty of insufficient supply and future price fluctuation in the green electricity certificate market. The Energy Administration also officially started in January 2024 the peak out electricity reduction program for major electricity users, which helps them reduce electricity expenses.

Water Treatment

Due to the limited water resources, with the influence of many factors such as population increase, economic growth and sustainable industrial development, the water consumption for domestic and industrial use has increased significantly, and in recent years, the industry has not only faced the crisis of water shortage, but also the pressure of water price increase. Therefore, the continuous improvement of industrial water use efficiency and more efficient water management and recycling are not only the economic issues faced by each water-using unit, but also the important issues of national water resources utilization and allocation. The utilization of water resources can be roughly divided into domestic water, agricultural water, and industrial water. If the wastewater after industrial use is directly discharged, the water quality will be polluted and changed, thus leading to the problem of water pollution. If the wastewater is discharged without treatment, it will seriously pollute the environment, and if the polluted water resources flow back to domestic water use, it will severely endanger human health and life.

In recent years, environmental protection awareness has been on the rise, and the Ministry of Environment, Executive Yuan ("MOE") has gradually tightened the relevant regulations on wastewater from profit-seeking enterprises, hoping to prevent industrial wastewater from causing harm to the environment. Therefore, all industrial wastewater must meet MOE regulations before being discharged. According to the statistics of the Ministry of Finance, the annual turnover of the wastewater and sewage treatment industry was NT$ 17.2 billion in 2020. Due to the lack of laws and regulations and public awareness of environmental protection in the early years, none-low polluting industries have been heavily fined or closed down one after another for failing to meet environmental protection standards in recent years. Under the influence of the government's strengthening of publicity and investigation and the tightening of water pollution control laws and standards, the number of illegal wastewater discharges will be greatly reduced in the future, and wastewater will be treated by legal manufacturers instead. The wastewater treatment and recycling industry will continue to grow in the future.

(2) Linkages of Upstream, Midstream and Downstream

From the perspective of the industry chain, the renewable energy industry can be divided into the equipment manufacturing industry, the integration service industry, and the power generation industry. The Company's business is focused on the midstream and downstream of the renewable energy industry chain. The correlation between the upstream, midstream and downstream of the renewable energy industry is listed as follows:

Upstream	Midstream	Downstream
Equipment manufacturing industry (Raw materials, components, equipment materials, etc.)	Integration Services (Power plant planning, construction, maintenance, etc.)	Power Generation (Power plant development, investment, power generation and operation, etc.)

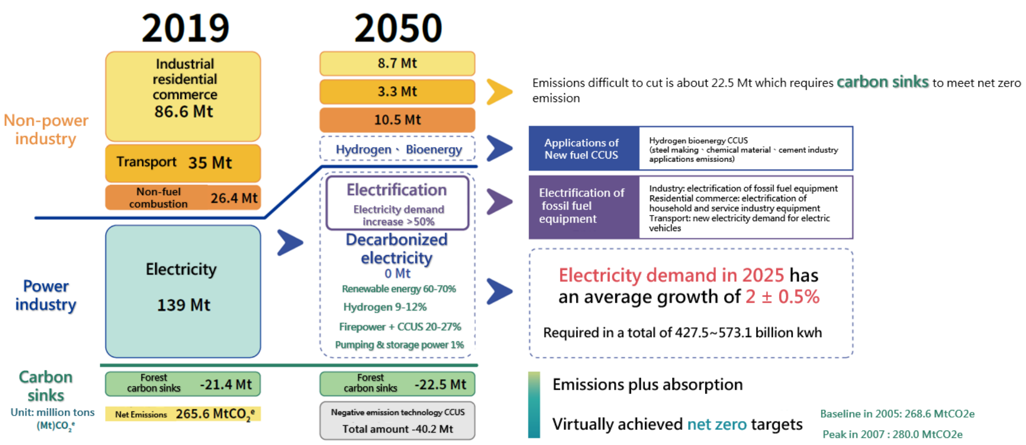
(Source: Industry Value Chain Information Platform)

The upstream equipment manufacturing industry includes raw materials, components, and equipment materials; the midstream integration service industry includes power plant planning, construction, and maintenance; and the downstream power generation industry includes power plant development, investment, and power generation and operation.

With 2050 net-zero emission transition as the main axis of governance, the government has been actively promoting Taiwan's energy transformation and the development of the green energy industry, revising the "Guidelines on Energy Development" and its core values should encompass the balanced governance of "energy security," "green economy," "environmental sustainability," and "social equity" to promote sustainable energy development. In terms of industrial development policies, the Executive Yuan passed the "Green Energy Technology Industry Innovation and Promotion Action Plan", which combines energy creation, storage, saving, and intelligent system integration as the four main axes of future renewable energy development in Taiwan. In the proposed amendment to the Renewable Energy Development Act, a parallel system comprising direct supply, transfer supply, and feed-in tariff mechanisms for renewable energy is adopted. It ensures that green electricity, apart from direct and transfer supply, will be procured by public electricity utilities through a feed-in tariff system. Furthermore to guarantee the freedom to switch between direct supply, transfer supply, and feed-in tariff mechanisms, it also ensures that the qualification for feed-in tariff rates remains unchanged, gradually leading to the liberalization of the green power market, and stipulating that large electricity consumers must install renewable energy of a certain capacity to drive up the demand for green power.

(3) Various Development Trends of Products

Global warming is becoming more and more serious, and carbon reduction or even zero carbon is the goal of the current international joint efforts. International corporate technology leaders have advocated RE100, and governments of various countries have announced that they will achieve net zero carbon emissions by 2050. Taiwan government also announced its 2050 Net-zero Emissions Roadmap in 2022 (as shown below), with 12 key strategies including hydrogen energy, energy conservation, carbon capture, power systems, and energy storage to achieve the net-zero goal. According to the roadmap, Taiwan's energy authorities will move from low carbon to zero carbon in two stages. From now on to 2030, the existing mature technologies will be used to implement carbon reduction, and from 2030 to 2050, new technologies will be used to gradually move toward zero carbon. In 2050, renewable energy will amount to 60-70% of the electricity distribution target. In order to invest in net-zero technology research and development, the government is expected to invest a government budget of NT$ 900 billion, and this plan will cumulatively drive more than NT$ 4 trillion dollars of private investment, creating long-term business opportunities for the green industry. Currently, solar energy, wind power, biomass energy, and geothermal power generation are the main promotion projects for Taiwan's renewable energy.



A. Increase Renewable Energy Setting Target

In order to meet the target of renewable energy accounting for 20% of power generation by 2025, the amendment to the law set the long-term target of promoting renewable energy at more than 27GW by 2025, including 20GW of solar energy, 5.6GW of offshore wind power, 1.2GW of onshore wind power, 2.15GW of hydropower, and biogas, etc., and will be reviewed every two years, and provide the manufacturers with information of the market status and make investments accordingly, which has a strong influence on setting clear goals to promote the development of renewable energy jointly by private manufacturers and the government. Among them, solar energy is expected to reach an installed capacity of 20 GW by 2025, which will bring nearly NT$ 1.2 trillion in investment in the industry. In the following five years, promoting solar power systems will be one of the main axes of Taiwan's economic development.

B. Obligations for Major Electricity Users

The Legislative Yuan passed an amendment to the Renewable Energy Development Act, specifying that major electricity users in Taiwan are required to install renewable energy generation and energy storage equipment of at least a certain capacity, while they can also purchase renewable energy certificates or pay monetary substitution. Furthermore, it establishes the "Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity," which mandates that major electricity users are those whose contracted capacity exceeds 5000 kilowatts. They must install renewable energy generation facilities representing at least 10% of their contracted capacity within five years, per the regulation. Moreover, if completed within three years, a maximum exemption of 20% of the obligated capacity is granted, while completion within four years allows for a maximum exemption of 10%. This is aimed at accelerating the transformation of enterprise energy usage. This also first establish a model for corporate use of green electricity, then approximately 300 enterprises will be subject to these regulations, required to fulfill their obligations within five years (by 2025), potentially creating a market for around 1 gigawatt of renewable energy transactions. Subsequently, the obligation targets will be reviewed every two years.

By promoting the obligation of major electricity users to install renewable energy generation facilities, it guides enterprises to fulfill their corporate social responsibility and encourages them to increase the proportion of their use green electricity. This, in turn, reduces carbon emissions from processes, enhances the environmental value of products, and improves the competitiveness of products in the international market. Ultimately, it positions Taiwan to join the international green supply chain, serving as a pioneering measure for a win-win situation among the government, enterprises, and the environment.

C. Public works or public buildings must mandatorily install a certain proportion of renewable energy.

To achieve the 2025 renewable energy goals, government authorities, public schools, and state-owned enterprises should play a leading role. When constructing, expanding, or renovating public works or public buildings, priority should be given to installing renewable energy generation facilities if the project conditions permit. The current draft stipulates that for new built, expanded, or renovated buildings with a floor area of 1,000 square meters or more (approximately 300 ping), 1KW of solar photovoltaic power should be installed for every 20 square meters. This could potentially add approximately 170MW of installed capacity annually and stimulate over one hundred billion in business opportunities.

D. Relaxing restrictions on the sale of electricity from the third type of renewable energy generation

Considering the demand from domestic industries for purchasing green electricity, the Ministry of Economic Affairs has stated that in order to meet the international demand for green electricity by 2050, assisting domestic businesses in obtaining green electricity to maintain their competitiveness, the MOEA will allow the sale of green electricity generated by the third type of renewable energy self-generation equipment to renewable energy retailers, who will then resell it to corporate users. In the past, if the green electricity generated by the third type of renewable energy self-generation equipment was to be sold, it had to be converted into a first type power plant, i.e., a traditional electricity business, in accordance with Article 14 of the Regulations on Registration of Electricity Industry, before it could be sold. Allowing the sale of green electricity generated by the third type of renewable energy self-generation equipment to renewable energy retailers will revitalize the green electricity trading market, increase direct entry of green electricity into the general corporate electricity purchasing market, reduce Taipower's purchase of green electricity, and lower electricity purchasing costs. In the future, the Ministry of Economic Affairs will further strengthen the operational health and management of renewable energy retailers to ensure the orderly trading of the green electricity market.

E. Encourage Green Power to Move Towards the Free Trade Market

The Legislative Yuan passed the amendment to the Renewable Energy Development Act, which is gradually moving from the government's guaranteed green power purchase (wholesale purchase) system to the free market. The amendment allows the government to convert wholesale purchases and free electricity trading, and guarantees that green electricity in the free market can also be converted back to wholesale purchases, and the wholesale purchase rates can be traced back to the announced rates when the equipment first started delivering power.

F. Increased Importance of Energy Storage Facilities

The energy storage facility is playing an increasingly important role in the balance and stability of the power grid, and the research and development of energy storage facilities are also encouraged. Since renewable energy is highly affected by weather or the environment, it is difficult to maintain stable power generation and has inherent limitations. Therefore, under the trend of the rapid growth of renewable energy installations, energy storage systems will play a coordinating role between renewable energy and the power grid by providing immediate and rapid power buffering, absorbing or replenishing power, real and reactive power support, and power compensation, which can improve the power quality of the power grid, increase the reserve capacity of power, stabilize intermittent renewable energy output, and maintain a stable balance between grid power supply and load. With the improvement of energy storage system technology and continuous cost reduction, energy management facilities that incorporate energy storage systems are beginning to appear in markets with high electricity prices or high penetration of solar power generation so as to fully reduce the cost of renewable energy generation and enhance the advantages of renewable energy generation.

G. Improving Water Cycling Benefits

According to a study by the UN-Water, global warming accelerates the speed of surface water circulation, causing extreme climates, making heavy rain, floods and droughts more and more difficult to predict and prevent, and increasing the frequency and duration of droughts in some areas on earth. As a result, the acquisition of water resources has become increasingly unstable, accelerating the demand for stable water resources. In terms of the development of the water resources industry in Taiwan, laws and regulations can drive the industry to flourish. Take the "Reclaimed Water Resources Development Act" as an example, the use of a certain proportion of recycled water is required for development activities of a certain scale to increase water resource recycling. In addition, domestic sewage treatment has rich experience, supplemented by the practical operation of the reclaimed water plant, which will facilitate the growth of Taiwan's reclaimed water industry. Reclaimed water plants purify sewage and provide it to industrial users for a second use, allowing sewage to be regenerated to create value.

(4) Competition of Products

With limited land in Taiwan, in order to increase the power generation capacity of renewable energy to meet the market demand, the business model has changed. With the concept of activating land value, energy saving and carbon reduction, and sustainable management, The Company has adopted a unique management strategy of "one-stop integrated service" to complete projects for clients.

A. Solar Energy

The Company's management team has rich and professional experience, and is familiar with solar energy industry operations, management, and market demand. When faced with difficulties in the development of solar energy projects such as protests, environmental protection, illegal construction, and land acquisition, the Company can immediately exert its communication, coordination, and integrated planning capabilities to eliminate obstacles. At the beginning of its incorporation, it invested in the construction of Taiwan's first ground-mounted solar power plant that overcomes severe land subsidence, and then built Asia's largest First Solar high-efficiency modules on the largest membrane roof structures in the Suao Port area, with an installed capacity of 2.5MW. In the second year after its incorporation, it took part in the case of the rooftop solar power generation device of the Legislative Yuan, becoming the third green energy congress building in the world. Up to now, the total amount of solar energy devices developed and built in Taiwan has exceeded 600MW.

In recent years, the Taiwan government has been actively promoting energy transition policies, and amended the Renewable Energy Development Act and the Electricity Act to encourage the development of renewable energy. The current government energy policy plans that renewable energy power generation will account for 20% of the total power generation in 2025, of which the solar power generation target is 20GW with an investment amount of NT$1.2 trillion. As of the end of 2023, about 12.42GW has been completed, and there is still room for large-scale developments. In the future, the Company's management team will consolidate its resources to integrate the construction of energy storage, T-REC trading platform and other types of renewable energy plants in order to maintain its competitive advantage in the market.

B. Offshore and onshore Wind Power

Offshore wind power has officially entered the third phase block development. It is expected that a total of 15GW will be released between 2026 to 2035, with the first 6 years (2026 to 2031) planning to have three bidding phases, each releasing 3GW. According to the bidding rules, each developer can only be allocated one wind farm in each bidding phase, and each wind farm has a capacity limit (500MW), and localization is listed as an important selection index (the rules for each period will be adjusted on a rolling basis). The Company has joined the Taiwan Team consisting of developers and local suppliers, and has a professional team of localization, planning to actively pursue the third stage of wind farm development with its Formosa 4 (the "**F4**") and Formosa 5 (the "**F5**")wind farms. Up to this point, the results of the first stage of the third phase of selection were announced at the end of December 2022. F4 was allocated 495 MW and is expected to be connected to the grid in 2027. F5 is expected to compete for a floating demonstration project (180 MW), pending the announcement of bidding rules by the Ministry of Economic Affairs. In addition to the Taiwan market, the Company has also joined hands with the Taiwan Team to develop offshore wind farms in Japan.

Onshore wind power is being jointly developed by the Company and Revo Power Co., Ltd. Sites that have already commenced development are located in Pingtung, Chiayi, and Penghu, with a combined capacity exceeding 100 MW. Currently, environmental impact assessments, engineering designs, and local relations work are underway for these projects.

C. Green Power Retailing

"The Electricity Act" was amended and passed on January 26, 2017, encouraging the development of renewable energy by adopting the "green power first" approach to increase the penetration of renewable energy in the domestic electricity market, and to activate the renewable energy retailing industry through the establishment of a renewable energy electricity retailing business. As of April 2024, 65 companies have obtained the electricity business license for selling renewable energy approved by the authority. After the subsidiary GREENET obtains the said license in 2021, it has since signed contracts to supply over 1.3 billion kWh of green energy as of now. Our customers currently include the financial, semiconductor, electronics, textile and chemical industries.

D. Energy Storage

The policy goal of renewable energy accounting for 20% of power generation by 2025 has driven the development of Taiwan's energy storage industry and has led to a surge in demand. Considering the instability of renewable energy and the complementary policies and regulations, the Company has been actively developing the energy storage business, providing customers with site design, planning, construction, commissioning and maintenance and operation services. In 2020, Taipower launched the AFC service procurement project for the first time to the public, and the Company acquired the tender as the second place. The construction was completed within a few months, with an average execution of 99.92% since the commercial operation. In 2021, the Company acquired a tender for the procurement of Taipower Luyuan Substation 20MW/33MWh energy storage equipment, which is the largest energy storage site in Taiwan that meets the requirement of UL9540, the most stringent safety regulations of Taipower and international standard. In 2022, the Company secured Taiwan's first project integrating an energy storage system with solar photovoltaic installations, planning to set up a 6.2MW/22.016MWh energy storage system. Additionally, the Company have successively undertaken two projects, each involving the construction and subsequent maintenance of 100MW energy storage sites, making it the largest single energy storage site in Taiwan. and one of the projects completed grid connection works with Taipower at the end of January 2024 and is expected to join in the ancillary services market in June 2024. This indicates that after the completion of the aforementioned energy storage projects, they will be able to reliably provide energy storage automatic frequency control (AFC) frequency modulation reserve ancillary services.

E. Water Treatment

In the water treatment market, the main source of cases is government tenders, which require not only the relevant licenses but also a certain track record to participate in the bidding process. In addition to possessing various domestic Class A and ISO international certificates, WEISHENG has also accumulated numerous achievements over the past decades and is one of the leading domestic manufacturers. In the past two years, the company has a remarkable performance in winning construction tenders and agent operation of over NT$ 6 billion, including the NT$ 1.8 billion Taoyuan International Airport West Side Wastewater Treatment Plant and Pipeline Construction, the NT$ 850 million Taoyuan International Airport West Water Storage and Boosting

Station Project, the NT$ 3.6 billion Commissioning, Operation and Maintenance of the Seventh Phase with Equipment Updates at Dihua Wastewater Treatment Plant, the NT$240 million Xinwu Area Sewage Sewer System Operation and Maintenance Work, and NT$ 600 million Commissioning for Operation of Jincheng, Taihu, Qingtian Water Resources Recycling Center, Wujiang Pumping Station and Sewage Treatment Facilities, and Pumping Station Commissioned Operation, etc.

The Company has also combined solar energy and water treatment teams to build a sewage treatment plant with solar power generation to give full play to the synergistic effects of energy creation and energy saving.

3. Technology, Research and Development Overview

(1) Annual R&D Expenses for the Last Five Years

The Company has not set up a dedicated R&D department and therefore has no R&D expenses. The R&D personnel and their education and experience as well as the R&D expenses invested in the general manufacturing industry are not applicable to the Company.

(2) Successfully Developed Technologies or Products

In recent years, the Company has been mainly engaged in the design, planning and contracting of domestic and overseas power plants and renewable energy projects. The Company has not set up an R&D department; instead, the engineering business department is responsible for the planning and design of each project, evaluating the use of different materials, the selection of construction methods, and the improvement of management systems case-by-case. In the future, the Company plans to continue to adopt new methods, materials, and designs to meet the concepts of sustainable management and environmental development, and also continue to cooperate with international technical teams to learn and keep up with the latest international technology by leveraging on their international consulting experience and engineering expertise.

The Company's solar market development sources are mainly from the rooftops of factories (enterprises) in various industrial zones across the country, government tenders, ground-based (salt industry land or unfavorable farming lands), fishery & electricity symbiosis and agro-solar energy and other solar energy system installations. The Company will continue to promote large-scale ground-based development projects including fishery & electricity symbiosis and salt industry land.

In addition, the Company and its partners have jointly developed and cultivated the fishery & electricity symbiosis project in Beimen District, Tainan City since 2018. After more than three years of hard work, and with all the relevant laws and regulations gradually becoming clear, we bought a 128MW fishery & electricity symbiosis project site in Beimen District from our partner. It is the largest fishery & electricity symbiosis project in Taiwan, and has also become the most iconic project domestically.

In the offshore wind power business, the Company has formed the Taiwan Team with well-known domestic offshore wind power manufacturers such as Synera, TIEN LI, and YEONG GUAN to develop Formosa 4 and Formosa 5 wind farms off the coast of Miaoli and the Taiwan Team was awarded the development right with a capacity of 495MW for the first phase of third-phase block development in December 2022.

Onshore wind power is being jointly developed by the Company and Revo Power Co., Ltd. Sites that have already commenced development are located in Pingtung, Chiayi, Penghu, and other areas, with a combined capacity exceeding 100 MW. Currently, environmental impact assessment procedures, engineering designs, and local relations work are underway for these projects.

4. Long-term and Short-term Business Development Plans

(1) Short-term Business Development Plans

A. Cooperate With the Government to Promote Renewable Energy Policies

- Development of large-scale ground-mounted and fishery/agricultural coexistence power stations for solar energy systems.
- A new form of renewable energy project factory that integrates solar energy and energy storage system.
- Development of small-scale energy storage markets for commercial and residential use and providing customized solutions.
- Development of steam extracted from high-temperature geothermal sources to drive turbines for power generation.
- Development of potential energy generation based on the water level differences generated by canals or existing water conservancy facilities.

B. Continue to expand the track record of renewable energy projects to maintain the case holding rate under the government electricity price system and actively increase market share.

C. Expand Overseas Markets

Expanding our expertise from domestic power plants to the commercial and industrial solar energy and other renewable energy investment and turnkey project markets in Southeast Asia is the primary goal of the Company. We aim to mainly target Taiwanese businesses already established or entering the Southeast Asian market, leveraging their presence in the region. We assist these businesses in installing solar energy systems on factory roofs or idle land and sign long-term corporate power purchase agreements to sell the electricity generated by the solar energy systems back to end-users. Additionally, we help end-users obtain green energy certificates that comply with local regulations. Using this as a foundation, we aim to expand our customer base to other foreign enterprises and creditworthy local companies.

Considering risk-adjusted returns, our initial focus will be on the Southeast Asian solar energy and other renewable energy markets. We will continue to explore and evaluate investment opportunities in renewable energy in other overseas countries.

(2) Long-term Business Development Plans

A. Establishing the brand strength of comprehensive renewable energy integration services

The Company is actively expanding domestic renewable energy and circular economy business, including solar energy, wind power, energy storage, biomass energy, geothermal energy, renewable energy trading platform, water treatment and other projects. With the asset-light strategy, we have joined forces to establish the strength of the top brand of comprehensive renewable energy integration services.

B. Developing electric vehicle business in line with the government's “Taiwan 2050 Net Zero Carbon Roadmap” to electrify all vehicles for transportation.

C. Developing Carbon Management Business

The “Carbon Border Adjustment Mechanism” proposed by the European Union and the Taiwan government’s 2050 Net-Zero Emissions target set a schedule for the disclosure of greenhouse gas inventory information of listed and OTC companies, prompting companies to pay attention to supply chain carbon emissions issues. The Company intends to conduct relevant information research and technology development, and obtain relevant licenses to develop carbon management business.

II. Market and sales overview

1. Market Analysis

(1) The Sales (Provision) Region of the Main Products (Service)

Unit: NT$1,000; %

Year / Region	2022		2023	
	Amount	Ratio	Amount	Ratio
Taiwan	6,300,762	100.00	6,783,555	100.00

(2) Market Share

The cumulative installed capacity of solar power plants developed by the Company is over 600MW, of which the completed installed capacity is approximately 269.56MW. According to the Energy Statistical Monthly Report provided by the EAMOEA, the installed capacity of solar power as of the end of 2023 was about12,418 MW. Based on the cumulative installed capacity of the Company installed capacity, its market share is approximately 2.17%.

(3) The Future Supply and Demand Situation and Growth of the Market

<u>The Overall Renewable Energy Market</u>

In order to achieve the goal of net zero emissions, the government plans to achieve a 20% renewable energy share of power generation in 2025, with solar power expected to reach 20GW of installed capacity and offshore wind power installed capacity of over 5.6GW. In 2050, the renewable energy share of power generation will increase to 60-70%, with solar power to reach 40GW~80GW, offshore wind power to reach 40GW~55GW, and other renewable energy to reach 8GW~14GW.

<u>Solar Energy</u>

Roof-mounted solar energy, driven by the regulations on major electricity consumers, many companies have begun to calculate the available spaces on the roof of the factory building and install solar energy equipment in response to regulatory requirements. This will release a large amount of roof space, and since self-built renewable energy installations are difficult, the demand for outsourced renewable energy installations will increase significantly. In addition, in order to implement the concept of eco-environment-oriented and the additional value of green energy, the government promotes the composite solar power plant as the main axis, and the roof-mounted type is given priority to the solar energy roof of the livestock and poultry house, the greenhouse and the indoor fishery power plant. The ground-mounted type is oriented towards the coexistence of fishery and electricity, using unfavorable agricultural lands, and the activation of public/idle lands. According to the announcement of the COA, there are currently 38 areas in Taiwan with 2,385 hectares of serious stratum subsidence, and the fishery & electricity symbiosis zone covers 12,533 hectares. The government plans to build 4GW of fishery & electricity symbiosis in 2025. In line with the government's policy goals, the future growth potential of the domestic solar energy market can be expected.

<u>Offshore and Onshore Wind Power</u>

Offshore wind power has entered the third phase block development, which is expected to generate 15GW within 2026~2035 and install 1.5GW per year from 2026-2031. According to the adjustment of R3-2 bidding rules, the capacity limit for the development of individual wind farms has been increased to a maximum of 1 GW, with localization continuing to be an important selection criterion but with more flexibility given to developers. The Ministry of Economic Affairs has also proposed amendments to the

“Renewable Energy Development Act,” removing the provision limiting installations to within territorial waters to expand offshore wind power sites. Additionally, the gradual transition to floating wind turbines aims to overcome depth and distance from shore limitations, aligning with the goal of achieving net-zero carbon emissions by 2050.

The policy goal for onshore wind power is 1.2 GW, with over 800 MW already installed. Additionally, available land for further onshore wind power development is approaching saturation, and there have been numerous local disputes in recent years. Environmental impact assessment regulations have also become stricter, making development more challenging. However, by active communication with local stakeholders and proper planning for the replacement of old turbines with larger capacity units, the onshore wind power may be able to continue to advance and assist Taiwan's energy transition.

Energy Storage

With the increase in the construction of renewable energy, it will have an impact on the balance of supply and demand of the power system and the operation of the power grid. The energy storage system can store the excess power generated by renewable energy and release it immediately when needed, playing the role of energy transfer (peak cut), and improving power supply efficiency. Meanwhile, the energy storage system helps to adjust and maintain the balance of the power grid. Therefore, to achieve the goal of renewable energy generating 20% of electricity in 2025, Taipower plans to build grid-connected energy storage facilities with 1.5GW (1.5 billion watts) capacity in 2025. In the future, according to the “Taiwan 2050 Net-Zero Emission Roadmap”, the proportion of renewable energy generation will reach 60%~70% in 2050, and more energy storage systems will be installed.

Green Energy Retailing

The country is gradually opening up the electricity market. With the implementation of the “Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity,” major electricity users can fulfill their obligations under the Renewable Energy Development Act by purchasing electricity and renewable energy certificates. Due to requirements such as ESG (Environmental, Social, and Governance), environmental assessments, being a large electricity consumer, and involvement in international supply chains, enterprises need to use a certain proportion of renewable energy. Consequently, demand for green electricity procurement from private enterprises continues to increase. According to statistics from the Ministry of Economic Affairs, green electricity demand was 13.9 billion kWh in 2025, and 20.5 billion kWh in 2030, indicating strong demand.

The Company, through its subsidiary GREENET, continues to focus on solar photovoltaic and offshore wind energy to meet the needs of general consumers. In 2023, we added clients such as ARDENTEC, GIGA SOLUTION TECH, Macronix International, Jing-Jan Retail Business, Taiwan Depository & Clearing Corporation, Shin Kong Commercial Bank, Shin Kong Investment Trust, and Taiwan Cooperative Securities to our customer base. Providing electricity sales services will be a key focus of the Company's future development.

Water Treatment

In terms of the development of the water resources industry in Taiwan, laws and regulations can drive the industry to flourish. Take the Reclaimed Water Resources Development Act as an example, the use of a certain proportion of recycled water is required for development activities of a certain scale to increase water resource recycling. In addition, domestic sewage treatment has rich experience, supplemented by the practical operation of the reclaimed water plant, which will facilitate the growth of Taiwan’s reclaimed water industry. Reclaimed water plants purify sewage and provide it to industrial users for a second use, allowing sewage to be regenerated to create value.

(4) Basis of Competitiveness

A. Renewable Energy Integration Platform

With the development of renewable energy integrated service provider as the main axis, the Company is actively expanding its domestic renewable energy and circular economy business, including solar energy, wind power, energy storage, biomass power, geothermal power, renewable energy trading platform, water treatment and other projects. By using an asset-light strategy, together, we establish the strength of a comprehensive renewable energy integration service and strive to become the leading brand in this field.

B. One-stop Integrated Service

With a "one-stop integrated service" business model, the Company integrates the upstream and downstream companies in the solar energy industry, and completes projects for customers with a systematic process. The business model allows customers to enjoy full services through a single contact, eliminating the need for customers to go through the cumbersome procedures of applying for related documents from different departments and corresponding with different manufacturers. In the next 20 years, there will be professional personnel to maintain and manage the solar power plant to remain high power generation efficiency.

On the other hand, from land development, Taipower contract application, system management, asset planning, risk control, to bank loans, the Company has made good use of upstream and downstream integration, and all of which are handled by the Company, it can accurately grasp each link and save costs, and ultimately complete the project effectively.

C. Excellent Construction Record

The construction methods of solar power plants are different from general construction methods. Whether on unfavorable land or factory roofs, the Company must be committed to stability and safety for more than 20 years in the future and to the continuous and stable generation of electricity. The Company insists on strict quality control, and spares no effort to cooperate with the government's green energy policy and continue to work for Taiwan's green energy industry.

The Company's investment in "Largest Ground Solar Power Plant in Yunlin on Severe Subsidence Land", "Taiwan's Largest Suao Thin Film Roof-mounted Solar Power Plant" and "Kaohsiung Lake Light Water Surface Solar Power Plant" won the "Quality Award for Public Construction" for three consecutive years and was affirmed the "Special Award of the General Assembly & Special Award for Green Energy" of NCGA.

D. Cost Control Capability and Sound Financial Structure

The Company maintains good and stable long-term cooperative relationships with third parties to keep abreast of changes in procurement and outsourcing prices, effectively control costs and improve management efficiency. Since its incorporation, the Company has maintained a sound financial structure and good credit relationships with financial institutions to enhance its working capital, and has adopted a strong strategic partnership model for site development to utilize capital in the most effective manner and to rapidly expand its business scale.

E. Professional and Stable Management Team and Technical Personnel

The Company mainly provides green energy services on a project basis, including solar industry, wind power industry, energy storage industry, and even the T-REC trading platform, and also control the project progress and case quality according to the customers' needs at all times.

The Company has professional teams with many years of accumulated skills and experience, including professional managers in different fields such as engineering, project, finance, and legal affairs, and the management team is composed of experienced and senior professionals in the industry, forming a high-quality service team, enabling us to fully respond to changes in the overall market and maintain a good competitive advantage.

F. Most of our partners are international companies to enhance our competitiveness.

The Company has many international partners. In the solar energy project, BlackRock has signed solar energy cooperation agreements with the Company for two consecutive years. The Company is also Google's partner in Taiwan and contributed to Google's first renewable energy transaction in Asia.

In the offshore wind power projects, the Company has partnered with Synera invested by Stonepeak Infrastructure Partners, a US.-based independent asset management consulting firm, to jointly develop a large-scale project located off Miaoli with a potential capacity of 2.6GW, which can meet the electricity demand of 3 million households. The project is intended to create a brand new situation for the next stage of development of Taiwan's offshore wind power market and even for the national energy transformation project.

In the onshore wind power sector, the Company's subsidiary, Revo Power CO., LTD., jointly developed a wind farm located in southern Taiwan with SSP Energy Company from Thailand. The installed capacity is 38MW, and we have completed the development cooperation agreement, making it SSP's first wind power plant investment in Taiwan.

Furthermore, the Company has signed a memorandum of understanding (MOU) for overseas investment cooperation with Sermsang Power Corporation PLC (SSP), a listed energy company in Thailand, aiming to jointly expand investments in various renewable energy projects overseas.

The Company has completed a number of international green energy cooperation projects, and its team's professional management ability and case quality have been well recognized internationally, which is one of the advantages of the Company's future market competition.

(5) The Favorable and Unfavorable Factors of Development Prospects and Countermeasures

A. Favorable Factors

a. Potential for industrial development

Nowadays, the greenhouse effect has a serious impact on the environment and climate change. Also, considering that fossil energy will eventually be exhausted, countries around the world are seeking sustainable energy such as solar energy, and wind power, which drives the continuous development improvement of the technology and efficiency of green energy power generation, and countries are gradually adjusting their power generation structure, reducing the proportion of fossil fuel, towards the diversified development of energy sources, and increasing the power generation capacity of renewable energy.

b. In response to government policies

In order to expand the promotion of renewable energy, MOEA has targeted to achieve a 20% renewable energy share of power generation in 2025. Now it is actively promoting solar energy and wind power generation. It is estimated that, in 2025, the capacity of solar energy will reach 20GW and that the installed capacity of offshore wind power will reach more than 5.6GW. A new wholesale purchase discount rate is proposed to ensure that Taipower purchases private renewable energy power generation. Additionally, according to Taiwan's 2050 Net-Zero Emission Roadmap, renewable energy will account for 60-70% of the power ratio target in 2050.

In terms of the market, major companies around the world are also expanding the use of renewable energy. Our government launched a T-REC trading platform on New Year's Day in 2020, allowing power generation manufacturers to choose either to sell electricity on the said platform or sell electricity in bulk to Taipower, so as to activate the green electricity market and to increase the penetration rate to T-REC. MOEA issued the "Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity" (commonly known as the "Major Electricity Users Clause"), which was officially effective in 2021, stipulating that major electricity users with more than 5,000 (5MW) electricity consumption need to install 10% green power within five years, hoping to establish a model for enterprises to use green power, and it is estimated that it will create a renewable energy trading market of about 1GW.

c. Accumulated technical strength

The management team of the Company has rich experiences in relevant industries, and is familiar with the operation, management, and determination of market demand. In addition, based on the accumulated engineering and technology experiences, the Company has been able to control the engineering and quality, and has successfully won the trust and affirmation of our clients.

d. The formation of the Taiwan team is conducive to enhancing competitiveness.

In order to assist in the industrial upgrade, the government is integrating national resources, focusing on the four main axes of high-end manufacturing, semiconductor research and development, high-tech research and development, and energy transformation, and building four research and development centers to advance the deployment of Taiwan's future economic growth momentum. Due to the need to strengthen our country prompted by the epidemic, the government is also actively investing in the development of the smart country, from the past openness and enterprise-led, to government-led, such as the solar module national team, offshore wind power national, which requires the government to involve in construction.

B. Unfavorable factors and countermeasures

a. The coexistence of fishery and electricity is difficult, and the planning and integration of large-scale sites is time-consuming.

The fishery & electricity symbiosis project is a recent government policy that the government strongly advocates for a form of dual use in one place. The policy has already been planned in three locations, Kaohsiung City, Tainan City, and Chiayi City. The fishery power coexistence inventory has a capacity of 4GW, but because it involves farming technology and the calculation of fish catches, and only 40% of the area can be used for solar energy systems, the pre-operation period for medium and large fishery & electricity symbiosis projects is relatively long. In addition, for large-scale fishery & electricity symbiosis projects, the most challenging thing is not how to effectively calculate the equipment laying amount, but the layout of the production and marketing for subsequent fish catches. This will make it difficult for operators who are only good at solar energy systems.

Countermeasures

The fishery & electricity symbiosis project site with an installed capacity of more than 128MW in Baimen District, Tainan City is currently one of the largest project sites in Taiwan. We have professional fishery breeding consultants, and cooperate with local residents to carry out technical exchanges and technology transfers to improve the breeding environment and quality. In terms of ecological conservation, we have carried out relevant bird monitoring complying with the government environmental and social inspection regulations. This case site had connected to the grid by the end of 2023, and its successful experience can be replicated in the future to continue the development of other fishery & electricity symbiosis sites.

b. The regulation clauses for major electricity users will be on the road, and relevant supporting facilities need to be completed.

As for the major electricity users, most of the leading companies have started to plan for green electricity in response to the recent international situation. However, due to the limited load capacity of the roofs of factories in many industrial areas, it is still impossible to directly install solar energy systems on the roofs, and finding more empty places is required. Unless it is a new factory building, the solar system can be included in the load-bearing design of the roof. Additionally, looking for a place for the layout, we are faced with the problem of insufficient space for the installation in Taiwan.

Moreover, Taiwan is a narrow and densely populated island. Limited by the terrain and the related laws and regulations, the installation of solar energy on the land has become an obstacle to the promotion of ground-based renewable energy, which requires the subsequent release of relevant policies and laws.

Countermeasures

Companies must fulfill the obligations of major electricity users before 2025. If the companies complete it earlier, they will enjoy the "early bird discount" of obligation capacity deduction. If completed in 2023, the obligation capacity is only required for 80% of the contracted capacity; while in 2024, the obligation capacity will only be required for 90%. There are several ways to meet the obligation capacity: to install renewable energy generation equipment, to purchase renewable energy power and T-REC, or to install energy storage equipment. If failed to fulfill the obligatory capacity through the above methods, it is required to pay a monetary substitution. In addition, operators of major electricity users must complete the declaration of the "Compulsory Execution Calculations." According to the statistics of the MOEA, as of the end of March 2023, there are about 93% of major electricity users have declared the Compulsory Execution Calculations, about 46.45% have installed renewable energy power generation equipment with a total capacity of about 519.93MW; of which about 50.17% have purchased renewable energy power and T-REC with a total of about 770 million kWh; of which 3.38% have installed energy storage equipment, with a total capacity of 37.86MW.

According to the above statistics, self-built renewable energy and energy storage device, and the purchase of green energy each accounts for 50%. However, self-built renewable energy and energy storage is more difficult, and most companies will outsource to professional integration companies of renewable energy and energy storage. As an energy-integrated service provider, the Company has rich construction experiences in both renewable energy devices and energy storage systems.

In terms of green electricity sales business, the subsidiary of the Company, GREENET, provides customized purchases and sales of electricity services. In 2021, it assisted E. SUN in completing the wheeling of electricity, and the annual transaction amount was about 3.6 million kWh. It also signed a contract of generating 3 million kWh of electric power with Gogoro in 2022, Micron signed an annual green electricity trading contract for 74 million kWh., and successively obtained power sales contracts from large enterprises including semiconductor manufacturers MICRON.

c. Difficulty to obtain project sites

Taiwan is narrow and densely populated. Excluding the mountains that are not suitable for building renewable energy power stations and equipment (accounting for about 70% of Taiwan's total area), even with strong government policy support, the capacity for land use is limited, making it difficult to obtain a site for the installation. Additionally, insufficient facility capacity is not conducive to the construction of large-scale renewable energy and energy storage equipment.

<u>Countermeasures</u>

The Company intends to focus on the development of composite solar power plants. The roof-mounted type of solar energy power plant is given priority to the solar energy roof of the livestock and poultry house, the greenhouse and the indoor fishery power plant. The ground-mounted type is oriented towards the coexistence of fishery and electricity, using unfavorable agricultural lands, and the activation of public/idle lands. The above methods are to implement the concept of eco-environment-oriented and green electricity added value to create a win-win situation. According to the information released by the COA, there are currently 38 areas in Taiwan with 2,385 hectares of serious stratum subsidence, and the fishery & electricity symbiosis zone covers 12,533 hectares.

The Company is the first grid-connection operator in a severe subsidence area in Taiwan, has an indoor fishery & electricity symbiosis demonstration site, and owns the experience in setting up the largest fishery & electricity symbiosis site in Taiwan. It can replicate its experience and continue to develop multiple complex sites, and build solar energy complying with government policies and targets.

d. Huge capital expenditure

According to the solar energy policy target of 20GW in 2025, the targets for ground-mounted and roof-mounted solar energy are 12GW and 8GW respectively. Therefore, the main growth for the future market will focus on the construction of ground-mounted solar energy and the establishment of fishery & electricity symbiosis sites. In addition to large-scale solar power plant development, the development of offshore wind power, installation of energy storage systems, and water treatment projects, all require huge capital costs, so the Company needs a relatively high capital for business development.

<u>Countermeasures</u>

In addition to obtaining working capital through project financing, the Company also adopts an asset-light model of operation. Through strategic cooperation with strong companies, it jointly invests in the construction of renewable energy devices to effectively use funds and maintain industrial competitiveness.

e. The regulations governing agricultural, industrial, and commercial electricity have become stricter, making the application process more challenging.

Prior to the amendment of the "Regulations for the Management of Setting Up Renewable Energy Power Generation Equipment" on January 4, 2024, rooftop green energy facilities falling under Article 28 of the " Regulations for Examining the Application of Structuring Farming Facilities on Agricultural Land" were required to submit a permit for the use of agricultural land for agricultural facilities when applying for approval, and to submit a green energy facility permit when applying for equipment registration. However, after amendment on January 4, 2024, rooftop green energy facilities falling under Article 28 of the review method are now only required to submit a green energy facility permit when applying for approval. If confirmed by the agricultural competent authority, the permit for the use of agricultural land for agricultural facilities may be incorporated with the green energy facility permit, and the combined document may serve as a substitute during equipment registration. Rooftop green energy facilities require proof of agricultural operation experience for installation, which means agricultural facilities must have farming activities to be eligible for installation opportunities.

Countermeasures

The Company has substantial experience in fishery-electricity symbiosis and agricultural facilities. Therefore, following the enactment of the amended regulations, our evaluation of fishery-electricity symbiosis projects will consider the production volume from the past three years as an assessment criterion to mitigate the risk of future permit denial. For agricultural facilities without farming activities, the Company will assess their farming projects and consider the installation schedule. If the farming project and installation schedule still offer development benefits, they will be included in the evaluation and consideration process.

2. Important Uses and Production Processes of Main Products

(1) Important uses of main services

Main products	Usages
Revenue from electric power generation	The power plants sell their generated electricity to Taipower, or wheel the electricity to other clients in need.
Service revenue	To promote green energy power generation business, the Company makes good use of upstream and downstream integration to accurately control every link from land development, Taipower contract application, and system management, to asset planning, to save costs for our clients, and to effectively complete projects.
Construction revenue	To provide engineering services, including various professional technical services, such as feasibility study and planning, engineering design, equipment supply, engineering construction, and construction supervision.
Other revenue	Sales of solar modules.

(2) Production processes

A. Sale of electricity

The solar energy power plant mainly obtains the basic information of project sites through public bidding, self-development by the business development department, and project contractors. After financial, legal and engineering departments determine the said power plants meet the Company's return on investment requirement, the project contractor is entrusted to carry out the construction. After the construction is completed, the Company will apply for installing the electric meter to Taipower to formally operate commercially. The Company's power plants are equipped with a maintenance and monitoring system to monitor the power generation status online, and immediately eliminate any abnormal conditions once monitored and noticed. In addition, depending on the power generation status of the power plant, regular or irregular module cleaning and maintenance are carried out to ensure good power generation performance.

B. Services

According to the needs of individual customers, the Company provides a complete one-stop service to assist in the promotion and construction of green energy power generation plants. The Company adopts an upstream and downstream integration method, and accurately controls each link, from land development, approval documents from competent authorities at various stages and Taipower contract application, system management, to asset planning, to effectively complete related cases for our clients.

C. Construction

After the Company obtains an engineering project, it will carry out the contracting of various projects such as materials and equipment procurement, mechanical and electrical engineering, and then clarify the integration interface of each system. When the project construction is completed, the whole project will be completed and entered the warranty period after the owner's acceptance.

D. Others

Not applicable due to mainly selling components for solar power plants.

3. Supply status of main raw materials

Main raw materials	Name of supplier	Supply status
Construction engineering of renewable energy	Sinotech Power Group Holding Co., Ltd. ("Sinotech Power Group")	Good
	Guo Guang Construction Co., Ltd. ("Guo Guang Construction")	Good
	HWAN TAI CEMENT PRODUCTS CO., LTD. ("HWAN TAI CEMENT")	Good
	ALLIS ELECTRIC CO., LTD. ("ALLIS ELECTRIC")	Good
	SHINE ENGINEERING CO., LTD. ("SHINE ENGINEERING")	Good
	Yi Da Development Co., Ltd. ("Yi Da Development")	Good
	TA TUN ELECTRIC WIRE & CABLE CO., LTD. ("TA TUN ELECTRIC")	Good

Main raw materials	Name of supplier	Supply status
	ACMEPOINT ENERGY SERVICES CO., LTD. ("ACMEPOINT ENERGY")	Good
	EVERGREAT E&C CO., LTD.	Good
	SHIHLIN ELECTRIC & ENGINEERING CORP.	Good
	CHUNG-HSIN ELECTRIC & MACHINERY MFG. CORP.	Good
The module for solar energy	GOLD SUN TECHNOLOGY CO., LTD. ("GOLD SUN TECHNOLOGY)	Good
	Win Win Precision Technology Co., Ltd.	Good
Converter	Solomon Data International Corporation	Good
	AUO Corporation	Good
Energy storage construction	Powin LLC	Good
	RYOTAI CORPORATION	Good
	Wartsila Finland OY	Good

4. List of major clients

(1) The name of suppliers that accounted for more than 10% of the total purchase amount in any of the most recent two years, its purchase amount and proportion, and the reason for its increase or decrease

Unit: NT$ Thousand; %

	2022				2023				As of the end of the first quarter of 2024			
item	Name	Amount	Net proportion of purchase	Relationship with the issuer	Name	Amount	Net proportion of the purchase	Relationship with the issuer	Name	Amount	Net proportion of the purchase	Relationship with the issuer
1.	Enfinite	-	-	Related Parties	Enfinite	82,696	1.60	Related Parties	Enfinite	165,508	18.72	Related Parties
2.	CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING	-	-	None	CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING	202,256	3.92	None	CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING	139,349	15.76	None
3.	Evergreat E&C Co., Ltd	19,000	0.41	None	Evergreat E&C Co., Ltd	344,916	6.69	None	Evergreat E&C Co., Ltd	123,993	14.02	None
4.	WÄRTSILÄ	-	-	None	WÄRTSILÄ	2,250,883	43.67	None	WÄRTSILÄ	-	-	None
5.	GOLD SUN TECHNOLOGY	884,013	19.05	None	GOLD SUN TECHNOLOGY	94,900	1.84	None	GOLD SUN TECHNOLOGY	100	0.01	None
	Others	3,737,533	80.54	-	Other	2,178,214	42.28	-	Others	455,193	51.49	-
	Net purchase	4,640,546	100.00	-	Net purchase	5,153,865	100.00	-	Net purchase	884,143	100.00	-

Reasons for increase or decrease of purchase:

In addition to the procurement of raw materials in the engineering costs, the Company may subcontract individual projects to third-party manufacturers. The choice of suppliers depends on the nature of each project, the owner's needs, the construction location, the manufacturer's construction quality and the degree of cooperation among the parties the purchase amounts from each supplier in the past two years have also fluctuated based on factors such as the scale, content, and construction progress of each project. Additionally, the Company maintains cooperation with more than one supplier for the main raw materials and engineering cooperators, and is committed to reducing the interference of the unexpected situation of a single supplier in the concentration of purchases, and there has never been a shortage or interruption of supply which has affected production operations, so the source of supply of the Company is still stable without a doubt.

(2) The name of clients that accounted for more than 10% of the total sale amount in any of the most recent two years, its sale amount and proportion, and the reason for its increase or decrease

Unit: NTD Thousand/ %

	2022				2023				As of the end of the first quarter of 2024			
Item	Name	Amount	Net proportion of the sale	Relationship with the issuer	Name	Amount	Net proportion of the sale	Relationship with the issuer	Name	Amount	Net proportion of the sale	Relationship with the issuer
1	Green Forever Ltd.	145,905	2.32	None	Green Forever Ltd.	3,596,254	53.01	None	Green Forever Ltd.	173,151	17.28	None
2	Enfinite Capital	4,644,074	73.71	Related Parties	Enfinite Capital	1,294,037	19.08	Related Parties	Enfinite Capital	149,573	14.93	Related Parties
3.	International Taoyuan Airport	9,634	0.15	None	International Taoyuan Airport	116,675	1.72	None	International Taoyuan Airport	141,873	14.16	None
	Taipower	644,590	10.23	None	Taipower	121,926	1.80	None	Taipower	25,641	2.56	None
	Other	856,559	13.59	-	Other	1,654,663	24.39	-	Other	511,734	51.07	-
	Net sale amount	6,300,762	100.00	-	Net sale amount	6,783,555	100.00	-	Net sale amount	1,001,972	100.00	-

Reasons for increase or decrease of sale:

Except for electricity sales income, the service relationship of labor and engineering is handled on a case-by-case basis, and its service objects are different from the stable source of customers in the general manufacturing industry. There are no fixed customers, and the Company stipulates in the contract that various services are provided with time schedules. The sales amount from each client in the past two years has also fluctuated based on factors such as the scale and construction progress of each project. If there are no special factors, the service will be provided according to the schedule, so there will be a phenomenon of concentration on some customers. This is the industry characteristic of solar energy system engineering and energy storage engineering. With the different projects undertaken every year, the sales customers are also different, and the changes should be reasonable.

5. The production value in the last two years

Unit: capacity/output: kw/output value: NT$ Thousand

Year / Production value / Main products	2022			2023		
	Capacity	Output	Value	Capacity	Output	Value
Construction revenue	- (Note 1)	- (Note 1)	4,372,893	- (Note 1)	- (Note 1)	4,778,463
Electricity sale revenue	39,188 (Note 2)	37,229 (Note 3)	97,408	69,020 (Note 2)	65,569 (Note 3)	245,500
Service income	- (Note 4)	- (Note 4)	46,766	- (Note 4)	- (Note 4)	252,160
Other income	- (Note 5)	- (Note 5)	243,486	- (Note 5)	- (Note 5)	188,272
In total			4,760,553			5,464,395

Note 1: mainly providing the engineering turnkey service; therefore it is hard to calculate production capacity and output, and only taking engineering costs as production value.
Note 2: refers to the theoretical production capacity of the Company's power generation equipment.
Note 3: kWh of the sold electricity of solar power plants.
Note 4: mainly providing service income for the promotion of green energy power generation; therefore it is hard to calculate production capacity and output.
Note 5: mainly providing equipment maintenance services; therefore, it is hard to calculate production capacity and output.

Reasons for increase or decrease of production value:

Because the accumulative capacity of power plants has increased compared with the same period last year, and the sunshine situation throughout the year is better than last year, the electricity sales output in 2023 has increased compared with the preceding year.

6. Sales volume in the last two years

Unit: Sales/Volume: kw/Sales Value: NT$ Thousand

Year / Sales amount / Main Products	2022				2023			
	Domestic sales		International sales		Domestic sales		International sales	
	volume	value	volume	value	volume	value	volume	value
Construction revenue	- (Note 1)	5,742,197	-	-	- (Note 1)	5,958,940	-	-
Electricity sales revenue	37,229 (Note 2)	178,012	-	-	65,569 (Note 2)	344,122	-	-
Services income	- (Note 3)	112,299	-	-	- (Note 3)	283,260	-	-
Other income	- (Note 4)	268,254	-	-	- (Note 4)	197,233	-	-
In total	37,229	6,300,762	-	-	65,569	6,783,555	-	-

Note 1: mainly providing engineering turnkey service; therefore it is hard to calculate sales volume and could only take Construction revenue as sales value.
Note 2: kWh of sold electricity of solar power plants.
Note 3: only refers to the promoting services income which green energy power generation business creates; therefore it is hard to calculate sales volume and could only take each item of income as sales value.
Note 4: refers to other income from the above items; therefore it is hard to calculate sales volume and could only take each item of income as sales value.

Reasons for increase or decrease:

Because the accumulative capacity of power plants has increased compared with the same period last year, and the sunshine situation throughout the year is better than last year, in addition, the subsidiary significantly increased its volume of green electricity trading services for third-party supply. The electricity sales output in 2023 has increased compared with the preceding year.

III. The distributed ratio of the number, average seniority, average age and academic qualification of the employees in the two most recent years and to the printed date of this annual report

Unit: person; years old; %

Year		2022	2023	As of May 31, 2024
Number of employees	Manager	28	27	41
	Ordinary Staff	198	341	354
	In total	226	368	395
Average age		40.52	38.35	39.15
The average length of service		2.05	1.99	2.00
Education background distribution ratio (%)	Doctor	1%	1%	1%
	Master	20%	18%	16%
	College	67%	67%	64%
	Senior high	9%	11%	14%
	Under senior high	3%	3%	5%

IV. Information on environmental protection expenditures

In the most recent year and up to the printed date of this annual report, the losses suffered due to environmental pollution (including compensation and environmental protection audit results being in violation of environmental protection laws and regulations; and the date of punishment, the name of the punishment, the of laws and regulations violated, the content of laws and regulations violated, and the content of punishment should be listed), and to disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained:

In the most recent years and up to the printed date of this annual report, the Company has been subject to penalties from competent authorities for environmental pollution due to violations of the Waste Disposal Act and the Air Pollution Control Act. The violation of the "Waste Disposal Act" occurred during the excavation and pipeline installation for the fishery & electricity symbiosis project in Beimen District, Tainan City. The fishery & electricity symbiosis project in Beimen District, Tainan City has been connected to the grid in the second quarter of 2023, and the Company does not anticipate any future losses related to environmental pollution. The violation of the Air Pollution Control Act and the Regulations for the Management of Air Pollution Prevention Facilities in Construction Projects arose during the new construction of the Lize energy storage system. The Company has already paid the fines and has enhanced internal personnel training to prevent similar incidents from occurring again.

V. Labor relations

1. Listing the Company's various employee welfare measures, advanced education, training, retirement systems and their implementation, as well as agreements between the Company and employees, various employee rights and protection measures.

   The Company is based on employees. When employees devote themselves to their work and create profits for the Company, the Company also assumes the responsibility of caring for and giving back to employees. The Company provides a variety of benefits and establishes an employee welfare committee, which is responsible for planning domestic as well as foreign travel, birthday parties, etc., to enhance the friendship between employees, to gather the centripetal force between employees and the Company, and to stimulate each colleague's sense of identity and centripetal force for the Company, which reaches the employee-oriented goal.

(1) The Company provides abundant employee welfare measures.

A. Bonus

The bonus provided by the Company includes employee stock subscriptions, employee bonuses, legal overtime pay, full attendance bonuses, Dragon Boat Festival bonuses, Mid-Autumn Festival bonuses, year-end bonuses, performance bonuses, and project bonuses.

B. Vacation

The relevant leave rights enjoyed by employees, in addition to the two-day weekly rest, no salary deduction for sick leave, paternity leave, maternity leave, and parental leave for male employees in accordance with the provisions of the Labor Standards Act, are also given company leave that is better than that provided by the Labor Standards Act.

C. Insurance

The Company insures labor insurance, health insurance, group accident insurance and group medical insurance for employees in accordance with government regulations.

D. Subsidy

The Company handles various events of weddings and funerals for employees, including but not limited to marriage, childbirth, hospital condolences, employee bereavement and family members bereavement and other subsidies as well as on-the-job education and training for employees, domestic and foreign training subsidies for employees.

E. Travel benefits

The Company's employee welfare committee provides subsidies every year to organize domestic or foreign travel for employees.

F. Other benefits

Other benefits include but are not limited to birthday gifts and meetups, an unlimited supply of snacks and drinks, irregular afternoon tea, flexible time for commuting, comfortable breastfeeding rooms, annual promotion systems and salary adjustment policies.

(2) Advanced education and training

The Company values employees' learning and development, and the advanced education and training are planned in three parts: internal training, external training, and knowledge management programs.

A. Internal training

a. General Courses

The Company conducts the following introductions to the new comings: the group of the Company and its subsidiaries, company business philosophy, personnel rules and regulations, corporate resource website, operation instructions of common information systems, labor safety and legal matters.

b. Management Courses

The Company holds regular quarterly meetings for supervisory staff, communicates and discusses based on quarterly operating strategies and development priorities; and organizes training courses to strengthen executive management capabilities.

c. Professional Courses

According to the work progress and professional requirements, each department conducts professional education and training within the department from time to time.

The internal training situation of the Company in 2023:

Total training sessions and persons	Total training hours and persons	Training fees
1210 people/sessions	1300 people/hour	NT$ 157,500

B. External training

The employees of the Company may apply for the training according to the needs of work and the requirements of personal learning and growth, or may participate in external professional training courses assigned by their supervisors.

The situation of employees taking part in external training in 2023:

Total training sessions and persons	Total training hours and persons	Training fees
51 people/sessions	753 people/hour	NT$ 410,360

C. Online learning

The employees of the Company may apply for the training according to the needs of work and the requirements of personal learning and growth, or may participate in external professional training online courses assigned by their supervisors.

The situation of employees taking part in online learning courses in 2023:

Total training sessions and persons	Total training hours and persons	Training fees
27 people/sessions	234people/hour	NT$ 19,500

(3) Retirement system of the Company

Individual account for labor pension:

In accordance with the Labor Pension Act, the Company shall pay no less than 6% of the labor pension contribution rate per month for new employees and existing employees who choose to apply for the new pension regulations. Based on the monthly payroll grading table approved by the Executive Yuan, such payment shall be stored in the labor pension individual accounts set up for employees by the Labor Insurance Bureau.

(4) Agreement between the Company and employees, and various employee rights and interests protection measures.

The Company holds meetings between the employer and employees quarterly, and two weeks before the meetings, employees may make proposals, and labor representatives may discuss relevant issues with the management representatives. The relations between the employer and employees are harmonious, and no major labor disputes have occurred so far.

(5) Employee working environment and employee personal protection measures

Regarding the working environment, the Company organizes routine and regular environmental maintenance and equipment maintenance to ensure the safety of the working environment for employees, and is also planning courses advocating the safety of the working environment, such as new recruits training and other safety courses to enhance the concept and ability of safety management for employees.

(6) Evaluations of employee behaviors and ethics

The Company engages in business activities based on the principles of fairness, honesty, trustworthiness, and transparency. In order to implement the integrity management policy and actively prevent dishonesty behaviors, the Procedures for Ethical Management and Guidelines for Conduct have been formulated in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". The relevant guidelines regulate the Company and its subsidiaries, conglomerates and organizations that directly or indirectly donate more than 50% of the accumulated funds, and other institutions or legal persons with substantial control capabilities, for the matters that person should pay attention to when performing business.

2. Listing the losses suffered due to labor disputes in the most recent years and up to the printed date of this annual report (including violations of LSA found during labor inspections and the date, penalty number, the legal provisions violated, the content of the said violation and the penalty content shall be listed), and to disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, it should explain the fact that it cannot be reasonably estimated.

The Company's Taipei headquarters office implements temperature regulation and ventilation through central air conditioning. It violated the regulations outlined in the Labor Inspection Implementation Regulations Article 7, Paragraph 1, Subparagraph 1, and the Occupational Safety and Health Act Article 12, Paragraph 3, for failing to monitor carbon dioxide levels every six months. Taipei City Government has issued fines for this violation. However, the Company has paid the fines and intensified internal training to prevent similar incidents from recurring. Additionally, in the past two years and as of the date of the annual report, the company has not suffered losses due to labor disputes, nor have there been any potential factors leading to labor disputes. It is estimated that with the continuous and proactive implementation of various employee welfare measures in the Company, there should be no occurrence of losses due to labor disputes in the future.

VI. Information Security Management

1. Describing the information security risk management framework, information security policies, specific management plans, and resources invested in information security management

(1) Information security risk management framework

The Company's department for information security management is the General Management Department, which is responsible for planning and promoting information security matters.

(2) Information security policies

The Company regulated information security policies in the control of information security inspections, including online security, hardware resources, software copyright and data security.

(3) Specific management plans

A. Security management of online resources

Computer and various service login passwords must be updated every six months in accordance with the minimum length and complexity announced by the information department.

In order to prevent virus intrusion and strengthen information security, the information department establishes the Company's anti-virus system according to the anti-virus system planning standards, sets up an automatic protection mechanism, and then the virus monitoring center updates the virus code and sets a schedule to scan all machines.

After each computer is purchased, the information department will set the user domain and usage rights to the Company domain and general user rights, and the computer can only be used for business purposes, and other purposes are prohibited.

In order to block unknown intrusions and attacks from the Internet and ensure the safety and integrity of the Company's internal data, the information department has built a firewall to control the Internet connection in accordance with the Company's information security policies, and regularly checks the rules of such security policies. If there is any abnormality in the computer operations, the information department may make improvements after confirming the applicability of the rules, and then record the results after confirming the improvement.

B. Security management of hardware resources

After hardware resources are purchased by the Company, they will be managed by the demand department. If the purchased hardware resources are major equipment, they will be managed and registered by the information department, and installed on the uninterruptible power system device. The personnel shall pay attention to the power supply load and the balance during installation.

C. Security management of copyright of software resources

The basic configuration software is evaluated by the information department, and the information department puts forward suggestions for storage, registration and installation after the purchase. The non-basic configuration software that is purchased by the department according to its demand will be kept and registered by it and installed by the information department.

D. Education and training for information security

The information department conducts education and training every quarter. It will explain the proper use of information resources, and let users understand information security.

E. Data security controls

The relevant documents used by the Company are uniformly placed on the file server for access. When each department needs to create a server folder, it should submit an application and be set by the information department and the data is regularly backed up in an appropriate storage location protected by a password and kept by special personnel.

F. Outsourced data security

In outsourcing contracts, the information department should clearly stipulate that suppliers must keep the data processing and process confidential, any leakage is strictly prohibited, and relevant terms or penalties should be prescribed in the contracts.

G. Computer room security controls

The computer room is equipped with related system configurations such as access control, surveillance, fire protection and temperature. Any personnel entering or leaving the computer room must be approved and recorded by the information department before they can enter or exit, and they can only operate the equipment required for relevant operations.

H. Report and recovery of information security incidents

After an information security incident occurs, the information department should immediately notify the highest supervisors of the department after determining the type of incident. If the incident cannot be repaired in time, the head of the information department should immediately report to the general manager and notify the colleagues of the scope of being influenced and of the possible repair time.

For the signs of information security incidents, the information department must ascertain the cause of the event, determine the scope of possible impact, assess possible losses, and determine whether any support is needed to be applied for, and retain evidence of intrusion of destruction. The information department may obtain solutions through a system vulnerability database, Internet access, and technical support units.

The information department shall check whether the hardware equipment can operate normally, and if it is damaged and unusable, the information department can temporarily replace it with spare equipment and contact the manufacturer for maintenance. The information department may detect whether information security risks affect normal operation, and perform system repair or environmental reconstruction after eliminating information security risks. After the normal operation, data recovery and data reset will be carried out.

(4) Resources invested in information security management

The Company continues to invest resources in information security management, including improving the security infrastructure of governance and technology, strengthening information security defense equipment, and organizing education and training. The Company regularly implements security updates, strengthens employees' information security concepts, and uses meetings as well as corporate internal websites to promote information security awareness to colleagues.

2. List the losses suffered due to major information security incidents in the most recent years and as of the printed date of this annual report, the possible impacts and countermeasures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained: None.

VII. Material Contracts

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Construction Contract	The Company	Green Forever Ltd.	From December 1, 2022, until the end of the warranty period.	Energy Storage Power Generation Equipment Project	Grid connection period and transaction conditions confidentiality clause
Development Service Contract	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From June 22, 2020, until obtaining the electricity business license.	Development of Beimen Fishery-Biogas Co-generation Plant, including obtaining relevant permits and coordination	Transaction Conditions Confidentiality Clause and non-competition

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Operations management consulting service contract	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From September 16, 2021, until 20 years after grid connection.	Consulting services for the operation and management of renewable energy power plants	Transaction Conditions Confidentiality Clause
Operations management consulting service contract 1th Supplementary Agreement	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From September 16, 2021, until 20 years after grid connection.	Expansion of installed capacity and photovoltaic energy storage equipment	None
Construction Contract	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From October 6, 2021, until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Project Contract 1th Supplementary Agreement	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From October 6, 2021, until the end of the warranty period.	Project and project price adjustments	None
Project Contract Addendum Agreement	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	From October 6, 2021, until the end of the warranty period..	Clarify ownership of equipment and materials	None
Solar power generation (plant) system maintenance contract	The Company	Enfinite Capital Taiwan Solar I Co. Ltd.	Until the expiration date of 20 years from the date of grid-connected operation	Maintenance, operation and maintenance of solar power generation equipment	Transaction Conditions Confidentiality Clause
Project Contract	The Company	Twilight Energy Co., Ltd.	From December 30, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations, u ntil the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Construction Contract	The Company	Shenhexing development co., ltd.	From June 09, 2023Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Booster station construction project	Grid connection period and transaction conditions confidentiality clause
Equipment Lease Agreement	TPE ENERGY	Enfinite Capital Taiwan Solar I Co. Ltd.	From February 28, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations , until the end of the warranty period.	Energy storage system construction	None
Equipment Lease Agreement Supplementary Agreement	TPE ENERGY	Enfinite Capital Taiwan Solar I Co. Ltd.	From June 02, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations , Until the end of the warranty period.	Energy storage system information change	None

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Construction Contract	Yu Guang Energy Co., Ltd.	TPE ENERGY	From May 31, 2022 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	energy storage system construction	Network Integration Deadline
Construction Contract 1th Supplementary Agreement	Yu Guang Energy Co., Ltd.	TPE ENERGY	From May 31, 2022 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Project and project price adjustments	None
Taipei City Government Works Bureau Sanitary Sewerage Engineering Office Project Contract	WEISHENG ENVIRONTECH CO., LTD.	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion is required within 600 days from the commencement date.	Equipment Renewal Project for Taipei City Sewage Pumping Stations - Maintenance and Equipment Renewal Project for City Pumping Stations	None
Taipei City Government Public Works Bureau Sanitary Sewerage Engineering Office New Unit Price Agreement 1th amending deed	WEISHENG ENVIRONTECH CO., LTD..	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion is required within 600 days from the commencement date.	Equipment Renewal Project for Taipei City Sewage Pumping Stations - Maintenance and Equipment Renewal Project for City Pumping Stations Project and project price adjustments	None
Taipei City Government Works Bureau Sanitary Sewerage Engineering Office Project Contract	WEISHENG ENVIRONTECH CO., LTD..	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion by June 30, 2026	Dihua Wastewater Treatment Plant the seventh phase of entrusted operation and maintenance and equipment update-Device updates	None
Taipei City Government Works Bureau Sanitary Sewerage Engineering Office Project Contract	WEISHENG ENVIRONTECH CO., LTD.	Sewerage Systems Office, Public Works Department, Taipei City Government	Supply of procurement items during the period from July 1, 2023, to June 30, 2026	Dihua Wastewater Treatment Plant the seventh phase of entrusted operation and maintenance and equipment update-Operation and maintenance	None
Taipei City Government Works Bureau Sanitary Sewerage Engineering Office Project Contract	WEISHENG ENVIRONTECH CO., LTD.	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion is required within 480 days from the commencement date.	Equipment Renewal Project for Taipei City Sewage Pumping Stations , Equipment Renewal Project for Tamsui River Basin Sewage System (Phase 4)	None

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Taipei City Government Public Works Bureau Sanitary Sewerage Engineering Office New Unit Price Agreement 1th amending deed	WEISHENG ENVIRONTECH CO., LTD.	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion is required within 480 days from the commencement date.	Equipment Renewal Project for Taipei City Sewage Pumping Stations , Equipment Renewal Project for Tamsui River Basin Sewage System (Phase 4)之 Project and project price adjustments	None
Taipei City Government Public Works Bureau Sanitary Sewerage Engineering Office New Unit Price Agreement 2nd amending deed	WEISHENG ENVIRONTECH CO., LTD.	Sewerage Systems Office, Public Works Department, Taipei City Government	Completion is required within 480 days from the commencement date.	Equipment Renewal Project for Taipei City Sewage Pumping Stations, Equipment Renewal Project for Tamsui River Basin Sewage System (Phase 4) Project and project price adjustments	None
Taoyuan International Airport Corporation"New construction project of sewage treatment plant and pipelines on the west side"Project Procurement Contract	WEISHENG ENVIRONTECH CO., LTD.	Taoyuan International Airport Corporation	The contract stipulates that all items must be completed within 942 days from the start of construction.	New construction project of sewage treatment plant and pipelines on the west side	None
"Taoyuan International Airport West Side Wastewater Treatment Plant"1th contract change letter	WEISHENG ENVIRONTECH CO., LTD.	Taoyuan International Airport Corporation	The contract stipulates that all items must be completed within 942 days from the start of construction.	Project and project price adjustments	None
Taoyuan International Airport Corporation" West Side Water Storage and Pressurization Station"Project Procurement Contract	WEISHENG ENVIRONTECH CO., LTD.	Taoyuan International Airport Corporation	The contract stipulates that all items must be completed within 942 days from the start of construction.	New construction project of sewage treatment plant and pipelines on the west side	None

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Hsinchu County GovernmentProject Contract	WEISHENG ENVIRONTECH CO., LTD.	Hsinchu County Government	Completion is required within 480 days from the commencement date.	The second phase implementation plan of the sewage and sewer system in Zhubei City, Hsinchu County - the second phase of the water resources recovery center project (including three-year trial operation)	None
Hsinchu County GovernmentWorks Department 1th Change Design Project Protocol	WEISHENG ENVIRONTECH CO., LTD.	Hsinchu County Government	Completion is required within 480 days from the commencement date.	The second phase implementation plan of the sewage and sewer system in Zhubei City, Hsinchu County - the second phase of the water resources recovery center project (including three-year trial operation)	None
Labor purchase contract	WEISHENG ENVIRONTECH CO., LTD.	Hsinchu County Government	Hsinchu County Government After the second phase of the Zhubei Water Resources Recycling Center project has completed single unit and system testing and passed the test, it will begin to supply the procurement targets for a period of three years.	Hsinchu County Government Zhubei Water Resources Recycling Center Phase II Project-3 years of trial operation	None
Renewable energy power and certificate purchase and sale contract	GREENET CO., LTD.	GOLD CIRCUIT ELECTRONICS LTD	The commencement of electricity supply until December 31, 2032	Electricity and certificate trading for energy	The minimum annual electricity purchase and sales limit and Transaction Conditions Confidentiality Clause
Equipment purchase contract	The Company	WÄRTSILÄ FINLAND OY & WÄRTSILÄ TAIWAN LTD.	Project started on July 22, 2022, Warranty period until the end of the warranty period.	storage power generation equipment	None
Equipment purchase contract	The Company	FLUENCE ENERGY PTY LTD	Project started on February 23, 2023, Warranty period until the end of the warranty period.	Energy storage equipment procurement	Transaction Conditions Confidentiality Clause
Project Contract	The Company	Shihlin Electric & Engineering Corp.	Project started on March 2, 2023, Warranty period until the end of the warranty period.	storage power generation equipment construction	Grid connection period and transaction conditions confidentiality clause
Project Contract	The Company	Shihlin Electric & Engineering Corp.	Project started on March 2, 2023-	Project and project price adjustments	None

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Supplementary Agreement			Warranty period until the end of the warranty period.		
Construction Contract	The Company	Evergreat E&C Co., Ltd.	June 15, 2022 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Project Contract	The Company	CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING CORPORATION	From March 30, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Boosting Station Project	Grid connection period and transaction conditions confidentiality clause
Project Contract Supplementary Agreement	The Company	CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING CORPORATION	From March 30, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Project and project price adjustments	None
Construction Contract	The Company	Kuo Kung Construction Co.,Ltd.	From December 24, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Construction Contract Supplementary Agreement	The Company	Kuo Kung Construction Co.,Ltd.	From December 24, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Adjust the scope of rights and obligations of both parties	None
Construction Contract 2ndSupplementary Agreement	The Company	Kuo Kung Construction Co.,Ltd.	From December 24, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Amended Performance Bond Form	None
Development Service Contract	The Company	Joy Co., Ltd.	From July 21, 2022, until the final payment is completed	Yilan Lize case development, obtaining relevant permits and coordination	Transaction Conditions Confidentiality Clause
Development Service Contract	The Company	Joy Co., Ltd.	From October 14, 2022 until the final payment is completed	Yilan Lize case development, obtaining relevant permits and coordination	Transaction Conditions Confidentiality Clause
Construction Contract	The Company	Shine Engineering Co., Ltd.	From December 24, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Construction Contract Supplementary Agreement	The Company	Shine Engineering Co., Ltd.	From December 24, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Adjust the scope of rights and obligations of both parties	None
Construction Contract	The Company	Acmepoint Energy Services Co., Ltd.	From December 20, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Construction Contract Supplementary Agreement	The Company	Acmepoint Energy Services Co., Ltd.	From December 20, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Adjust the scope of rights and obligations of both parties	None
Construction Contract 2ndSupplementary Agreement	The Company	Acmepoint Energy Services Co., Ltd.	From December 20, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Amended Performance Bond Form	None
Construction Contract	The Company	Acmepoint Energy Services Co., Ltd.	From March 31, 2021 Equipment Renewal Project for Taipei City Sewage Pumping Stations - Until the end of the warranty period.	Solar power equipment engineering	Grid connection period and transaction conditions confidentiality clause
Equipment and materials purchase contract	The Company	Gold Sun Technology Co., Ltd.	From December 27, 2021 until the final payment is completed	Purchase solar photovoltaic modules	Transaction Conditions Confidentiality Clause
Equipment and materials purchase contract	The Company	Gold Sun Technology Co., Ltd.	From August 22 ,2023 Until the final payment is completed	Purchase solar photovoltaic modules	Transaction Conditions Confidentiality Clause
Construction Contract	TPE ENERGY	Evergreat E&C Co., Ltd.	From April 7, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations , until the end of the warranty period.	Construction of photovoltaic energy storage system	None
Construction Contract	TPE ENERGY	Evergreat E&C Co., Ltd.	From May 23, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Construction of photovoltaic energy storage system	None
Construction ContractSupplementary	TPE ENERGY	Evergreat E&C Co., Ltd.	From May 23, 2023 Equipment Renewal Project for Taipei City	Construction Cost Adjustment	None

Contract Nature	Parties		Contract Start and End Dates	Main Contents	Restriction Clauses
Agreement			Sewage Pumping Stations, until the end of the warranty period.		
Construction Contract 2ndSupplementary Agreement	TPE ENERGY	Evergreat E&C Co., Ltd.	From May 23, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Project and project price adjustments	None
Equipment purchase contract	TPE ENERGY	RYOTAI CORPORATION	From March 31 ,2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Energy storage equipment procurement	None
Equipment purchase contract	TPE ENERGY	RYOTAI CORPORATION	From June 1, 2023 Equipment Renewal Project for Taipei City Sewage Pumping Stations, until the end of the warranty period.	Energy storage equipment procurement	None
Equipment purchase contract	Weisheng Wastewater Treatment Co., Ltd.	CHUNG-HSIN ELECTRIC & MACHINERY MFG. CORP.	Completion of delivery shall be made on or before October 31, 2022, or at the latest within 10 months after the signing of this contract by both parties. Both parties agree that the latter date shall prevail.	Equipment Renewal Project for Taipei City Sewage Pumping Stations - Equipment Renewal Project for Tamsui River Basin Sewage System (Phase 4)	None
Share Transaction	The Company	Taiya Renewable Energy.	June 16, 2022 - Transaction Completed	Share transaction	Transaction Conditions Confidentiality Clause
Share Transaction	The Company	Shunxin Professional Construction Co., Ltd. 、 CAI,KUN-TING	From June 28, 2023 until Share transaction	Share transaction	Transaction Conditions Confidentiality Clause
Insurance Contract	The Company	Fubon Insurance Co., Ltd.	From January 01, 2023 to January 01, 2024	Directors and Officers Liability Insurance	None

Chapter 6 Financial Highlights

I. Financial information for the five most recent years

1. Condensed balance sheets and comprehensive income statements

(1) Condensed Balance Sheets

A. Consolidated Financial Statement

Unit: NT$ Thousand

Item / Year		Financial data of the five most recent years					Financial Data up to March 31, 2024
		2019	2020	2021	2022	2023	
Current assets		438,182	483,362	2,674,006	5,414,578	3,036,626	3,548,814
Property, plant and equipment		954,665	1,015,463	1,234,010	1,257,774	3,367,763	3,629,623
Intangible assets		2,987	4,513	27,608	33,960	77,579	77,581
Other assets		154,349	498,517	1,210,850	1,500,539	2,292,102	2,526,282
Total assets		1,550,183	2,001,855	5,146,474	8,206,851	8,774,070	9,782,300
Current liabilities	Before distribution	164,688	233,603	1,950,969	4,238,748	2,370,338	3,068,701
	After distribution	164,688	233,603	1,973,511	4,471,166	2,370,338	Undistributed
Non-current liabilities		568,631	739,050	808,658	1,109,082	2,244,369	2,449,031
Total liabilities	Before distribution	733,319	972,653	2,759,627	5,347,830	4,614,707	5,517,732
	After distribution	733,319	972,653	2,782,169	5,580,248	4,614,707	Undistributed
Equity attributable to shareholders of the Parent		816,864	1,001,839	2,217,158	2,663,770	3,902,886	4,018,887
Capital stock		727,891	727,891	1,127,091	1,127,091	1,162,091	1,176,040
Capital surplus		16,152	16,470	629,218	644,399	1,076,274	1,180,362
Retained earnings	Before distribution	72,821	257,478	460,849	892,280	1,664,521	1,662,485
	After distribution	72,821	257,478	438,307	659,862	1,664,521	Undistributed
Other equity interest		-	-	-	-	-	-
Treasury stock		-	-	-	-	-	-
Non-controlling interests		-	27,363	169,689	195,251	256,477	245,681
Total equity	Before distribution	816,864	1,029,202	2,386,847	2,859,021	4,159,363	4,264,568
	After distribution	816,864	1,029,202	2,364,305	2,626,603	4,159,363	Undistributed

Resources: consolidated financial statements of each year audited or review by CPAs.
Note: Undistributed earnings for 2023.

B. Individual Financial Statement

Unit: NT$ Thousand

Item \ Year		Financial data of the five most recent years				
		2019	2020	2021	2022	2023
Current assets		432,179	174,239	1,759,419	3,715,013	3,556,178
Property, plant and equipment		571	27,207	29,000	24,569	24,455
Intangible assets		-	792	528	865	432
Other assets		419,310	968,166	1,757,984	2,108,994	2,855,399
Total assets		852,060	1,170,404	3,546,931	5,849,441	6,436,464
Current liabilities	Before distribution	32,399	117,877	1,277,497	3,102,211	1,397,343
	After distribution	32,399	117,877	1,300,039	3,334,629	1,397,343
Non-current liabilities		2,797	50,688	52,276	83,460	1,136,235
Total liabilities	Before distribution	35,196	168,565	1,329,773	3,185,671	2,533,578
	After distribution	35,196	168,565	1,352,315	3,418,089	2,533,578
Equity attributable to shareholders of the parent		816,864	1,001,839	2,217,158	2,663,770	3,902,886
Capital stock		727,891	727,891	1,127,091	1,127,091	1,162,091
Capital surplus		16,152	16,470	629,218	644,399	1,076,274
Retained earnings	Before distribution	72,821	257,478	460,849	892,280	1,664,521
	After distribution	72,821	257,478	438,307	659,862	1,664,521
Other equity interest		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling interests		-	-	-	-	-
Total equity	Before distribution	816,864	1,001,839	2,217,158	2,663,770	3,902,886
	After distribution	816,864	1,001,839	2,194,616	2,431,352	3,902,886

Resources: individual financial statements of each year audited by CPAs.
Note: Undistributed earnings for the fiscal year 2023.

(2) Condensed comprehensive income statements

A. Consolidated Financial Statements

Unit: NT$ Thousand

Item \ Year	Financial data of the five most recent years					Financial Data up to March 31, 2024
	2019	2020	2021	2022	2023	
Operating revenue	175,808	211,428	2,154,921	6,300,762	6,783,555	1,001,972
Gross profit	80,444	96,536	482,680	1,306,509	1,272,300	106,693
Income from operations	6,425	(3,797)	234,174	876,071	831,800	(14,744)
Non-operating income and expenses	15,243	219,328	14,580	(219,273)	383,686	(2,241)
Profit before Income tax	21,668	215,531	248,754	656,798	1,215,486	(16,985)
Profit from continuing operations	18,529	182,255	230,474	471,164	1,016,456	(15,646)
Loss from discontinued operations	-	-	-	-	-	-
Net Profit	18,529	182,255	230,474	471,164	1,016,456	(15,646)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	18,529	182,255	230,474	471,164	1,016,456	(15,646)
Profit attributable to shareholders of the Company	24,165	184,657	225,834	453,973	1,013,566	(2,036)
Profit attributable to non-controlling interests	(5,636)	(2,402)	4,640	17,191	2,890	(13,610)
Total comprehensive income (loss) attributable to shareholders of the Company	24,165	184,657	225,834	453,973	1,013,566	(2,036)
Total comprehensive income (loss) attributable to non-controlling interests	(5,636)	(2,402)	4,640	17,191	2,890	(13,610)
Earnings per share (in dollars)	0.33	2.54	2.30	4.03	8.77	(0.02)

Resources: consolidated financial statements of each year audited or reviewed by CPAs.

B. Individual Financial Statements

Unit: NT$ Thousand

Item \ Year	Financial data of the five most recent years				
	2019	2020	2021	2022	2023
Operating revenue	55,114	79,433	1,619,212	4,955,912	7,086,262
Gross profit	19,543	29,322	277,614	960,551	1,033,990
Income from operations	(20,194)	(22,838)	182,355	736,806	759,611
Non-operating income and expenses	42,480	234,535	53,376	(127,651)	425,310

Item / Year	Financial data of the five most recent years				
	2019	2020	2021	2022	2023
Profit before Income tax	22,286	211,697	235,731	609,155	1,184,921
Profit from continuing operations	24,165	184,657	225,834	453,973	1,013,566
Loss from discontinued operations	-	-	-	-	-
Net Profit	24,165	184,657	225,834	453,973	1,013,566
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	24,165	184,657	225,834	453,973	1,013,566
Profit attributable to shareholders of the Company	24,165	184,657	225,834	453,973	1,013,566
Profit attributable to non-controlling interests	-	-	-	-	-
Total comprehensive income (loss) attributable to shareholders of the Company	24,165	184,657	225,834	453,973	1,013,566
Total comprehensive income (loss) attributable to non-controlling interests	-	-	-	-	-
Earnings per share	0.33	2.54	2.30	4.03	8.77

Resources: individual financial statements of each year audited by the CPAs.

2. The names of CPAs and their audit opinions of the five most recent years

Year	Name of Accounting Firm	Name of CPA	Opinion
2019	PwC Taiwan	Hsu, Sheng-Chung	Unqualified opinion with emphasis on matters
2020	PwC Taiwan	Hsu, Sheng-Chung Lin, Ya-Hui	Unqualified opinion
2021	PwC Taiwan	Lin, Ya-Hui Hsu, Sheng-Chung	Unqualified opinion
2022	PwC Taiwan	Lin, Ya-Hui Hsu, Sheng-Chung	Unqualified opinion
2023	PwC Taiwan	Lin, Ya-Hui Hsu, Sheng-Chung	Unqualified opinion
First Quater2024	PwC Taiwan	Lin, Ya-Hui Lin, Yung-Chih	Unqualified opinion

II. Financial analysis of the five most recent years

1. Financial Analysis on Consolidated

Item analyzed / Year		Financial analysis of the five most recent years					Financial Data up to March 31, 2024
		2019	2020	2021	2022	2023	
Financial	Debt Ratio (%)	47.31	48.59	53.62	65.16	52.59	56.41

Item analyzed \ Year		Financial analysis of the five most recent years					Financial Data up to March 31, 2024
		2019	2020	2021	2022	2023	
structure	Ratio of long-term capital to property, plant and equipment (%)	145.13	174.13	258.95	315.48	190.15	184.97
Solvency	Current ratio (%)	266.07	206.92	137.06	127.74	128.11	115.65
	Quick ratio (%)	252.27	149.65	131.24	104.20	109.26	103.08
	Interest earned ratio (times)	2.48	12.86	11.23	18.97	19.58	0.17
Operating ability	Accounts receivable turnover (times)	6.64	12.78	6.13	13.75	22.87	9.96
	Average collection period	55	29	60	27	16	37
	Inventory turnover (times)	16.74	9.43	132.68	60.49	47.18	48.78
	Accounts payable turnover (times)	4.64	15.95	2.52	4.34	6.22	3.32
	Average days in sales	22	39	3	6	8	7
	Property, plant and equipment turnover (times)	0.18	0.21	1.91	5.05	2.93	1.15
	Total assets turnover (times)	0.11	0.12	0.60	0.94	0.80	0.43
Profitability	Return on total assets (%)	2.07	11.12	7.07	7.50	12.62	0.15
	Return on stockholders' equity (%)	2.22	19.75	13.49	17.96	28.97	(1.49)
	Pre-tax income to paid-in capital (%)	2.98	29.61	22.07	58.27	104.59	(5.78)
	Profit ratio (%)	10.54	86.20	10.69	7.47	14.98	(1.56)
	Earnings per share (NT$)	0.33	2.54	2.30	4.03	8.77	(0.02)
Cash flow	Cash flow ratio (%)	(Note 1)	(Note 1)	3.31	20.33	57.23	14.16
	Cash flow adequacy ratio (%)	7.61	6.76	8.10	24.63	43.96	52.53
	Cash reinvestment ratio (%)	(Note 1)	(Note 1)	2.07	20.71	18.60	6.91
Leverage	Operating leverage	17.55	(Note 2)	2.31	1.71	1.66	(Note 2)

Item analyzed \ Year		Financial analysis of the five most recent years					Financial Data up to March 31, 2024
		2019	2020	2021	2022	2023	
	Financial leverage	(0.69)	(Note 2)	1.12	1.05	1.09	(Note 2)

Explanations of changes by more than 20% in various financial ratios in increase or decrease in the most recent two years:

1. The decrease in the ratio of long-term funds to property, plant, and equipment is primarily due to the addition of power plants held in the fiscal year 2023.
2. The increase in accounts receivable turnover and the decrease in average collection days are mainly attributed to continuous construction activities and recognition of revenue based on the percentage of completion method in the fiscal year 2023. As payments for the aforementioned projects are received according to the progress of the projects, the average accounts receivable decreased compared to fiscal year 2022.
3. The decrease in inventory turnover, increase in accounts payable turnover, and increase in average days of sales are primarily due to the increase in operating costs of projects awarded in the fiscal year 2023.
4. The decrease in property, plant, and equipment turnover is primarily due to the addition of power plants held in the fiscal year 2023.
5. The increase in asset turnover, return on equity, pre-tax net profit to paid-up capital ratio, net profit margin, and earnings per share is primarily due to profits from the disposal of investments and valuation gains in the fiscal year 2023, leading to an increase in net profit after tax.
6. The increase in cash flow ratio and cash flow adequacy ratio is primarily due to cash inflows from operating activities in the fiscal year 2023, as project payments are received and made according to contractual terms during the progress of the projects.

Resources: Consolidated financial statements of each year audited or reviewed by the CPAs.

Note 1: Since the cash flow of operations is an outflow, which does not meet the definition of cash flow analysis, such analysis is not applicable.

Note 2: Operating profit is negative and has no comparative significance, so the relevant ratios are not listed.

Note 3: Calculated as follows:

1. Financial structure
   (1)Ratio of debts to asset＝Total liabilities/Total assets
   (2)Ratio of long-term capital to property plant and equipment = (Total equity + Non-current liabilities)/Net property, plant and equipment
2. Solvency
   (1)Current ratio = Current assets/Current liabilities
   (2)Quick ratio = (Current assets - Inventories - Prepaid expenses)/Current liabilities
   (3)Interest coverage ratio = Net income before tax and interest expense/Interest expenses over this period
3. Operating ability
   (1)Receivable (including accounts receivable and notes receivable due to business operations) turnover rate = Net sales/Balance of average accounts receivable for various periods (including accounts receivable and notes receivable due to business operations)
   (2)Average collection days for receivable = 365/Receivables turnover rate
   (3)Inventory turnover rate = Cost of goods sold/Average inventory
   (4)Payable (including accounts payable and notes payable due to business operations) turnover rate = Cost of goods sold/Balance of average accounts payable of various periods (including accounts payable and notes payable due to business operations)
   (5)Average days of sales = 365/Inventory turnover ratio
   (6)Property, plant and equipment turnover rate = Net sale/Average net property, plant and equipment
   (7)Total asset turnover rate = Net sales/Average total assets
4. Profitability
   (1)Return on assets = 〔Net income after taxes + Interest expense x (1 - tax rate)〕/Average total assets
   (2)Return on equity = Net income after taxes/Average total equity

(3)Profit margin = Net income after taxes/Net sales
(4)Earnings per share = (Net income attributable to shareholders of the parent company-preferred stock dividend)/Weighted average number of shares outstanding

5. Cash flow
(1)Cash flow ratio = Net cash flow of operating activities/Current liabilities
(2)Cash flow adequacy ratio = Net cash flow from operating activities of the five most recent years/(Capital expenditures + Inventory increase + Cash dividend) of the five most recent years
(3)Cash flow reinvestment ratio = (Net cash flow from operating activities-Cash dividends)/(Gross value of property, plant and equipment + Long-term investments + Other non-current assets + Working capital)

6. Leverage
(1)Operating leverage = (Net operating revenue-Variable operating cost and expenses)/Operation profit
(2)Financial leverage = Operating profit/(Operating profit-Interest expenses)

2. Individual Financial Analysis

Item Analyzed / Year		Financial analysis of the five most recent years				
		2019	2020	2021	2022	2023
Financial structure	Debt Ratio (%)	4.13	14.40	37.49	54.46	39.36
	Ratio of long-term capital to property, plant and equipment (%)	143,505.42	3,868.63	7,825.67	11,181.69	20,605.69
Solvency	Current ratio (%)	1,333.94	147.81	137.72	119.75	254.50
	Quick ratio (%)	1,315.48	89.57	135.71	95.15	231.12
	Interest earned ratio (%)	215.32	505.68	71.51	67.86	47.16
Operating ability	Accounts receivable turnover (times)	3.69	10.37	5.75	17.14	10.29
	Average collection period	99	35	63	21	35
	Inventory turnover (times)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
	Accounts payable turnover (times)	3,247.57	4,575.13	2.31	4.23	9.39
	Average days in sales	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
	Property, plant and equipment turnover (times)	46.76	5.72	57.62	185.03	289.09
	Total assets turnover (times)	0.06	0.08	0.69	1.05	1.15
Profitability	Return on total assets (%)	2.76	18.30	9.71	9.82	16.86
	Return on	2.91	20.31	14.03	18.60	30.87

Item Analyzed		2019	2020	2021	2022	2023
Year / Financial analysis of the five most recent years						
	stockholders' equity (%)					
	Pre-tax income to paid-in capital (%)	3.06	29.08	20.92	54.05	101.96
	Profit ratio (%)	43.85	232.47	13.95	9.16	14.30
	Earnings per share (NT$)	0.33	2.54	2.30	4.03	8.77
Cash flow	Cash flow ratio (%)	(Note 2)	(Note 2)	6.77	27.71	(Note 2)
	Cash flow adequacy ratio (%)	(Note 2)	(Note 2)	5.47	38.12	25.83
	Cash reinvestment ratio (%)	(Note 2)	(Note 2)	7.46	59.84	(Note 2)
Leverage	Operating leverage	(Note 3)	(Note 3)	1.90	1.56	1.75
	Financial leverage	(Note 3)	(Note 3)	1.02	1.01	1.03

Explanations of the changes in increase or decrease by more than 20% in various financial ratios for the most recent two years:

1. The decrease in the debt-to-assets ratio is primarily due to the acquisition of investments, leading to an increase in assets.
2. The increase in the ratio of long-term funds to property, plant, and equipment is primarily due to the accumulation of retained earnings in fiscal year 2023, as the company continues to generate profits.
3. The increase in the quick ratio and current ratio is primarily due to the issuance of convertible bonds in fiscal year 2023, which allowed the repayment of short-term borrowings, resulting in a reduction in overall current liabilities.
4. The decrease in the interest coverage ratio is primarily due to the increase in interest expenses related to the utilization of borrowings in the current fiscal year.
5. The decrease in accounts receivable turnover and the increase in average collection days are attributed to continuous construction activities and revenue recognition based on the percentage of completion method in fiscal year 2023. Although there was a significant increase in construction revenue compared to fiscal year 2022, the average accounts receivable remained largely unchanged as payments were received according to project progress.
6. The increase in accounts payable turnover is primarily due to the increase in operating costs of projects awarded in fiscal year 2023.
7. The increase in property, plant, and equipment turnover is primarily due to the substantial increase in operating revenue in fiscal year 2023.
8. The increase in asset turnover, return on equity, pre-tax net profit to paid-up capital ratio, net profit margin, and earnings per share is primarily due to the growth in the company's contracting business in fiscal year 2023, resulting in an increase in net profit after tax.
9. The decrease in the cash flow adequacy ratio is primarily due to increased capital expenditures resulting from the acquisition of investments in fiscal year 2023.

Resources: Individual Financial Statements of each year audited by the CPAs.
Note 1: There is no inventory on the accounts, so the relevant ratio is zero.
Note 2: Since the cash flow of operating activities is outflow, which does meet the definition of cash flow analysis, such analysis is not applicable.
Note 3: Operating profit is negative without comparative use, so the relevant ratios are not listed.

III. Audit Committee examination report on the most recent annual financial report

J&V Energy Technology Co., Ltd.

Audit Committee's Review Report

Hereby approved,

The board of directors of the Company hereby submits the 2023 financial statements (including consolidated financial statements) which have been audited and the audit reports have been issued by CPA Lin, Ya-hui and Hsu, Sheng-Chung of PwC Taiwan, along with the business report and surplus distribution statement of 2023 for the approval of the Audit Committee. The Audit Committee found no compliance issue on the aforementioned documents. Therefore, in accordance with Article 14-4 of the Securities and Exchange Act, and Article 219 of the Company Act, we hereby report as above.

Please kindly review.

Sincerely,

2024 Shareholders' General Meeting of J&V Energy Technology Co., Ltd.

Audit Committee Convener: Wu Ching-Sung

March 5, 2024

IV. The most recent annual financial report, with the auditor's report, two-year comparative balance sheet, comprehensive income statement, statement of changes in equity, statement of cash flows, notes, and appendices:

Please refer to pages 173 to 249.

V. The audited and attested company's individual financial report of the most recent year:

Please refer to pages 250 to 320.

VI. The financial turnover difficulty circumstances of the company and its affiliate enterprises and their impact on the Company's financial status in the most recent year and to the printed date of this annual report:

None.

Chapter 7　Review of Financial Conditions, Operating Result, and Risk Management

I.　Financial Status

The main reason and impact of the major changes in assets, liabilities, and equity for the last two years.　If the impact is major, the future countermeasure should be explained.

Unit: NT$ Thousand

Item / Year	2023	2022	The difference in the increase (decrease)	
			amount	Ratio (%)
Current assets	3,036,626	5,414,578	(2,377,952)	(43.92)
Property, plant and equipment	3,367,763	1,257,774	2,109,989	167.76
Intangible assets	77,579	33,960	43,619	128.44
Other assets	2,292,102	1,500,539	791,563	52.75
Total assets	8,774,070	8,206,851	567,219	6.91
Current liabilities	2,370,338	4,238,748	(1,868,410)	(44.08)
Non-current liabilities	2,244,369	1,109,082	1,135,287	102.36
Total liabilities	4,614,707	5,347,830	(733,123)	(13.71)
Capital stock	1,162,091	1,127,091	35,000	3.11
Capital surplus	1,076,274	644,399	431,875	67.02
Retained earnings	1,664,521	892,280	772,241	86.55
Other components of equity	-	-	-	-
Non-controlling interest	256,477	195,251	61,226	31.36
Total equity	4,159,363	2,859,021	1,300,342	45.48

1. Explanation of the items having major changes: (the difference ratio in increase or decrease reaches more than 20%, and the difference amount is above NT$ 10 million.)
   (1) Decrease in current assets: Primarily due to the completion and collection of contract assets and advances for construction projects undertaken in fiscal year 2022. Additionally, the decrease in financial assets measured at amortized cost due to restrictions imposed by bank financing limits and performance guarantees for projects led to an overall decrease in current assets.
   (2) Increase in property, plant, and equipment: Mainly attributable to the construction of a large-scale energy storage facility in the current fiscal year.
   (3) Increase in intangible assets: Primarily due to the goodwill generated from the acquisition of 100% equity interest in Emperor Power Co., Ltd. in the current fiscal year.
   (4) Increase in other assets: Mainly due to increased investments in renewable energy and water treatment companies in the current fiscal year, as well as an increase in assets held for operational needs. Additionally, increases in various types of deposits as collateral contributed to the increase.
   (5) Decrease in current liabilities: Mainly due to the completion of contract liabilities for construction projects and power plant installations undertaken in fiscal year 2022. Furthermore, proceeds from cash issuances and convertible bonds were used to repay short-term borrowings, resulting in an overall decrease in current liabilities.

(6) Increase in non-current liabilities: Primarily due to the issuance of convertible bonds and an increase in long-term borrowings in the current fiscal year, as well as the addition of long-term lease contracts for new project sites and offices.
(7) Increase in capital surplus: Due to the issuance of new shares at a price higher than the par value per share in the current fiscal year.
(8) Increase in retained earnings: Mainly due to the increase in net profit after tax in the current fiscal year.
(9) Increase in non-controlling interests: Mainly due to the profits generated by subsidiaries with less than 100% ownership in the current fiscal year.
(10) Increase in total equity: Primarily due to the cash issuance and increase in net profit after tax in the current fiscal year.

2. The future countermeasure on the major changes: the above changes have no major adverse impact on the Company, and the overall performance of the Company has no major abnormalities, so there is no need to formulate a countermeasure.

II. Financial Performance

The operating revenue, profit margin, the main cause of major changes in profit margin before tax and the expected number of sales of goods and its basis in the last two years, and its possible impact on the Company's future financial business as well as the countermeasure.

Unit: NT$ Thousand

Year / Item	2023	2022	Change in increase or decrease	
			amount	Ratio (%)
Operating Revenue	6,783,555	6,300,762	482,793	7.66
Operating Cost	5,464,395	4,760,553	703,842	14.78
Gross profit	1,272,300	1,306,509	(34,209)	(2.62)
Operating expenses	440,500	430,438	10,062	2.34
Operating income	831,800	876,071	(44,271)	(5.05)
Non-operating income and expenses	383,686	(219,273)	602,959	(274.98)
Profit before income tax	1,215,486	656,798	558,688	85.06
Income tax expenses	199,030	185,634	13,396	7.22
Net profit	1,016,456	471,164	545,292	115.73
Total comprehensive Income for the year	1,016,456	471,164	545,292	115.73

1. Explanation of the items having major changes: (the change in increase or decrease is more than 20%, and the amount of change is above NT$ 10 million.)
   (1) Increase in non-operating income and expenses: Primarily attributable to the recognition of fair value gains on financial assets measured at fair value through profit or loss in the current fiscal year, whereas the previous fiscal year incurred fair value losses.
   (2) Increase in pre-tax profit, net profit for the period, and total comprehensive income for the period: Mainly due to maintaining operating profit at the level of the previous year and the impact of non-operating income from fair value gains on financial assets, resulting in an increase in pre-tax profit, net profit for the period, and total comprehensive income for the period.

2. The expected number of sales of goods and its basis, and the possible impact of the future financial business as well as a countermeasure: Since the Company has not prepared and announced financial forecasts, the expected number of sales of goods and their basis are not applicable. In addition, the financial situation of the Company is still sound, and there should be no shortage of funds through long-term funding sources to support related expenses. This Company actively cooperates with the government's renewable energy policies and expands its business operations in the fields of solar energy, offshore wind power, energy storage systems, and water treatment, which is expected to contribute to the Company's performance growth in the future.

III. Cash Flow

1. Explanation of the analysis of changes in cash flow in the most recent year

Unit: NT$ Thousand; %

Item \ Year	2023	2022	Change in the increase (decrease)	
			Amount	Ratio (%)
Net cash flows from operating activities	1,356,637	861,981	494,656	57.39
Net cash flows used in investing activities	(1,958,981)	(1,443,662)	(515,319)	35.70
Net cash flows from financing activities	223,632	1,359,792	(1,136,160)	(83.55)
Analysis of changes: 1. Increase in cash inflows from operating activities: Primarily due to the continued growth in operational scale and the receipt of lump-sum project payments from the previous fiscal year, resulting in increased cash inflows. 2. Increase in cash outflows from investing activities: Mainly due to the continuous increase in investments in subsidiary projects and the construction of large-scale energy storage facilities in the current fiscal year, leading to increased cash outflows. 3. Decrease in cash inflows from financing activities: Primarily due to the issuance of new shares and corporate bonds in the current fiscal year. Apart from distributing cash dividends, the proceeds were used to repay loans, thereby reducing the cost of capital and resulting in cash outflows.				

2. Improvement plan for liquidity deficit for the most recent year

The Company and its subsidiaries may borrow money from banks if there is an operating funds deficit, so there is no risk of liquidity difficulty in financing.

3. Analysis of cash liquidity in the coming year (2024)

Unit: NT$ Thousand

Cash balance at the beginning of the period (1)	Expected cash flow due to operating activity for the over year (2)	Expected cash flow due to investment and financing activity for the over year (3)	Cash balance at the end of the period (1)+(2)+(3)	Remedial measures for projected cash shortfalls	
				Investment planning	Financial planning
588,910	(624,334)	682,421	646,997	-	
1. Analysis of cash liquidity in the coming year					

(1) Cash flow due to operating activity: the continuous growth in operational scale is expected to lead to the undertaking of new projects in fiscal year 2024, resulting in cash outflows. (2) Cash flow due to investment activity: the continued increase in investments in subsidiary projects and the payment of cash dividends during the current period led to cash outflows. (3) Cash flow due to financing activity: mainly due to cash injections from capital increases and financing through borrowing and repayment, resulting in cash inflows. 2. Analysis of the Remedial measures for projected cash shortfalls and liquidity: Not Applicable.

IV. The impact of the significant capital expenditures in the most recent year on finance and operation

The total amount of the purchase of property, plant, and equipment in 2023 is NT$ 2,111,570,000, mainly due to the continued expansion of plat power equipment based on the operation requirement. The property, plant, and equipment turnover rate and the total assets turnover rate for the three most recent years are as follows. The relevant rates of each year are stable, and there is no adverse impact on the financial business of the Company because of the increase in capital expenditures.

Turnover rate	2021	2021	2032
Property, plant, and equipment (times)	1.91	5.05	2.93
Total assets turnover rate (times)	0.60	0.94	0.80

V. The reinvestment plan in the most recent year and its main reason for the profits or losses, the improvement plan, and the investment plan for the next year

1. Reinvestment plan

   The Company's reinvestment plan is based on the consideration of sustainable operation and operational growth, and, in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by the competent authority, the Company prescribes the "Regulations Governing the Acquisition and Disposal of Assets" as the basis for its reinvestment for controlling the relevant business and financial status. Additionally, in order to improve the supervision and management of the reinvested company, the Company has formulated the monitoring and management measures for subsidiaries in the internal control system, aiming at its information disclosure, finance, business, inventory and financial management to formulate relevant regulations, so that the Company's reinvested business can maximize its effectiveness.

2. The main reason for the profit or loss of the reinvested business in the most recent year and the improvement plan

Unit: NT$ Thousand

Invested business	Main business items	Investment profit or loss recognized in 2023	Main reasons for the profit or loss	Improvement plan
Jin Cheng Energy	Electricity Generation Services	7,803	Note 1	-
Chen Yu Energy	Electricity Generation Services	8,382	Note 1	-

Invested business	Main business items	Investment profit or loss recognized in 2023	Main reasons for the profit or loss	Improvement plan
FU DI ENERGY	Electricity Generation Services	(253)	Mainly due to revenue from electricity sales, although routine operational expenses still result in losses.	Plans to expand and undertake more projects are aimed at generating profits.
KUANG TING ENERGY	Electricity Generation Services	(120)	Note2	Note 3
YUN YI ENERGY	Electricity Generation Services	(131)	Note 2	Note 3
XU XIAO POWER	Electricity Generation Services	2,277	Note 1	-
J&M Power Development	Electricity Generation Services	(138)	Note 4	The project site is expected to be connected to the grid and generate electricity, resulting in revenue in the fiscal year 2024.
Phanta Energy	Energy Technology Services	(6,179)	Mainly engaged in contracting for the construction of photovoltaic solar power , but there are still routine operating expenses that result in a loss.	Proposed to develop more projects that generate profit.
Formosa Biomass	Bioenergy development and energy technology services	(1,070)	Note 8	Note 8
Xiang Guang Energy	Electricity Generation Services	(123)	Note 2	Note 3
Guang Liang Energy	Electricity Generation Services	(113)	Note 1	Due to the power plant being connected to the grid and

Invested business	Main business items	Investment profit or loss recognized in 2023	Main reasons for the profit or loss	Improvement plan
				generating revenue starting from August 2023, it was unable to cover the related expenses, resulting in a loss. It is anticipated to become profitable in fiscal year 2024.
Zhu Ri Energy	Electricity Generation Services	(6,763)	Note 2	Note 3
GREENET	Sales of Renewable Energy Powers	13,305	Note 1	-
TPE ENERGY	Automatic Frequency Control (AFC) Frequency Assistance Services	23,671	Note 5	-
Chuang Jie Energy	Electricity Generation Services	(124)	Note 2	Note 3
WEISHENG	Environmental protection engineering	(1,559)	The revenue of WEISHENG is mainly from contracting and constructing sewage treatment equipment projects and system operation and maintenance, but there are still routine operating expenses that result in a loss.	Proposed to develop more projects to generate revenue.
Rui Neng Energy	Electricity Generation Services	(128)	Note 2	Note 3
Zhongneng Energy Co., Ltd.	Energy Technology Services	(105)	Note 2	Note 3

Invested business	Main business items	Investment profit or loss recognized in 2023	Main reasons for the profit or loss	Improvement plan
Skynergy	Energy Technology Services	(9,397)	Mainly consists of sales revenue from solar photovoltaic components such as modules and inverters, but there are still routine operating expenses that result in a loss.	Proposed to develop more projects to generate revenue.
Storm Power	Automatic Frequency Control (AFC) Frequency Assistance Services	(11,920)	Note 4	Expecting to be grid-connected and generate profit in 2024.
Jin Jie Energy	Electricity Generation Services	(332)	Note 4	Expecting to be grid-connected and generate profit in 2024.
Jin Hong Energy	Electricity Generation Services	(124)	Note 2	Note 3
Yong Ze Energy	Electricity Generation Services	(6,413)	Note 2	Note 3
Guang Hui Energy	Electricity Generation Services	(120)	Note 2	Note 3
Diwei Electric Power	Electricity Generation Services	45	Note 1	-
FU BAO YI HAO ENERGY	Energy Technology Services	22,251	Note 7	-
Winball	Operating a professional basketball team and selling related merchandise	(26,217)	T1 League was established in 2021 and its overall reputation and market still require time to develop, and Taoyuan J&Vs was founded later than other basketball teams, which limited its choices in recruiting players and their performance	Taoyuan J&Vs invited international renowned sports stars. to join the team to increase the popularity and boost sales of peripheral products. Winball also

Invested business	Main business items	Investment profit or loss recognized in 2023	Main reasons for the profit or loss	Improvement plan
			affected ticket sales. In addition, the COVID-19 pandemic, lack of public transportation to the home court, and other factors have also reduced the willingness of audiences to attend games in person.	added post-game concerts and other home events to increase ticket sales.
Rui Quan Smart Energy Co., Ltd.	Electricity Generation Services	(12)	Note 2	Note 3
Greenhealth Water Resources Co., Ltd.	Environmental protection engineering	8,991	Note 7	-
Revo Power CO., LTD.	Energy Technology Services	(1,948)	Note 2	Note 3
Liangwei Electric Power Co., Ltd.	Electricity Generation Services	312	Note 1	-
Tian Chuang Energy Co., Ltd.	Electricity Generation Services	(3,011)	Note 2	Note 3
Yunan Energy Development Investment Co., Ltd.	General investment industry	(130)	Note 6	Note 3
Yao Heng Lin Co., Ltd.	Automatic Frequency Control (AFC) Frequency Assistance Services	(1)	Note 2	Note 3
Yuwei Electric Power Co., Ltd.	Automatic Frequency Control (AFC) Frequency Assistance Services	(1)	Note 2	Note 3

Note 1: mainly results from the income of power generation.
Note 2: in the stage of business development with no income to cover the relevant expenses.
Note 3: actively promoting green energy projects, and saving and reducing related expenses.

Note 4: in the stage of development and construction, with no income to cover the relevant expenses.
Note 5: mainly results from the income of energy storage projects.
Note 6: newly established in 2022, and is currently in the initial stage of operation, with basic fixed expenses such as personnel and rent, which resulted in losses in this period.
Note7: Mainly attributed to the profits contributed by its investment holding companies.
Note8: Dissolved on October 2, 2023.

3. The investment plans for the coming year

A. The Company resolved at its board meeting on March 5, 2024 to increase capital in its subsidiary, Typhoon Energy Co., Ltd., considering the operational requirements for the construction of energy storage projects. The Company plans to conduct the capital increase, not exceeding NT$ 966 million, within one year through cash or debt-to-equity conversion. As of the date of annual report, Typhoon has completed a cash capital increase of NT$ 623 million, with the remaining amount to be processed as deemed appropriate. In addition to the aforementioned investment plan, the Company will continue to follow its business development needs and execute investment plans, and will make appropriate announcements in compliance with regulations as investment progresses in the future.

B. On May 14, 2024, the Company's board of directors approved an investment in "GSSG Solar Taiwan 1 Co., Ltd." The Company intends to acquire 100% equity of "GSSG Solar Taiwan 1 Co., Ltd." and its rights to the approximately 56MW solar photovoltaic ground-based fishery co-generation project in Yizhu, Chiayi, for approximately NTD 206 million (USD 6.44 million). As of the printing date of the annual report, the parties have signed the equity contract, and the transaction will be carried out in accordance with the terms of the contract.

VI. Risk management and assessment

1. The impact of interest rates, changes in exchange rates, and inflation on the Company's profit or loss and its future countermeasure

(1) The impact of interest rate on the Company's profit or loss and its future countermeasure

The interest expenses of the Company and its subsidiaries in 2022 and 2023 were NT$ 41,267 ,000 and NT$ 66,225,000 respectively. The development of solar energy projects by the Company has lasted 20 to 22 years from planning to operation of the power plants. Due to the large number of development projects, and huge capital expenditure required in power plant investment, in order to maximize the use of funds, the Company must rely on bank financing which results in the payment of interest every year in succession during the financing period. The Company maintains good relationships with the financing banks and timely request the chance of applying appropriate interest rates. Additionally, it is expected to reduce the risk of the impact of changes in interest rates on the Company's profit or loss by raising funds in the capital market.

(2) The impact of changes in exchange rates on the Company's profit or loss and its future countermeasure

The Company's sales of products and services are mainly in NT dollars, but some are still denominated in foreign currencies, so there will still be exchange gains and losses due to holding foreign currency in net assets or net liabilities. The net losses of the Company and its subsidiaries in 2022 and 2023were NT$ (39,247,000) and NT$ 20,782,000 respectively, accounting for (5.98)% and 1.71% of the pre-tax net profit, and had no significant impact on the Company's profit or loss. The Company avoids the risk of exchange rate changes by collecting information on changes in the foreign exchange market and maintaining close contact with banks, and timely proposing countermeasures against potential risks.

(3) The impact of inflation on the Company's profit or loss and its future countermeasure

The Company's products are not directly sold to ordinary consumers, so inflation has no direct and immediate impact on the Company. Past profits or losses have not been significantly affected by inflation. In the future, the Company will pay close attention to market price fluctuations. If inflation leads to an increase in purchase costs, the Company will appropriately adjust sale prices and control the price changes of upstream raw materials and key components, to reduce the risk of the impact of cost changes on the Company's profit or loss.

2. Policies for engaging in high-risk, high-leverage investments, lending funds to others, endorsement and providing guarantees, and derivatives transactions, and the main reasons for the profits or losses as well as the future countermeasures

(1) Policies for engaging in high-risk, high-leverage investments, and the main reasons for the profits or losses as well as the future countermeasures

The Company has always focused on the development of its own business, and at the same time, adheres to the principle of pragmatism in operating its business. The financial policy is also based on the principle of prudence and conservatism. The Company has not engaged in high-risk, high-leverage investment and derivative commodity transactions in the most recent year and as of the printed date of this annual report.

(2) Policies for engaging in endorsement and providing guarantees, and derivatives transactions, and the main reasons for the profits or losses as well as the future countermeasures

The Company has formulated measures such as "Capital and Loans for Third Parties Management Guidelines", "Making of Endorsements/Guarantees Guidelines" and "Acquisition and Disposal of Assets Procedures" as the basis for relevant operations to follow. In addition, in the most recent year and as of the printed date of this annual report, the objects of capital loans to others and endorsement and providing guarantees are all related parties of the Company, and the relevant operations are handled in accordance with the "Capital and Loans for Third Parties Management Procedures " and "Making of Endorsements/Guarantees Procedures ". The risks and related measures have been considered and implemented prudently, so as not to have a major impact on the Company's finances.

3. Future Research and Development Plans and Estimated Expenses

(1) Future research and development plans

A. Taiwan's energy system will develop in the direction of multi-energy coexistence, decentralization, and regionalization, with the goal of creating zero-emission renewable energy power plants and the clean energy required for energy transformation.

B. The Company's future development axis will focus on various solutions for renewable energy power generation, energy storage, and energy monitoring.

C. The Company will continue to develop and research various renewable energy power generation, energy storage, and energy monitoring supply and demand, and will plan to establish a smart energy system platform, covering systems integration, such as power plant power generation monitoring system, energy storage system management, demand bidding mechanism.

(2) Estimated expenses on research and development

The Company's main business is the design, planning and overall outsourcing of domestic renewable energy power plant projects. There is no research and development department, so there is no budget for research and development expenses.

4. The impact of domestic and foreign major policies and legal changes on the Company's finance and business and countermeasures

The Company's daily operations comply with relevant domestic laws and regulations, and keep abreast of the development trend of domestic and foreign policies and changes in relevant energy regulations such as the "Renewable Energy Development Act" and "Electricity Act". The Company will pay close attention to the annual wholesale rate of renewable energy electricity issued by the BOE, and will carry out various financially sensitive calculations, with a view to developing power plants, optimizing power plant design, selecting cost-effective components and related products to reduce costs and maintain profit momentum, so as to respond to changes in the market environment in real-time and to take appropriate countermeasures. In the most recent year and as of the printed date of this annual report, the Company has not been affected by major domestic and foreign policies and legal changes that may materially impact the Company's finance and business.

5. The impact of technological changes (including information security risks) and industrial changes on the Company's finance and business and countermeasures

(1) The Company will continuously keep track of technological changes and advancements in the relevant industry, strive to improve construction expertise by aligning with industry and market trends and be committed to the enhancement and integration of the construction technologies. The Company also constantly monitors changes in the technology or equipment used in the renewable energy industry, such as solar energy and wind power, and adjusts its strategy for equipment or component suppliers to ensure market competitiveness. As of the latest fiscal year and to the printed date of this annual report, the financial or business operations of the Company have not been significantly impacted by technological changes or industry developments.

(2) The Company has established a cybersecurity policy and regularly evaluates its implementation and risks to enhance cybersecurity management, ensuring the confidentiality, integrity, and availability of its information assets, which provides a secure information environment for the Company's continuous business operations and protection from intentional or unintentional internal and external threats. As of the latest fiscal year and to the printed date of this annual report, the Company's cybersecurity has not had any significant adverse effects and has not posed any significant operational risks.

6. The impact of corporate image change on corporate crisis management and countermeasures

The Company operates on the principle of integrity and prudence. Since its incorporation, it has acted in accordance with the law, complied with relevant laws and regulations, and valued corporate image and risk management. In the most recent year and up to the printed date of this annual report, there has been no change in corporate image that has caused damage to the Company or made the Company face the situation of crisis management.

7. Expected benefits, possible risks and countermeasures of mergers and acquisitions

In the most recent year and up to the printed date of this annual report, there are no ongoing cases of mergers and acquisitions. If there will be relevant plans in the future, the Company will regulate the procedures and guidelines in accordance with the latest laws and regulations to protect the interest of the Company and the right of the shareholders.

8. Expected benefits, possible risks and countermeasures of plant expansion

In the most recent year and up to the printed date of this annual report, the Company does not have any plan for plant expansion.

9. Risks and countermeasures faced by the concentration of purchase or sales

(1) Purchase of Goods

The purchase items of the Company and its subsidiaries are mainly equipment and contracting projects required for the construction of renewable energy power plants. From 2021, due to business expansion, in addition to the basic ground-mounted and roof-mounted solar power plants, the Company is also committed to projects such as fishery & electricity symbiosis projects, offshore wind power, energy storage systems, and wastewater treatment. Because the procurement items and specifications of each project are different, except for the suppliers designated by the project owner or project co-workers, there are currently more than two suppliers for the main raw materials provision, and the supply situation is stable. The Company and its subsidiaries continue to actively develop other suppliers to increase the unit price competitiveness of products. In 2022, the proportion of purchases from a single supplier was below 30%. However, in 2023, due to the need for purchasing energy storage equipment such as battery cabinets for undertaking energy storage projects, the scale of these projects was significant. To ensure quality, purchases were made from internationally renowned manufacturers, resulting in a higher proportion of purchases from a single supplier. Nonetheless, there are other suppliers for energy storage equipment, and efforts will continue to actively explore additional suppliers to mitigate the risk of concentrated procurement.

(2) Sales of Goods

Due to business expansion, the Company and its subsidiaries were committed to projects such as fishery & electricity symbiosis, offshore wind power, energy storage systems, and wastewater treatment. As a result, the sales amount to Enfinite Capital accounted for 73.71% and 19.08%of the overall net sales in 2022 and 2023 respectively, the sales amount to Green Forever Co., Ltd accounted for 2.32% and 53.01% of the total net sales in the fiscal years specified , but this type of project is constructed in a project-based manner, and its service targets are different from those of the general manufacturing industry, and the construction period is stipulated in the contract. When the contracted project with a higher total price is completed, the project income during this period will be relatively concentrated on certain customers, which is a characteristic of this industry. In addition to maintaining good cooperative relationships with current clients, the Company and its subsidiaries will continue to actively develop other new clients and new businesses to lower the risk of concentrated sales.

10. The impact, risks, and countermeasures of a large number of equity transfers or replacements by directors, or major shareholders holding more than 10% of the shares of the Company

During the latest fiscal year and up to the date of printing of this annual report, there have been no significant transfers or changes in ownership by directors or major shareholders holding more than 10% of the shares of the Company.

11. The impact, risks, and countermeasures of the change of control over the Company

The Chairman and Independent Director of the Company had resigned on August 21, 2023 due to personal career planning reasons. The Company appointed an existing director as the new Chairman on August 30, 2023. Additionally, an extraordinary shareholders' meeting was held on December 27, 2023, to elect one director and one independent director. The aforementioned changes were made to directors' personal career planning, and there have been no changes to the Company's main management team or major shareholders. Therefore, in the most recent year and as of the printed date of this annual report, there has been no change of management in the Company.

12. Litigation and Non-litigation Events

(1) In the most recent year and as of the printed date of this annual report, the Company shall disclose the facts of the major litigation, non-litigation or administrative disputes that have been decided or are pending, the results of which may have a significant impact on shareholders' rights or securities prices. The target amount, the start date of the lawsuit, the main parties involved in the lawsuit and the processing situation as of the printed date of this annual report shall be disclosed.

The major litigation, non-litigation or administrative disputes that have been decided or are pending in the most recent year and as of the printed date of this annual report of the Company and its subsidiary are listed as follows:

Plaintiff/ Applicant/ Creditor	Defendant /Respondent/Debtor	Cause of action	Description	Impact on the financial and business of the subject company
WEISHENG	UP AND UP ENGINEERING & CONSTRUCTION CO., LTD. ("UP AND UP ENGINEERING")	Payment of Construction Fee	WEISHENG ("plaintiff"), UP AND UP ENGINEERING ("defendant"), and third parties, H PLUS R ENVIRONMENTAL ENGINEERING CO., LTD. ("H PLUS R"), ENVIROLINK CORPORATION ("ENVIROLINK") and Yu Tang Construction Consultant Co., Ltd. ("Yu Tang Construction") have entered into a joint bidding agreement on June 22, 2017, which stipulated that the defendant acted as the representative of the consortium to jointly bid on the "Yangshui Water Treatment Plant New Construction Project" to the Kinmen County Waterworks. The defendant and the Kinmen County Waterworks signed a construction contract on July 15, 2017, and the defendant represented the consortium in collecting the payment from the Kinmen County government. H PLUS R and ENVIROLINK later withdrew from the consortium, and the plaintiff and the defendant took over the construction work. The project has a total of 18 payment periods, and the plaintiff, together with ENVIROLINK, issued invoices totaling NT$ 129,666,373 (of which the plaintiff collected NT$ 120,619,884 and ENVIROLINK collected NT$9,046,489), but the defendant has only paid NT$ 97,145,864, leaving a shortfall of NT$ 32,520,509. Following the payment of all engineering fees by the Kinmen Water Treatment Plant, the remaining claim amount of 40,306,299 NTD was added to the additional litigation claim, requesting the defendant	WEISHENG has recognized partial impairment losses. Therefore, there is no material impact on the finances and business of WEISHENG.

Plaintiff/ Applicant/ Creditor	Defendant /Respondent/Debtor	Cause of action	Description	Impact on the financial and business of the subject company
			to pay the revised engineering fee of 72,826,808 NTD. The two parties subsequently reached a settlement of 49.8 million NTD. UP AND UP ENGINEERING Company agreed to transfer the payment and withdraw the lawsuit for payment of checks on May 3, 2024, and returned the checks for payment. UP AND UP ENGINEERING has already transferred the payment on May 2, 2024, and filed a motion to withdraw the lawsuit for payment of checks to the Taiwan Shilin District Court on April 25, 2024.	
UP AND UP ENGINEERING	WEISHENG	Payment of Note	UP AND UP ENGINEERING (“plaintiff”), WEISHENG (“defendant”), and third parties, H PLUS R, ENVIROLINK and Yu Tang Construction have entered into a joint bidding agreement on June 22, 2017 to jointly undertake the “Yangshui Water Treatment Plant New Construction Project” through joint bidding. Due to certain reasons, the plaintiff refused to pay the project fees. In mid-September 2019, the defendant requested the plaintiff to remit NT$ 10 million to pay subcontractor fees. On September 18, 2019, the plaintiff requested the defendant to issue a check of the same amount as a guarantee and remitted NT$ 9,461,140 to the defendant. The plaintiff claimed that the difference was interest. Later, the plaintiff claimed that NT$ 10 million were for payment of goods and should not be treated as a loan. However, considering that the relevant evidence did not mention any loan or interest matters and the remittance amount did not match, the defendant revoked the NT$ 10 million promissory note. The plaintiff claims that the defendant, due to the loss in the construction project, refused to bear the cost according to the joint bidding ratio, but instead repeatedly demanded that the plaintiff pay the construction fee. The plaintiff, based on the position of protecting other joint bidders, had to present the check within the statute of limitations. As the payment was not made after the due date, the plaintiff filed a lawsuit on December	Considering the aforementioned lawsuit regarding the payment of construction fees, there is no material impact on the finances and business of WEISHENG.

Plaintiff/ Applicant/ Creditor	Defendant /Respondent/Debtor	Cause of action	Description	Impact on the financial and business of the subject company
			21, 2020, which was ruled in favor of the plaintiff by the Taiwan Shilin District Court (Taiwan Shilin District Court 110 Shi Jian Zi No. 7 civil summary judgment). The defendant was ordered to pay the plaintiff NT$10 million, plus interest calculated at an annual rate of 6% from December 16, 2020, until the date of payment. UP AND UP ENGINEERING withdrew the lawsuit for payment of checks by filing a motion to the Taiwan Shilin District Court on April 25, 2024.	
WEISHENG	Hsinchu County Government	Extension of the project deadline	WEISHENG handled the “Second Phase Implementation Project of Sewage Sewer System in Zhubei City, Hsinchu County - Second Phase Project of Water Resources Recycling Center (including three years of trial operation)”. As of November 8, 2022, the scheduled progress was 100%, while the actual progress was 67.93%, resulting in a delay of 32.07%. It exceeded the scheduled completion date of May 9, 2022 by 183 days. Hsinchu County Government has issued multiple documents stating that the project has reached the provisions of Article 21 of the project contract and Article 101 of the Government Procurement Act. However, during the course of the project, WEISHENG has repeatedly applied for an extension of the project deadline citing reasons such as weather, epidemic, and delays in water supply measures. The Hsinchu County Government and the supervising authority have failed to grant actual days for extension. On July 4, 2022, the Hsinchu County Government wrote that the project had exceeded the performance deadline and would no longer grant an extension. To resolve the dispute, WEISHENG applied for performance mediation to the Public Construction Commission of the Executive Yuan on January 5, 2023. The Public Construction Commission made a mediation recommendation on January 23, 2024, proposing an extension of 208.5 days to the applicant by Hsinchu County Government, while WEISHENG waived the request for expenses arising	There is no material impact on the finances and business of WEISHENG.

Plaintiff/ Applicant/ Creditor	Defendant /Respondent/Debtor	Cause of action	Description	Impact on the financial and business of the subject company
			from this extension. Currently, both WEISHENG and Hsinchu County Government have agreed to the aforementioned mediation content, and the Public Construction Commission of the Executive Yuan has made a performance mediation establishment letter on March 1, 2024, and sent it to both Hsinchu County Government and WEISHENG.	

(2) In the most recent year and up to the printed date of this annual report, the Company's directors, supervisors, general manager, the actual person in charge, major shareholders holding more than10% of the shares, and affiliated companies have been involved in the lawsuits, non-litigation or administration disputes that have been confirmed or are currently pending, the outcome of which may have a significant impact on the Company's shareholders' equity or securities prices: None.

13. Other important risks and countermeasures

None.

VII. Other important matters

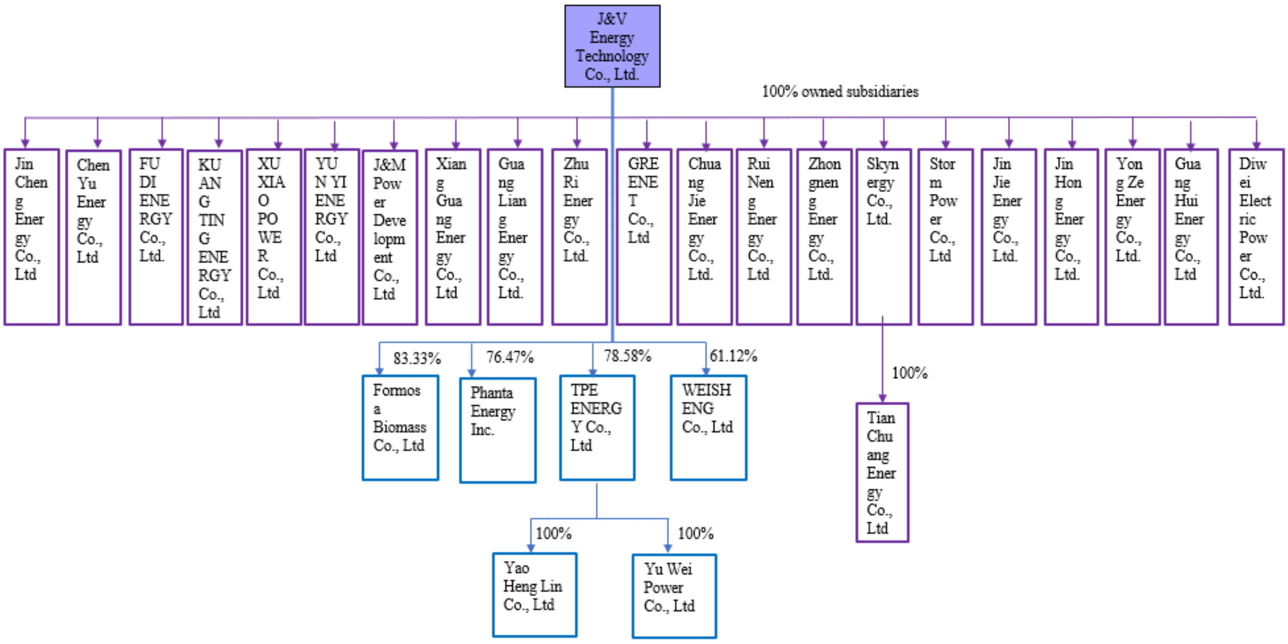
The complete departmental financial information (including industry information, region information, export sales information, and important clients' information): Please refer to page 247~249.

Chapter 8 Special Disclosure

I. Information about the affiliates

1. Consolidated Business Reports of the Affiliates

(1) Organization chart of affiliates on December 31, 2023:



(2) The name, incorporation date, address, amount of paid-in capital, and main business items of each affiliate

December 31, 2023；Unit: NT$ Thousand

Name of Affiliate	Incorporation date	Address	Paid-in capital	Main business items
Jin Cheng Energy	July 06, 2015	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	300,000	Electricity generation services
Chen Yu Energy	July 03, 2015	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	153,000	Electricity generation services
FU DI ENERGY	July 06, 2015	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	60,000	Electricity generation services
KUANG TING ENERGY	February 21, 2018	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	2,500	Electricity generation services
XU XIAO POWER	December 13, 2017	Rm. 106, 1F., No. 29, Keya W. Rd., Daya Dist., Taichung City, Central Taiwan Science Park	70,000	Electricity generation services
YUN YI ENERGY	March 6, 2019	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	2,600	Electricity generation services
J&M Power Development	May 16, 2018	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	6,300	Electricity generation services
Phanta Energy	June 12, 2020	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	85,000	Energy technology services
Formosa Biomass.	July 23, 2020	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	31,800	Bioenergy development and energy technology services
Xiang Guang Energy	April 20, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Electricity generation services
Guang Liang Energy	April 20, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	16,000	Electricity generation services
Zhu Ri Energy	April 20, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	21,000	Electricity generation services
GREENET	January 19, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	45,000	Sale of Renewable energy
TPE ENERGY	November 29, 2019	4F., No. 1, Jihu Rd., Neihu Dist., Taipei City	305,000	Automatic frequency control (AFC) frequency assistance services
Chuang Jie Energy	August 18, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Electricity generation services

Name of Affiliate	Incorporation date	Address	Paid-in capital	Main business items
WEISHENG	January 11, 1984	4F., No. 1, Jihu Rd., Neihu Dist., Taipei City	346,041	Environment protection engineering
Rui Neng Energy	December 2, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,200	Electricity generation services
Zhongneng Energy Co., Ltd.	January 21, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	5,000	Energy technology services
Skynergy	June 8, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	85,000	Energy technology services
Storm Power	December 17, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	34,000	Automatic frequency control (AFC) frequency assistance services
Jin Jie Energy	December 2, 2020	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Electricity generation services
Jin Hong Energy	July 20, 2020	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Electricity generation services
Tian Chuang Energy	July 21, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Electricity generation services
Yong Ze Energy	July 21, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	23,000	Electricity generation services
Guang Hui Energy	July 21, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	5,000	Electricity generation services
Diwei Electric Power	June 24, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	30,000	Electricity generation services
Yao Heng Lin	October 27, 2022	6F., No. 1, Jihu Rd., Neihu Dist., Taipei City	100	Automatic frequency control (AFC) frequency assistance services
Yu Wei Power	October 27, 2022	6F., No. 1, Jihu Rd., Neihu Dist., Taipei City	100	Automatic frequency control (AFC) frequency assistance services

(3) Shareholders of the companies presumed to have a relationship of control and affiliation:

None.

(4) Overall affiliates information

A. The industries covered by the business operations of the overall affiliates: Please refer to the basic information of each affiliate.

B. Business relationship and division of labor among affiliates: Same as the description in (1) above.

(5) The names of the directors, supervisors, and general managers of each affiliate and their shareholding or capital contribution to the said company:

December 31, 2023; Unit: shares/%

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
Jin Cheng Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	30,000,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	30,000,000	100.00
Chen Yu Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	15,300,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	15,300,000	100.00
FU DI ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd. Liao, Fu-Sen	6,000,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	6,000,000	100.00
KUANG TING ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	250,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	250,000	100.00
XU XIAO POWER	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	7,000,000	100.00
YUN YI ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	170,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	170,000	100.00
J&M Power Development	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	630,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	630,000	100.00
Phanta Energy	Chairman	Representative of CynLing Renewables INC. .: Lan, Wei-Wen	500,000	5.88
	Director	Representative of MEI LUN INVESTMENT LIMITED COMPANY:Huang,Te-Lun	1,500,000	17.65
	Director	Wu, Pei-Nung	-	-
	Supervisor	Li, Bing-Han	-	-
Formosa Biomass	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	2,650,000	83.33
	Director	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	2,650,000	83.33

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
	Director	Chen, Ming-Yi	530,000	16.67
	Supervisor	Chao, Shu-Min	-	-
Xiang Guang Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	100,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	100,000	100.00
Guang Liang Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao Fu-Sen	1,600,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	1,600,000	100.00
Zhu Ri Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	2,100,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	2,100,000	100.00
GREENET	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	4,500,000	100.00
TPE ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	23,337,000	78.58
	Director	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	23,337,000	78.58
	Director	Representative of J&V Energy Technology Co., Ltd.: Zhang Jian-Wei	23,337,000	78.58
	Director	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	23,337,000	78.58
	Director	Representative of J&V Energy Technology Co., Ltd.: Huang, Zhi-Ying	23,337,000	78.58
	Supervisor	Lin, Ta-Hsiang	-	-
	Supervisor	Chen, Ya-Ting	-	-
Chuang Jie Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	100,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	100,000	100.00
WEISHENG	Chairman	Zhang, Jia-Hao	2,840,000	8.21
	Director	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	21,149,909	61.12
	Director	Representative of J&V Energy Technology Co., Ltd.: Tang, Qi-Tong	21,149,909	61.12
	Supervisor	Lin, Ta-Hsiang	63,460	0.18

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
Rui Neng Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	120,000	100.00
Zhongneng Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	500,000	100.00
Skynergy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	8,500,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	8,500,000	100.00
Storm Power	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	3,400,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	3,400,000	100.00
Jin Jie Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	100,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	100,000	100.00
Jin Hong Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Liao, Fu-Sen	100,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	100,000	100.00
Tian Chuang Energy	Chairman	Representative of Skynergy, Ltd.: Liao, Fu-Sen	100,000	100.00
	Supervisor	Representative of Skynergy: Chen, Ya-Ting	100,000	100.00
Yong Ze Energy	Chairman	Representative of J & V ENERGY: Liao, Fu-Sen	2,300,000	100.00
	Supervisor	Representative of J & V ENERGY: Chen, Ya-Ting	2,300,000	100.00
Guang Hui Energy	Chairman	Representative of J & V ENERGY: Liao, Fu-Sen	500,000	100.00
	Supervisor	Representative of J & V ENERGY: Chen, Ya-Ting	500,000	100.00
Diwei Electric Power	Chairman	Representative of J & V ENERGY: Liao, Fu-Sen	3,000,000	100.00
	Supervisor	Representative of J & V ENERGY: Chen, Ya-Ting	3,000,000	100.00
Yao Heng Lin	Chairman	Representative of TPE ENERGY: Liao, Fu-Sen	10,000	100.00
Yu Wei Power	Chairman	Representative of TPE ENERGY: Liao, Fu-Sen	10,000	100.00

(6) Overview of Affiliates' Operations:

December 31, 2023；Unit: NT$ Thousand, except for NT$ of EPS

Name of affiliates	Capital	Total assets	Total liabilities	Net assets	Revenue	Profit (loss) from operations	Profit (loss) after tax	Earnings per share (NT$)
Jin Cheng Energy	300,000	927,049	612,304	314,745	106,061	24,864	7,758	0.26
Chen Yu Energy	153,000	467,754	304,011	163,743	60,330	18,171	8,382	0.55
FU DI ENERGY	60,000	144,814	85,094	59,720	11,404	1,810	(253)	(0.04)
KUANG TING ENERGY	2,500	1,997	70	1,927	-	(159)	(120)	(0.48)
XU XIAO POWER	70,000	171,482	97,957	73,525	17,424	5,089	2,400	0.34
YUN YI ENERGY	2,600	1,635	80	1,555	-	(168)	(131)	(0.50)
J&M Power Development	6,300	9,411	3,306	6,105	-	(187)	(138)	(0.13)
Phanta Energy	85,000	16,245	10,518	5,727	15,336	(8,173)	(8,080)	(0.95)
Formosa Biomass(Note)	31,800	304	3	301	-	(1,239)	(1,284)	(0.40)
Xiang Guang Energy	1,000	677	69	608	-	(157)	(123)	(1.23)
Guang Liang Energy	16,000	127,246	112,204	15,042	3,710	4	(113)	(0.07)
Zhu Ri Energy	21,000	93,077	79,072	14,005	-	(8,263)	(6,763)	(3.22)
GREENET	45,000	142,280	83,955	58,325	233,892	16,280	13,305	2.96
TPE ENERGY	305,000	807,755	339,904	467,851	944,840	147,878	123,096	4.04
Chuang Jie Energy	1,000	727	44	683	-	(128)	(124)	(1.24)
WEISHENG	346,041	784,833	334,829	450,004	596,091	(5,020)	(3,791)	(0.11)
Rui Neng Energy	1,200	951	48	903	-	(131)	(128)	(1.07)
Zhong Neng Energy	5,000	4,813	44	4,769	-	(129)	(105)	(0.21)
Skynergy	85,000	107,761	34,726	73,035	190,923	(3,369)	(9,397)	(1.11)
Storm Power	34,000	1,524,999	1,505,513	19,486	-	(9,957)	(11,920)	(3.51)
Jin Jie Energy	1,000	4,188	3,643	545	-	(299)	(332)	(3.32)
Jin Hong Energy.	1,000	775	44	731	-	(128)	(124)	(1.24)
Tian Chuang Energy	1,000	41,305	43,913	(2,608)	-	(2,638)	(3,011)	(30.11)
Yong Ze Energy	23,000	127,203	111,205	15,998	-	(5,805)	(6,413)	(2.79)
Guang Hui Energy	5,000	4,834	45	4,789	-	(144)	(120)	(0.24)
Diwei Electric Power.	30,000	131,971	95,986	35,985	17,744	9,379	6,035	2.01
Yao Heng Lin	100	92	-	92	-	(2)	(1)	(0.10)
Yu Wei Power	100	92	-	92	-	(2)	(1)	(0.10)

Note: Disbanded on October 2, 2023

2. Consolidated Financial Statements of Affiliates: Please refer to page 321.

3. Affiliation Reports: None.

II. The status of private placement: None.

III. The status of subsidiaries holding or disposing of the Company's share in the most recent year and to the printed date of this annual report: None.

IV. Other necessary supplementary explanations: None.

V. In the recent year and as of the printed date of this report, any event that results in substantial impacts on the shareholders' equity or prices of the Company's securities as prescribed by Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act: None.

J&V ENERGY TECHNOLOGY CO., LTD.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of J&V Energy Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of J&V Energy Technology Co., Ltd. and subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of

China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Recognition of construction revenue - determination of the stage of completion

Description

Refer to Note 4(28) for accounting policy on construction contracts, Note 5 for the uncertainty of critical judgement, accounting estimates and assumptions applied to construction contracts and Note 6(20) for details of contract assets and contract liabilities, which amounted to NT$521,648 thousand and NT$275,962 thousand, respectively, as of December 31, 2023.

The Group's construction revenue and costs mainly arise from undertaking construction works. If the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured based on the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs of the construction contract. The estimated total costs are assessed by management based on the nature of the construction and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses.

As the estimate of total cost affects the stage of completion and the recognition of construction revenue, the complexity of aforementioned total cost usually involves subjective judgement and contains a high degree of uncertainty, we considered the determination of the stage of completion which is used as basis in the recognition of construction revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding on the nature of business and industry, and assessed the reasonableness of internal process applied to estimate total construction cost, including the basis for estimating the estimated total cost for construction contracts of the same nature.
B. Assessed and tested the internal controls used by the management in recognising construction revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed during the year.
C. Selected samples and tested the subcontracts that have been assigned, and assessed the basis and reasonableness of estimating costs for those that have not been assigned.
D. Performed substantive procedures relating to the year-end construction profit or loss statement, including sampling and verifying the costs incurred in the period with the appropriate evidence, and recalculating and confirming that construction revenue

calculated based on the stage of completion had been accounted for appropriately.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of J&V Energy Technology Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 professional skepticism throughout the audit. We also:

A. 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.
B. 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.
C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
D. 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.

E. 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.

F. Obtain sufficient 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 of the current period 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.

Lin, Ya-Hui	Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 5, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,099,468	13	$ 1,478,180	18
1110	Current financial assets at fair value through profit or loss	6(2)	935	-	-	-
1136	Current financial assets at amortised cost	6(3) and 8	530,136	6	1,073,768	13
1140	Current contract assets	6(20) and 7	521,648	6	1,663,360	21
1170	Accounts receivable, net	6(4)	286,432	3	180,319	2
1180	Accounts receivable due from related parties, net	6(4) and 7	20,474	-	592	-
1200	Other receivables	6(5)	123,132	2	15,221	-
130X	Inventories		74,249	1	157,392	2
1410	Prepayments	6(6)	372,569	4	840,327	10
1470	Other current assets		7,583	-	5,419	-
11XX	**Total current assets**		3,036,626	35	5,414,578	66
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2) and 8	714,359	8	688,094	9
1535	Non-current financial assets at amortised cost	6(3) and 8	101,264	1	86,726	1
1550	Investments accounted for using equity method	6(7) and 7	441,410	5	15,394	-
1600	Property, plant and equipment	6(8), 7 and 8	3,367,763	39	1,257,774	15
1755	Right-of-use assets	6(9)	555,937	6	426,339	5
1780	Intangible assets		77,579	1	33,960	1
1840	Deferred tax assets	6(26)	194,685	2	104,837	1
1900	Other non-current assets	6(10) and 8	284,447	3	179,149	2
15XX	**Total non-current assets**		5,737,444	65	2,792,273	34
1XXX	**Total assets**		$ 8,774,070	100	$ 8,206,851	100

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 473,337	5	$ 1,536,637	19
2130	Current contract liabilities	6(20) and 7	275,962	3	1,069,210	13
2150	Notes payable		5,000	-	10,025	-
2180	Accounts payable	7	830,478	10	910,576	11
2200	Other payables	6(13)	186,203	2	154,372	2
2230	Current tax liabilities		270,889	3	249,015	3
2250	Current provisions		1,575	-	832	-
2280	Current lease liabilities		43,463	1	33,673	1
2320	Long-term liabilities, current portion	6(14)	274,974	3	269,619	3
2399	Other current liabilities		8,457	-	4,789	-
21XX	**Total current liabilities**		2,370,338	27	4,238,748	52
	Non-current liabilities					
2530	Bonds payable	6(12)	797,443	9	-	-
2540	Long-term borrowings	6(14)	798,051	9	636,379	8
2550	Non-current provisions		24,348	-	18,336	-
2570	Deferred tax liabilities	6(26)	1,651	-	2,012	-
2580	Non-current lease liabilities		518,333	6	387,416	5
2650	Credit balance of investments accounted for using equity method	6(7)	56,293	1	35,102	-
2670	Other non-current liabilities	6(20) and 7	48,250	1	29,837	-
25XX	**Total non-current liabilities**		2,244,369	26	1,109,082	13
2XXX	**Total liabilities**		4,614,707	53	5,347,830	65
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(17)				
3110	Ordinary share		1,162,091	13	1,127,091	14
	Capital surplus	6(18)				
3200	Capital surplus		1,076,274	12	644,399	8
	Retained Earnings	6(19)				
3310	Legal reserve		96,643	1	51,245	1
3350	Unappropriated retained earnings		1,567,878	18	841,035	10
31XX	**Equity attributable to owners of the parent**		3,902,886	44	2,663,770	33
36XX	**Non-controlling interests**		256,477	3	195,251	2
3XXX	**Total equity**		4,159,363	47	2,859,021	35
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 8,774,070	100	$ 8,206,851	100

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

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(20) and 7	$ 6,783,555	100	$ 6,300,762	100
5000	Operating costs	7	(5,464,395)	(80)	(4,760,553)	(75)
5900	Gross profit		1,319,160	20	1,540,209	25
5910	Unrealized profit from sales		(62,013)	(1)	(233,700)	(4)
5920	Realized profit from sales		15,153	-	-	-
5950	Gross profit from operations		1,272,300	19	1,306,509	21
	Operating expenses	7				
6100	Selling expenses		(76,956)	(1)	(69,612)	(1)
6200	Administrative expenses		(363,327)	(6)	(351,597)	(6)
6450	Impairment loss	12(2)	(217)	-	(9,229)	-
6000	Total operating expenses		(440,500)	(7)	(430,438)	(7)
6900	Operating income		831,800	12	876,071	14
	Non-operating income and expenses					
7100	Interest income		38,395	1	9,270	-
7010	Other income	6(21)	14,942	-	17,600	-
7020	Other gains and losses	6(22)	393,324	6	(161,637)	(2)
7050	Finance costs	6(23)	(66,225)	(1)	(41,267)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method		3,250	-	(43,239)	(1)
7000	Total non-operating income and expenses		383,686	6	(219,273)	(4)
7900	**Profit before income tax**		1,215,486	18	656,798	10
7950	Income tax expense	6(26)	(199,030)	(3)	(185,634)	(3)
8200	**Profit**		$ 1,016,456	15	$ 471,164	7
	Other comprehensive income					
8300	**Other comprehensive income for the year**		$ -	-	$ -	-
8500	**Total comprehensive income for the year**		$ 1,016,456	15	$ 471,164	7
	Profit attributable to:					
8610	Owners of the parent		$ 1,013,566	15	$ 453,973	7
8620	Non-controlling interest		$ 2,890	-	$ 17,191	-
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 1,013,566	15	$ 453,973	7
8720	Non-controlling interest		$ 2,890	-	$ 17,191	-
	Earnings per share (in dollars)	6(27)				
9750	Basic earnings per share		$	8.77	$	4.03
9850	Diluted earnings per share		$	8.71	$	4.02

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

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
				Retained Earnings				
	Notes	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings	Total	Non-controlling interests	Total equity
Year ended December 31, 2022								
Balance at January 1		$ 1,127,091	$ 629,218	$ 30,908	$ 429,941	$ 2,217,158	$ 169,689	$ 2,386,847
Profit		-	-	-	453,973	453,973	17,191	471,164
Total comprehensive income		-	-	-	453,973	453,973	17,191	471,164
Appropriations of 2021 earnings:	6(19)							
Legal reserve		-	-	20,337	(20,337)	-	-	-
Cash dividends		-	-	-	(22,542)	(22,542)	-	(22,542)
Changes in equity of associates and joint ventures accounted for using equity method	6(18)	-	9,087	-	-	9,087	-	9,087
Changes in non-controlling interests	6(18)(28)	-	6,094	-	-	6,094	8,371	14,465
Balance at December 31		$ 1,127,091	$ 644,399	$ 51,245	$ 841,035	$ 2,663,770	$ 195,251	$ 2,859,021
Year ended December 31, 2023								
Balance at January 1		$ 1,127,091	$ 644,399	$ 51,245	$ 841,035	$ 2,663,770	$ 195,251	$ 2,859,021
Profit		-	-	-	1,013,566	1,013,566	2,890	1,016,456
Total comprehensive income		-	-	-	1,013,566	1,013,566	2,890	1,016,456
Appropriations of 2022 earnings:	6(19)							
Legal reserve		-	-	45,398	(45,398)	-	-	-
Cash dividends		-	-	-	(232,418)	(232,418)	-	(232,418)
Issuance of shares	6(17)(18)	35,000	301,000	-	-	336,000	-	336,000
Compensation cost of share-based payments	6(16)(18)	-	2,721	-	-	2,721	24	2,745
Changes in equity of associates and joint ventures accounted for using equity method	6(18)	-	821	-	-	821	-	821
Changes in non-controlling interests	6(18)(28)	-	90,167	-	(8,907)	81,260	58,312	139,572
Due to recognition of equity component of convertible bonds issued	6(12)(18)	-	37,166	-	-	37,166	-	37,166
Balance at December 31		$ 1,162,091	$ 1,076,274	$ 96,643	$ 1,567,878	$ 3,902,886	$ 256,477	$ 4,159,363

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

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,215,486	$ 656,798
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(24)	140,145	112,924
Amortisation	6(24)	3,589	4,089
(Gain) loss on financial assets at fair value through profit or loss, net	6(22)	(227,584)	132,596
Impairment loss	12(2)	217	9,229
Compensation cost of share-based payments	6(16)	2,745	-
Unrealized profit from sales		62,013	233,700
Realized profit from sales		(15,153)	-
Share of (profit) loss of associates and joint ventures accounted for using equity method		(3,250)	43,239
Gain on disposal of investments	6(22)	(145,685)	(14,593)
Loss (gain) on disposal of property, plant and equipment, net	6(22)	161	(4,350)
Gain arising from lease settlement	6(9)	(15)	(6)
Interest income		(38,395)	(9,270)
Dividend income	6(21)	(4,440)	-
Interest expense	6(23)	66,225	41,267
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		1,141,712	(580,635)
Accounts receivable (including related parties)		(109,191)	451,099
Other receivables (including related parties)		8,881	104,301
Inventories		83,143	(157,392)
Prepayments		464,213	(726,701)
Other current assets		(2,164)	(5,121)
Changes in operating liabilities			
Current contract liabilities		(926,649)	932,104
Notes payable		(5,025)	(12,904)
Accounts payable		(83,334)	(341,935)
Other payables (including related parties)		2,082	73,128
Other current liabilities		3,668	2,980
Provision for liabilities		8,345	5,409
Cash inflow generated from operations		1,641,740	949,956
Interest received		43,602	4,063
Dividends received		4,440	-
Interest paid		(65,454)	(36,791)
Income taxes paid		(267,691)	(55,247)
Net cash flows from operating activities		1,356,637	861,981
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of non-current assets held for sale		-	74,115
Acquisition of financial assets at fair value through profit or loss		(47,528)	(427,840)
Proceeds from disposal of financial assets at fair value through profit or loss		249,017	175,806
Acquisition of financial assets at amortised cost		-	(1,024,710)
Proceeds from disposal of financial assets at amortised cost		529,094	-
Acquisition of investments accounted for using equity method		(447,614)	(163,556)
Acquisition of property, plant and equipment	6(30)	(2,111,570)	(104,143)
Proceeds from disposal of property, plant and equipment		211	9,839
Acquisition of intangible assets		(4,929)	(1,639)
(Increase) decrease in other non-current assets		(105,698)	18,459
Proceeds from disposal of subsidiaries	6(30)	53,894	7
Net cash flow from acquisition of subsidiaries	6(29)	(73,858)	-
Net cash flows used in investing activities		(1,958,981)	(1,443,662)

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(31)	$ 2,104,077	$ 2,084,750
Decrease in short-term borrowings	6(31)	(3,126,564)	(882,012)
Payments of lease liabilities	6(31)	(34,418)	(28,205)
Proceeds from long-term borrowings	6(31)	747,014	279,762
Repayment of long-term borrowings	6(31)	(579,987)	(105,299)
Decrease in other payables - related parties		-	(1,000)
Increase in other non-current liabilities		18,413	26,339
Proceeds from issuance of shares	6(17)	336,000	-
Cash dividends paid	6(19)	(232,418)	(22,542)
Changes in non-controlling interests		159,653	7,999
Proceeds from issuing bonds	6(31)	831,862	-
Net cash flows from financing activities		223,632	1,359,792
Net (decrease) increase in cash and cash equivalents		(378,712)	778,111
Cash and cash equivalents at beginning of year		1,478,180	700,069
Cash and cash equivalents at end of year		$ 1,099,468	$ 1,478,180

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

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

J&V Energy Technology Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on February 15, 2016 and was listed on the Taiwan Innovation Board on March 14, 2023. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in energy technology services, power generation services, construction services, sales of parts of solar power system and renewable energy fuels and environmental protection engineering, etc.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on March 5, 2024.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for financial assets at fair value through profit or loss, the consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2023	Ownership (%) December 31, 2022	Description
The Company	Jin Cheng Energy Co., Ltd.	Power generation services	100	100	
The Company	Chen Yu Energy Co., Ltd.	Power generation services	100	100	
The Company	FU DI ENERGY CO., LTD.	Power generation services	100	100	
The Company	KUANG TING ENERGY CO., LTD.	Power generation services	100	100	
The Company	XU XIAO POWER CO., LTD.	Power generation services	100	100	
The Company	YUN YI ENERGY CO., LTD.	Power generation services	100	100	
The Company	YU GUANG ENERGY CO., LTD.	Ancillary service on automatic frequency control (AFC)	-	78	(3) (4)
The Company	J&M Power Development Co., Ltd.	Power generation services	100	100	
The Company	Phanta Energy Inc.	Energy technology services	76	76	
The Company	Formosa Biomass Co., Ltd.	Bioenergy development and energy technology services	83	83	(6)
The Company	Xiang Guang Energy Co., Ltd.	Power generation services	100	100	
The Company	Guang Liang Energy Co., Ltd.	Power generation services	100	100	
The Company	Zhu Ri Energy Co., Ltd.	Power generation services	100	100	
The Company	GREENET Co., Ltd.	Renewable-energy-based electricity retailing	100	100	
The Company	TPE ENERGY INC.	Ancillary service on automatic frequency control (AFC)	79	72	(2)
The Company	Chuang Jie Energy Co., Ltd.	Power generation services	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2023	Ownership (%) December 31, 2022	Description
The Company	Chuang Da Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	-	100	(3)
The Company	WEISHENG ENVIROTECH CO., LTD.	Environmental protection engineering	61	73	(5)
The Company	Tai Wei Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	-	100	(3)
The Company	Rui Neng Energy Co., Ltd.	Power generation services	100	100	
The Company	Zhongneng Energy Co., Ltd. (formerly: J&V Engineering Co., Ltd.)	Power generation services	100	100	
The Company	Skynergy Co., Ltd.	Energy technology services	100	100	
The Company	Storm Power Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	
The Company	Yong Ze Energy Co., Ltd.	Power generation services	100	-	(1)
The Company	Jin Jie Energy Co., Ltd.	Power generation services	100	100	
The Company	Jin Hong Energy Co., Ltd.	Power generation services	100	100	
The Company	Guang Hui Energy Co., Ltd.	Power generation services	100	-	(1)
The Company	Diwei Power Co., Ltd.	Power generation services	100	-	(7)
Skynergy Co., Ltd.	Tian Chung Energy Co., Ltd.	Power generation services	100	100	
Skynergy Co., Ltd.	Yong Ze Energy Co., Ltd.	Power generation services	-	100	(1)
Skynergy Co., Ltd.	Guang Hui Energy Co., Ltd.	Power generation services	-	100	(1)
TPE ENERGY INC.	Yao Heng Lin Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	
TPE ENERGY INC.	Yu Wei Power Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	

(a) The Group adjusted its investment structure in December 2023, and Skynergy Co., Ltd. sold 100% of its subsidiary's equity to the Company.

(b) In March and April 2023, the Group acquired additional 2,165 thousand shares of equity interest in the subsidiary and the shareholding ratio increased to 79%. Information on relevant equity transaction is provided in Note 6(28).

(c) The Group sold 100% equity interest in subsidiary in February and March 2023 so that the Group lost its control over the subsidiary. The Group recognised its investment retained in the former subsidiary at fair value on the date that control ceased and recognised gains on disposals of investments presented as Other gains and losses. Cash flow information relating to the subsidiary is provided in Note 6(30) Supplemental cash flow information.

(d) In June 2022, the Group participated in the capital increase of YU GUANG ENERGY CO., LTD. by acquiring 4,268 thousand shares with a par value of $10 (in dollars) per share. As the Group did not acquire shares proportionally to its ownership, the shareholding ratio was decreased to 78%. Information on relevant equity transaction is provided in Note 6(28).

(e) In April 2022, March and July 2023, WEISHENG ENVIROTECH CO., LTD. carried out a cash capital increase. As the Group did not acquire shares proportionally to its ownership, the shareholding ratio decreased to 73% in 2022 and 61% in 2023. Information on relevant equity transaction is provided in Note 6(28).

(f) Formosa Biomass Co., Ltd. was disbanded in October 2023 with the approval of the Ministry of Economic Affairs.

(g) In December 2023, the Group invested $78,220 to acquire shares of Diwei Power Co., Ltd. The shareholding ratio was 100% and the Group obtained control over the company. Information on relevant equity transaction is provided in Note 6(29).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) <u>Foreign currency translation</u>

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in New Taiwan dollars, which is the Company’s functional and the Group’s presentation currency.

Foreign currency transactions and balances

A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

D. All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

(5) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) <u>Financial assets at fair value through profit or loss</u>

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(7) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

(8) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing arrangements (lessor)－operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the specific identification and the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

(13) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment: 3~20 years

Computers and other equipment: 3~5 years

Leasehold improvements: 2~5 years

(15) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable;

(b) Variable lease payments that depend on an index or a rate;

(c) Amounts expected to be payable by the lessee under residual value guarantees;

(d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

(e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(16) Intangible assets

A. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

B. Customer relations and goodwill arise in a business combination accounted for by applying the acquisition method. Customer relations are amortised on a straight-line basis over their estimated useful lives of 19 years.

C. Intangible assets are mainly service contracts which are amortised on a straight-line basis over their estimated useful lives of 6 years.

(17) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(18) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(19) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus—share options'.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(22) Provisions

Provisions (which are warranties, decommissioning and contingent liabilities from litigations, etc.) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions - defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(24) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(25) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(28) Revenue recognition

A. Revenue from power generation and electricity retailing

The Group provides energy technology, power generation services and electricity retailing and is primarily engaged in holding, managing, maintaining and operating solar power plants. The Group derives electricity revenue from the transmission and distribution of electricity to Taiwan Power Company and enterprise customers. Operating revenue is measured at the fair value of the consideration received or receivable taking into account of business tax for the services provided to external customers in the ordinary course of the Group's activities. Operating revenue is recognised when the Group has provided the goods to the customer, the amount can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity.

B. Service revenue

(a) Revenue from providing services is recognised in the accounting period in which the services are rendered.

(b) For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the completion of each stage of a construction, including the acquisition of the letter of consent or work permit from Bureau of Energy, Ministry of Economic Affairs, or related competent authorities, commencement of a solar site construction and acquisition of the letter of trial operations for grid interconnection from Taiwan Power Company or electricity enterprise licenses. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

C. Construction revenue

(a) The Group undertakes and outsources construction projects such as solar power generation system, battery energy storage system and sewage disposal equipment. As the costs incurred for construction directly relate to the stage of completion of performance obligation, the Group recognises revenue on the basis of costs incurred relative to the total expected costs of that performance obligation.

(b) The contract assets are recognised based on the proportion of costs incurred for construction over time. Contract assets are reclassified to accounts receivable at the point at which invoices have been billed to customers on a monthly basis and at the amount to which the Group has the right to invoice. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

D. Sales revenue

(a) The Group sells parts of solar power system and renewable energy fuels. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract. The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(b) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(29) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group has considered the economic implications of COVID-19 on critical accounting estimations and will continue evaluating the impact on its financial position and financial performance as a result of the pandemic. The related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

The Company has no accounting policy which involves significant judgement and has material impact on the recognition amount.

(2) Critical accounting estimates and assumptions

The Group's construction revenue is recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. Contract costs are expensed as incurred. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed to date to the estimated total costs for the contract.

As the estimated total costs and contract items are assessed and determined by the management based on different nature of constructions, estimated subcontract charges and material and labour expenses, etc., any changes in estimates might affect the calculation of profit or loss from construction contracts.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Petty cash	$ 611	$ 365
Demand deposits and checking accounts	1,098,857	1,477,815
	$ 1,099,468	$ 1,478,180

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Cash pledged as collateral for bank loan facilities are restricted and classified as "financial assets at amortised cost". Refer to Note 6(3) for details.

(2) Financial assets at fair value through profit or loss

Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Call options of convertible bonds	$ 935	$ -
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Emerging stocks	$ 89,400	$ 198,542
Unlisted stocks	469,932	450,903
Valuation adjustment	155,027	38,649
	$ 714,359	$ 688,094

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets mandatorily measured at fair value through profit or loss		
Call options of convertible bonds	($ 170)	$ -
Equity instruments	227,754	(132,596)
	$ 227,584	($ 132,596)

B. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at amortised cost

	December 31, 2023	December 31, 2022
Current items:		
Bank deposits	$ 530,136	$ 1,073,768
Non-current items:		
Bank deposits	$ 101,264	$ 86,726

A. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the carrying amount.

B. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(4) Accounts receivable, net (including related parties)

	December 31, 2023	December 31, 2022
Notes receivable	$ 7,237	$ 15,043
Accounts receivable	331,653	217,897
Less: Allowance for uncollectible accounts	(52,458)	(52,621)
	$ 286,432	$ 180,319
Accounts receivable due from related parties	$ 20,880	$ 618
Less: Allowance for uncollectible accounts	(406)	(26)
	$ 20,474	$ 592

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	Accounts receivable	
	December 31, 2023	December 31, 2022
Not past due	$ 251,287	$ 175,513
Up to 90 days	5,298	102
91 to 180 days	9,177	2,229
Over 180 days	94,008	55,714
	$ 359,770	$ 233,558

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to $682,336.

C. The Group had no accounts receivable discounted or pledged as collateral.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents accounts receivable held by the Group was the carrying amount.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Other receivables

	December 31, 2023	December 31, 2022
Receivables from disposal of investments (Note)	$ 117,840	$ 6,752
Others	5,292	8,469
	$ 123,132	$ 15,221

Note: Details of receivables from disposal of investments as of December 31, 2023 are provided in Note 6(7).

(6) Prepayments

	December 31, 2023	December 31, 2022
Prepayments to suppliers	$ 154,894	$ 576,002
Excess business tax paid	105,171	6,639
Prepayments for constructions	52,812	138,056
Business tax paid	23,690	26,937
Prepayments for project development expenses	120	72,282
Others	35,882	20,411
	$ 372,569	$ 840,327

(7) Investments accounted for using equity method

	December 31, 2023	December 31, 2022
Associates		
Greenhealth Water Resources Co., Ltd.	$ 343,391	$ -
Liangwei Power Co., Ltd.	81,026	-
FU BAO YI HAO ENERGY CO., LTD.	(56,293)	(35,102)
Yunan Energy Development Investment Co., Ltd.	11,453	-
Winball Sport Culture and Education Co., Ltd.	-	15,394
Others	5,540	-
	385,117	(19,708)
Credit balance of investments accounted for using equity method	56,293	35,102
	$ 441,410	$ 15,394

A. As of December 31, 2023 and 2022, all of the Group's associates did not reach 5% of consolidated total assets, and thus the Group had no significant associates.

B. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

For the years ended December 31, 2023 and 2022, the total profit or loss of the Group's individual insignificant associates (that is, total comprehensive income) amounted to $82,752 and ($267,611), respectively.

C. In June 2022, the Board of Directors of the Company resolved to sign an equity interest trading contract with Taiya Renewable Energy Co., Ltd. (Taiya Renewable) to sell all equity interest of Taiwan Huanfeng Holdings Co., Ltd. (Taiwan Huanfeng). The registration of change was completed on June 20, 2022, and the equity interest was transferred to and presented as "non-current assets held for sale, net". However, the payments of the equity transaction will be received only when milestones are completed. These include the first installment (advance receipts) - the time after the Company and Taiya Renewable sign the equity interest trading contract, the second installment - the time after Taiya Renewable completes transaction with the third party (if the transaction with the third party is not completed, the equity interest trading contract will be terminated and the first installment will be returned), the third installment - the time after Taiwan Huanfeng and Ministry of Economic Affairs sign the administrative contract, the fourth installment - the time after Taiwan Huanfeng's financing for the wind farm project is ready, and the fifth installment - the time after the grid interconnection of Taiwan Huanfeng's wind farm is completed. As of December 31, 2023 and 2022, the credit terms of the third and the second installment had been met, respectively, and the Company recognised gains on disposals of investments in the amount of $117,840 and $14,593 for the years ended December 31, 2023 and 2022, respectively. Details are provided in Note 6(22).

(8) Property, plant and equipment

	Machinery and equipment	Computer equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2023						
Cost	$ 1,372,453	$ 14,387	$ 22,723	$ 11,848	$ 127,186	$ 1,548,597
Accumulated depreciation	(271,837)	(7,827)	(7,880)	(3,279)	-	(290,823)
	$ 1,100,616	$ 6,560	$ 14,843	$ 8,569	$ 127,186	$ 1,257,774
2023						
Opening net book amount as at January 1	$ 1,100,616	$ 6,560	$ 14,843	$ 8,569	$ 127,186	$ 1,257,774
Additions	205,684	4,579	8,368	6,678	1,898,798	2,124,107
Disposals	(197)	(175)	-	-	-	(372)
Transfers	83,895	-	-	-	(83,895)	-
Capitalised expenses	-	-	-	-	74	74
Acquired from business combinations	102,700	-	-	-	-	102,700
Sale of subsidiary	-	-	-	-	(22,953)	(22,953)
Depreciation expense	(78,316)	(5,171)	(6,826)	(3,254)	-	(93,567)
Closing net book amount as at December 31	$ 1,414,382	$ 5,793	$ 16,385	$ 11,993	$ 1,919,210	$ 3,367,763
At December 31, 2023						
Cost	$ 1,769,641	$ 8,735	$ 30,691	$ 18,426	$ 1,919,210	$ 3,746,703
Accumulated depreciation	(355,259)	(2,942)	(14,306)	(6,433)	-	(378,940)
	$ 1,414,382	$ 5,793	$ 16,385	$ 11,993	$ 1,919,210	$ 3,367,763

	Machinery and equipment	Computer equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2022						
Cost	$ 1,368,246	$ 11,715	$ 19,691	$ 11,508	$ 39,607	$ 1,450,767
Accumulated depreciation	(203,419)	(3,803)	(3,603)	(5,932)	-	(216,757)
	$ 1,164,827	$ 7,912	$ 16,088	$ 5,576	$ 39,607	$ 1,234,010
2022						
Opening net book amount as at January 1	$ 1,164,827	$ 7,912	$ 16,088	$ 5,576	$ 39,607	$ 1,234,010
Additions	5,000	2,949	3,015	4,608	94,470	110,042
Capitalised expenses	-	-	-	-	520	520
Disposals	(14)	(18)	(4,195)	(1,262)	-	(5,489)
Transfers	-	-	5,611	1,800	(7,411)	-
Depreciation expense	(69,197)	(4,283)	(5,676)	(2,153)	-	(81,309)
Closing net book amount as at December 31	$ 1,100,616	$ 6,560	$ 14,843	$ 8,569	$ 127,186	$ 1,257,774
At December 31, 2022						
Cost	$ 1,372,453	$ 14,387	$ 22,723	$ 11,848	$ 127,186	$ 1,548,597
Accumulated depreciation	(271,837)	(7,827)	(7,880)	(3,279)	-	(290,823)
	$ 1,100,616	$ 6,560	$ 14,843	$ 8,569	$ 127,186	$ 1,257,774

Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(9) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 22 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise certain offices, parking spaces, income generating equipment and warehouse.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023		December 31, 2022	
	Carrying amount		Carrying amount	
Buildings	$	126,810	$	104,833
Land		422,940		316,571
Transportation equipment		6,187		4,935
	$	555,937	$	426,339

	Years ended December 31,			
	2023		2022	
	Depreciation expense		Depreciation expense	
Buildings	$	25,412	$	23,074
Land		17,684		6,216
Transportation equipment		3,482		2,325
	$	46,578	$	31,615

D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $216,676 and $315,398, respectively.

E. For the years ended December 31, 2023 and 2022, the Group terminated and modified the lease contract early. Consequently, right-of-use assets decreased by $854 and $9,213, lease liability decreased by $869 and $9,385, overcharge collection amounted to $0 and $166 and gains on settlement of lease of $15 and $6 was recognised as "other gains and losses - others", respectively.

F. The information on profit and loss accounts relating to lease contracts is as follows:

	Years ended December 31,			
	2023		2022	
Items affecting profit or loss				
Interest expense on lease liabilities	$	11,076	$	5,009
Expense on short-term lease contracts		8,775		9,916
Expense on variable lease payments		12,301		9,357
Gains arising from lease settlement	(	15)	(	6)

G. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were $73,784 and $50,902, respectively.

H. Variable lease payments

Some of the Group's lease contracts contain variable lease payment terms that are linked to revenue generated by electric power plant. For aforementioned type of lease target, lease payments are on the basis of variable payment terms and are accrued based on the revenue from electric power generation. Various lease payments that depend on revenue from electric power generation are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

(10) Other non-current assets

	December 31, 2023	December 31, 2022
Guarantee deposits paid	$ 210,400	$ 174,590
Others	74,047	4,559
	$ 284,447	$ 179,149

Detail of other non-current assets pledged as collateral are provided in Note 8.

(11) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 253,557	2.25%~6.33%	Bank deposits, credit guarantee fund and property
Unsecured borrowings	219,780	2.10%~3.04%	None
	$ 473,337		

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 1,174,304	1.687%~6.62%	Bank deposits, credit guarantee fund and property
Unsecured borrowings	362,333	2.03%~2.73%	None
	$ 1,536,637		

A. Refer to Note 6(23) for details of the Group's interest expenses recognised in profit or loss for the years ended December 31, 2023 and 2022.

B. Refer to Note 7 for details of certain credit facilities of short-term borrowings which were jointly guaranteed by related parties.

C. Refer to Note 8 for details of the Group's collateral pledged for short-term borrowings.

(12) Bonds payable

	December 31, 2023
Bonds payable	$ 856,375
Less: Discount on bonds payable	(58,932)
	$ 797,443

There were no bonds payable as of December 31, 2022.

A. The issuance of domestic convertible bonds by the Company:

The terms of the first domestic secured convertible bonds issued by the Company are as follows:

(a) The Company issued $850,000, 0% first domestic secured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (November 28, 2023 ~ November 28, 2026) and will be redeemed in cash at face value of 100.75% (yield to maturity annual rate of 0.25%) at the maturity date. The bonds were listed on the Taipei Exchange on November 28, 2023.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (February 29, 2024) to the maturity date (November 28, 2026), except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. The conversion price of the convertible bonds is NT$89.9 (in dollars) per share.

(d) The Company may repurchase all the bonds outstanding in cash at the bonds' face value in accordance with the terms of the bonds after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% (including 30%) for 30 consecutive trading days during the period from the date after three months of the bonds issue (February 29, 2024) to 40 days before the maturity date (October 18, 2026), or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue (February 29, 2024) to 40 days before the maturity date (October 18, 2026).

(e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

B. Regarding the issuance of the first convertible bonds, the equity conversion options amounting to $37,166 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation was 2.4754%.

(13) Other payables

	December 31, 2023	December 31, 2022
Wages, salaries and rewards payable	$ 107,262	$ 81,045
Dividends payable	20,081	-
Payable on machinery and equipment	15,703	8,561
Payables on service fees	8,744	8,459
Business tax payable	1,632	37,379
Others	32,781	18,928
	$ 186,203	$ 154,372

(14) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Installment-repayment of borrowings				
Secured borrowings	Borrowing period is from May 25, 2017 to February 11, 2036; interest is repayable periodically; principal is repayable from June 25, 2017	2.4%~ 3.313%	Bank deposits, machinery and equipment, credit guarantee fund and property	$ 1,073,025
Less: Current portion (shown as long-term liabilities, current portion)				(274,974)
				$ 798,051

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Installment-repayment of borrowings				
Secured borrowings	Borrowing period is from May 25, 2017 to February 11, 2036; interest is repayable periodically; principal is repayable from June 25, 2017	2.325%~ 3.013%	Bank deposits, machinery and equipment, credit guarantee fund and property	$ 905,998
Less: Current portion (shown as long-term liabilities, current portion)				(269,619)
				$ 636,379

A. Refer to Note 8 for details of the Group’s collateral.

B. Refer to Note 7 for details of certain credit facilities of long-term borrowings which were jointly guaranteed by related parties.

(15) Pensions

The Group has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2023 and 2022 were $11,437 and $8,460, respectively.

(16) Share-based payment

A. For the year ended December 31, 2022, the Company had no share-based payment arrangements. For the year ended December 31, 2023, the Company's share-based payment arrangements were as follows:

Company name	Type of arrangement	Grant date	Quantity granted (Units in thousand)	Contract period	Vesting conditions
J&V Energy Technology Co., Ltd.	Cash capital increase reserved for employee preemption	2023.2.18	260	-	Vested immediately
WEISHENG ENVIROTECH CO., LTD.	Cash capital increase reserved for employee preemption	2023.2.20	220	-	Vested immediately

The above share-based payment arrangements are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2023	
	No. of options (Units in thousand)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	480	10~96
Options exercised	(443)	10~96
Options expired	(37)	96
Options outstanding at December 31	-	-
Options exercisable at December 31	-	-

C. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model . Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (in years)	Expected dividend rate	Risk-free interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption	2023.2.18	$ 106	$ 96	28.29%	0.05	-	0.97%	$ 10.2206
Cash capital increase reserved for employee preemption	2023.2.20	10.42	10	15.69%	0.06	-	0.98%	0.4

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

D. For the year ended December 31, 2023, the Company had compensation costs due to the recognition of share-based payments transactions (equity-settled) in the amount of $2,745.

(17) Share capital

A. As of December 31, 2023, the Company's authorised capital and the paid-in capital were $2,000,000 and $1,162,091, respectively, with a par value of NT$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2023 shares (in thousands)	2022 shares (in thousands)
At January 1	112,709	112,709
Cash capital increase (including cash capital increase reserved for employees)	3,500	-
At December 31	116,209	112,709

B. On December 27, 2022, the Board of Directors of the Company approved to increase cash capital by issuing 3,500 thousand new shares for the operational needs with an issuance price of NT$10 (in dollars) per share. The effective date was set on March 10, 2023, and the registration of change had been completed on April 13, 2023,.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the

Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2023					
	Share premium	Options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1	$ 628,780	$ 438	$ 6,094	$ -	$ 9,087	$ 644,399
Cash capital increase	301,000	-	-	-	-	301,000
Capital surplus-share options due to issuance of convertible bonds	-	37,166	-	-	-	37,166
Share-based payments	-	2,657	-	64	-	2,721
Transactions with non-controlling interest	-	-	(6,094)	96,261	-	90,167
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	-	821	821
At December 31	$ 929,780	$40,261	$ -	$ 96,325	$ 9,908	$ 1,076,274

	2022									
	Share premium		Options		Difference between consideration and carrying amount of subsidiaries acquired or disposed		Net change in equity of associates		Total	
At January 1	$	628,780	$	438	$	-	$	-	$	629,218
Transactions with non-controlling interest		-		-		6,094		-		6,094
Recognition of change in equity of associates in proportion to the Group's ownership		-		-		-		9,087		9,087
At December 31	$	628,780	$	438	$	6,094	$	9,087	$	644,399

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, and then 10% of the remaining amount shall be set aside as legal reserve. After setting aside or reversing a special reserve in accordance with related laws, the appropriation of the remaining earnings, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and resolved by the shareholders as dividends and bonuses to shareholders.

B. The Company's dividend distribution policy aligns with the current and future development plan by taking into consideration factors such as investment environment, capital requirements, domestic competition, along with the consideration of shareholders' interests. Each year, the total dividend must not be less than 10% of current distributable earnings. The dividends can be distributed in forms of cash or shares, among which the cash dividend must not be less than 10% of the appropriated dividend. However, when the Company has significant investment plans and could not obtain the capital to support its plans, the Company could distribute no cash dividends as proposed by the Board of Directors and resolved by the shareholders.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. On May 30, 2023, the stockholders resolved the distribution of dividends from the 2022 earnings in the amount of $232,418 at NT$2 (in dollars) per share.

E. On March 5, 2024, the Board of Directors proposed for the distribution of dividends from the 2023 earnings in the amount of $709,497 at NT$6.11 (in dollars) per share.

(20) Operating revenue

	Years ended December 31, 2023	Years ended December 31, 2022
Revenue from contracts with customers		
Construction revenue	$ 5,958,940	$ 5,742,197
Revenue from electric power generation and retailing	344,122	178,012
Sales revenue	197,233	268,254
Service revenue	283,260	112,299
	$ 6,783,555	$ 6,300,762

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time as follows:

Years ended December 31, 2023	Construction revenue	Revenue from electric power generation and retailing	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 5,958,940	$ 344,122	$ 197,233	$ 283,260	$ 6,783,555
Timing of revenue recognition					
Over time	$ 5,958,940	$ 344,122	$ -	$ 283,260	$ 6,586,322
At a point in time	-	-	197,233	-	197,233
	$ 5,958,940	$ 344,122	$ 197,233	$ 283,260	$ 6,783,555

Years ended December 31, 2022	Construction revenue	Revenue from electric power generation	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 5,742,197	$ 178,012	$ 268,254	$ 112,299	$ 6,300,762
Timing of revenue recognition					
Over time	$ 5,742,197	$ 178,012	$ -	$ 112,299	$ 6,032,508
At a point in time	-	-	268,254	-	268,254
	$ 5,742,197	$ 178,012	$ 268,254	$ 112,299	$ 6,300,762

B. Unfulfilled construction contracts

Aggregate amount of the transaction price allocated to and the year expected to recognise revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of December 31, 2023 and 2022 are as follows:

	Year expected to recognise revenue	Contracted amount
December 31, 2023	2024-2025	$ 2,340,387
December 31, 2022	2023-2024	$ 6,892,525

C. Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	December 31, 2023	December 31, 2022
Contract assets	$ 521,648	$ 1,663,360
Contract liabilities (including shown as other non-current liabilities)	$ 275,962	$ 1,070,346

(21) Other income

	Years ended December 31,	
	2023	2022
Rent income	$ 7,826	$ 7,568
Dividend income	4,440	-
Others	2,676	10,032
	$ 14,942	$ 17,600

(22) Other gains and losses

	Years ended December 31,	
	2023	2022
Gains (losses) on financial assets at fair value through profit or loss	$ 227,584	($ 132,596)
Gains on disposals of investments (Note)	145,685	14,593
Foreign exchange gains (losses)	20,782	(39,247)
Losses on disposals of property, plant and equipment	(161)	(4,350)
Others	(566)	(37)
	$ 393,324	($ 161,637)

Note: Including the unrealized gross profit reversal amount of $9,750 generated from the disposal of investments in this period.

(23) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings	$ 54,864	$ 36,098
Lease liability	11,076	5,009
Others	285	160
	$ 66,225	$ 41,267

(24) Expenses by nature

	Years ended December 31,	
	2023	2022
Depreciation expense	$ 140,145	$ 112,924
Amortisation expense	3,589	4,089
Employee benefit expense	355,831	266,921
	$ 499,565	$ 383,934

(25) Employee benefit expense

	Years ended December 31,	
	2023	2022
Wages and salaries	$ 291,734	$ 220,508
Labour and health insurance fees	23,182	16,504
Pension costs	11,437	8,460
Other personnel expenses	29,478	21,449
	$ 355,831	$ 266,921

A. According to the Articles of Incorporation of the Company, the current year's earnings, if any, shall be distributed in a ratio no less than 1% as employees' compensation in the form of shares or cash as resolved by the Board of Directors. Qualification requirements of employees include the employees of subsidiaries of the Company meeting certain specific requirements. The Company shall distribute directors' remuneration in a ratio no more than 3% of the total distributable amount as resolved by the Board of Directors. The appropriation of employees' compensation and directors' remuneration shall be submitted to the shareholders' meeting. If the Company has an accumulated deficit, earnings should be reserved to cover deficit.

B. For the years ended December 31, 2023 and 2022, employees' compensation were accrued at $12,570 and $10,610, respectively; while directors remuneration were accrued at $7,228 and $6,238, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 1.04% and 0.6% of distributable profit of current year for the year ended December 31, 2023, respectively. The employees' compensation and directors' remuneration resolved by the Board of Directors were $12,570 and $7,228, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors remuneration for 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

A. Components of income tax expense:

	Years ended December 31, 2023	Years ended December 31, 2022
Current tax:		
Current tax on profits for the year	$ 270,665	$ 243,620
Tax on undistributed surplus earnings	8,808	9,797
Prior year income tax underestimation	11,105	3,276
Total current tax	290,578	256,693
Deferred tax:		
Origination and reversal of temporary differences	(91,548)	(71,059)
Income tax expense	$ 199,030	$ 185,634

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31, 2023	Years ended December 31, 2022
Tax expenses calculated based on profit before tax and statutory tax rate	$ 262,506	$ 141,643
Prior year income tax underestimation	11,105	3,276
Tax on undistributed surplus earnings	8,808	9,797
Expenses disallowed by tax regulation	27	2,125
Temporary difference not recognised as deferred tax assets	138	3
Tax exempt (income) loss by tax regulation	(85,188)	21,250
Change in assessment of realisation of deferred tax (liabilities) assets	(467)	1,662
Taxable loss not recognised as deferred tax assets	2,101	5,878
Income tax expense	$ 199,030	$ 185,634

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2023			
	January 1	Recognised in profit or loss	Proceeds from disposal of subsidiaries	December 31
Deferred tax assets:				
Temporary differences:				
Loss on investments accounted for using equity method	$ 20,770	$ 11,383	$ -	$ 32,153
Unrealised gross profit from sales	62,490	72,417	-	134,907
Unrealised exchange loss	6,481	(3,899)	-	2,582
Others	8,925	1,071	-	9,996
Tax losses	6,171	10,215	(1,339)	15,047
	$ 104,837	$ 91,187	($ 1,339)	$ 194,685
Deferred tax liabilities:				
Temporary differences:				
Others	($ 2,012)	$ 361	$ -	($ 1,651)
	$ 102,825	$ 91,548	($ 1,339)	$ 193,034

	2022			
	January 1	Recognised in profit or loss	Acquired from business combinations	December 31
Deferred tax assets:				
Temporary differences:				
Loss on investments accounted for using equity method	$ 3,009	$ 17,761	$ -	$ 20,770
Unrealised gross profit from sales	12,982	49,508	-	62,490
Unrealised exchange loss	-	6,481	-	6,481
Others	6,783	2,142	-	8,925
Tax losses	11,510	(5,339)	-	6,171
	$ 34,284	$ 70,553	$ -	$ 104,837
Deferred tax liabilities:				
Temporary differences:				
Others	($ 522)	$ 506	($ 1,996)	($ 2,012)
	$ 33,762	$ 71,059	($ 1,996)	$ 102,825

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

	December 31, 2023			
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2018	$ 20,235	$ 2,114	$ -	2028
2019	21,081	2,613	-	2029
2020	31,345	13,245	11,032	2030
2021	31,877	31,877	31,524	2031
2022	37,714	37,714	19,164	2032
2023	58,757	58,757	9,364	2033
	$ 201,009	$ 146,320	$ 71,084	

	December 31, 2022			
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2018	$ 20,269	$ 2,114	$ -	2028
2019	21,154	2,685	-	2029
2020	44,979	13,342	11,032	2030
2021	32,451	32,451	31,365	2031
2022	51,397	51,397	28,739	2032
	$ 170,250	$ 101,989	$ 71,136	

E. The Group’s income tax returns through 2021 have been assessed and approved by the Tax Authority.

(27) Earnings per share

	Years ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 1,013,566	115,557	$ 8.77
Diluted earnings per share			
Profit attributable to the parent	$ 1,013,566	115,557	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	133	
Convertible bonds	1,642	881	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,015,208	116,571	$ 8.71

	Years ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 453,973	112,709	$ 4.03
Diluted earnings per share			
Profit attributable to the parent	$ 453,973	112,709	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	137	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 453,973	112,846	$ 4.02

(28) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

(a) The Company acquired an additional 5% outstanding shares of the subsidiary, TPE ENERGY INC. (TPE), by cash in the amount of $36,790 on March 3, 2023. The carrying amount of non-controlling interest in TPE was $20,991 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by $20,991 and a decrease in the equity attributable to owners of the parent by $15,799.

(b) The Company acquired an additional 2% outstanding shares of the subsidiary, TPE ENERGY INC. (TPE), by cash in the amount of $11,010 in April, 2023. The carrying amount of non-controlling interest in TPE was $12,052 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by $12,052 and an increase in the equity attributable to owners of the parent by $1,042.

(c) The Company acquired an additional 10% outstanding shares of the subsidiary, TPE ENERGY INC. (TPE), by cash in the amount of $30,659 on March 15, 2022. The carrying amount of non-controlling interest in TPE was $37,958 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by $37,958 and an increase in the equity attributable to owners of the parent by $7,299.

(d) The effect of changes in interests in the Group on the equity attributable to owners of the parent for the years ended December 31, 2023 and 2022 is shown below:

	Years ended December 31,	
	2023	2022
Carrying amount of non-controlling interest acquired	$ 33,043	$ 37,958
Consideration paid to non-controlling interest	(47,800)	(30,659)
Adjustment on equity attributable to owners of the parent:		
Capital surplus - difference between proceeds on actual acquisition of or disposal of equity interest in a subsidiary and its carrying amount	($ 5,850)	$ 7,299
Retained earnings	($ 8,907)	$ -

B. The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary.

(a) The Group's subsidiary, WEISHENG ENVIROTECH CO., LTD., increased its capital by issuing new shares on March 15, 2023 and July 21, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 12%. This transaction resulted in an increase in the non-controlling interest by $123,055 and an increase in the equity attributable to owners of the parent by $96,017.

(b) The Group's subsidiary, WEISHENG ENVIROTECH CO., LTD., increased its capital by issuing new shares on April 25, 2022. The Group did not acquire shares proportionally to its interest. As a result, the Group increased its share interest by 8%. This transaction resulted in an increase in the non-controlling interest by $15,099 and a decrease in the equity attributable to owners of the parent by $3,670.

(c) The Group's subsidiary, YU GUANG ENERGY CO., LTD., increased its capital by issuing new shares on June 23, 2022. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 22%. This transaction resulted in an increase in the non-controlling interest by $12,113 and a increase in the equity attributable to owners of the parent by $207.

(d) The effect of changes in interests in the Group on the equity attributable to owners of the parent for the years ended December 31, 2023 and 2022 is shown below:

	Years ended December 31,	
	2023	2022
Cash	$ 219,072	$ 29,537
Increase in the carrying amount of non-controlling interest	(123,055)	(30,742)
Effect of the equity interests attributable to owners of the parent	$ 96,017	($ 1,205)
Adjustment on the equity attributable to owners of the parent:		
Capital surplus - difference between proceeds on actual acquisition of or disposal of equity interest in a subsidiary and its carrying amount	$ 96,017	($ 1,205)

(29) Business combinations

DIWEI POWER CO., Ltd. (DIWEI)

A. On December 27, 2023, the Group acquired a 100% equity interest in DIWEI for cash of $78,220 and obtained control over DIWEI. As a result of the acquisition, the Group is expected to increase its presence in the market.

B. The following table summarises the consideration paid for DIWEI and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets at the acquisition date:

		December 27, 2023
Purchase consideration		
Cash paid	$	78,220
Fair value of the identifiable assets acquired and liabilities assumed		
Cash		4,362
Accounts receivable		17,021
Other receivables		4
Prepayments		4,794
Property, plant and equipment		102,700
Short-term borrowings	(	76,587)
Accounts payable	(	1,362)
Other payables	(	13,669)
Current tax liabilities	(	1,322)
Total identifiable net assets		35,941
Goodwill	$	42,279

As of December 31, 2023, the allocation of the purchase price of the combination is still in process, and the Group has hired experts to assess the fair value of the identifiable assets.

C. The operating revenue included in the consolidated statement of comprehensive income since December 27, 2023 contributed by DIWEI was $723. DIWEI also contributed loss before income tax of $229 over the same period. Had DIWEI been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of $6,800,575 and profit before income tax of $1,222,802.

(30) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Years ended December 31,			
	2023		2022	
Purchase of property, plant and equipment	$	2,124,107	$	110,042
Add: Opening balance of payable on equipment (including related parties)		8,561		2,734
Less: Ending balance of payable on equipment (including related parties)	(	15,703)	(	8,561)
Less: Additional current decommissioning liability provisions	(	5,395)	(	72)
Cash paid during the year	$	2,111,570	$	104,143

B. The Group sold 78% of shares in YU GUANG ENERGY CO., LTD. on February 22, 2023 and therefore lost control over the subsidiary. The details of the consideration received from the transaction (including cash) and assets and liabilities relating to the subsidiary are as follows:

		February 22, 2023
Consideration received		
Cash	$	48,035
Carrying amount of the assets and liabilities of YU GUANG ENERGY CO., LTD.		
Cash		5,635
Prepayments		8,025
Property, plant and equipment		22,953
Right-of-use assets		11,642
Deferred tax assets		745
Other non-current assets		133,401
Short-term borrowings	(	117,400)
Other payables	(	65)
Lease liabilities-Current	(	392)
Lease liabilities-Non-current	(	11,726)
Total net assets	$	52,818

C. The Group sold 100% of shares in Tai Wei Energy Co., Ltd. on March 15, 2023 and therefore lost control over the subsidiary. The details of the consideration received from the transaction (including cash) and assets and liabilities relating to the subsidiary are as follows:

		March 15, 2023
Consideration received		
Cash	$	5,768
Carrying amount of the assets and liabilities of Tai Wei Energy Co., Ltd.		
Cash		13
Prepayments		7
Right-of-use assets		13,977
Deferred tax assets		297
Other non-current assets		200
Other payables	(	80)
Lease liabilities-Current	(	839)
Lease liabilities-Non-current	(	13,355)
Total net assets	$	220

D. The Group sold 100% of shares in Chuang Da Energy Co., Ltd. on March 15, 2023 and therefore lost control over the subsidiary. The details of the consideration received from the transaction (including cash) and assets and liabilities relating to the subsidiary are as follows:

	March 15, 2023
Consideration received	
Cash	$ 5,768
Carrying amount of the assets and liabilities of Chuang Da Energy Co., Ltd.	
Cash	29
Prepayments	6
Right-of-use assets	13,977
Deferred tax assets	297
Other non-current assets	200
Other payables	(80)
Lease liabilities-Current	(839)
Lease liabilities-Non-current	(13,355)
Total net assets	$ 235

(31) Changes in liabilities from financing activities

	2023				
	Short-term borrowings	Lease liabilities	Bonds payable	Long-term borrowings (Note)	Liabilities from financing activities-gross
At January 1	$ 1,536,637	$ 421,089	$ -	$ 905,998	$ 2,863,724
Changes in cash flow from financing activities	(1,022,487)	(34,418)	831,862	167,027	(58,016)
Changes in loss of control in subsidiaries	(117,400)	(40,506)	-	-	(157,906)
Changes in acquisition of subsidiaries	76,587	-	-	-	76,587
Share options arising from convertible bonds	-	-	(37,166)	-	(37,166)
Interest expense amortisation (paid)	-	(11,278)	1,642	-	(9,636)
Changes in other non-cash items	-	226,909	1,105	-	228,014
At December 31	$ 473,337	$ 561,796	$ 797,443	$ 1,073,025	$ 2,905,601

	2022			
	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 312,900	$ 752,534	$ 143,068	$ 1,208,502
Changes in cash flow from financing activities	1,202,738	174,463	(28,205)	1,348,996
Interest expense paid	-	-	(4,980)	(4,980)
Changes in other non-cash items	20,999	(20,999)	311,206	311,206
At December 31	$ 1,536,637	$ 905,998	$ 421,089	$ 2,863,724

Note: Including long-term borrowing, current portion.

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Taiwan Huanfeng Holdings Co., Ltd (Taiwan Huanfeng)	Associate (Note 1)
FU BAO YI HAO ENERGY CO., LTD. (FU BAO)	Associate
Enfinite Capital Taiwan Solar I Co. Ltd. (Enfinite)	Associate
Winball Sport Culture and Education Co., Ltd. (Winball)	Associate
Revo Power CO., LTD. (Revo)	Associate
Ririwang Renewable Energy Co., Ltd. (Ririwang)	Associate (from September 5, 2023)
Xuwang Green Energy Co., Ltd. (Xuwang)	Associate (from March 1, 2023)
Green Forever Ltd. (Green Forever)	Associate (until December 2, 2022) (Note 2)
Qi Yi Venture Investment Co., Ltd. (Qi Yi)	Other related party
Yong Jing Construction Co., Ltd. (Yong Jing)	Other related party
BAO YUAN INVESTMENT CO., LTD. (BAO YUAN)	Other related party
BAO LIN INVESTMENT CO., LTD. (BAO LIN)	Other related party
MF Design Co., Ltd. (MF)	Other related party
Muzhao Sanyuan International Co., Ltd. (Muzhao Sanyuan)	Other related party
CountryEDU charity Foundation (EDU)	Other related party
ASIA ENERGY DEVELOPMENT CO., LTD. (ASIA ENERGY)	Other related party
YU GUANG ENERGY CO., LTD. (YU GUANG)	Other related party (from February 22, 2023) (Note 3)
MU GUANG ENERGY CO., LTD. (MU GUANG)	Other related party (until July 22, 2022) (Note 4)
Yang Yu Mei	Other related party
Zhang Jia Hao	Other related party
Lan Wei Wen	Other related party
Collins CO., LTD. (Collins)	The Company's key management

Note 1: In September 2022, all the equity interest in this company had been disposed, and this company was no longer a related party. Refer to Note 6(7) for information in relation to equity interest transactions.

Note 2: The Company and Green Forever had the same chairman before December 1, 2022 but did not have the same chairman after December 2, 2022. Thus, it was not a related party.

Note 3: On February 21, 2023, all the equity interest in YU GUANG had been disposed to the director of the Company, and this company has been changed from a subsidiary to another related party since the date of sale.

Note 4: The Company and MU GUANG had the same chairman before July 21, 2022 but did not have the same chairman after July 22, 2022. Thus, it was not a related party.

(2) Significant related party transactions

A. Operating revenue

	Years ended December 31,	
	2023	2022
Service revenue:		
Associates		
Enfinite	$ 75,491	$ 24,616
Others	553	1,215
Other related parties	1,275	696
	$ 77,319	$ 26,527
Construction revenue:		
Associates		
Enfinite	$ 1,218,546	$ 4,619,458
Others	59,428	-
Other related parties	132,966	24,328
The Company's key management	6,032	-
	$ 1,416,972	$ 4,643,786

(a) The Group entered into a service contract with related parties who appointed the Company to provide business development and overall administrative and resource services, and the contract price was based on mutual agreement.

(b) The payments for construction contracted to the Group by related parties were determined according to the construction budget plus reasonable profit, and the Group collected the payments according to the contract’s terms. Furthermore, the transaction price and terms were equivalent to general customers or market price.

B. Operating costs

	Years ended December 31,	
	2023	2022
Associates-Enfinite	$ 82,696	$ -

The Group purchases electricity from Associate based on contract pricing, and the above receivables are unsecured in nature and bear no interest.

C. Operating expenses - donation

	Years ended December 31, 2023	Years ended December 31, 2022
Associates	$ 10,000	$ -
Other related parties	5,000	5,020
	$ 15,000	$ 5,020

D. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
Associates	$ 11,333	$ 609
Other related parties	9,547	9
	20,880	618
Less: Allowance for uncollectible accounts	(406)	(26)
	$ 20,474	$ 592

Receivables from related parties mainly arose from construction, services and sales revenue. The above receivables are unsecured in nature and bear no interest.

E. Contract assets

	December 31, 2023	December 31, 2022
Associates		
Enfinite	$ -	$ 1,285,168
Others	48,910	-
	$ 48,910	$ 1,285,168

The above represents payments for construction contracted to the Group by the related party and was recognised based on the proportion of cost incurred for construction over time, and it had not been the contracted billing timing.

F. Contract liabilities

	December 31, 2023	December 31, 2022
Associates		
Enfinite	$ 195,447	$ 6,154
Other related parties	-	999
The Company's key management	87	-
	$ 195,534	$ 7,153

The above pertains to payments for construction contracted to the Group by related parties and payments arising from administrative and support services provided to related parties, which were recognised based on the proportion of costs incurred for construction and services provided over time, and the Group has not fulfilled its performance obligations.

G. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payables:		
Associates-Enfinite	$ 14,487	$ 365

The payment for the above transaction is due 60 days after the power purchase date, and the payables are non-interest bearing.

H. Guarantee deposits received (shown as other non-current liabilities)

	December 31, 2023	December 31, 2022
Associates		
Enfinite	$ 24,629	$ 24,629

I. Property transactions

(a) Acquisition of property, plant and equipment

The Company had no acquisition of property, plant and equipment for the year ended December 31, 2023.

	Years ended December 31, 2022
Other related party - BAO YUAN	$ 1,300

(b) Acquisition of financial assets

	Accounts	No. of shares (in thousands)	Objects	Years ended December 31, 2023 Consideration
Associates				
Winball	Investments accounted for using the equity method	400	Common Stock	$ 10,000

	Accounts	No. of shares (in thousands)	Objects	Years ended December 31, 2022 Consideration
Associates				
Taiwan Huanfeng	Investments accounted for using the equity method	9,000	Common Stock	$ 90,000
FU BAO	"	6,356	"	63,556
Others	"	-	"	18,292
				$ 171,848

(c) Disposal of financial assets

				Years ended December 31, 2023	
	Accounts	No. of shares (in thousands)	Objects	Proceeds	Gain
Key management-Collins	Investments accounted for using the equity method	4,368	Common Stock	$ 48,035	$ 6,982

J. Endorsements and guarantees provided to related parties

	Years ended December 31,	
	2023	2022
Other related parties		
Lan Wei Wen	$ 10,000	$ 10,000
Yang Yu Mei, Zhang Jia Hao	1,135,650	120,000
	$ 1,145,650	$ 130,000

(3) Key management compensation

	Years ended December 31,	
	2023	2022
Short-term employee benefits	$ 92,420	$ 72,334
Post-employment benefits	2,070	1,721
	$ 94,490	$ 74,055

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Nature of collateral
Machinery and equipment	$ 1,308,292	$ 1,068,463	Collateral for borrowings
Stock (shown as "Non-current financial assets at fair value	195,878	3,000	Secured letter of credit and Others (Note)
Cash in banks (shown as "financial assets at amortised cost")	631,400	1,160,494	Collateral for bank financing facility and Guarantee for construction performance
Other financial assets (shown as "other non-current assets")	173,135	164,766	Performance guarantees for constructions, warranty guarantees and bond deposit as security for court proceedings
	$ 2,308,705	$ 2,396,723	

Note: Due to joint venture, all shareholders provide endorsements/guarantees based on the proportion to its ownership.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

A. As of December 31, 2023 and 2022, the commercial papers for performance guarantee issued by the Group due to contracted constructions and electricity distribution amounted to $2,289,853 and $729,789, respectively.

B. The Group and UP AND UP ENGINEERING & CONSTRUCTION CO., LTD. have jointly bid for the construction of water purification plants. However, UP AND UP ENGINEERING & CONSTRUCTION CO., LTD. has filed a case against the Group alleging that it has made overpayments on behalf of the Group and has demanded the Group to pay for notes in the amount of $10,000 plus interest. In the first instance, Taiwan Shilin District Court rendered a decision in favour of UP AND UP ENGINEERING & CONSTRUCTION CO., LTD. and the Group disagreed with the decision and appealed for the second instance. Since the lawsuit is ongoing, the ultimate outcome of the case and possible liability cannot presently be determined.

(2) Commitments

A. As of December 31, 2023 and 2022, the Group signed a solar photovoltaic system maintenance contract for the provision of management, maintenance and operating services for power plants for a period of 20 years starting from the date of completion of electricity meter installment in each solar site. According to the contract terms, the management, maintenance and operating service fees payable up to the due date were as follows:

	December 31, 2023	December 31, 2022
Up to 12 months	$ 11,241	$ 9,554
Later than one year but not later than five years	41,876	35,837
Over 5 years	86,741	90,037
	$ 139,858	$ 135,428

B. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2023	December 31, 2022
Equipment acquisition contract	$ 916,547	$ 515,664
Development service and construction contract	$ 1,899,183	$ 6,222,136

C. The amounts of the Group’s issued but not yet used letters of credit for construction undertaking purchases are as follows:

	December 31, 2023	December 31, 2022
Issued but not yet used letters of credit	$ 266,611	$ 1,771,483

D. The Group undertook the turnkey project of energy project construction of Green Forever Ltd. and Enfinite Capital Taiwan Solar I Co. Ltd. in 2023 and 2022, respectively. Details of the related important construction contract that had been contracted but had not fulfilled its performance obligations are provided in Note 6(20). Part of the contract entered into by the two parties included terms such as time for completion and liquidated damages, etc. As of December 31, 2023, all of the Company’s construction works were all on schedule, and there was no compensation arising from construction delays. Additionally, the Company and Enfinite Capital Taiwan Solar I Co. Ltd. signed an operation management consulting service contract, and this contract specifies that if the required rate of return is not met during the operation management period, the Company will comply with the terms, rights and obligations of both parties of the contract such as decreasing part of consulting service charges. The period is 20 years from the completion of grid interconnection.

E. The Company and shareholders of certain investees accounted for using the equity method have signed a joint venture agreement whereby the investees' shareholders can ask the Company to acquire their equity interest if certain conditions occur. The Company has assessed that the probability of these conditions to occur is remote, and thus, there is no significant impact on the Company's financial position.

F. The Company entered into an investment agreement with NEXUS MATERIALS, INC. (NEXUS MATERIALS) on December 11, 2023 and participated in the capital increases of NEXUS MATERIALS twice, with a total capital increase of $100,001. As of December 31, 2023, the Company’s first capital increase amounted to $72,728 (shown as prepayments for investments under ‘other non-current assets’) with the effective date set on January 10, 2024. The registration for the changes had been completed on January 18, 2024. The second capital increase is expected to be implemented before June 30, 2024.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. On March 5, 2024, the Board of Directors of the Company approved the distribution of 2023 earnings. Refer to Note 6(19) for details.

B. The Company completed the capital increase of NEXUS MATERIALS, INC. on January 18, 2024. Refer to Note 9(2) for details.

12. Others

(1) Capital management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated balance sheet plus net debt.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss	$ 715,294	$ 688,094
Financial assets at amortised cost (Note)	$ 2,371,306	$ 3,009,396

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost (Note)	$ 2,615,157	$ 3,546,309
Lease liability	$ 561,796	$ 421,089

Note: Financial assets at amortised cost included cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties) and guarantee deposits paid; financial liabilities at amortised cost included short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties), long-term liabilities, current portion, long-term borrowings and guarantee deposits received.

B. Financial risk management policies

(a) Risk categories

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management policies focus on the unpredictable matters in financial market and seek to minimise potential adverse effects on the Group's financial condition and financial performance.

(b) Objectives of management

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

ii. The Group's businesses involve some non-functional currency operations (the Company's and subsidiaries' functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 8,887	30.705	$ 272,875
Financial liabilities			
Monetary items			
USD:NTD	$ 6,918	30.705	$ 212,417
EUR:NTD	7,117	33.98	241,836

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 29,409	30.71	$ 903,150
Financial liabilities			
Monetary items			
USD:NTD	$ 1,185	30.71	$36,391

iii. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022 amounted to $20,782 and ($39,247), respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Years ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 2,729	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 2,124	$ -
EUR:NTD	1%	2,418	-

	Years ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 9,032	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 364	$ -

Price risk

i. The Group’s equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group’s investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $6,286 and $6,055, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk. However, the Group's capital from operations is sufficient to hedge the cash flow risk from interest rate changes.

(a) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutes, only institutes with good credit rating would be accept as transaction counterparty. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, that is, the default occurs when the contract payments are past due over 120 days.

iv. The Group adopts the following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. For the years ended December 31, 2023 and 2022, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

vi. The Group classifies customer's accounts receivable and contract assets in accordance with credit rating of customer. The Group applies the modified approach using the loss rate methodology to estimate the expected credit loss.

vii. Methods of the Group used in assessing expected credit risk of accounts receivable were as follows:

(i). For individually significant defaulted receivables (including other receivables), expected credit losses are assessed on an individual basis. On December 31, 2023 and 2022, individually assessed receivables amounted to $116,588 and $66,019, and loss allowances provided amounted to $60,765 and $60,570, respectively.

(ii). The Group used the consideration of forecastability of the Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of accounts receivable.

	December 31, 2023	December 31, 2022
Expected loss rate	0.03%	0.03%
Total book value	$ 251,287	$ 175,513
Loss allowance	$ 75	$ 53

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for receivables (including other receivables) are as follows:

	2023	2022
At January 1	$ 60,623	$ 49,073
Provision for impairment	217	9,229
Acquired from business combinations	-	2,321
At December 31	$ 60,840	$ 60,623

ix. The Group's financial assets at amortised cost were restricted bank deposits, and it had low credit risk. Thus, the Group measured the loss allowance based on 12-months expected credit losses, and there were no significant provisions for loss allowance.

(b) Liquidity risk

i. Group treasury executes cash flow forecasts and monitors rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. The remaining period of corporate bonds payable is expressed as the period between the balance sheet date and the redeemable date by holders.

December 31, 2023	Less than 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 55,669	$ 180,407	$ 461,004	$ 697,080
Bonds Payable	$ -	$ 856,375	$ -	$ 856,375
Long-term borrowings (including current portion)	$ 297,405	$ 478,906	$ 394,500	$ 1,170,811

December 31, 2022	Less than 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 43,137	$ 145,324	$ 331,268	$ 519,729
Long-term borrowings (including current portion)	$ 291,669	$ 580,904	$ 100,510	$ 973,083

The Group provided financial guarantee contracts to related parties. Refer to Note 7 for the relevant information.

Aside from those mentioned above, other non-derivative financial liabilities are to be settled within one year.

(1) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investments in emerging stocks with active market were included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's issuance of convertible bonds and derivative instruments are included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

(a) Except for those listed in the table below, as of December 31, 2023 and 2022, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, notes payable, accounts payable (including related parties) and other payables (including related parties)are approximate to their fair values:

	December 31, 2023			
		Fair Value		
	Book Value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 797,443	$ -	$ 807,181	$ -

(b) The methods and assumptions of fair value estimate are as follows:

Bonds payable: Regarding the convertible bonds issued by the Group, the fair value is estimated based on the expected cash flows using the present value and market rate.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets at December 31, 2023 and 2022 are as follows:

(a) The related information on the nature of the assets is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ 714,359	$ 714,359
Buyback of issuance of convertible corporate bonds	-	935	-	935
	$ -	$ 935	$ 714,359	$ 715,294

December 31, 2022	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 146,789	$ -	$ 541,305	$ 688,094

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Emerging stocks
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

v. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023	2022
	Equity instruments	Equity instruments
At January 1	$ 541,305	$ 216,122
Acquired during the year	47,528	427,840
Transfers out from level 3	-	(8,292)
Investment cost refund	-	(59,040)
Gains (losses) recognised in profit or loss	225,276	(1,398)
Sold during the year	(99,750)	(33,927)
At December 31	$ 714,359	$ 541,305

F. Treasury segment appoints external appraisers the valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

Treasury segment cooperatively set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS Accounting Standards.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 389,179	Market approach	Discount for lack of marketability	20%-25%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	252,618	Discounted cash flow	Weighted average cost of capital	6.13%-10.75%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	20%-30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	25,034	Asset-based approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	47,528	The latest transaction price	Not applicable	Not applicable	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 107,613	Discounted cash flow	Weighted average cost of capital	6.08%-11.54%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	25%-35%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	23,892	Asset-based approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	409,800	The latest transaction price	Not applicable	Not applicable	Not applicable

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 8,777	($ 8,777)

			December 31, 2022	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 1,797	($ 1,797)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Please refer to table 4.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to note6(2).

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: None.

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

(4) Major shareholders information

Major shareholders information: Please refer to table 9.

14. Operating segment information

(1) General information

A. Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

B. The Group's chief operating decision-maker operates and manages from an income type perspective.

(2) Measurement of segment information

The Group's chief operating decision-maker assesses the performance of the operating segments based on the operating income (loss).

(3) Information about segment profit or loss

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2023	Solar energy construction	Solar energy equipment trades	Energy storage construction	Electricity retailing	Others	Total
Segment revenue	$ 1,323,724	$ 196,142	$ 4,212,388	$ 344,122	$ 707,179	$ 6,783,555
Segment income (loss)	$ 281,647	$ 14,458	$ 810,174	$ 98,622	$ 67,399	$ 1,272,300

Year ended December 31, 2022	Solar energy construction	Solar energy equipment trades	Energy storage construction	Electricity retailing	Others	Total
Segment revenue	$ 4,703,039	$ 261,005	$ 740,976	$ 178,012	$ 417,730	$ 6,300,762
Segment income (loss)	$ 897,050	$ 17,872	$ 216,900	$ 80,604	$ 94,083	$ 1,306,509

(5) Reconciliation for segment income (loss)

A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations of the Group's reportable segment is provided as follows:

	Years ended December 31,	
	2023	2022
Reportable segments income/(loss)	$ 1,204,901	$ 1,212,426
Other segments income/(loss)	67,399	94,083
Total segments	1,272,300	1,306,509
Depreciation	(140,145)	(112,924)
Amortisation	(3,589)	(4,089)
Other	86,920	(532,698)
Income/(loss) before tax from continuing operations	$ 1,215,486	$ 656,798

(6) Information on products and services

Please refer to Note 6(20) for the related information.

(7) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 6,783,555	$ 4,285,726	$ 6,300,762	$ 1,897,222

(8) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 is as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Segment	Revenue	Segment
B	$ 3,596,254	Solar energy construction and others	$ 145,905	Solar energy construction and others
E	1,294,037	Solar energy construction and others	4,644,074	Solar energy construction and others
C	323,470	Solar energy construction and others	24,573	Solar energy construction and others

J&V ENERGY TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of J&V Energy Technology Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of J&V Energy Technology Co., Ltd. (the "Company") as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the

Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company’s 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company’s 2023 parent company only financial statements are stated as follows:

Recognition of construction revenue - determination of the stage of completion

Description

Refer to Note 4(27) for accounting policy on construction contracts, Note 5 for the uncertainty of critical judgement, accounting estimates and assumptions applied to construction contracts and Note 6(17) for details of contract assets and contract liabilities, which amounted to NT$587,217 thousand and NT$227,730 thousand, respectively, as of December 31, 2023.

The Company’s construction revenue and costs mainly arise from undertaking construction works. If the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured based on the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs of the construction contract. The estimated total costs are assessed by management based on the nature of the construction and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses.

As the estimate of total cost affects the stage of completion and the recognition of construction revenue, the complexity of aforementioned total cost usually involves subjective judgement and contains a high degree of uncertainty, we considered the determination of the stage of completion which is used as basis in the recognition of construction revenue as a key audit matter.

<u>How our audit addressed the matter</u>

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding of the nature of business and industry, and assessed the reasonableness of internal process applied to estimate total construction cost, including the basis for estimating the estimated total cost for construction contracts of the same nature.
B. Assessed and tested the internal controls used by management in recognising construction revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed during the year.
C. Selected samples and tested the subcontracts that have been assigned, and assessed

the basis and reasonableness of estimating costs for those that have not been assigned.

D. Performed substantive procedures relating to the year-end construction profit or loss statement, including sampling and verifying the costs incurred in the period with the appropriate evidence, and recalculating and confirming whether construction revenue calculated based on the stage of completion had been accounted for appropriately.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

A. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
B. 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 Company's internal control.

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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.

Lin, Ya-Hui	Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 5, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents		$ 588,910	9	$ 683,672	12
1110	Current financial assets at fair value through profit or loss	6(2)	935	-	-	-
1136	Current financial assets at amortised cost	6(3) and 8	492,505	8	910,880	16
1140	Current contract assets	6(17) and 7	587,217	9	1,321,220	23
1170	Accounts receivable, net	6(4) and 7	1,360,165	21	16,535	-
1200	Other receivables	6(5) and 7	194,307	3	15,489	-
130X	Inventories		200,452	3	115,902	2
1410	Prepayments	6(6)	126,139	2	647,245	11
1470	Other current assets		5,548	-	4,070	-
11XX	**Total current assets**		3,556,178	55	3,715,013	64
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2) and 8	714,359	11	688,094	12
1550	Investments accounted for using equity method	6(7) and 7	1,842,837	29	1,273,160	22
1600	Property, plant and equipment	6(8) and 7	24,455	-	24,569	-
1755	Right-of-use assets	6(9)	37,856	1	49,197	1
1780	Intangible assets		432	-	865	-
1840	Deferred tax assets	6(22)	171,758	3	92,376	1
1900	Other non-current assets	8 and 9	88,589	1	6,167	-
15XX	**Total non-current assets**		2,880,286	45	2,134,428	36
1XXX	**Total assets**		$ 6,436,464	100	$ 5,849,441	100

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10)	$ 260,000	4	$ 1,130,000	19
2130	Current contract liabilities	6(17), 7(3)	227,730	4	966,857	17
2170	Accounts payable	7	545,089	8	666,493	11
2200	Other payables		97,730	2	98,575	2
2230	Current tax liabilities		243,891	4	220,601	4
2280	Current lease liabilities		17,915	-	15,816	-
2300	Other current liabilities		4,988	-	3,869	-
21XX	**Total current liabilities**		1,397,343	22	3,102,211	53
	Non-current liabilities					
2530	Bonds payable	6(11)	797,443	12	-	-
2550	Provision for liabilities - non-current		11,004	-	11,004	-
2580	Non-current lease liabilities		21,441	-	35,028	-
2650	Credit balance of investments accounted for using equity method	6(7)	305,211	5	35,102	1
2670	Other non-current liabilities	6(17)	1,136	-	2,326	-
25XX	**Total non-current liabilities**		1,136,235	17	83,460	1
2XXX	**Total liabilities**		2,533,578	39	3,185,671	54
	Equity					
	Share capital	6(14)				
3110	Ordinary share		1,162,091	18	1,127,091	19
	Capital surplus	6(15)				
3200	Capital surplus		1,076,274	17	644,399	11
	Retained earnings	6(16)				
3310	Legal reserve		96,643	2	51,245	1
3350	Unappropriated retained earnings		1,567,878	24	841,035	15
3XXX	**Total equity**		3,902,886	61	2,663,770	46
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 6,436,464	100	$ 5,849,441	100

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

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars; except for earnings per share amount)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17) and 7	$ 7,086,262	100	$ 4,955,912	100
5000	Operating costs	7	(5,690,188)	(80)	(3,747,820)	(76)
5900	Gross profit		1,396,074	20	1,208,092	24
5910	Unrealized profit from sales		(378,798)	(5)	(247,541)	(5)
5920	Realized profit on from sales		16,714	-	-	-
5950	Gross profit from operations		1,033,990	15	960,551	19
	Operating expenses					
6100	Selling expenses		(56,078)	(1)	(34,840)	-
6200	Administrative expenses	7	(217,920)	(3)	(189,233)	(4)
6450	Impairment (loss) gain	12(2)	(381)	-	328	-
6000	Total operating expenses		(274,379)	(4)	(223,745)	(4)
6900	Operating income		759,611	11	736,806	15
	Non-operating income and expenses					
7100	Interest income	7	34,117	1	9,726	-
7010	Other income	6(18)	18,066	-	18,293	-
7020	Other gains and losses	6(19)	380,729	5	(148,009)	(3)
7050	Finance costs		(25,671)	-	(9,642)	-
7070	Share of profit of associates and joint ventures accounted for using equity method		18,069	-	1,981	-
7000	Total non-operating income and expenses		425,310	6	(127,651)	(3)
7900	**Profit before income tax**		1,184,921	17	609,155	12
7950	Income tax expense	6(22)	(171,355)	(3)	(155,182)	(3)
8200	**Profit**		$ 1,013,566	14	$ 453,973	9
	Other comprehensive income					
8300	**Other comprehensive income for the year**		$ -	-	$ -	-
8500	**Total comprehensive income for the year**		$ 1,013,566	14	$ 453,973	9
	Earnings per share (in dollars)	6(23)				
9750	Basic earnings per share		$	8.77	$	4.03
9850	Diluted earnings per share		$	8.71	$	4.02

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

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings		
	Notes	Ordinary share	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Total equity
Year ended December 31, 2022						
Balance at January 1		$ 1,127,091	$ 629,218	$ 30,908	$ 429,941	$ 2,217,158
Profit		-	-	-	453,973	453,973
Total comprehensive income		-	-	-	453,973	453,973
Appropriations of 2021 earnings:	6(16)					
Legal reserve		-	-	20,337	(20,337)	-
Cash dividends		-	-	-	(22,542)	(22,542)
Changes in equity of associates and joint ventures accounted for using equity method	6(15)	-	9,087	-	-	9,087
Changes in ownership interests in subsidiaries	6(15)	-	6,094	-	-	6,094
Balance at December 31		$ 1,127,091	$ 644,399	$ 51,245	$ 841,035	$ 2,663,770
Year ended December 31, 2023						
Balance at January 1		$ 1,127,091	$ 644,399	$ 51,245	$ 841,035	$ 2,663,770
Profit		-	-	-	1,013,566	1,013,566
Total comprehensive income		-	-	-	1,013,566	1,013,566
Appropriations of 2022 earnings:	6(16)					
Legal reserve		-	-	45,398	(45,398)	-
Cash dividends		-	-	-	(232,418)	(232,418)
Cash capital increase	6(14)(15)	35,000	301,000	-	-	336,000
Compensation cost of share-based payments	6(13)	-	2,721	-	-	2,721
Changes in equity of associates and joint ventures accounted for using equity method	6(15)	-	821	-	-	821
Changes in non-controlling interests	6(15)	-	90,167	-	(8,907)	81,260
Due to recognition of equity component of convertible bonds issued	6(11)(15)	-	37,166	-	-	37,166
Balance at December 31		$ 1,162,091	$ 1,076,274	$ 96,643	$ 1,567,878	$ 3,902,886

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

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,184,921	$ 609,155
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(20)	28,136	25,618
Amortisation	6(20)	533	437
(Gain) loss on financial assets at fair value through profit or loss, net	6(19)	(227,584)	132,596
Compensation cost of share-based payments	6(13)	2,721	-
Unrealized loss from sales		378,798	247,541
Realized gain from sales		(16,714)	-
Gain on disposal of investments	6(19)	(135,935)	(14,593)
Share of profit of associates and joint ventures accounted for using equity method		(18,069)	(1,981)
Interest income		(34,117)	(9,726)
Dividend income	6(18)	(4,440)	-
Interest expense		25,671	9,642
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		734,003	(603,024)
Accounts receivable, net		(1,343,630)	544,705
Other receivables		7,470	107,071
Inventories		(84,550)	(115,902)
Prepayments		520,694	(621,480)
Other current assets		(1,478)	(4,070)
Changes in operating liabilities			
Current contract liabilities		(739,126)	960,703
Accounts payable		(121,404)	(439,407)
Other payables		(569)	58,523
Other current liabilities		1,117	3,381
Provision for liabilities - non-current		-	11,004
Other non-current liabilities		(1,190)	(1,811)
Cash inflow generated from operations		155,258	898,382
Interest received		39,324	9,726
Dividends received		4,440	-
Interest paid		(25,671)	(9,119)
Income taxes paid		(227,035)	(39,217)
Net cash flows (used in) from operating activities		(53,684)	859,772

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		($ 47,528)	($ 427,840)
Proceeds from disposal of financial assets at fair value through profit or loss		249,017	175,806
Acquisition of financial assets at amortised cost		-	(880,880)
Proceeds from disposal of financial assets at amortised cost		418,375	-
Decrease in other receivables - related parties	7	-	49,000
Acquisition of investments accounted for using equity method		(692,513)	(486,284)
Proceeds from disposal of investments accounted for using equity method		59,688	-
Acquisition of property, plant and equipment	6(24)	(9,524)	(8,473)
Proceeds from disposal of property, plant and equipment		-	18
Acquisition of intangible assets		(100)	(774)
Increase in other non-current assets		(82,422)	(2,695)
Proceeds from disposal of non-current assets held for sale		-	74,155
Net cash flows used in investing activities		(105,007)	(1,507,967)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(25)	1,738,526	1,470,000
Decrease in short-term borrowings	6(25)	(2,608,526)	(420,000)
Payments of lease liabilities	6(25)	(17,278)	(15,236)
Cash dividends paid	6(16)	(232,418)	(22,542)
Proceeds from issuance of shares	6(14)	336,000	-
Distribution of retained earnings by subsidiaries		15,763	16,342
Convertible bonds	6(25)	831,862	-
Net cash flows from financing activities		63,929	1,028,564
Net (decrease) increase in cash and cash equivalents		(94,762)	380,369
Cash and cash equivalents at beginning of year		683,672	303,303
Cash and cash equivalents at end of year		$ 588,910	$ 683,672

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

J&V ENERGY TECHNOLOGY CO., LTD.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

J&V Energy Technology Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on February 15, 2016 and was listed on the Taiwan Innovation Board on March 14, 2023. The Company is primarily engaged in energy technology services and construction services, etc. As of December 31, 2023, the Company's paid-in capital was $1,162,091.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These financial statements were authorised for issuance by the Board of Directors on March 5, 2024.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The financial statements of the Company have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for financial assets at fair value through profit or loss, the financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in New Taiwan dollars, which is the Company's functional and the Company's presentation currency.

Foreign currency transactions and balances

A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

D. All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(6) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

(7) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Impairment of financial assets

For financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(9) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(10) Leasing arrangements (lessor)－operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the specific identification and the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

(12) Investments accounted for using equity method

A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Unrealised gains or losses on transactions between the Company and subsidiaries have been eliminated. The accounting policies of the subsidiaries are consistent with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise the losses in proportion to the ownership.

D. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value and used as the fair value of the originally recognized financial asset or the cost of the originally recognized investment in an affiliated enterprise or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

F. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

G. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

H. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

I. In case an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then "capital surplus" and "investments accounted for under the equity method" shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

J. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.

K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

L. Pursuant to the Rules Governing the Preparation of Financial Statements by Securities Issuers, profit (loss) and other comprehensive income of the current period in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(13) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Computers and other equipment: 3~5 years

Leasehold improvements: 2~5 years

Office equipment:2~5 years

(14) Leasing arrangements (lessee)－right-of-use assets/lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable;

(b) Variable lease payments that depend on an index or a rate;

(c) Amounts expected to be payable by the lessee under residual value guarantees;

(d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

(e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(15) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(16) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(17) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(18) Accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services.

B. The short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Convertible bonds payable

Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares) and call options. The Company classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus—share options'.

(19) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(20) Provisions

Provisions (which are warranties, decommissioning, etc.) are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions - defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(22) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(24) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company’s financial statements in the period in which they are resolved by the Company’s shareholders. Cash dividends are recorded as liabilities.

(26) Revenue recognition

A. Revenue from power generation and electricity retailing

The Group provides energy technology, power generation services and electricity retailing and is primarily engaged in holding, managing, maintaining and operating solar power plants. The Group derives electricity revenue from the transmission and distribution of electricity to Taiwan Power Company and enterprise customers. Operating revenue is measured at the fair value of the consideration received or receivable taking into account of business tax for the services provided to external customers in the ordinary course of the Group's activities. Operating revenue is recognised when the Group has provided the goods to the customer, the amount can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity.

B. Service revenue

(a) Revenue from providing services is recognised in the accounting period in which the services are rendered.

(b) For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the completion of each stage of a construction, including the acquisition of the letter of consent or work permit from Bureau of Energy, Ministry of Economic Affairs, or related competent authorities, commencement of a solar site construction and acquisition of the letter of trial operations for grid interconnection from Taiwan Power Company or electricity enterprise licenses. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

C. Construction revenue

(a) The Company undertakes and outsources construction project such as solar power generation system. As the costs incurred for construction directly relate to the stage of completion of performance obligation, the Company recognises revenue on the basis of costs incurred relative to the total expected costs of that performance obligation.

(b) The contract assets are recognised based on the proportion of costs incurred for construction over time. Contract assets are reclassified to accounts receivable at the point at which invoices have been billed to customers on a monthly basis and at the amount to which the Company has the right to invoice. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

D. Sales revenue

(a) The Company sells parts of solar power system and renewable energy fuels. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract. The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(b) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company took into consideration the economic impact of COVID-19 epidemic into the critical accounting estimates and will continue evaluate the impact on financial position and financial performance. The related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

The Company has no accounting policy which involves significant judgement and has material impact on the recognition amount.

(2) Critical accounting estimates and assumptions

The Company's construction revenue is recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. Contract costs are expensed as incurred. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed to date to the estimated total costs for the contract.

As the estimated total costs and contract items are assessed and determined by the management based on different nature of constructions, estimated subcontract charges and material and labour expenses, etc., any changes in estimates might affect the calculation of profit or loss from construction contracts.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Petty cash	$ 43	$ 7
Demand deposits and checking accounts	588,867	683,665
	$ 588,910	$ 683,672

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Cash that was restricted because of being used as collateral for bank loan facilities has been classified as "Financial assets at amortised cost". Refer to Note 6(3) for details.

(2) Financial assets at fair value through profit or loss – Non-current

	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Call options of convertible bonds	$ 935	$ -
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Emerging stocks	$ 89,400	$ 198,542
Unlisted stocks	469,932	450,903
Valuation adjustment	155,027	38,649
	$ 714,359	$ 688,094

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2023	2022
Financial assets mandatorily measured at fair value through profit or loss		
Call options of convertible bonds	($ 170)	$ -
Equity instruments	227,754	(132,596)
	$ 227,584	($ 132,596)

B. Details of the Company's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at amortised cost

	December 31, 2023	December 31, 2022
Bank deposits	$ 492,505	$ 910,880

A. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Company was the carrying amount.

B. Details of the Company's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(4) Accounts receivable, net (including related parties)

	December 31, 2023	December 31, 2022
Accounts receivable	$ 6,930	$ 2,386
Less: Allowance for uncollectible accounts	(2)	(1)
	$ 6,928	$ 2,385
Accounts receivable due from related parties	$ 1,353,643	$ 14,176
Less: Allowance for uncollectible accounts	(406)	(26)
	$ 1,353,237	$ 14,150

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	Accounts receivable	
	December 31, 2023	December 31, 2022
Not past due	$ 1,360,573	$ 16,562

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to $561,595.

C. The Company had no accounts receivable discounted or pledged as collateral.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents accounts receivable held by the Company was the carrying amount.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Other receivables (including related parties)

	December 31, 2023	December 31, 2022
Receivables from disposal of investments (Note)	$ 117,840	$ 6,752
Dividends receivable	73,655	-
Others	2,812	8,737
	$ 194,307	$ 15,489

Note：Details of receivables on disposal of investments as of December 31, 2023 are provided in Note 6(7).

(6) Prepayments

	December 31, 2023	December 31, 2022
Excess business tax paid	$ 73,605	$ -
Prepayments to suppliers	29,919	566,030
Prepayments for service fees	7,160	338
Prepayments for constructions	6,679	2,824
Prepayments for project development expenses	120	72,000
Others	8,656	6,053
	$ 126,139	$ 647,245

(7) Investments accounted for using equity method

	December 31, 2023	December 31, 2022
Subsidiaries		
TPE ENERGY INC.	$ 296,083	$ 324,033
WEISHENG ENVIROTECH CO., LTD.	294,549	167,102
Jin Cheng Energy Co., Ltd.	257,056	298,087
Storm Power Co., Ltd.	(260,051)	6,406
Chen Yu Energy Co., Ltd.	155,320	154,442
XU XIAO POWER CO., LTD.	75,379	74,610
Others	334,493	233,086
Associates		
Greenhealth Water Resources Co., Ltd.	343,391	-
Liangwei Power Co., Ltd	81,026	-
FU BAO YI HAO ENERGY CO., LTD.	(45,160)	(35,102)
Others	5,540	15,394
	1,537,626	1,238,058
Credit balance of investments accounted for using equity method	305,211	35,102
	$ 1,842,837	$ 1,273,160

A. Subsidiaries

Refer to Note 4(3) in the 2023 consolidated financial statements for the information regarding the Company's subsidiaries.

B. Associates

(a) On December 31, 2023 and 2022, all of the Company's associates did not reach 5% of total assets, and thus the Company had no significant associates.

(b) The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarised below:

For the years ended December 31, 2023 and 2022, the total loss of the Company's individual insignificant associates (that is, total comprehensive income) amounted to $83,011 and ($267,611), respectively.

(c) In June 2022, the Board of Directors of the Company resolved to sign an equity interest trading contract with Taiya Renewable Energy Co., Ltd. (Taiya) whereby the Company will sell all its equity interest in Taiwan Huanfeng Holdings Co., Ltd. (Taiwan Huanfeng). The registration of the change was completed on June 20, 2022, and the equity interest was transferred to and presented as "non-current assets held for sale, net". However, the consideration will only be received once certain milestones are achieved, as follows: (1) first installment - upon signing of the equity interest trading contract by the Company and Taiya; (2) second installment - upon completion of transaction with the third party (if the transaction with the third party is not completed, the equity interest trading contract will be terminated and the first installment will be returned); (3) third installment - upon signing of the administrative contract by Taiwan Huanfeng and Ministry of Economic Affairs; (4) fourth installment - upon approval of Taiwan Huanfeng's financing for the wind farm project; and (5) fifth installment - upon completion of the grid interconnection of Taiwan Huanfeng's wind farm is completed. As of December 31, 2023 and 2022, the credit terms of the third and the second installment had been met, respectively, and the Company recognised gains on disposals of investments in the amount of $117,840 and $14,593 for the years ended December 31, 2023 and 2022, respectively. Details are provided in Note 6.

(8) Property, plant and equipment

	Computer equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2023						
Cost	$ 12,767	$ 5,347	$ 22,514	$ 1,450	$ -	$ 42,078
Accumulated depreciation	(7,588)	(1,862)	(7,877)	(182)	-	(17,509)
	$ 5,179	$ 3,485	$ 14,637	$ 1,268	$ -	$ 24,569
2023						
Opening net book amount as at January 1	$ 5,179	$ 3,485	$ 14,637	$ 1,268	$ -	$ 24,569
Additions	1,705	181	1,268	919	6,815	10,888
Depreciation expense	(4,303)	(1,171)	(5,159)	(369)	-	(11,002)
Closing net book amount as at December 31	$ 2,581	$ 2,495	$ 10,746	$ 1,818	$ 6,815	$ 24,455
At December 31, 2023						
Cost	$ 4,581	$ 5,528	$ 23,382	$ 2,369	$ 6,815	$ 42,675
Accumulated depreciation	(2,000)	(3,033)	(12,636)	(551)	-	(18,220)
	$ 2,581	$ 2,495	$ 10,746	$ 1,818	$ 6,815	$ 24,455

	Computer equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2022						
Cost	$ 11,479	$ 3,460	$ 14,097	$ 106	$ 7,411	$ 36,553
Accumulated depreciation	(3,796)	(741)	(2,981)	(35)	-	(7,553)
	$ 7,683	$ 2,719	$ 11,116	$ 71	$ 7,411	$ 29,000
2022						
Opening net book amount as at January 1	$ 7,683	$ 2,719	$ 11,116	$ 71	$ 7,411	$ 29,000
Additions	1,565	88	2,805	1,391	-	5,849
Disposals	(18)	-	-	-	-	(18)
Transfers	-	1,800	5,611	-	(7,411)	-
Depreciation expense	(4,051)	(1,122)	(4,895)	(194)	-	(10,262)
Closing net book amount as at December 31	$ 5,179	$ 3,485	$ 14,637	$ 1,268	$ -	$ 24,569
At December 31, 2022						
Cost	$ 12,767	$ 5,347	$ 22,514	$ 1,450	$ -	$ 42,078
Accumulated depreciation	(7,588)	(1,862)	(7,877)	(182)	-	(17,509)
	$ 5,179	$ 3,485	$ 14,637	$ 1,268	$ -	$ 24,569

(9) Leasing arrangements－lessee

A. The Company leases various assets including buildings. Rental contracts are typically made for periods of 3 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise certain offices, parking spaces.

C. The carrying amount of right-of-use assets and the depreciation expense are as follows:

	December 31, 2023	December 31, 2022
	Carrying amount	Carrying amount
Buildings	$ 33,645	$ 46,772
Others	4,211	2,425
	$ 37,856	$ 49,197

	Year ended December 31,	
	2023	2022
	Depreciation expense	Depreciation expense
Buildings	$ 15,203	$ 14,423
Others	1,931	933
	$ 17,134	$ 15,356

D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $6,057 and $3,709, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31,	
	2023	2022
Items affecting profit or loss		
Interest expense on lease liabilities	$ 943	$ 1,142
Expense on short-term lease contracts	7,505	7,092
Gains arising from lease settlement	(3)	-

F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were $26,062 and $23,505, respectively.

(10) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 190,000	2.25%~3.04%	None
Secured borrowings	70,000	2.256%	Bank deposits
	$ 260,000		

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 60,000	2.125%	None
Secured borrowings	1,070,000	1.69%~2.83%	Bank deposits
	$ 1,130,000		

Refer to Note 8 for details of the Company's collateral pledged for short-term borrowings.

(11) Bonds payable

	December 31, 2023
Bonds payable	$ 856,375
Less: Discount on bonds payable	(58,932)
	$ 797,443

There were no bonds payable as of December 31, 2022.

A. The issuance of domestic convertible bonds by the Company

The terms of the first domestic unsecured convertible bonds issued by the Company are as follows:

(a) The Company issued $850,000, 0% first domestic secured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (November 28, 2023 ~ November 28, 2026) and will be redeemed in cash at face value of 100.75% (yield to maturity annual rate of 0.25%) at the maturity date. The bonds were listed on the Taipei Exchange on November 28, 2023.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (February 29, 2024) to the maturity date (November 28, 2026), except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. The conversion price of the convertible bonds is NT$89.9 (in dollars) per share.

(d) The Company may repurchase all the bonds outstanding in cash at the bonds' face value in accordance with the terms of the bonds after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% (including 30%) for 30 consecutive trading days during the period from the date after three months of the bonds issue (February 29, 2024) to 40 days before the maturity date (October 18, 2026), or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue (February 29, 2024) to 40 days before the maturity date (October 18, 2026).

(e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

B. Regarding the issuance of the first convertible bonds, the equity conversion options amounting to $37,166 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation was 2.4754%.

(12) Pensions

The Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

The pension costs under the defined contribution pension plans of the Company for the years ended December 31, 2023 and 2022 were $4,217 and $3,429, respectively.

(13) Share-based payment

A. For the year ended December 31, 2022, the Company had no share-based payment arrangements.

For the year ended December 31, 2023, the Company’s share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Contract period	Vesting conditions
Cash capital increase reserved for employee preemption	2023.2.18	260	-	Vested immediately

The above share-based payment arrangements are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2023	
	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	260	96
Options exercised	(223)	96
Options expired	(37)	96
Options outstanding at December 31	-	-
Options exercisable at December 31	-	-

C. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model . Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (years)	Expected dividends rates	Risk-free interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption	2023.2.18	$ 106	$ 96	28.29%	0.05	-	0.97%	$10.2206

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

D. For the year ended December 31, 2023, the Company had compensation costs due to the recognition of share-based payments transactions (equity-settled) in the amount of $2,721 .

(14) Share capital

A. As of December 31, 2023, the Company's authorised capital and the paid-in capital were $2,000,000 and $1,162,091, respectively, with a par value of NT$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2023	2022
	Shares (in thousands)	Shares (in thousands)
At January 1	112,709	112,709
Cash capital increase (including cash capital increase reserved for employees)	3,500	-
At December 31	116,209	112,709

B. The Board of Directors during its meeting on December 27, 2022 adopted a resolution to increase capital by issuing up to 3,500 thousand ordinary shares with the effective date set on March 10, 2023. The subscription price was NT$10 (in dollars) per share. The effective date was set on April 13, 2023, and the registration of change had been completed.

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2023					
	Share premium	Options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1	$ 628,780	$ 438	$ 6,094	$ -	$ 9,087	$ 644,399
Cash capital increase	301,000	-	-	-	-	301,000
Capital surplus-share options due to issuance of convertible bonds	-	37,166	-	-	-	37,166
Share-based payments	-	2,657	-	64	-	2,721
Transactions with non-controlling interest	-	-	(6,094)	96,261	-	90,167
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	-	-	821	821
At December 31	$ 929,780	$ 40,261	$ -	$ 96,325	$ 9,908	$1,076,274

	2022				
	Share premium	Options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Net change in equity of associates	Total
At January 1	$ 628,780	$ 438	$ -	$ -	$ 629,218
Transactions with non-controlling interest	-	-	6,094	-	6,094
Recognition of change in equity of associates in proportion to the Group’s ownership	-	-	-	9,087	9,087
At December 31	$ 628,780	$ 438	$ 6,094	$ 9,087	$ 644,399

(16) Retained earnings

A. Under the Company’s Articles of Incorporation, the current year’s earnings, if any, shall first be used to pay all taxes and offset prior years’ operating losses, and then 10% of the remaining amount shall be set aside as legal reserve. After setting aside or reversing a special reserve in accordance with related laws, the appropriation of the remaining earnings, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and resolved by the shareholders as dividends and bonuses to shareholders.

B. The Company’s dividend distribution policy aligns with the current and future development plan by taking into consideration factors such as investment environment, capital requirements, domestic competition, along with the consideration of shareholders' interests. Each year, the total dividend must not be less than 10% of current distributable earnings. The dividends can be distributed in forms of cash or shares, among which the cash dividend must not be less than 10% of the appropriated dividend. However, when the Company has significant investment plans and could not obtain the capital to support its plans, the Company could distribute no cash dividends as proposed by the Board of Directors and resolved by the shareholders.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. On May 30 , 2023, the stockholders resolved the distribution of dividends from the 2022 earnings in the amount of $232,418 at NT$2 (in dollars) per share.

E. On March 5 , 2024, the Board of Directors proposed for the distribution of dividends from the 2023 earnings in the amount of $709,497 at NT$6.11 (in dollars) per share.

(17) Operating revenue

	Year ended December 31,	
	2023	2022
Revenue from contracts with customers		
Construction revenue	$ 5,613,113	$ 4,864,809
Service revenue	134,310	84,250
Sales revenue	1,338,839	6,853
	$ 7,086,262	$ 4,955,912

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time as follows:

Year ended December 31, 2023	Sales revenue	Construction revenue	Service revenue	Total
Revenue from external customer contracts	$ 1,338,839	$ 5,613,113	$ 134,310	$ 7,086,262
Timing of revenue recognition				
Over time	$ -	$ 5,613,113	$ 134,310	$ 5,747,423
At a point in time	1,338,839	-	-	1,338,839
	$ 1,338,839	$ 5,613,113	$ 134,310	$ 7,086,262

Year ended December 31, 2022	Sales revenue	Construction revenue	Service revenue	Total
Revenue from external customer contracts	$ 6,853	$ 4,864,809	$ 6,853	$ 4,878,515
Timing of revenue recognition				
Over time	$ -	$ 4,864,809	$ 6,853	$ 4,871,662
At a point in time	6,853	-	-	6,853
	$ 6,853	$ 4,864,809	$ 6,853	$ 4,878,515

B. Unfulfilled construction contracts

Aggregate amount of the transaction price and the year expected to recognise revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of December 31, 2023 and 2022 are as follows:

	Year expected to recognise revenue	Contracted amount
December 31, 2023	2024-2025	$ 1,855,451
December 31, 2022	2023-2024	$ 5,810,722

C. Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities:

	December 31, 2023	December 31, 2022
Contract assets	$ 587,217	$ 1,321,220
Contract liabilities (including shown as other non-current liabilities	$ 227,730	$ 967,993

(18) Other income

	Year ended December 31,	
	2023	2022
Rent income	$ 13,035	$ 13,115
Dividend income	4,440	-
Others	591	5,178
	$ 18,066	$ 18,293

(19) Other gains and losses

	Year ended December 31,	
	2023	2022
Gains (losses) on financial assets at fair value through profit or loss	$ 227,584	($ 132,596)
Foreign exchange losses	17,207	(30,006)
Gains on disposals of investments	135,935	14,593
Others	3	-
	$ 380,729	($ 148,009)

(20) Expenses by nature

	Year ended December 31,	
	2023	2022
Employee benefit expense	$ 180,137	$ 138,126
Depreciation expense	28,136	25,618
Amortisation expense	533	437
	$ 208,806	$ 164,181

(21) Employee benefit expense

	Year ended December 31,	
	2023	2022
Wages and salaries	$ 146,044	$ 110,737
Labour and health insurance fees	8,459	7,278
Pension costs	4,217	3,429
Other personnel expenses	21,417	16,682
	$ 180,137	$ 138,126

A. According to the Articles of Incorporation of the Company, the current year's earnings, if any, shall be distributed in a ratio no less than 1% as employees' compensation in the form of shares or cash as resolved by the Board of Directors. Qualification requirements of employees include the employees of subsidiaries of the Company meeting certain specific requirements. The Company shall distribute directors' remuneration in a ratio no more than 3% of the total distributable amount as resolved by the Board of Directors. The appropriation of employees' compensation and directors' remuneration shall be submitted to the shareholders' meeting. If the Company has an accumulated deficit, earnings should be reserved to cover deficit.

B. For the years ended December 31, 2023 and 2022, employees' compensation were accrued at $12,570 and $10,610, respectively; while directors' remuneration were accrued at $7,228 and $6,238, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 1.04 % and 0.6 % of distributable profit of current year for the year ended December 31, 2023, respectively. The employees' compensation and directors' remuneration resolved by the Board of Directors were $12,570 and $7,228, respectively, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' remuneration for 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(22) Income tax

A. Components of income tax expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Current tax:		
Current tax on profits for the year	$ 231,573	$ 212,576
Prior year income tax underestimation	10,356	10,647
Tax on undistributed surplus earnings	8,808	8,025
Total current tax	250,737	231,248
Deferred tax:		
Origination and reversal of temporary differences	(79,382)	(76,066)
Income tax expense	$ 171,355	$ 155,182

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2023	Year ended December 31, 2022
Tax expenses calculated based on profit before tax and statutory tax rate	$ 236,984	$ 121,831
Prior year income tax underestimation	10,356	10,647
Tax on undistributed surplus earnings	8,808	8,025
Expenses disallowed by tax regulation	27	1,425
Tax exempt (income) loss by tax regulation	(85,187)	21,250
Change in assessment of realisation of deferred tax assets (liabilities)	367	(7,996)
Income tax expense	$ 171,355	$ 155,182

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2023		
	January 1	Recognised in profit or loss	December 31
Deferred tax assets:			
Temporary differences:			
Loss on investments accounted for using equity method	$ 20,515	$ 10,891	$ 31,406
Unrealised gross profit from sales	62,490	72,417	134,907
Others	9,371	(3,926)	5,445
	$ 92,376	$ 79,382	$ 171,758

	2022		
	January 1	Recognised in profit or loss	December 31
Deferred tax assets:			
Temporary differences:			
Loss on investments accounted for using equity method	$ 3,009	$ 17,506	$ 20,515
Unrealised gross profit from sales	12,982	49,508	62,490
Others	319	9,052	9,371
	$ 16,310	$ 76,066	$ 92,376

D. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority.

(23) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 1,013,566	115,557	$ 8.77
Diluted earnings per share			
Profit attributable to the parent	$ 1,013,566	115,557	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	133	
Convertible bonds	1,642	881	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,015,208	116,571	$ 8.71

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 453,973	112,709	$ 4.03
Diluted earnings per share			
Profit attributable to the parent	$ 453,973	112,709	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	137	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 453,973	112,846	$ 4.02

(24) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31,	
	2023	2022
Purchase of property, plant and equipment	$ 10,888	$ 5,849
Add: Opening balance of payable on equipment (including related parties)	-	2,624
Less: Ending balance of payable on equipment (including related parties)	(1,364)	-
Cash paid during the year	$ 9,524	$ 8,473

(25) Changes in liabilities from financing activities

	2023			
	Short-term borrowings	Lease liabilities	Bonds payable	Liabilities from financing activities-gross
At January 1	$ 1,130,000	$ 50,844	$ -	$ 1,180,844
Changes in cash flow from financing activities	(870,000)	(17,278)	831,862	(55,416)
Share options arising from convertible bonds	-	-	(37,166)	(37,166)
Interest expense paid	-	(943)	1,642	699
Changes in other non-cash items	-	6,733	1,105	7,838
At December 31	$ 260,000	$ 39,356	$ 797,443	$ 1,096,799

	2022		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 80,000	$ 62,371	$ 142,371
Changes in cash flow from financing activities	1,050,000	(15,236)	1,034,764
Interest expense paid	-	(1,142)	(1,142)
Changes in other non-cash items	-	4,851	4,851
At December 31	$ 1,130,000	$ 50,844	$ 1,180,844

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Jin Cheng Energy Co., Ltd. (Jin Cheng)	Subsidiary
Chen Yu Energy Co., Ltd. (Chen Yu)	Subsidiary
FU DI ENERGY CO., LTD. (FU DI)	Subsidiary
KUANG TING ENERGY CO., LTD. (KUANG TING)	Subsidiary
YUN YI ENERGY CO., LTD. (YUN YI)	Subsidiary
XU XIAO POWER CO., LTD. (XU XIAO)	Subsidiary
J&M Power Development Co., Ltd. (J&M Power)	Subsidiary
Phanta Energy Inc. (Phanta)	Subsidiary
Formosa Biomass Co., Ltd. (Formosa Biomass)	Subsidiary
Xiang Guang Energy Co., Ltd. (Xiang Guang)	Subsidiary
Guang Liang Energy Co., Ltd. (Guang Liang)	Subsidiary
Zhu Ri Energy Co., Ltd. (Zhu Ri)	Subsidiary
GREENET CO., LTD. (GREENET)	Subsidiary
TPE ENERGY INC. (TPE)	Subsidiary
Chuang Jie Energy Co., Ltd. (Chuang Jie)	Subsidiary
Chuang Da Energy Co., Ltd. (Chuang Da)	Subsidiary (until March 15, 2023)
Tai Wei Energy Co., Ltd. (Tai Wei)	Subsidiary (until March 15, 2023)
Rui Neng Energy Co., Ltd. (Rui Neng)	Subsidiary
WEISHENG ENVIROTECH CO., LTD.	Subsidiary
Skynergy Co., Ltd. (Skynergy)	Subsidiary
Storm Power Co., Ltd. (Storm)	Subsidiary
Zhong Neng Energy Co., Ltd. (Zhong Neng)	Subsidiary
Jin Jie Energy Co., Ltd. (Jin Jie)	Subsidiary
Jin Hong Energy Co., Ltd. (Jin Hong)	Subsidiary
Tian Chuang Energy Co., Ltd. (Tian Chuang)	Subsidiary
Yong Ze Energy Co., Ltd. (Yong Ze)	Subsidiary
Guang Hui Energy Co., Ltd. (Guang Hui)	Subsidiary

Names of related parties	Relationship with the Company
Taiwan Huanfeng Holdings Co., Ltd. (Taiwan	Associate (Note 1)
FU BAO YI HAO ENERGY CO., LTD. (FU BAO)	Associate
Enfinite Capital Taiwan Solar I Co. Ltd. (Enfinite)	Associate
Winball Sport Culture and Education Co., Ltd.	Associate
Revo Power CO., LTD. (Revo Power)	Associate
Ririwang Renewable Energy Co., Ltd.	Associate (from September 5, 2023)
Xuwang Green Energy Co., Ltd.	Associate (from March 1, 2023)
Green Forever Co., Ltd. (Green Forever)	Associate (until December 2, 2023) (Note 2)
Qi Yi Venture Investment Co., Ltd. (Qi Yi)	Other related party
Yong Jing Construction Co., Ltd. (Yong Jing)	Other related party
BAO YUAN INVESTMENT CO., LTD. (BAO	Other related party
BAO LIN INVESTMENT CO., LTD. (BAO LIN)	Other related party
MF Design Co., Ltd. (MF)	Other related party
Muzhao Sanyuan International Co., Ltd.	Other related party
CountryEDU Charity Foundation (EDU)	Other related party
ASIA ENERGY DEVELOPMENT CO., LTD. (ASIA ENERGY)	Other related party
Tan Yu Xuan	Other related party
YU GUANG ENERGY CO., LTD. (YU GUANG)	Other related party (it was a subsidiary before February 22, 2023)
MU GUANG ENERGY CO., LTD. (MU GUANG)	Other related party (until July 22, 2022) (Note 3)
Collins Co., Ltd. (Collins)	The Company’s key management

Note 1: In September 2022, all the equity interest in this company had been disposed, and this company was no longer a related party. Refer to Note 6(7) for information in relation to equity interest transactions.

Note 2: The Company and Green Forever had the same chairman before December 1, 2022 but did not have the same chairman after December 2, 2022. Thus, it was not a related party.

Note 3: The Company and MU GUANG had the same chairman before July 21, 2022 but did not have the same chairman after July 22, 2022. Thus, it was not a related party.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Service revenue:		
Subsidiary		
Jin Cheng	$ 17,019	$ 13,888
Other	24,184	19,361
Associates		
Enfinite	75,491	24,616
Other	553	1,215
Other related parties	1,275	696
	$ 118,522	$ 59,776

	Year ended December 31, 2023	Year ended December 31, 2022
Construction revenue:		
Subsidiary	$ 609,317	97,142
Associates		
Enfinite	880,380	4,619,458
Other	59,428	-
The Company's key management	6,032	-
	$ 1,555,157	$ 4,716,600
Sales revenue:		
Subsidiary		
Storm power	$ 1,333,251	$ -

(a) The Company entered into a service contract with related parties who appointed the Company to provide business development and overall administrative and resource services, and the contract price was based on mutual agreement.

(b) The payments for construction contracted to the Company by related parties were determined according to the construction budget plus reasonable profit, and the Company collected the payments according to the contract's terms. Furthermore, the transaction price and terms were equivalent to general customers or market price.

(c) The Company entered into a sales contract of energy storage system equipment with related parties. The transaction price and terms were equivalent to general customers or market price.

B. Operating costs

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 51,512	$ -

The Company entered into a construction contract in relation to energy management system with subsidiaries and commissioned the above companies to provide the system integration and the construction services for the construction of energy storage communication external line assembly. The transaction terms were available to non-related parties.

C. Operating expenses - donation

	Year ended December 31,	
	2023	2022
Associate	$ 10,000	$ -
Other related parties	5,000	5,020
	$ 15,000	$ 5,020

D. Receivables from related parties

	December 31, 2023	December 31, 2022
Accounts receivable:		
Subsidiary		
Storm	$ 1,333,266	$ -
Jin Cheng	-	9,678
Others	8,674	3,880
Associates	11,333	609
Other related parties	370	9
	1,353,643	14,176
Less: Allowance for uncollectible accounts	(406)	(26)
	$ 1,353,237	$ 14,150

	December 31, 2023	December 31, 2022
Other receivables- cash dividends:		
Subsidiary		
TPE	$ 73,655	$ -

Receivables from related parties mainly arose from construction, services, sales and dividend revenue. The above receivables are unsecured in nature and bear no interest.

E. Contract assets

	December 31, 2023	December 31, 2022
Contract assets:		
Subsidiary		
Storm	$ 281,011	$ -
Chen Yu	-	20,764
Others	49,307	-
Associates		
Enfinite	-	1,285,168
Others	48,910	-
	$ 379,228	$ 1,305,932

The above represents payments for construction contracted to the Company by the related party and was recognised based on the proportion of cost incurred for construction over time, and it had not been the contracted billing timing.

F. Contract liabilities

	December 31, 2023	December 31, 2022
Subsidiary	$ -	$ 2,225
Associates		
Enfinite	195,447	6,154
The Company's key management	87	999
	$ 195,534	$ 9,378

The above pertains to proceeds received for construction contracted to the Company from related parties and proceeds received from administrative and support services provided to related parties, which was recognised based on the proportion of costs incurred for construction and the services provided over time, respectively. The Company has not fulfilled its performance obligations.

G. Payables to related parties

	December 31, 2023	December 31, 2022
Accounts payable		
Subsidiary		
TPE	$ 51,512	$ -

The payables to related parties arise mainly from the system integration and construction services provided by related parties. The payables bear no interest.

H. Property transactions

(a) Acquisition of property, plant and equipment

The Company had no acquisition of property, plant and equipment for the year ended December 31, 2023.

	Year ended December 31
	2022
Other related parties - BAO YUAN	$ 1,300

(b) Acquisition of financial assets

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2023 Consideration	
Subsidiary					
TPE	Investments accounted for using the equity	1,415	Common Stock	$	36,790
WEISHENG	"	3,293	"		32,928
Skynergy	"	3,000	"		30,000
Storm	"	2,500	"		25,000
Zhu Ri	"	2,000	"		20,000
Others	"	-	"		15,000
Associates	Investments accounted for using the equity	400	Common Stock		10,000
				$	169,718

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2022 Consideration	
Subsidiary					
WEISHENG	Investments accounted for using the equity	8,857	Common Stock	$	88,571
Skynergy	"	5,500	"		55,000
Chen Yu	"	5,000	"		50,000
Others	"	-	"		129,157
Associates					
Taiwan Huanfeng	Investments accounted for using the equity	9,000	Common Stock		90,000
FU BAO	"	6,356	"		63,556
Others	"	-	"		18,292
				$	494,576

(c) Disposal of financial assets

	Year ended December 31, 2023				
	Accounts	No. of shares (in thousands)	Objects	Proceeds	Gain
Key management -Collins	Investments accounted for using the equity method	4,368	Common Stock	$ 48,035	$ 6,982

I. Loans to /from related parties:

Interest income

	Year ended December 31,	
	2023	2022
Subsidiary	$ 68	$ 1,403

There were no loans to related parties for the year ended December 31, 2023. As of December 31, 2022, the loans to related parties had been collected. The condition of lending to related parties is to repay within one year after the loan is made, and the interest for the year ended December 31, 2022 is charged at an annual rate of 2.366%.

J. Endorsements and guarantees provided to related parties

	Year ended December 31,			
	2023		2022	
	Contract guaranteed amount	Amount of borrowing	Contract guaranteed amount	Amount of borrowing
Subsidiary				
Jin Cheng	$ 884,426	$ 598,076	$ 528,324	$ 240,939
Chen Yu	363,680	290,472	346,162	314,445
FU DI	275,104	82,438	275,104	88,022
XU XIAO	96,000	76,000	96,000	82,000
GREENET	143,263	130,366	143,263	137,334
Skynergy	-	-	30,000	30,000
WEISHENG	1,050,650	330,836	411,440	258,973
YU GUANG	-	-	146,800	117,400
TPE	80,000	-	579,930	154,963
Zhu Ri	853,292	853,291	-	-
Yong Ze	137,275	137,275	-	-
Guang Liang	61,000	61,000	-	-
	$ 3,944,690	$ 2,559,754	$ 2,557,023	$ 1,424,076

The Company's endorsement guarantee is a joint guarantee of the bank loan and the lease contract. The lease contract guarantee still needs to consider the actual payment of the lease payment.

(3) Key management compensation

	Year ended December 31,	
	2023	2022
Short-term employee benefits	$ 65,229	$ 44,982
Post-employment benefits	1,030	829
	$ 66,259	$ 45,811

8. Pledged Assets

The Company's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Nature of collateral
Stock (shown as "Non-current financial assets at fair value through profit or loss")	$ 195,878	$ 3,000	Secured letter of credit, Others (Note)
Bank Deposits (shown as "financial assets at amortised cost")	492,505	910,880	Guarantee of Bank Facility
Other financial assets (shown as "other non-current assets")	10,966	1,000	Performance guarantees for constructions
	$ 699,349	$ 914,880	

Note: Due to joint venture, all shareholders provide endorsements/guarantees based on the proportion to its ownership.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

As of December 31, 2023 and 2022, the commercial papers for performance guarantee issued by the Company due to contracted constructions and electricity distribution amounted to $1,299,287 and $690,075, respectively.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2023	December 31, 2022
Equipment procurement contract	$ 661,577	$ 400,589
Development service and construction contract	$ 850,962	$ 5,191,950

B. The amounts of the Company's issued but not yet used letters of credit for construction undertaking purchases are as follows:

	December 31, 2023	December 31, 2022
Letters of credit issued but not used	$ 243,616	$ 1,771,483

C. The Company undertook the turnkey project of energy project construction of Green Forever Ltd. and Enfinite Capital Taiwan Solar I Co. Ltd. in 2023 and 2022, respectively. Details of the related important construction contract that had been contracted but had not fulfilled its performance obligations are provided in Note 6(17). Part of the contract entered into by the two parties included terms such as time for completion and liquidated damages, etc. As of December 31, 2023, all of the Company’s construction works were all on schedule, and there was no compensation arising from construction delays.

Additionally, the Company and Enfinite Capital Taiwan Solar I Co. Ltd. signed an operation management consulting service contract, and this contract specifies that if the required rate of return is not met during the operation management period, the Company will comply with the terms, rights and obligations of both parties of the contract such as decreasing part of consulting service charges. The period is 20 years from the completion of grid interconnection.

D. The Company and shareholders of certain investees accounted for using the equity method have signed a joint venture agreement whereby the investees' shareholders can ask the Company to acquire their equity interest if certain conditions occur. The Company has assessed that the probability of these conditions to occur is remote, and thus there is no significant impact on the Company's financial position.

E. The Company entered into an investment agreement with Nexus Materials, Inc.(Nexus Materials) on December 11, 2023 and participated in the capital increases of Nexus Materials twice, with a total capital increase of $100,001. As of December 31, 2023, the Company’s first capital increase amounted to $72,728 (shown as prepayments for investments under ‘other non-current assets’) with the effective date set on January 10, 2024. The registration for the changes had been completed on January 18, 2024. The second capital increase is expected to be implemented before June 30, 2024.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

(1) On March 5, 2024, the Board of Directors of the Company approved the distribution of 2023 earnings. Refer to Note 6(16) for details.

(2) Refer to Note 9(2) for details. The Company completed the capital increase of Nexus Materials, Inc. on January 18, 2024.

12. Others

(1) Capital management

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the balance sheet plus net debt.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss	$ 715,294	$ 688,094
Financial assets at amortised cost (Note)	$ 2,651,748	$ 1,632,743

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost (Note)	$ 902,819	$ 1,895,068
Lease liability	$ 39,356	$ 50,844

Note: Financial assets at amortised cost included cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties) and guarantee deposits paid; financial liabilities at amortised cost included short-term borrowings, accounts payable (including related parties) and other payables (including related parties).

B. Financial risk management policies

(a) Risk categories

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management policies focus on the unpredictable matters in financial market and seek to minimise potential adverse effects on the Company's financial condition and financial performance.

(b) Objectives of management

Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. Management has set up a policy to require the Company to manage their foreign exchange risk against their functional currency. The Company is required to hedge their entire foreign exchange risk exposure with the Company treasury.

ii. The Company's businesses involve some non-functional currency operations (the Company's and subsidiaries' functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 8,887	30,705	$ 272,875
Financial liabilities			
Monetary items			
USD:NTD	$ 6,073	30.71	$ 186,471
EUR:NTD	6,710	33.98	228,006

	December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 29,409	30.71	$ 903,150

iii. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to $17,207 and ($30,006) , respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 2,729	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 1,865	$ -
EUR:NTD	1%	2,280	-

	Year ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 9,032	$ -

Price risk

i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $6,286 and $6,055, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. However, the Company's capital from operations is sufficient to hedge the cash flow risk from interest rate changes.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Company manages its credit risk taking into consideration the entire group's concern. For banks and financial institutes, only institutes with good credit rating would be accepted as transaction counterparty. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Company adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 120 days.

iv. The Company adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. For the years ended December 31, 2023 and 2022, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

vi. The Company classifies customer's accounts receivable and contract assets in accordance with credit rating of customer. The Company applies the modified approach using the loss rate methodology to estimate the expected credit loss.

vii. Methods of the Company used in assessing expected credit risk of accounts receivable were as follows:

(i). For individually significant defaulted receivables, expected credit losses are assessed on an individual basis. On December 31, 2023 and 2022, assessed receivables amounted to $0.

(ii). The Company used the consideration of forecast ability of the Basel Committee on Banking Supervision to adjust historical and timely information to assess the default possibility of accounts receivable.

	December 31, 2023	December 31, 2022
Expected loss rate	0.03%	0.03%
Total book value	$ 1,360,573	$ 16,562
Loss allowance	$ 408	$ 27

viii. Movements in relation to the Company applying the modified approach to provide loss allowance for receivables are as follows:

	2023	2022
At January 1	$ 27	$ 355
Provision for impairment	381	-
Reversal of impairment	-	(328)
At December 31	$ 408	$ 27

ix. The Company's financial assets at amortised cost were restricted bank deposits, and it had low credit risk. Thus, the Company measured the loss allowance based on 12-months expected credit losses, and there were no significant provisions for loss allowance.

(c) Liquidity risk

i. Company treasury executes cash flow forecasts and monitors rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

ii. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the following table are the contractual undiscounted cash flows. The remaining period of corporate bonds payable is expressed as the period between the balance sheet date and the redeemable date by holders:

December 31, 2023	Less than 1 year	Between 1 and 5 year(s)	Total
Non-derivative financial liabilities:			
Bonds payable	$ -	$ 856,375	$ 856,375
Lease liability	$ 18,528	$ 21,754	$ 40,282

December 31, 2022	Less than 1 year	Between 1 and 5 year(s)	Total
Non-derivative financial liabilities:			
Lease liability	$ 16,659	$ 35,824	$ 52,483

The Company provided financial guarantee contracts to related parties. Refer to Note 7 for the relevant information.

Aside from those mentioned above, other non-derivative financial liabilities are to be settled within one year.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investments in emerging stocks with active market were included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's issuance of convertible bonds and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

(a) Except for those listed in the table below, as of December 31, 2023 and 2022, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, notes payable, accounts payable (including related parties) and other payables (including related parties) are approximate to their fair values:

	Year ended December 31, 2022			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 797,443	$ -	$ 807,181	$ -

(b)The methods and assumptions of fair value estimate are as follows:

Bonds payable: Regarding the convertible bonds issued by the Group, the fair value is estimated based on the expected cash flows using the present value and market rate.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets at December 31, 2023 and 2022 are as follows:

(a) The related information on the nature of the assets is as follows:

December 31, 2023	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ -	$ -	$ 714,359	$ 714,359
Buyback of issuance of convertible corporate bonds	-	935	-	935
	$ -	$ 935	$ 714,359	$ 715,294

December 31, 2022	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 146,789	$ -	$ 541,305	$ 688,094

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Emerging stocks
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company’s financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company’s management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

v. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

C. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

D. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023	2022
	Equity instruments	Equity instruments
At January 1	$ 541,305	$ 216,122
Acquired during the year	47,528	427,840
Transfer in (out) to Level 3	-	(8,292)
Sold during the year	(99,750)	(33,927)
Investment cost refund	-	(59,040)
Gains (losses) recognised in profit or loss	225,276	(1,398)
At December 31	$ 714,359	$ 541,305

E. Treasury segment appoints external appraisers the valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

Treasury segment cooperatively set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS.

F. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 389,179	Market approach	Discount for lack of marketability	20%-25%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	252,618	Discounted cash flow	Weighted average cost of capital	6.13%-10.75%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	20%-30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	25,034	Asset-based approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	47,528	The latest transaction price	Not applicable	Not applicable	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 107,613	Discounted cash flow	Weighted average cost of capital	6.08%-11.54%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	25%-35%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	23,892	Asset-based approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	409,800	The latest transaction price	Not applicable	Not applicable	Not applicable

G. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 8,777	($ 8,777)

			December 31, 2022	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 1,797	($ 1,797)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Refer to table 1.

B. Provision of endorsements and guarantees to others: Refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: Refer to table 4.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 5.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to note6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: None.

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

(4) Major shareholders information

Major shareholders information: Refer to table 9.

14. Operating segment information

None.

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 1

	Beginning Balance		Addition (Note 1)		Decrease (Note 2)		Ending Balance			
Name of Financial Instrument	Number of Shares (In thousands)	Fair Value	Number of Shares (In thousands)	Amount	Number of Shares (In thousands)	Amount	Number of Shares (In thousands)	Fair Value	Collateral	Note
TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.	2,514	$ 146,789	-	$ -	(2,514)	($ 146,789)	-	$ -	None	
GRAND GREEN ENERGY CO., LTD.	4,500	60,686	-	-	-	(10,600)	4,500	50,086	None	
Teras Marine Service Co., Ltd.	246	-	-	-	-	-	246	-	None	
Formosa 4 International Investment Co.,	2,850	30,033	-	-	(2,850)	(30,033)	-	-	None	
KOP INVESTMENT COMPANY	60	23,892	-	1,142	-	-	60	25,034	None	
Formosa 5 International Investment Co.,	1,512	16,894	-	257	-	-	1,512	17,151	None	
Green Forever Ltd.	18,000	180,000	-	15,878	-	-	18,000	195,878	Yes	
Julien's International Entertainment Group	1,500	30,000	-	9,589	-	-	1,500	39,589	None	
Dong Fang Offshore Co., Ltd.	7,400	199,800	-	139,293	-	-	7,400	339,093	None	
InnoRs Biotechnology Co., Ltd.	-	-	1,168	17,520		-	1,168	17,520	None	
ID WATER Co., Ltd. (Ordinary stock)	-	-	1,655	8		-	1,655	8	None	
ID WATER Co., Ltd. (Preferred stock)	-	-	4,286	30,000		-	4,286	30,000	None	
		$ 688,094		$ 213,687		($ 187,422)		$ 714,359		

Note 1: Addition in the year includes amount of investment increase and gain on investment.

Note 2: Decrease in the year includes disposal of investment and loss from investment.

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 2

Name of Financial Instrument	Beginning Balance		Gains (Losses) on investment		Addition (Note 1)		Decrease (Note 2)		Ending Balance			Market value/Net equity value			
	Number of Shares (In thousands)	Fair Value	Number of Shares (In thousands)	Fair Value	Number of Shares (In thousands)	Amount	Number of Shares (In thousands)	Amount	Number of Shares (In thousands)	%	Fair Value	Unit price (NT$)	Amount	Collateral	Note
TPE ENERGY INC.	21,922,000	$ 324,033	-	$ 23,671	1,415,000	$ 36,790	-	($ 88,411)	23,337,000	79%	$ 296,083	-	$ 296,083	None	
WEISHENG ENVIROTECH CO.,	17,857,143	167,102	-	(1,559)	3,292,766	129,006	-	-	21,149,909	61%	294,549	-	294,549	None	
Storm Power Co., Ltd.	900,000	6,406	-	(11,920)	2,500,000	25,000	-	(279,537)	3,400,000	100%	(260,051)	-	(260,051)	None	
Jin Cheng Energy Co., Ltd.	30,000,000	298,087	-	7,803	-	-	-	(48,834)	30,000,000	100%	257,056		257,056	None	
Chen Yu Energy Co., Ltd.	15,300,000	154,442	-	8,382	-	413	-	(7,917)	15,300,000	100%	155,320	-	155,320	None	
XU XIAO POWER CO., LTD.	7,000,000	74,610	-	2,277	-	-	-	(1,508)	7,000,000	100%	75,379	-	75,379	None	
Greenhealth Water Resources Co., Ltd.	-	-	-	8,991	30,400,000	334,400	-	-	30,400,000	20%	343,391	-	343,391	None	
Liangwei Power Co.,	-	-	-	312	3,920,000	80,714	-	-	3,920,000	49%	81,026		81,026	None	
Diwei Power Co., Ltd.	-	-	-	45	3,000,000	78,220	-	-	3,000,000	100%	78,265		78,265	None	
FU BAO YI HAO ENERGY CO., LTD.	26,000,000	(35,102)	-	22,251	-	-	-	(32,309)	26,000,000	21%	(45,160)		(45,160)	None	
Others	-	248,480	-	(42,184)	-	105,282	-	(49,810)	-	-	261,768	-	261,768	None	Note 3
		$ 1,238,058		$ 18,069		$ 789,825		($ 508,326)			$1,537,626		$ 1,537,626		

Note 1: Addition in the year includes increase cash capital and did not acquire shares proportionally to its interest.
Note 2: Decrease in the year includes total dividends for the distribution of earnings, did not acquire shares proportionally to its interest, Unrealized loss from sales, share returned from capital decrease of investee, loss of control adjustment and disposal of subsidiary.
Note 3: The balance of each client has not exceeded 5% of total account balance.

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 3

Vendor Name	Description	Amount	Note
Company A		$ 228,889	
Company B		196,475	
Company C		51,512	
Others		68,213	The balance of each vendor has not exceeded 5% of total account balance.
		$ 545,089	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 4

Item	Subtotal	Amount	Note
Operating costs			
Construction cost		$ 4,474,076	
Cost of goods sold		1,131,334	
Other operating costs		84,778	The balance of each cost has not exceeded 5% of total account balance.
		$ 5,690,188	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 5

Item	Description	Amount	Note
Wages and salaries		$ 39,724	
Depreciation expenses		4,903	
Other expenses		11,451	The balance of each expense account has not exceeded 5% of total account balance.
		$ 56,078	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 6

Item	Description	Amount	Note
Wages and salaries		$ 66,384	
Service fees		49,970	
Advertisement expenses		22,429	
Contribute funds		21,080	
Depreciation expenses		13,927	
Directors' remuneration		11,264	
Other expenses		32,866	The balance of each expense account has not exceeded 5% of total account balance.
		$ 217,920	

J&V ENERGY TECHNOLOGY CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 7

Function / Nature	Year ended December 31, 2023			Year ended December 31, 2022		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	$ 39,936	$ 106,108	$ 146,044	$ 30,239	$ 80,498	$ 110,737
Labour and health insurance fees	3,234	5,225	8,459	2,379	4,899	7,278
Pension costs	1,621	2,596	4,217	1,121	2,308	3,429
Directors' remuneration	-	11,828	11,828	-	10,321	10,321
Other personnel expenses	3,073	6,516	9,589	2,079	4,282	6,361
	$ 47,864	$ 132,273	$ 180,137	$ 35,818	$ 102,308	$ 138,126
Depreciation Expense	$ 9,306	$ 18,830	$ 28,136	$ 8,603	$ 17,015	$ 25,618
Amortisation Expense	$ 161	$ 372	$ 533	$ 143	$ 294	$ 437

Note 1: For the years ended December 31, 2023 and 2022, the average number of employees were 97 and 79 employees, including 5 and 7 non-employee directors, respectively.

Note 2: For the years ended December 31, 2023 and 2022, the average employee benefit expense amounted to $1,829 and $1,775, respectively.

Note 3: For the years ended December 31, 2023 and 2022, the average employee salary expenses amounted to $1,587 and $1,538, respectively.

Note 4: The average change in adjustments on salary expenses was 3.19%.

Note 5: The Company’s policies on salary and remuneration (including directors, managers and employees).

A. Directors： The Company's directors' performance evaluation and remuneration are based on peer standards, based on performance evaluation results, responsibilities and company financial status, etc., to assess the rationality of the relationship between individual performance and the Company's operating performance and future risks. In addition, in accordance with the Company's articles of association, the board of directors shall allocate less than 3% of directors' remuneration by resolution, and submit a report to the shareholders' meeting.

J&V ENERGY TECHNOLOGY CO., LTD.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)

FOR THE YEAR ENDED DECEMBER 31, 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 7

B. Managers： The Company's remuneration for the general manager, deputy general manager and other managers needs to consider their work results and contribution to the company's operations and give different levels of remuneration, which are discussed by the remuneration committee and approved by the board of directors.

C. Employees： The Company's employee remuneration is based on the salary level of the job market, the company's operating conditions, and the internal organizational structure to set a reasonable salary standard and review it every year; in addition, timely salary adjustment plans are made in accordance with industry trends, government regulations, or individual performance. Bonuses are distributed based on the company's operating conditions, personal contributions, and performance, and employees' remuneration is distributed according to the company's articles of association, and the company's operating profits are shared with colleagues, so that employee remuneration and company operations can grow together.

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of J&V Energy Technology Co., Ltd. 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 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, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, J&V Energy Technology Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

J&V ENERGY TECHNOLOGY CO., LTD.

By

Liao, Fu-Sen

Chairman

March 5, 2024

J&V ENERGY TECHNOLOGY CO., LTD.

Chairman：Liao, Fu-Sen