Stock Code 6869

J&V Energy Technology Co., Ltd.

Annual Report 2023 General Meeting

Printed on May 2, 2023

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 acting spokesperson

Spokesperson	Acting Spokesperson
Name: Zhang, Jian-Wei	Name: Wang, Wen-Xuan
Title: Spokesperson	Title: Acting Spokesperson
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: Transfer Agency Department, Fubon Securities Co., Ltd.
Address: 2F.-1, 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. 1, 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,

After experiencing the impacts of the pandemic and climate change, countries around the world have recognized the importance of sustainable development to economic growth. In late March 2022, the Taiwanese government proposed the "2050 Net Zero Emissions Roadmap", declaring its ambition to create zero-carbon energy and substantially increase the proportion of renewable energy generation to 60-70%, with hydrogen energy accounting for 9-12%, and thermal power generation with carbon capture accounting for 20-27%. Based on decarbonized electricity, this proposal will promote energy transformation and achieve the net zero goal. The Company has also actively expanded the renewable energy field in Taiwan. In 2022, the Company continued to transform into an integrated service provider of renewable energy, adding other businesses such as offshore wind power, energy storage, renewable energy trading platform, and water treatment to the business, as in the past the solar energy business was the main business. The Company has expanded its business scale and achieved excellent results. In the future, the Company will continue to expand the diversified field of renewable energy, flexibly provide services such as integrated renewable energy services and power sales planning to strengthen the green energy business, and strive to become the "Berkshire Hathaway of the green energy industry".

In terms of the progress in the capital market, the Company has already been listed on the Emerging Stock Market on January 19, 2022. In December 2022, the Company was approved to be listed on the Innovation Board of the Taiwan Stock Exchange and has been officially listed on March 14, 2023.

I. Annual Operating Performance in 2022

1. Operating Report: The integration of renewable energy has boosted the Company's profitability, resulting in nearly fourfold growth in its core business.

Unit: NT$ Thousand	2022	2021	Annual Growth Rate
Consolidated Revenue	$6,300,762	$2,154,921	192%
Consolidated Gross Profit	1,306,509	482,680	171%
Operating Expense	430,438	248,506	73%
Operating Income	876,071	234,174	274%
Non-operating Income	(219,273)	14,580	(1,604%)

Unit: NT$ Thousand	2022	2021	Annual Growth Rate
Consolidated Net Income	471,164	230,474	104%
Earnings Per Share (NT$)	4.03	2.30	75%
Share capital (shares)	1,127,091	1,127,091	
Gross profit margin (%)	21%	22%	

In 2022, the Company continued to strengthen the integrated service of renewable energy, and the integrated benefits resulted in the operating profit reaching NT$876 million, more than doubling year-on-year. In terms of operating revenue, it hits a historical high of NT$6.3 billion and has an increased annual growth rate of 192%. The reason for this growth, besides the increase in power generation income from the original power plants, as well as the increase from providing renewable energy-related services and consulting services, was mainly due to the construction revenue from the outdoor fishery & electricity symbiosissite in Beimen District, Tainan City with a target capacity of 128 MW recognized at the end of the year, the investment in TPE ENERGY INC. ("TPE ENERGY"), which provides energy storage system solutions services, and the revenue injection of WEISHENG ENVIROTECH CO., LTD. ("WEISHENG") specializing in the water treatment services such as industrial wastewater recycling, sewage treatment and seawater desalination. The gross profit, mainly driven by gross construction profit, is NT$ 1.306 billion with an annual increase of 171%. The decrease in gross profit margin was due to the increase in the proportion of the gross construction profit. The operating profit, benefiting from the transformation of the main business contributing to business profit growth, was NT$ 876 million with an annual increase of 274%. In addition, the Company is in a phase of rapid expansion. Therefore, compared to the previous year, the increased investment in personnel and business resulted in an increase in operating expenses. The consolidated net profit after tax was NT$ 471 million with an annual increase of 104% and an earnings per share of NT$ 4.03.

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 2022 financial forecast, there is no information on the budget execution for 2022.

II. Operational Outlook in 2023: With energy storage, solar energy and water treatment being the three major revenue growth drivers, the prospect of the Company is promising.

Achieving net zero carbon emissions has become the sustainable development goal of more than 130 countries and major companies around the world. With ESG (environment, society, governance) as the main axis of development, not only governments of various countries have launched ESG development policies one after another, but companies and start-ups are also rushing to invest in research and development to reduce carbon emissions to achieve the goals set towards ESG companies. These demands cover solar energy, wind power, hydrogen energy, energy storage, smart grid and electric vehicles, etc., and it is expected to promote the entire energy industry chain through clean energy solutions to achieve the goal of net zero greenhouse gas emissions. Therefore, energy, resources, and fields related to ESG have become prominent in the investment field.

The Company is actively investing in renewable energy power generation in Taiwan. The Company expects to have significant breakthroughs in various businesses in 2023, and the prospect is promising. In particular, energy storage, solar energy and water treatment will be the three major revenue growth drivers. For the solar energy business, the Company owns a fishery & electricity symbiosis site with a capacity of 128MW in Beimen District, Tainan, and 108MW of which has been connected to the grid. The rest of the capacity is expected to be connected in 2023. For the energy storage business, the Company plans to construct three energy storage projects, each of which have the largest capacity for one proect (i.e. 100MW) in Taiwan, this year. The construction is expected to be completed in 2023 and 2024 with a total capacity of 300MW, which will account for 30% of Taiwan's 2025 grid-side energy storage target, and the total project cost will exceed NT$10 billion. For the water treatment business, after the Company became a shareholder of Weisheng in 2021, the amount of bidding projects the Company receive has increased significantly, and green energy environmental engineering planning such as energy storage and green electricity has been added to the business of the Company. The Company is expected to complete the Zhubei 2 Water Treatment Project, the Taipei City Sewer Project, and the Taoyuan International Airport West Side Wastewater Treatment Project from 2023 to 2024 and a total of NT$3.7 billion would be awarded.

The renewable energy transaction market is particularly booming right now, and GREENET Co., Ltd. ("GREENET"), a subsidiary of the Company, focuses on green power sales and has successfully signed more than 20 contracts with domestic and foreign enterprises for the sale of electricity since 2021, with contract terms vary from 2 to 20 years. The accumulated amount of aforementioned green electricity contracts has exceeded 800 million kWh, generated from more than 30 power plants with a total capacity of more than 100MW. The Company has its own business of solar energy, wind power, and energy storage, and even continues to develop other renewable energy sources. The Company intends to collaborate with other power generation companies and become the Taipower Company in the green energy field, providing a high-quality and stable power supply for green energy demanders with more reasonable electricity prices.

III. Development Strategies in the Future

In the coming years, the Company will continue to expand its business in the renewable energy field with a strategy of strong partnerships. Our development strategies are as follows:

1. Solar energy: With the gradual completion of regulations, we plan to invest in more large-scale solar energy projects, including large-scale fishery & electricity symbiosis sites, and assist in the introduction of intelligent aquaculture to upgrade the fishing industry and create a win-win situation.
2. Offshore Wind Energy: By obtaining the development rights for the first phase of the third stage block development as the offshore wind power Taiwan Team ("Taiwan Team"), and replicating the experience, the Company will enter and develop other excellent wind fields in the Asia-Pacific region to enhance Taiwan's visibility in the international market.
3. Renewable energy trading platform: The Company looks forward to the demand for green electricity purchasing and will utilize the power plants owned and developed by the Company as the cornerstone to sell solar energy and other diverse renewable energy sources, generating more revenue for the Company.
4. Energy storage: With the increasing installation of renewable energy, energy storage is crucial to reduce the impact of intermittency and uncertainty on the stability of the power system. Therefore, in addition to laying out renewable energy development projects, the Company will accelerate the development of energy storage projects and actively participate in Taipower's tender and private enterprise energy storage system construction. Also, the Company will continue to promote small-scale energy storage systems, which can be applied to convenience stores, commercial buildings, and residential areas throughout Taiwan in the future.
5. Water treatment: The Company looks ahead to a huge demand for global carbon neutrality, sustainable energy, and energy transition in Taiwan in the next decade. The Company will strengthen the Company's ESG, develop new forms of renewable energy generation, increase Taiwan's green power supply, and consider

resource sustainability. Thesubsidiary Weishen will continue to participate in bidding cases, combine its professional expertise with the resource integration advantages of the Company, and achieve the goal of a circular economy.

In addition to the continued development of the aforementioned businesses, the Company is also continuously evaluating other renewable energy sources such as small hydropower and geothermal energy, and actively expanding into overseas markets in order to create maximum benefits for all shareholders.

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

The international economic situation in the past year has been affected by factors such as the COVID-19 pandemic, the Russia-Ukraine conflict, and inflation, resulting in rising raw material costs and longer lead times, as well as increased labor costs. Despite these challenges, the Company continues to operate our renewable energy business with the strictest anti-epidemic measures, achieving steady and stable development in the renewable energy business. Facing the changes in the industry and business environment, the Company will strengthen organizational management, improve operating efficiency, and expand more diversified renewable energy businesses to enhance the Company's competitiveness.

The Company is optimistic about the huge demand for global net-zero carbon emissions, sustainable energy, and Taiwan's energy transition in the next 10 years. The Company is committed to strengthening is ESG, developing new forms of renewable energy generation, increasing Taiwan's green energy supply, and ensuring resource sustainability. The Company will anticipate industry development opportunities, involving local green energy development, expand its performance of renewable energy projects, enhance operational efficiency, and prioritize social responsibility and corporate governance to ensure the sustainable operation and long-term profitability of the Company.

Chairman:	Manager:	Accounting Supervisor:
Lai Chin-Lin	Chao Shu-Min	Lin Ta-Hsiang.

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").

Timeline	Milestones
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. 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 19^{th} 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.

Timeline	Milestones
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. 17^{th} The National Brand Yushan Award of "Outstanding Entrepreneur". 4. Awarded the "Chinese Charity Ambassador Medal" in the 3^{rd} Charity Festival of Chinese.

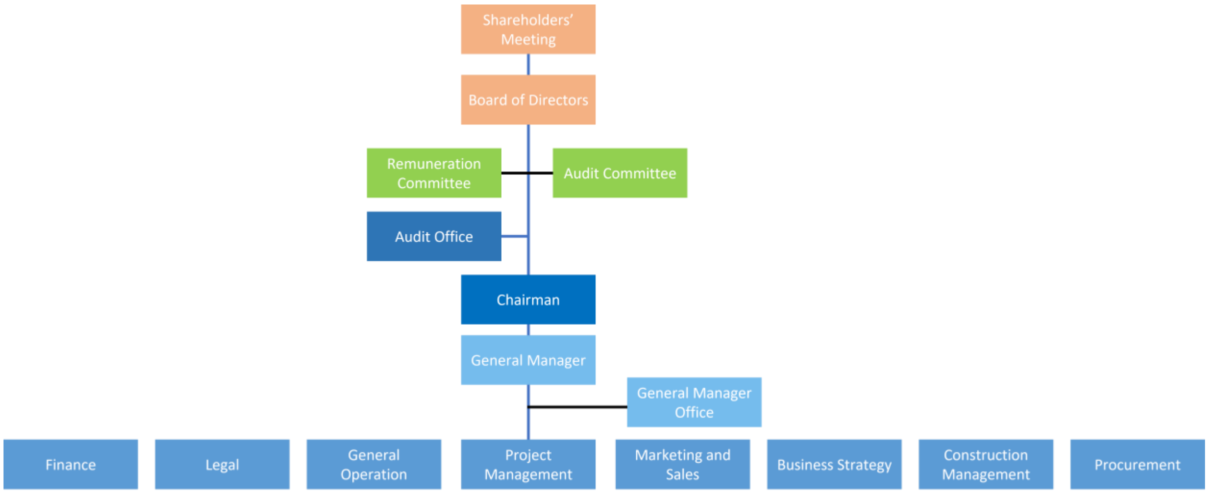
Timeline	Milestones
2021	1. Fishery & electricity symbiosis Project in Beimen District, Tainan City with an installed capacity of 128MW, had achieved two records and become the most iconic project: the largest fishery and solar coexistence project in Taiwan, and the first energy generation zone in Asia 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. 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

Timeline	Milestones
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 investment was made to build two 100 MW energy storage projects, with a total capacity of 100MW, in Wujie Township, Yilan County, which will be the largest single energy storage project in Taiwan. 6. The Company was awarded the SDG 7 Affordable Energy Bronze Award of the "2022 TSAA Taiwan Sustainable Action Award". 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 has been officially listed on the Taiwan Innovation Board on the Taiwan Stock Exchange on March 14, 2023.

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. Submit audit reports and track the improvement effectiveness. 3. Regularly track the audit shortcomings and the status of improvement.
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 and budget. 5. Relationship maintenance between the Company and the shareholders. 6. Implementation of corporate governance.
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.

Departments	Business Activities
	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.
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.
Project Management	1. Planning, execution, issue tracking, and monitoring of solar energy project permits and approvals. 2. Evaluation, review, planning, and execution of solar energy project bidding. 3. Operation and management of renewable energy business.
Marketing and Sales	1. Plan and execute the Company's marketing strategy and activities. 2. Management and maintenance of media relations and publicity.
Business Strategy	1. Development of renewable energy business. 2. Promotion and development of energy storage system products. 3. Evaluation, planning, and execution of solar energy projects and land acquisition. 4. Planning, execution, issue tracking, and monitoring of offshore wind energy projects.

Departments	Business Activities
	5. Planning, execution, issue tracking, and monitoring of green energy power wheeling and direct supply.
Construction Management	1. Design and planning of renewable energy projects. 2. Management evaluation and execution of suppliers. 3. Various engineering contracts, equipment procurement, and related businesses. 4. Management of construction quality and progress. 5. Power plant monitoring and maintenance management. 6. 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. Communication on delivery and project schedule, 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 1, 2023; Unit: Share; %

Title	Nationality or Registration Place	Name	Gender/ Age	Election (Appointment) Date	Term	Initial Election Date	Holding Shares at the Time of Election		Current Number of Shareholding		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	Current Positions Served in the Company and Other Companies	Other Managers, Directors, or Supervisors who are a spouse or have a familial relationship within two generations			Note (Note 9)
							Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio			Title	Name	Relationship	
Chairman	R.O.C.	Lai, Chin-Lin	Male 61-70 years old	2021.12.15	3 years	2020.11.18	100,000	0.09	100,000	0.09	-	-	-	-	· Master's, Department and Graduate Institute of Business Administration, National Taiwan University · Chairman of Association of Service Industries, Taiwan · Member of the Legislative Yuan in the 4th and 5th terms · Chairman of Senao International Co., Ltd.	Note 1	-	-	-	-
Director	R.O.C.	Liao, Fu-Sen	Male 61-70 years old	2022.11.01	3 years	2022.11.01	1,070,587	0.95	1,070,587	0.92	-	-	-	-	· 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 2	-	-	-	-

Title	Nationality or Registration Place	Name	Gender/ Age	Election (Appointment) Date	Term	Initial Election Date	Holding Shares at the Time of Election		Current Number of Shareholding		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	Current Positions Served in the Company and Other Companies	Other Managers, Directors, or Supervisors who are a spouse or have a familial relationship within two generations			Note (Note 9)
							Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio			Title	Name	Relationship	
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 3	-	-	-	-
	R.O.C.	Collins Co., Ltd. ("Collins")	-	-	-	-	900,000	0.80	900,000	0.77	-	-	-	-	-	Note 4	-	-	-	-

Title	Nationality or Registration Place	Name	Gender/ Age	Election (Appointment) Date	Term	Initial Election Date	Holding Shares at the Time of Election		Current Number of Shareholding		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	Current Positions Served in the Company and Other Companies	Other Managers, Directors, or Supervisors who are a spouse or have a familial relationship within two generations			Note (Note 9)
							Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio			Title	Name	Relationship	
Independent Director	R.O.C.	Wu, Ching-Sung	Male 71-80 years old	2021.12.15	3 years	202112.15	-	-	-	-	-	-	-	-	· Ph.D. in Business Administration, University of California, Los Angeles · Professor, Department of International Business, National Taiwan University · 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 Registration Place	Name	Gender/ Age	Election (Appointment) Date	Term	Initial Election Date	Holding Shares at the Time of Election		Current Number of Shareholding		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	Current Positions Served in the Company and Other Companies	Other Managers, Directors, or Supervisors who are a spouse or have a familial relationship within two generations			Note (Note 9)
							Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio			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 Registration Place	Name	Gender/ Age	Election (Appointment) Date	Term	Initial Election Date	Holding Shares at the Time of Election		Current Number of Shareholding		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	Current Positions Served in the Company and Other Companies	Other Managers, Directors, or Supervisors who are a spouse or have a familial relationship within two generations			Note (Note 9)
							Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio	Number of shares	Holding Shares Ratio			Title	Name	Relationship	
Independent Director	R.O.C.	Lee, Tui-Chih	Male 51-60 years old	2021.12.15	3 years	2021.12.15	-	-	-	-	-	-	-	-	· Master, Graduate Institute of International Affairs and Strategic Studies, Tamkang University · Deputy General Manager of GEOSAT Aerospace & Technology Inc. · Council Member, Tainan City Council · Vice Chairman, Council of Agricultural, Executive Yuan	Note 7	-	-	-	-
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 8	-	-	-	-

Note 1: Representative of He Dong Yi Ltd.;
Representative of corporate chairman authorized by Formosa Biomass Co., Ltd. (“Formosa Biomass”), 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"), and Yu Wei Power Co., Ltd. ("Yu Wei Power");
Representative of corporate director, authorized by L'ELAN ENTERPRISE CO., LTD.;
General manager of Formosa Biomass, FU BAO YI HAO ENERGY, and Enfinite Capital.

Note 2: Representative of E.B. TECH CO., LTD.;
Chairman of Advanced Bio-Design Inc.;
Supervisor of Arcadia Technology Inc.

Note 3: 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, YU GUANG ENERGY CO., LTD. ("YU GUANG ENERGY"), CESone Co., Ltd., and Collins Energy Solutions 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 4: Corporate director of QS CONTROL CORP.

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

Note 6: Chairman of Chia Ho International Law Firm;
Taiwan Zone Legal consultant of Llinks Law Offices;
Representative of The Global Cross-border Digital Assets Limited Company;
Director of SKARDIN INDUSTRIAL CORP.

Note 7: Representative of GLOBAL FOISON CO., LTD.;
Supervisor of Wei Tong Green Energy Inc.
Chief Executive Office of Li Qing Technology Co., Ltd.

Note 8: Head accountant of Xin Bang Accounting Firm;
Independent director of I-HWA INDUSTRIAL 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

April 17, 2023

Name	Major Shareholders	
Collins	LCL CAPITAL INC.	16.81%
	Zhi Pen Enterprise Co., Ltd.	8.63%
	WITTY MATE CORPORATION	7.89%
	Jing Xing Investment Co., Ltd.	5.05%
	MasterLink Securities Corporation	3.39%
	TAIWAN SHIN YEH ENTERPRISE CO., LTD.	2.29%
	Gao Sheng Investment Co., Ltd	2.27%
	Shun Kun Investment Co., Ltd.	1.05%
	Lu, Zheng-Yi	0.83%
	WEI,CHAN Co., Ltd	0.78%

3. The Major Shareholders of the Preceding Entity Shareholders

April 17, 2023

Name	Major Shareholders	
LCL CAPITAL INC.	Tseng, Wen-Hsuan	84.40%
Zhi Pen Enterprise Co., Ltd.	Tseng, Wen-Hsuan	88.00%
WITTY MATE CORPORATION	LCL CAPITAL INC.	90.60%
Jing Xing Investment Co., Ltd	Li, Xi-Lu	82.97%
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%
WEI,CHAN Co., Ltd	Huang,Chun-Chun	48.00%

Note: It is based on the information as of April 17, 2023, the book closure date of Collins.

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
Lai, Chin-Lin	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.	(3)(5)(6)(7)(9)(10)(11)	None
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)	無

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
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)	2
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 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.	(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
Lee, Tui-Chih	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)(12)	None
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 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.	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

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
Lai, Chin-Lin	R.O.C.	Male			V		V	V	V	V
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
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
Lee, Tui-Chih	R.O.C.	Male		Within 2 years	V		V	V	V	V
Tang, Chia-Liang	R.O.C.	Male		Within 1 year	V	V	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 1 female director (accounting for 57.14% and 14.29% 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 2022, one director was aged 41-50, two directors were aged 51-60, three directors were aged 61-70, and one 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 1, 2023; Unit: Share; %

<table>
<tr><th rowspan="2">Title</th><th rowspan="2">Nationality</th><th rowspan="2">Name</th><th rowspan="2">Gender</th><th rowspan="2">Election (Appointment) Date</th><th colspan="2">Holding Shares</th><th colspan="2">Currently Holding Shares of Spouse and Underage Children</th><th colspan="2">Holding Shares Under the Name of Others</th><th rowspan="2">Main Experience (Education) Background</th><th rowspan="2">Current Positions Served in the Company and other companies</th><th colspan="3">Other Managers who are a spouse or have a familial relationship within two generations</th><th rowspan="2">Note (Note 5)</th></tr>
<tr><th>Number of Shares</th><th>Holding Shares Ratio</th><th>Number of Shares</th><th>Holding Shares Ratio</th><th>Number of Shares</th><th>Holding Shares Ratio</th><th>Title</th><th>Name</th><th>Relationship</th></tr>
<tr><td>General Manager (concurrent as the department manager of Legal, and Project Management)</td><td>R.O.C</td><td>Chao, Shu-Min</td><td>Female</td><td>110.10.01</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>‧ 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</td><td>Note 1</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Deputy General Manager of Business Strategy</td><td>R.O.C</td><td>Tan, Yu-Xuan</td><td>Male</td><td>110.10.01</td><td>5,842,800</td><td>5.03</td><td>14,308,059</td><td>12.31</td><td>1,048,046</td><td>0.90</td><td>‧ 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</td><td>Note 2</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
</table>

Title	Nationality	Name	Gender	Election (Appointment) Date	Holding Shares		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	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 5)
					Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio			Title	Name	Relationship	
Spokesperson of Marketing and Sales	R.O.C	Zhang, Jian-Wei	Male	109.11.01	6,913,204	5.95	18,772,009	16.15	1,269,953	1.09	• Master, 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)	R.O.C	Lin, Ta-Hsiang	Male	2019.10.01	321,130	0.28	-	-	-	-	• 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	-	-	-	-

Title	Nationality	Name	Gender	Election (Appointment) Date	Holding Shares		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	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 5)
					Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio			Title	Name	Relationship	
Senior Manager of General Management	R.O.C.	He, Zong-Xuan	Male	2022.07.15	-	-	-	-	-	-	• Bachelor in Information Systems Management, Queensland University of Technology • Operational Consultant of ZU YUAN TRADING LIMITED • Operation Manager of Kuoni Tumlare	-	-	-	-	-
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	-	-	-	-	-

Title	Nationality	Name	Gender	Election (Appointment) Date	Holding Shares		Currently Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Main Experience (Education) Background	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 5)
					Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio	Number of Shares	Holding Shares Ratio			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 Harbor and River Engineering, National Taiwan Ocean University • Senior staff in the procurement department of SCHNEIDER ELECTRIC TAIWAN CO., LTD. • Project procurement manager of CTCI CORPORATION	-	-	-	-	-
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 Formosa Biomass and 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 J&V Engineering Co., Ltd. ("J&V Engineering");
Representative of corporate director, authorized by WEISHENG, Enfinite Capital, and Formosa 5 International Investment Co., Ltd.

Note 2: Chairman of Yong Jing Construction Co., Ltd., Yong Sheng Energy Co., Ltd. ("Yong Sheng Energy");
Director of JPEK INTERNATIONAL CO., LTD., and Shun Chuang Energy Co., Ltd;
Supervisor of Yong Chen 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 KUANG TING ENERGY CO., LTD. ("KUANG TING ENERGY"), YUN YI ENERGY

CO., LTD. (“YUN YI ENERGY”), Chen Yu Energy Co., Ltd. (“Chen Yu Energy”), J&M Power Development Co., Ltd. (“J&M Power Development”), Qi Yi Venture Investment Co., Ltd., Xiang Guang Energy Co., Ltd. (“Xiang Guang Energy”) and Tai Wei Energy Co., Ltd. (“Tai Wei Energy”);

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

Note 3: Representative of MAGIC EMPIRE LIMITED;

Director of ASIA ENERGY DEVELOPMENT;

Representative of corporate director, authorized by Winball Sport Culture and Education Co., Ltd. (“Winball”)

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, and Yun An Energy Development Investment Co., Ltd.

Representative of Prudent Management Co., Ltd.

Note 5: 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; %

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
		Remuneration (A)		Retirement Pension (B)		Reward (C)		Business Execution Expense (D)				Salary, Bonuses, and Special Expenses (E)		Retirement Pension (F)		Employees' Reward (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	Share	Cash	Share			
Chairman	Lai, Chin-Lin	1,847	2,515	-	-	6,238	6,238	120	120	8,205/ 1.81%	8,873/ 1.95%	-	-	-	-	-	-	-	-	8,205/ 1.81%	8,873/ 1.95%	None
Director	Su, Yan-Ru (Note 1)																					
Director	Wang, Hai-Ling (Note 1)																					
Director	Liao, Fu-Sen (Note 2)																					
Director	Representative of Collins: Lee, Chung-Liang																					

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
		Remuneration (A)		Retirement Pension (B)		Reward (C)		Business Execution Expense (D)				Salary, Bonuses, and Special Expenses (E)		Retirement Pension (F)		Employees' Reward (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	Share	Cash	Share			
Independent Director	Wu, Ching-Sung	1,980	1,980	-	-	-	-	136	136	2.116/	2.116/	-	-	-	-	-	-	-	-	2.116/	2.116/	None

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
		Remuneration (A)		Retirement Pension (B)		Reward (C)		Business Execution Expense (D)				Salary, Bonuses, and Special Expenses (E)		Retirement Pension (F)		Employees' Reward (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	Share	Cash	Share			
Independent Director	Kuo, Hui-Lan									0.47%	0.47%									0.47%	0.47%	
Independent Director	Lee, Tui-Chih																					
Independent Director	Tang, Chia-Liang																					

Note 1: Resigned on November 1, 2022.

Note 2: Assumed office after being elected as a director in the special shareholders' meeting on November 1, 2022

*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	Liao, Fu-Cheng Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang	Liao, Fu-Cheng Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang	Liao, Fu-Cheng Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang	Liao, Fu-Cheng Wu, Ching-Sung Kuo, Hui-Lan Lee, Tui-Chih Tang, Chia-Liang
1,000,000 dollars (included) ~ 2,000,000 dollars (excluded)	Su, Yan-Ru Wang, Hai-Ling Representative of Collins: Lee, Chung-Liang	Su, Yan-Ru Wang, Hai-Ling Representative of Collins: Lee, Chung-Liang	Su, Yan-Ru Wang, Hai-Ling Representative of Collins: Lee, Chung-Liang	Su, Yan-Ru Wang, Hai-Ling Representative of Collins: Lee, Chung-Liang
2,000,000 dollars (included) ~ 3,500,000 dollars (excluded)	-	-	-	-
3,500,000 dollars (included) ~ 5,000,000 dollars (excluded)	Lai, Chin-Lin	Lai, Chin-Lin	Lai, Chin-Lin	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)	-	-	-	-

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
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)		Retirement Pension (B)		Bonus and special expense, etc. (C)		Employees' Reward (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	8,831	10,447	324	343	19,007	19,153	8,040	-	8,040	-	36,202/ 7.97%	37,983/ 8.37%	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)	Zhang, Jian-Wei	Zhang, Jian-Wei
10,000,000 dollars (included) ~ 15,000,000 dollars (excluded)	Chao, Shu-Min Tan, Yu-Xuan	Chao, Shu-Min Tan, Yu-Xuan
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 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

<table>
<tr><th colspan="2">Title</th><th>Name</th><th>Share Amount</th><th>Cash Amount</th><th>Total</th><th>The Ratio of the Sum to the Net Profit after Tax (%)</th></tr>
<tr><td rowspan="13">Managers</td><td>General Manager</td><td>Chao, Shu-Min</td><td rowspan="13">-</td><td rowspan="13">9,360</td><td rowspan="13">9,360</td><td rowspan="13">2.06%</td></tr>
<tr><td>Deputy General Manager</td><td>Tan, Yu-Xuan</td></tr>
<tr><td>Spokesperson</td><td>Zhang, Jian-Wei</td></tr>
<tr><td>Chief Officer of Marketing and Sales</td><td>Tsai, Chin-Yu (Note 1)</td></tr>
<tr><td>Senior Manager</td><td>Lin, Ta-Hsiang</td></tr>
<tr><td>Senior Manager</td><td>Huang, Zhi-Ying</td></tr>
<tr><td>Senior Manager</td><td>Hsu, Shi-Ze (Note 2)</td></tr>
<tr><td>Senior Manager</td><td>Cheng, Rong-Sheng</td></tr>
<tr><td>Senior Manager</td><td>Wu, Qi-Bin</td></tr>
<tr><td>Senior Manager</td><td>Chu, Chih-Hao</td></tr>
<tr><td>Senior Manager</td><td>Chang, Chien-Chih</td></tr>
<tr><td>Senior Manager</td><td>Liu, Zhao-Yang</td></tr>
<tr><td>Deputy Manager</td><td>Chen, Ling-Jin</td></tr>
</table>

Note 1: Resigned on March 10, 2023.

Note 2: Resigned on May 6, 2022.

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, supervisors, 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, Supervisors, General Manager and Deputy General Manager are as the following:

Items	2022		2021	
	The Company	All Companies in the Financial Statement	The Company	All Companies in the Financial Statement
Directors	2.28%	2.42%	0.71%	0.90%
Supervisors	0.00%	0.00%	0.00%	0.00%
General Manager and Deputy General Manager	7.97%	8.37%	6.83%	7.73%

Note: The directors' remuneration has excluded the employees' remuneration for directors who also serve as general managers.

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, compared to 2021, the proportion of remuneration for directors, supervisors, and deputy general managers and above positions in 2022 increased, which was due to the growth in profitability in 2022, resulting in the payment of higher remuneration.

(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 Companyregularly 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 packageof 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 2022 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 and to the printed date of this annual report, the board of directors had 13 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	Lai, Chin-Lin	12	1	92.31	
Director	Su, Yan-Ru	9	-	100.00	Resigned on November 1, 2022
Director	Wang, Hai-Ling	8	1	88.89%	Resigned on November 1, 2022
Director	Liao, Fu-Sen	4	-	100.00%	Assumed the office on November 1, 2022
Director	Representative of Collins: Lee, Chung-Liang	13	-	100.00	
Independent Director	Wu, Ching-Sung	13	-	100.00	
Independent Director	Kuo, Hui-Lan	9	4	69.23	
Independent Director	Lee, Tui-Chih	13	-	100.00	
Independent Director	Tang, Chia-Liang	4	-	100.00	Assumed the office on November 1, 2022

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:

Date	Name of the director	The content of the resolution	The reasons for the avoidance of conflict of interests	The participation status in the voting process
January 25, 2022 (first meeting in the 6th term)	Wu, Ching-Sung Lee, Tui-Chih Kuo, Hui-Lan	The remuneration of the independent directors	The personnel involved are interest parties, so they are temporarily recusing themselves to avoid conflicts of interest.	Not participate in the discussion and the voting in accordance with the laws
June 28, 2022 (fourth meeting in the 6th term)	Li, Chin-Lin	The amendment of the Regulations for the Remuneration of the Directors and the Managers and the adjustment of the remuneration of the chairman	The personnel involved are interest parties, so they are temporarily recusing themselves to avoid conflicts of interest.	Not participate in the discussion and the voting in accordance with the laws

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, 2022-December 31, 2022	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 one 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 and to the printed date of this annual report, the Audit Committee had 12 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	12	-	100.00	
Independent Director	Kuo, Hui-Lan	8	4	66.67%	
Independent Director	Lee, Tui-Chih	12	-	100.00	
Independent Director	Tang, Chia-Liang	4	-	100.00	Assumed the office on November 1, 2022

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
2022.01.25 (first meeting in the first term)	1. Share investment 2. Endorsements and provision of guarantee	No objection Approved as presented	Not applicable
2022.04.07 (second meeting in the first term)	1. 2021 Annual Operating Report and Financial Statements of the Company. 2. Distribution of revenue of the Company in 2021 3. Application for listing on TWSE 4. As part of the application for listing on TWSE, the Company is planning a cash capital increase and issuance of new shares prior to the listing. The Company intends to request	No objection Approved as presented	Not applicable

	that existing shareholders waive their right of first refusal. 5. In order to apply for the IPO of our subsidiary, the Company, and its affiliates may gradually sell their shareholding of TPE ENERGY and WEISHENG, and may not choose to participate in the cash capital increase of the subsidiary. 6. Endorsements and provision of guarantee 7. Assessment of the independency and competency of the CPA 8. The hiring of the CPA and his or her compensation 9. Approval of the self-assessment result of preparing the Financial Statement 10. Approval of 2021 "Internal Control Declaration" 11. Stipulation of the "Corporate Governance Best Practice Principles" 12. Stipulation of the " Sustainable Development Best Practice Principles" 13. Stipulation of the "Rules Governing Financial and Business Matters Between this Corporation and its Affiliates" 14. Amendment of "Rules and Procedure of Shareholders' Meeting" 15. Amendment of "Regulations Governing the Acquisition and Disposal of Assets" 16. Amendment of "Guidelines for Derivatives Trading" 17. Amendment of the "Approval Schedule" 18. Amendment of the Company's written internal control regime and relevant regulations 19. Selling shares		
2022.06.02 (third meeting in the first term)	1. Participation with the Company's subsidiary WEISHENG in the "New Taipei City Biomass Energy Center BOO Project" of the New Taipei City Government	No objection Approved as presented	Not applicable

	2. Selling shares of Taiwan Huanfeng Holdings Co., Ltd. (“Taiwan Huanfeng”) 3. Invest in the “Energy Storage Plant” project through its subsidiary, YU GUANG ENERGY 4. Endorsements and provision of guarantee		
2022.07.22 (fourth meeting in the first term)	1. Invest in the “Energy Storage Plant” project through its subsidiary, Green Forever Ltd. (“Green Forever”) 2. Major procurement contract 3. Endorsements and provision of guarantee	No objection Approved as presented	Not applicable
2022.08.10 (fifth meeting in the first term)	1. Q2 consolidated financial statements in 2022 2. Endorsements and provision of guarantee 3. Amendment to the internal control regulations and the management regulations 4. Stipulating the “Standard Operating Procedure for Handling Director Requests” and the “Operating Procedure for Transactions with Specific Companies, Group Companies, and Related Parties”	No objection Approved as presented	Not applicable
2022.09.12 (sixth meeting in the first term)	1. Endorsements and provision of guarantee 2. Amount of funds lent to reinvested companies 3. Fund lent to the subsidiaries 4. Release the directors (including independent directors) from non-compete obligations 5. Amendment to the “Operating Procedures for the Meetings of the Board of Directors”	No objection Approved as presented	Not applicable
2022.10.18 (seventh meeting in the first term)	1. Invest in the “Energy Storage Plant” project through its subsidiary, Storm Power 2. Major procurement contract 3. Endorsements and provision of guarantee	No objection Approved as presented	Not applicable
2022.10.28 (eighth meeting in the first term)	1. Application to be listed on the Taiwan Innovation Board 2. Approved the “Internal Control Declaration” from April 1, 2022 to September 30, 2022	No objection Approved as presented	Not applicable
2022.11.24 (ninth meeting in	1. Q3 financial statements in 2022	No objection Approved as presented	Not applicable

the first term)			
2022.12.27 (tenth meeting in the first term)	1. Endorsements and provision of guarantee 2. Conduct a cash capital increase and issue new shares before the initial listing. 3. Amendment to the "Corporate Governance Best Practice Principles" 4. Amendment to the "Procedures for Handling Material Inside Information and Prevention of Insider Trading" 5. Stipulation of the Company's risk management policy. 6. Sell the shares in TIEN LI 7. Major procurement contract	No objection Approved as presented	Not applicable
2023.01.12 (eleventh meeting in the first term)	1. Amount of funds lent to reinvested companies 2. Stipulation of "Employee Stock Subscription Plan in Cash Capital Increase"	No objection Approved as presented	Not applicable
2023.03.09 (twelfth meeting in the first term)	1. 2022Annual Operating Report and Financial Statements 2. 2022 Distribution of revenue 3. Assessment of the independency and competency of the CPA 4. The hiring of the CPA and his or her compensation 5. Release the directors (including independent directors) from non-compete obligations 6. Approval of 2022 "Internal Control Declaration" 7. Amendment to the "Corporate Governance Best Practice Principles" and the " Sustainable Development Best Practice Principles" 8. Stipulation and amendment to the internal control regulations and the management regulations	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 stipulates 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 established a Remuneration Committee and the Audit Committee in accordance with the law. Other aspects of corporate governance are operated by each department according to their responsibilities, and other functional committees will be established in accordance with the Company's corporate governance needs.	
(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", which states 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-making of the board of directors iii. Composition and structure of the board of	

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		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 April 7, 2022.	
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 compliance, handling work related to meetings of the board of directors and the shareholders'	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 shareholders' meetings in accordance with the laws, preparing minutes of 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	
meetings, and producing minutes of board meetings and shareholders' meetings)?			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?	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.	No difference
(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 Company's information, implementing the spokesperson system, and uploading videos	V		(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 accordance with regulations. The Company website is: https://www.jv-holding.com	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	
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	(3) The Company has completed the announcement and filing of the financial report before the regulatory deadline and will not advance the related operation schedule for now.	The Company has completed the announcement and filing of the financial report in accordance with the regulatory deadline and will not advance the related operation schedule for now.
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 standards, and ensures that all employees can complete their work according to their will	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	
			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 and risk measurement standards: The Company focuses on the development of green energy	

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	
			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
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)	2
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
Lee, Tui-Chih Independent Director	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

Note:

(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 to the printed date of this annual report, the Remuneration Committee had 6 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	Wu, Ching-Sung	6	-	100.00	
Member	Kuo, Hui-Lan	5	1	83.33	
Member	Lee, Tui-Chih	6	-	100.00	

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
2022.01.25 (first meeting in the second term)	1. The remuneration of the independent directors 2. Stipulation and regular review of the performance assessment standards of the Company's directors and managers.	No objection Approved as presented	File to the board of directors and approved by all attended directors
2022.04.07 (second meeting in the second term)	1. Distribution of remuneration for employees and directors in 2021	No objection Approved as presented	File to the board of directors and approved by all attended directors
2022.06.28 (third meeting in the second term)	1. The amendment of the Regulations for the Remuneration of the Directors and the Managers and the	No objection Approved as presented	File to the board of directors and approved by all attended directors

	adjustment of the remuneration of the chairman 2. The hiring and the remuneration of the corporate governance officer		
2022.09.12 (fourth meeting in the second term)	1. The remuneration of the newly-hired manager	No objection Approved as presented	File to the board of directors and approved by all attended directors
2023.01.12 (fifth meeting in the second term)	1. Stipulation of "Employee Stock Subscription Plan in Cash Capital Increase" 2. Year-end performance bonus and the adjustment of the remuneration of the managers 3. Distribution of the new shares issued through cash capital increase to grant employee stock options to managerial staff	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.	No material difference
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 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 others are no material difference.

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
3. Environmental issues (1) Does the Company create a suitable environmental management system according to its characteristics in the industry?	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.	No material difference
(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?	V		(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.	No material difference
(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		(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
(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.

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
4. Social Issues				No material difference
(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.	
(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 employee benefits. When the Company conducts capital increases, employees also have the share subscription right, allowing them to share in the company's operational success.	
(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.	

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 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 practices. We provide different courses for employees to continue their education.	
(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		V	We have continued performing the corporate social responsibilities since incorporation, and disclose on our	Planning to prepare the sustainable report according to GRI Standards

Promotion	Implementation			Difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
reports that disclose the non-financial related information of the Company? Does the preceding report obtain assurance or opinion from a third-party authentication unit?			official website. We plan to prepare the sustainable report according to Global Reporting Initiatives ("GRI") Standards.	
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.				
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. 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/GTSM 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	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,	No material difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons thereof
	Yes	No	Summary	
integrity? Are its board of directors and senior management actively implementing these policies and practices?			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) 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		(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 Principles for TWSE/GTSM Listed Companies".	
(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	V		(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	

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons thereof
	Yes	No	Summary	
guidelines, disciplinary actions, and compliance systems?			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's management team and employees uphold a high level of self-discipline and ethical standards, assist 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.	No material difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons thereof
	Yes	No	Summary	
(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? (5) Does the Company organize internal or external training on a regular basis to maintain business integrity?	V 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) 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.	
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	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	No material difference

Evaluation items	Implementation Status			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons thereof
	Yes	No	Summary	
procedures or confidentiality measures for handling malpractice reports? (3) Does the company provide proper whistleblower protection?	 V		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.	
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
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.				

7. 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.

8. 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.

9. Implementation status of internal control system:

(1) Internal Control Declaration:

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

Date: March 9, 2023

The 2022 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, 2022 (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. 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.

VII. This Declaration was approved by the board of directors on March 9, 2023. 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： Lai, Chin-Lin (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 listing on the Taiwan Innovation Board on the Taiwan Stock Exchange, the Company appointed a CPA to review the Company's internal control system from April 1, 2022 to September 30, 2022.

J&V Energy Technology Co., Ltd.
Codes of Ethical Conduct Review Report

Zhi Hui Zhong Zhi No. 22005712

Attached is the statement issued by J&V Energy Technology Co., Ltd. (the "Company") on October 28, 2022, which was evaluated and considered to be an internal control system related to external financial reporting and asset security, and was effectively designed and implemented on September 30, 2022, and the Company's major operational cycles and management procedures, including "sales and collection", "procurement and payment", "real estate, plant and equipment", "financing", "payroll", "internal audit", and "self-assessment" has been reviewed by the CPA. It is the responsibility of the Company's management team to maintain an effective internal control system and evaluate its effectiveness. The CPA's responsibility is to express opinions on the effectiveness of the Company's internal control system and the Company's Internal Control Declaration.

The CPA design and executes the audit work in accordance with the "Regulations for the Stipulation of Internal Control Systems for Listed Companies" and generally recognized auditing standards, so as to reasonably assure whether the aforementioned internal control systems of the Company are effective in all material aspects. This review includes understanding the Company's internal control system, evaluating the process by which the management assesses the effectiveness of the overall internal control system, testing and evaluating the effectiveness of the design and implementation of the internal control system, and other review procedures deemed necessary by the CPA. The CPAs believe that this review provides a reasonable basis for the opinions expressed.

Any internal control system has its inherent limitations. Therefore, the internal control system of the Company may still fail to prevent or detect errors or fraud that have already occurred. In addition, the environment may change in the future, and the degree of compliance with the internal control system may also decrease. As a result, the internal control system that is effective in the current period does not necessarily mean that it will continue to be effective in the future.

In our opinion, in accordance with the "Regulations for the Stipulation of Internal Control Systems for Listed Companies", the internal control system of the major operational cycles and management procedures stated above has been designed and implemented in an effective manner in all material respects as of September 30, 2022; and the statement issued by the Company on October 28, 2022, stating that the internal control system relating to external financial reporting and safeguarding of assets has been assessed to be effective and implemented is appropriate in all material respects.

In accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and "Regulations Governing Stipulation of Internal Control Systems by Public Companies", the Company has established procedures for the acquisition or disposal of assets, the management of derivative transactions, the management of the lending of funds to others, the management of the endorsement or guarantee of others, the management of related party transactions, the management of the financial statement preparation process and the supervision and management of subsidiaries.

PwC Taiwan

CPA

Securities and Futures Bureau, Financial Supervisory Commission
Approval Document No.: Jin Guan Zheng Shen No. 0990047105
Financial Supervisory Commission
Approval Document No.: Jin Guan Zheng Shen No. 1070323061

November 11, 2022

10. 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.
11. 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
2022.06.28 2022 General Meeting	1. The Company's 2021 business report and financial statement	Approved as proposed
	2. The Company's 2021 dividend distribution proposal	Approved
	3. Application for listing on TWSE	Approved as proposed and implemented in accordance with the resolution
	4. As part of the application for listing on TWSE, the Company is planning a cash capital increase and issuance of new shares prior to the listing. The Company intends to request that existing shareholders waive their right of first refusal.	Approved as proposed and implemented in accordance with the resolution
	5. In order to apply for the IPO of our subsidiary, the Company, and its affiliates may gradually sell their shareholding of TPE ENERGY and WEISHENG, and may not choose to participate in the cash capital increase of the subsidiary.	Approved as proposed and implemented in accordance with the resolution
	6. Amendment to the "AOI"	Approved as proposed. The amendment was approved by the MOEA on August 10, 2022 and the Company operates in accordance with the revised AOI.
	7. Amendment to the "Rules and Procedure of Shareholders' Meeting"	Approved as proposed and implemented in accordance with the resolution
	8. Amendment to the "Acquisition and Disposal of Assets Procedures"	Approved as proposed and implemented in accordance with the resolution
	9. Amendment to the "Financial Derivatives Trading Procedures"	Approved as proposed and implemented in accordance with the resolution
2022.11.01 First Special Shareholders' Meeting in 2022	1. Amendment to the "AOI"	Approved. The amendment was approved by the MOEA on November 7, 2022 and the Company operates in accordance with the revised AOI.
	2. By-election of the directors (including the independent director)	By-elected Candidates: Director: Liao, Fu-Sen Independent Director: Tang, Chia-Liang The registration for this election was approved by the MOEA on November 7, 2022.

Date	Important Resolutions	Implementation Status
	3. Release the directors (including the independent director) from their non-compete obligations	Approved as proposed

(2) Material Resolutions of the board of directors：

Meeting Date (Term)	Major Resolutions	Result
2022.01.25 (first meeting in the sixth term)	1. 2022 operations plan and budget 2. Investment in the shares of other companies 3. Endorsements and provision of guarantees to others 4. Independent directors' numeration 5. Stipulation and regular review of the performance evaluation standards for directors and managers of the Company	Approved
2022.04.07 (second meeting in the sixth term)	1. 2021 Annual Operating Report and Financial Statements 2. 2021 employees', directors' and supervisors' remuneration 3. 2021 distribution of revenue 4. Application for listing on TWSE 5. As part of the application for listing on TWSE, the Company is planning a cash capital increase and issuance of new shares prior to the listing. The Company intend to request that existing shareholders waive their right of first refusal 6. In order to apply for the IPO of our subsidiary, the Company, and our affiliates may gradually sell their shareholding of TPE ENERGY and WEISHENG, and may not choose to participate in the cash capital increase of the subsidiary. 7. Proposed application for the extension and raise of line of credit to First Commercial Bank 8. Endorsement and provision of guarantee to others. 9. Assessment of the independency and competency of the CPA 10. The hiring of the CPA and his or her compensation 11. Proposed to adopt the self-assessment result of preparing the Financial Statement 12. Approval of 2021 "Internal Control Declaration" 13. Stipulation of the "Corporate Governance Best Practice Principles " 14. Stipulation of the " Sustainable Development Best Practice Principles" 15. Stipulation of the "Rules Governing Financial and Business Matters Between this Corporation and its Affiliates" 16. Amendment to the "AOI" 17. Amendment to the "Rules and Procedures of Shareholders' Meeting" 18. Amendment to the "Regulations Governing the Acquisition and Disposal of Assets" 19. Amendment of the "Guidelines for Derivatives Trading" 20. Amendments to the "Approval Schedule" 21. Amendment to the written internal control systems and each management procedure 22. 2022 general shareholder's meeting 23. Matters related to proposals of shareholders holding more than one percent of the Company's shares	Approved
2022.06.02 (third meeting in the sixth term)	1. Participation with the Company's subsidiary WEISHENG in the "New Taipei City Biomass Energy Center BOO Project" of the New Taipei City Government 2. Selling shares of Taiwan Huanfeng	Approved

Meeting Date (Term)	Major Resolutions	Result
	3. Invest in the "Energy Storage Plant" project through its subsidiary, YU GUANG ENERGY 4. Proposed application for the line of credit to O-Bank Co., Ltd. 5. Endorsements and provision of guarantee	
2022.06.28 (fourth meeting in the sixth term)	1. Set up the ex-dividend date and cash dividend payment date 2. The amendment of the Regulations for the Remuneration of the Directors and the Managers and the adjustment of the remuneration of the chairman 3. The hiring and the remuneration of the corporate governance officer	Approved
2022.07.22 (fifth meeting in the sixth term)	1. Invest in the "Energy Storage Plant" project through its subsidiary, Green Forever 2. Major procurement contract 3. Endorsements and provision of guarantee 4. Donation to the CountryEDU Charity Foundation	Approved
2022.08.10 (sixth meeting in the sixth term)	1. Q2 consolidated financial statements in 2022 2. Endorsements and provision of guarantee 3. Amendment to the internal control regulations and the management regulations 4. Stipulating the "Standard Operating Procedure for Handling Director Requests" and the "Operating Procedure for Transactions with Specific Companies, Group Companies, and Related Parties"	Approved
2022.09.12 (seventh meeting in the sixth term)	1. The remuneration of the newly-hired manager 2. Proposed application for the line of credit to BANK SINOPAC COMPANY LIMITED ("BANK SINOPAC") 3. Endorsements and provision of guarantee 4. Amount of funds lent to reinvested companies 5. Fund lent to the subsidiaries 6. Amendment to the "AOI" 7. By-election of the directors (including the independent directors) 8. Nominate and review the candidate of the directors and the independent directors 9. Release the directors (including independent directors) from non-compete obligations 10. Amendment to the "Operating Procedures for the Meetings of the Board of Directors" 11. First special shareholder's meeting in 2022 12. Matters related to proposals of shareholders' nomination of the candidate of the directors and the independent directors	Approved
2022.10.18 (eighth meeting in the sixth term)	1. Invest in the "Energy Storage Plant" project through its subsidiary, Storm Power 2. Major procurement contract 3. Endorsements and provision of guarantee 4. Proposed application for the line of credit to O-Bank Co., Ltd. and Taipei Fubon Commercial Bank Co., Ltd.	Approved
2022.10.28 (ninth meeting in the sixth term)	1. Application to be listed on the Taiwan Innovation Board 2. Approved the "Internal Control Declaration" from April 1, 2022 to September 30, 2022 3. Approved the financial forecast for 2022 Q4 and 2023Q1	Approved
2022.11.24 (tenth meeting in the sixth term)	1. Q3 financial statements in 2022	Approved
2022.12.27 (eleventh meeting in the sixth term)	1. 2023 audit plan 2. Endorsements and provision of guarantee 3. 2023 operations plan and budget	Approved

Meeting Date (Term)	Major Resolutions	Result
	4. Proposed application for the line of credit to CHANG HWA COMMERCIAL BANK, LTD. 5. Conduct a cash capital increase and issue new shares before the initial listing 6. Amendment to the “Corporate Governance Best Practice Principles” 7. Amendment to the “Procedures for Handling Material Inside Information and Prevention of Insider Trading” 8. Stipulation of the Company’s risk management policy. 9. Sell the shares in TIEN LI 10. Major procurement contract	
2023.01.12 (twelfth meeting in the sixth term)	1. Amount of funds lent to reinvested companies 2. Stipulation of “Employee Stock Subscription Plan in Cash Capital Increase” 3. Year-end performance bonus and the adjustment of the remuneration of the managers 4. Distribution of the new shares issued through cash capital increase to grant employee stock options to managerial staff 5. Proposed application for the extension of line of credit to Mega International Bank 6. Proposed application for the line of credit to BANK OF KAOHSIUNG CO., LTD.	Approved
2023.03.09 (thirteenth meeting in the sixth term)	1. 2022Annual Operating Report and Financial Statements 2. 2022 Distribution of revenue 3. Distribution of remuneration for employees and directors in 2022 4. Adjustment to the remuneration of the managers 5. Assessment of the independency and competency of the CPA 6. The hiring of the CPA and his or her compensation 7. Release the directors (including independent directors) from non-compete obligations 8. Approval of 2022 “Internal Control Declaration” 9. Amendment to the “Corporate Governance Best Practice Principles” and the “ Sustainable Development Best Practice Principles” 10. Stipulation and amendment to the internal control regulations and the management regulations 11. Amendment to the “AOI” 12. Proposal to pre-approve PwC Taiwan and its affiliates to provide non-assurance services to the Company and its subsidiaries 13. Proposed application for the line of credit to the Bank of Panhsin 14. Proposal to apply for a syndicated loan to the BANK SINOPAC (acting as the arranger and the manager) to borrow up to NT$ 3,200,000 for the Company’s 15% owned subsidiary, Green Forever, with all the shares held by the Company as collateral 15. 2023 general shareholder’s meeting 16. Matters related to proposals of shareholders holding more than one percent of the Company’s shares	Approved

12. 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.

13. 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	On board date	Date of dismissal	Reason for resignation or dismissal
Senior Manager of Legal Department	Hsu, Shih-Tse	2020.08.09	2022.05.06	Personal career planning
Chief Officer of Marketing and Sales	Tsai, Chin-Yu	2021.04.12	2023.03.10	Personal health issues

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

Name of the CPA Firm	Name of CPA	Audit Period	Audit Fee	Non-accounting Fee (Note)	Total	Note
PwC Taiwan	Lin, Ya-Hui	2022	3,320	3,325	6,645	-
	Hsu, Sheng-Chung					

Note: The non-audit fees mainly consist of tax consulting and certification services of NT$ 1,425,000, IPO consulting services of 1,000,000 and internal control review services of NT$ 900,000.

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>Date of replacement</td><td colspan="4">2021.06.28</td></tr>
<tr><td>Reasons of replacement</td><td colspan="4">The internal adjustment from the CPA firm.</td></tr>
<tr><td rowspan="3">Describe whether it is because the Company terminates or the CPA did not accept the appointment</td><td colspan="2">Party
Condition</td><td>CPA</td><td>Consignor</td></tr>
<tr><td colspan="2">Voluntary termination of appointment</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="2">Not accepting (continuing) appointment</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Opinions and reasons for independent auditor’s reports other than the unmodified opinions issued within the last 2 years</td><td colspan="4">None</td></tr>
<tr><td rowspan="5">Disagreement with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="2">Disclosure of the financial report</td></tr>
<tr><td></td><td colspan="2">Audit scope or procedure</td></tr>
<tr><td></td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="3">V</td></tr>
</table>

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)	None

2. Succeeding CPA

Name of the firm	PwC Taiwan
Name of the CPA	Lin, Ya-Hui Hsu, Sheng-Chung
Date of appointment	2021.06.28
Prior to the formal engagement, any inquiry or consultation on the accounting treatment or accounting principles for specific transactions, and the type of audit opinion that might be rendered on the financial statements	None
Written opinions from the succeeding CPA that is different from 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 to be Published in Annual Reports of Public Companies

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	2022		As of May 2, 2022	
		Increase (decrease) of shareholding	Increase (decrease) of equity pledge	Increase (decrease) of shareholding	Increase (decrease) of equity pledge
Chairman	Lai, Chin-Lin	-	-	-	-
Director	Su, Yan-Ru (Note 1)	39,000 (170,000)	-	-	-
Director	Wang, Hai-Ling (Note 1)	-	-	-	-
Director	Liao, Fu-Sen	-	-	-	-
Director	Collins	-	-	-	-
	Representative: Lee, Chung-Liang	-	-	-	-
Independent Director	Wu, Ching-Sung	-	-	-	-
Independent Director	Kuo, Hui-Lan	-	-	-	-
Independent Director	Lee, Tui-Chih	-	-	-	-
Independent Director	Tang, Chia-Liang (Note 2)	-	-	-	-
General Manager	Chao, Shu-Min	-	-	-	-
Deputy General Manager	Tan, Yu-Xuan	(130,000)	-	-	-

Title	Name	2022		As of May 2, 2022	
		Increase (decrease) of shareholding	Increase (decrease) of equity pledge	Increase (decrease) of shareholding	Increase (decrease) of equity pledge
Spokesperson of Marketing and Sales	Zhang, Jian-Wei	244,204 (1,000)	-	-	-
Chief Officer of Marketing and Sales	Tsai, Chin-Yu (Note 3)	-	-	16,000	-
Senior Manager of Financial	Lin, Ta-Hsiang	(5,000)	-	16,000 (22,000)	-
Senior Manager of Legal	Hsu, Shi-Ze (Note 4)	-	-	N/A	N/A
Senior Manager of General Management	He, Zong-Xuan (Note 5)	-	-	-	-
Senior Manager of Construction Management	Cheng, Rong-Sheng	(105,000)	-	-	-
Senior Manager of Procurement	Lin, Jun-Ming (Note 6)	-	-	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: Resigned as a director on November 1, 2022.
Note 2: Assumed the office after the by-election at the special shareholders meeting on November 1, 2022
Note 3: Resigned on March 10, 2023.
Note 4: Resigned on May 6, 2022.
Note 5: Assumed the office on July 15, 2022.
Note 6: Assumed the office on October 1, 2022.

2. Information of director, managers and major shareholders' equity transfer to related parties

Unit: Share; NT$

Name	Reason for transfer	Date of the transaction	Related Parties	The relationship between the Company, directors, supervisors, managers and major shareholders and the related parties	Shares	Transaction Price
Cheng, Rong-Sheng	Gift	2022.01.17	Cheng, Zhao-Qian	Relatives within second generations	75,000	-

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 1, 2023; Unit: Shares; %

	Shareholding		Holding Shares of Spouse and Underage Children		Holding Shares Under the Name of Others		Familial Relationships between Top 10 Shareholders who are Either Related Parties, Spouses, or Relatives within second generations, his/her/its title (or name) and relationships		Note
	Number of shares	Holding shares Ratio	Number of shares	Holding shares Ratio	Number of shares	Holding shares Ratio	Title (or name)	Relationships	
Su, Yan-Ru	17,872,009	15.38	7,813,204	6.72	1,269,953	1.09	Zhang, Jian-Wei	Spouse	-
Wang, Hai-Ling	12,808,059	11.02	7,342,800	6.32	1,048,046	0.90	Tan, Yu-Xuan	Spouse	-
Firich Enterprises Company Ltd.	10,563,000	9.09	-	-	-	-	-	-	-
Representative: Hsu, Ming-Che	-	-	-	-	-	-	-	-	-
Formosan Union Chemical Corporation	10,114,318	8.70	-	-	-	-	-	-	-
Representative: Huang, Sheng-Tsai	-	-	-	-	-	-	-	-	-
Zhang, Jian-Wei	6,913,204	5.95	18,772,009	16.15	1,269,953	1.09	Su, Yan-Ru	Spouse	-
Tan, Yu-Xuan	5,842,800	5.03	14,308,059	12.31	1,048,046	0.90	Wang, Hai-Ling	Spouse	-
Chao, Peng-Hsuan	2,000,694	1.72	-	-	-	-	-	-	-
Liang, Wen-Chih	1,347,449	1.16	-	-	-	-	-	-	-
ASIA ENERGY DEVELOPMENT	1,269,953	1.09	-	-	-	-	Su, Yan-Ru; Zhang, Jian-Wei	Directors and shareholders	-
Representative: Zheng, Mei-Juan	16,000	0.01	-	-	-	-	-	-	-
Qiu, Zi-Qi	1,087,977	0.94							

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, 2022; Unit: 1000 shares; %

Reinvested business (Note)	Investment		Investment by directors, supervisors, managers, and directly or indirectly controlled business		Comprehensive Investment	
	Number of shares	Holding shares ratio	Number of Shares	Holding shares ratio	Number of shares	Holding shares ratio
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	210	100	-	-	210	100
YU GUANG ENERGY	4,368	78.00	-	-	4,368	78.00
J&M Power Development	930	100	-	-	930	100
Phanta Energy Inc. ("Phanta Energy")	6,500	76.47	-	-	6,500	76.47
Formosa Biomas	2,650	83.33	-	-	2,650	83.33
Xiang Guang Energy	100	100	-	-	100	100
Guang Liang Energy	350	100	-	-	350	100
Zhu Ri Energy	100	100	-	-	100	100
GREENET	4,500	100	-	-	4,500	100
TPE ENERGY	21,922	71.88	5,714	18.73	27,636	90.61
Chuang Jie Energy	100	100	-	-	100	100
Chuang Da Energy	150	100	-	-	150	100
WEISHENG	17,857	73.17	-	-	17,857	73.17
Tai Wei Energy	150	100	-	-	150	100
Rui Neng Energy	70	100	-	-	70	100
J&V Engineering	500	100	-	-	500	100
Skynergy	5,500	100	-	-	5,500	100
Storm Power	900	100	-	-	900	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	1,950	20.74	1,059	11.26	3,009	32.00

Note: Investment by the Company using the equity method.

Chapter 4 Capital Overview

I. Capital and shares

1. Capital sources

(1) Capital formation:

Unit: 1,000 shares; NT$ Thousand

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
2022.03	96	200,000	2,000,000	116,209	1,162,091	Capital increase of NT$ 35,000,000	None	Note 13

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

(2) Types of shares:

May 2, 2023; Unit: share

Types of shares	Authorized share capital			Note
	Outstanding shares	Unissued shares	Total	
Registered common shares	116,209,078	83,790,922	200,000,000	Listed Shares

(3) Related information on the general declaration system:

None.

2. Shareholder structure

April 1, 2023; Unit: share; person; %

Shareholder Structure / Amount	Government agency	Financial institution	Other corporations	Individual	Foreign institutions and foreigners	Total
Number of persons	-	3	41	3,605	8	3,657
Number of shares held	-	417,018	27,536,067	88,134,396	121,597	116,209,078
Shareholding percentage	-	0.36	23.70	75.84	0.10	100.00

3. Dispersion of Equity

(1) Dispersion of common shares

April 1, 2023; Unit: share; person; %

Class of Shareholding	Number of shareholders	Number of Shares Held	Shareholding percentage (%)
1-999	925	103,593	0.09
1,000-5,000	1,963	3,825,678	3.29
5,001-10,000	287	2,328,575	2.00
10,001-15,000	100	1,308,550	1.13
15,001-20,000	69	1,282,043	1.10
20,001-30,000	88	2,283,462	1.97
30,001-40,000	38	1,384,325	1.19
40,001-50,000	28	1,340,500	1.16
50,001-100,000	68	5,091,396	4.38
100,001-200,000	28	3,560,873	3.06
200,001-400,000	33	9,989,476	8.60
400,001-600,000	8	3,997,094	3.44
600,001-800,000	6	4,211,110	3.62
800,001-1,000,000	4	3,564,307	3.07
1,000,001and above	12	71,938,096	61.90
Total	3,657	116,209,078	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 1, 2023; Unit: Share

Shares / Name of Major Shareholders	Number of Shares held	Shareholding Ratio(%)
Su, Yan-Ru	17,872,009	15.38
Wang, Hai-Ling	12,808,059	11.02
Firich Enterprises Company Ltd.	10,563,000	9.09
Formosan Union Chemical Corporation	10,114,318	8.70
Zhang, Jian-Wei	6,913,204	5.95
Tan, Yu-Xuan	5,842,800	5.03
Chao, Peng-Hsuan	2,000,694	1.72
Liang, Wen-Chih	1,347,449	1.16
ASIA ENERGY DEVELOPMENT	1,269,953	1.09
Qiu, Zhi-Qi	1,087,977	0.94

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

Unit: NT$; 1,000 shares

Year / Item			2021	2022	As of May 2, 2023 (Note 1)
Market price per share	Highest		Unlisted (or OTC)	Unlisted (or OTC)	128.50
	Lowest		Unlisted (or OTC)	Unlisted (or OTC)	77.70
	Average		Unlisted (or OTC)	Unlisted (or OTC)	104.29
Net value per share	Before distribution		19.67	23.63	Not applicable
	After distribution		19.47	21.57	Not applicable
Earnings per share	Weighted average shares		98,052	112,709	Not applicable
	Earnings per share		2.30	4.03	Not applicable
Dividend per share	Cash dividend		0.20	(Note 2) 2.06	Not applicable
	Non-compensated distribution	Dividend from earnings	-		Not applicable
		Stock distribution by additional paid-in capital	-	-	Not applicable
	Cumulative unpaid dividends		-	-	Not applicable
Return on Investment Analysis	Price-to-Earning Ratio		Unlisted (or OTC)	Unlisted (or OTC)	Not applicable
	Price-Dividend ratio		Unlisted (or OTC)	Unlisted (or OTC)	Not applicable
	Cash dividend yield		Unlisted (or OTC)	Unlisted (or OTC)	Not applicable

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 2022 was approved by the board of directors on March 9, 2023, 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 9, 2023, a cash dividend of NT$ 232,418,156 is proposed to be allocated from the distributable earnings of 2022. Said resolution has not yet been approved by the general shareholders' meeting in 2023.

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 on March 9, 2022. The employees' and directors' remuneration is NT$ 10,610,000 and NT$ 6,238,000 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, directors and supervisors 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 2021 was approved by the board of directors on April 7, 2022. The amounts distributed for employees' and directors' remuneration were NT$ 2,381,000 and NT$ 0, respectively, and were reported to the shareholders' meeting on June 28, 2022. There was no difference between the actual distribution and the estimated amount recognized in 2021.

9. The Company's treasury stock: None

II. The Status 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
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; %

Year / Item	2021		2022	
	Amount	Ratio	Amount	Ratio
Construction revenue	1,754,155	81.40	5,742,197	91.13
Revenue from electric power generation	149,364	6.93	178,012	2.83
Services revenue	110,964	5.15	112,299	1.78
Others	140,438	6.52	268,254	4.26
Total	2,154,921	100.00	6,300,762	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 Wind Energy: Wind farm development and investment industry supply chain.

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

D. Energy Storage: Provide intermittent energy storage system services for renewable energy power supply and construction projects for the energy storage system.

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 large-scale ground and fishery/agricultural and electricity coexistence sites for solar photovoltaic systems in accordance with government policies.

B. Integrate solar energy and energy storage systems into new forms of renewable energy sites.

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

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

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

F. 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.

G. Develop power generation from water level differences generated by canals or existing water conservancy facilities.

H. 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 2020 Energy Statistics Manual, Taiwan's energy self-sufficiency is currently 2.27%, and nearly 97.73% 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 waste 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 8.6% in 2022, while nuclear power generation has decreased from 18.4% to 9.2%. From these statistics, renewable energy generation has shown a stable growth trend in the last decade.

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

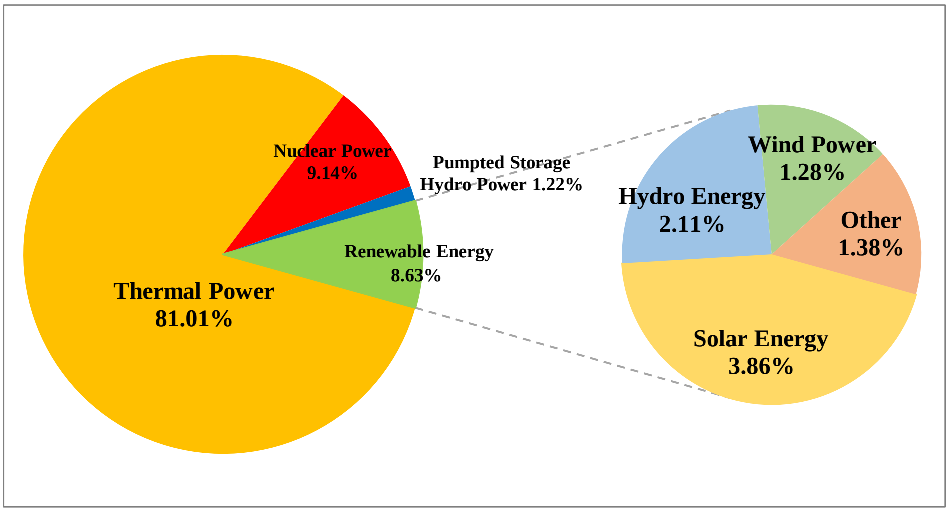
Year	Pumped Storage HydroPower	Renewable Energy	Nuclear Power	Fossil Fuel
2012	1.4%	4.6%	18.4%	75.7%
2013	1.5%	4.6%	18.8%	75.2%
2014	1.4%	4.0%	18.6%	76.0%
2015	1.4%	4.2%	16.0%	78.3%
2016	1.5%	5.1%	13.5%	79.9%
2017	1.4%	4.9%	9.3%	84.4%
2018	1.4%	4.9%	11.4%	82.2%
2019	1.4%	6.0%	13.4%	79.2%
2020	1.3%	5.8%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

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 2022, Taiwan's renewable energy generation accounted for 8.6% of total electricity generation. 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 2022



Solar Energy

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 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 BOE 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 BOE 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 BOE 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.

<u>Entering the Free Electricity Retailing Market from the Power Generation Industry</u>

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 due to intermittent power generation or increased instantaneous load of traditional power plants. 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 and frequency adjustment.

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, and the electricity stored off-peak can be transferred for self-use, which helps major electricity users to 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 Environmental Protection Administration, Executive Yuan ("EPA") 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 EPA 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.)

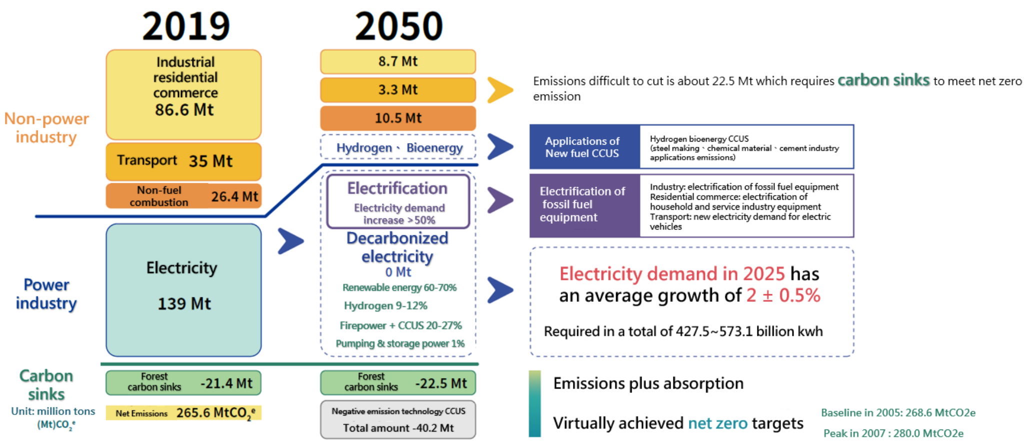
(Source: Industry Value Chain Information Platform)

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 a non-nuclear homeland and green energy 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 launching energy policies one after another. 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. The guaranteed purchase (wholesale purchase) system for green power was introduced for the first time in the amendment to the Renewable Energy Development Act, 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. According to the MOEA, it is possible that contracts with a capacity of more than 5MW will be classified as "major electricity users", and it is estimated that about 600 enterprises will be affected. Meanwhile, the amendment requires government agencies or institutions, public schools or government-operated enterprises to set an example by installing renewable energy priorly in new, additional, or altered public works or publicly owned buildings if the requirement is met. With reference to the self-governance ordinances, the Bureau of Standards, Metrology and Inspection, MOEA estimates that said amendment will lead to an annual demand for 1.5 to 1.6 billion kWh of T-REC, which will drive green power toward the free trade market.

C. 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.

D. 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 energy storage equipment projects have been amended to be included in the proportion of renewable energy use, 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.

E. 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 500MW.

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 2022, about 9.72GW 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 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 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 and Formosa 5 wind farms, and expects to be allocated a total of 1.5GW (500MW in each bidding phase) of wind farm capacity in 2026-2031. In addition to the Taiwan market, the Company has also joined hands with the Taiwan Team to develop offshore wind farms in Japan.

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 March 2023, 40 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 800 million kWh of green energy. 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 addition, in 2022, the Company won the bid for the turnkey construction and subsequent operation of two 100MW energy storage facilities in Wujie Township, Yilan County. This is the largest single energy storage project in Taiwan and is expected to provide stable energy storage Automatic Frequency Control (AFC) frequency modulation reserve assistance services after completion.

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 of over NT$ 2 billion, including the NT$ 1.8 billion Taoyuan International Airport West Side Wastewater Treatment Plant and Pipeline Construction and the NT$ 850 million Taoyuan International Airport West Water Storage and Boosting Station Project. 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.

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. Develop an electric vehicle business in line with the government's "2050 Net-Zero Emission Roadmap" to electrify all vehicles for transportation.

(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. Expanding Overseas Markets

The Company is expanding the green energy business layout and taking root downward, setting a benchmark as a domestic comprehensive green energy enterprise, and continuing to take root in the domestic market step by step, and gradually expanding to international markets.

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; %

Region \ Year	2021		2022	
	Amount	Ratio	Amount	Ratio
Taiwan	2,154,921	100.00	6,300,762	100.00

(2) Market Share

The cumulative installed capacity of solar power plants developed by the Company is over 500MW, of which the completed installed capacity is approximately 228.29MW. According to the Energy Statistical Monthly Report provided by the BOE, the installed capacity of solar power in 2022 was about 9,724 MW. Based on the cumulative installed capacity of the Company installed capacity, its market share is approximately 2.35%.

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

The Overall Renewable Energy Market

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.

Solar Energy

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.

Offshore Wind Power

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 bidding rules, each developer can only obtain one wind farm, and each wind farm has a capacity limit (500MW), and localization is listed as an important selection index. 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 and Formosa 5 wind farm and the Formosa 4 wind farm was awarded the development right for the first phase of third-phase block development in December 2022. In addition to the Taiwan market, the Company has also joined hands with the Taiwan Team to develop offshore wind farms in Japan.

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 1GW (1 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 demand for green power purchases by private companies continues to increase due to ESG, environmental impact assessment, major electricity users, and international supply chain requirements that require the usage of a certain proportion of renewable energy. According to the MOEA, the demand for green energy will reach strong demand momentum, with 13.9 billion kWh in 2025 and 20.5 billion kWh in 2030. In order to meet the urgent needs of enterprises for green energy, Taipower sells self-built renewable energy through the T-REC trading platform, and a number of private companies have also obtained electricity business licenses for selling renewable energy, and specializing in selling renewable energy.

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 acquiring and investing in various renewable energy fields, we are able to obtain professional technology and combine it with the management and operational expertise of the Company to assist our subsidiaries in expanding their operations and creating business benefits. 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 the following 20 years 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.

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.

<u>Countermeasures</u>

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 will be connected to the grid gradually at the end of 2022, 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 power generation was about 3.6 million kWh. It also signed a contract of generating 3 million kWh of electric power with Gogoro and Micron, and successively obtained power sales contracts from large enterprises including semiconductor manufacturers.

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.

Countermeasures

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.

Countermeasures

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.

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

Main products	Usages
	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 solar power	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

Main raw materials	Name of supplier	Supply status
	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
	ACMEPOINT ENERGY SERVICES CO., LTD. ("ACMEPOINT ENERGY")	Good
The module of solar energy	United Renewable Energy Co., Ltd.	Good
	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
	Dollar Technology Co., Ltd.	Good
Energy storage construction	Powin LLC	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; %

	2021				2022			
item	Name	Amount	Net proportion of purchase	Relationship with the issuer	Name	Amount	Net proportion of the purchase	Relationship with the issuer
1	GOLD SUN TECHNOLOGY	372,123	25.15	None	GOLD SUN TECHNOLOGY	884,013	19.53	None
2	Sinotech Power Group	39,833	2.69	None	Sinotech Power Group	416,076	9.19	None
3	Others	1,067,627	72.16	-	Others	3,225,318	71.28	-
	Net purchase	1,479,583	100.00	-	Net purchase	4,525,407	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/ %

	2021				2022			
Item	Name	Amount	Net proportion of the sale	Relationship with the issuer	Name	Amount	Net proportion of the sale	Relationship with the issuer
1	Enfinite Capital	1,344,282	62.38	Related Parties	Enfinite Capital	4,644,074	73.71	Related Parties
2	Taipower	425,085	19.73	None	Taipower	644,590	10.23	None
3	Others	385,554	17.89	-	Others	1,012,098	16.06	-
	Net sale amount	2,154,921	100.00	-	Net sale amount	6,300,762	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. 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	2021			2022		
	Capacity	Output	Value	Capacity	Output	Value
Construction revenue	- (Note 1)	- (Note 1)	1,377,444	- (Note 1)	- (Note 1)	4,372,893
Electricity sale revenue	33,014 (Note 2)	31,363 (Note 3)	81,372	39,188 (Note 2)	37,229 (Note 3)	97,408
Service income	- (Note 4)	- (Note 4)	26,207	- (Note 4)	- (Note 4)	46,766
Other income	- (Note 5)	- (Note 5)	131,556	- (Note 5)	- (Note 5)	243,486
In total			1,616,579			4,760,553

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 2022 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	2021				2022			
	Domestic sales		International sales		Domestic sales		International sales	
	volume	value	volume	value	volume	value	volume	value
Construction revenue	- (Note 1)	1,754,155	-	-	- (Note 1)	5,742,197	-	-
Electricity sales revenue	31,363 (Note 2)	149,364	-	-	37,229 (Note 2)	178,012	-	-
Services income	- (Note 3)	110,964	-	-	- (Note 3)	112,299	-	-
Other income	- (Note 4)	140,438	-	-	- (Note 4)	268,254	-	-
In total	31,363	2,154,921	-	-	37,229	6,300,762	-	-

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, the electricity sales output in 2022 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		2021	2022	As of May 2, 2023
Number of employees	Manager	26	28	28
	Ordinary Staff	156	198	219
	In total	182	226	247
Average age		40.21	40.52	40.11
The average length of service		2.22	2.05	2.38
Education background distribution ratio (%)	Doctor	2%	1%	1%
	Master	32%	20%	18%
	College	58%	67%	70%
	Senior high	5%	9%	9%
	Under senior high	3%	3%	2%

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 environmental pollution occurred during the excavation and pipeline installation for the fishery & electricity symbiosis project in Beimen District, Tainan City. As the pipeline installation has been completed, and only the installation of support structures remains, there will be no further violation of waste disposal or air pollution control regulations. The fishery & electricity symbiosis project in

Beimen District, Tainan City is expected to be connected to the grid in the second quarter of 2023, and the Company does not anticipate any future losses related to environmental pollution.

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, 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 and 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

The internal training is divided into general courses, professional courses, and management courses:

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 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 2022:

Total training sessions and persons	Total training hours and persons	Training fees
400 people/sessions	440 people/hour	NT$ 3,680

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 2022:

Total training sessions and persons	Total training hours and persons	Training fees
13 people/sessions	227 people/hour	NT$ 177,480

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 2021:

Total training sessions and persons	Total training hours and persons	Training fees
8 people/sessions	157 people/hour	NT$ 45,273

(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.

In the most recent years up to the printed date of this annual report, the Company has not suffered losses due to labor disputes, and there are no potential factors for labor disputes. It is estimated that in the future, under the circumstances that the Company will continue to actively promote and implement various employee welfare measures, there will be no losses due to labor disputes.

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

Nature of the contract	Parties		Term	Content	Restrictions
Development Service Contract	The Company	Enfinite Capital	From June 22, 2020 to obtain the Electricity Business License	Development of fishery & electricity symbiosis site in Baimen District, Tainan City, obtaining relevant permits and coordination	Confidentiality clause as transaction conditions and non-compete clause
Operation Management Consulting Service Contract	The Company	Enfinite Capital	From September 16, 2021 to 20 years after the grid connection	Operation management consulting services for renewable energy power stations (plants)	Confidentiality clause as transaction conditions
Construction Contract	The Company	Enfinite Capital	From October 06, 2021 to the expiration of the warranties	Solar power generation equipment construction	Time limit for grid connection and confidentiality clause as transaction conditions
Construction Contract	The Company	ALLIS ELECTRIC	From December 16, 2021 to the expiration of the warranties	Civil engineering and electromechanical engineering of solar energy substation	Time limit for construction and confidentiality clause as transaction conditions
Construction Contract	The Company	Guo Guang Construction	From December 24, 2021 to the expiration of the warranties	Solar power generation equipment construction	Time limit for grid connection and confidentiality clause as transaction conditions
Construction Contract	The Company	ACMEPOINT ENERGY	From December 20, 2021 to the expiration of the warranties	Solar power generation equipment construction	Time limit for grid connection and confidentiality clause as transaction conditions
Construction Contract	The Company	SHINE ENGINEERING	From December 24, 2021 to the expiration of the warranties	Solar power generation equipment construction	The time limit for grid connection and confidentiality clause as transaction conditions

Nature of the contract	Parties		Term	Content	Restrictions
Construction Contract	The Company	Yi Da Development	From December 24, 2021 to the expiration of the warranties	External pipeline for the solar power generation equipment	Confidentiality clause as transaction conditions
Construction Contract	The Company	TA TUN ELECTRIC	From December 22, 2021 to the expiration of the warranties	External electromechanical engineering of the solar power generation equipment	Confidentiality clause as transaction conditions
Construction Contract	The Company	Green Forever	From December 1, 2022 to the expiration of the warranties	Construction of energy storage generation equipment	Time limit for grid connection and confidentiality clause as transaction conditions
Work Contract	TPE ENERGY	KUOZUI MOTORS, LTD. (“KUOZUI MOTORS”)	From November 23, 2021 to the expiration of the warranties	System design for the construction of energy storage equipment	None
Construction Contract	TPE ENERGY	KUOZUI MOTORS	From November 23, 2021 to the expiration of the warranties	Integration for the construction of energy storage equipment	None
Construction Contract	TPE ENERGY	KUOZUI MOTORS	From November 23, 2021 to the expiration of the warranties	Communication system for the construction of energy storage equipment	None
Procurement Contract	WEISHENG	Hsinchu County Government	From September 15, 2020 to the expiration of the warranties	Construction of water resources recycling center project and operation on behalf of the client	None
Service Procurements Contract	WEISHENG	Hsinchu County Government	From November 23, 2021 to the expiration of the warranties	Construction of water resources recycling center project and operation on behalf of the client	None
Equipment and Materials Procurement Contract	The Company	HWAN TAI CEMENT	From December 20, 2021 to the last payment paid	Prestressed concrete pile products	Confidentiality clause as transaction conditions
Equipment and Materials	The Company	GOLD SUN TECHNOLOGY	From December 27, 2021 to the last	Purchasing solar energy modules	Confidentiality clause as

Nature of the contract	Parties		Term	Content	Restrictions
Procurement Contract			payment paid		transaction conditions
Equipment and Materials Procurement Contract	The Company	Sinotech Power Group	From December 23, 2021 to the last payment paid	Purchasing solar energy support bracket	Confidentiality clause as transaction conditions
Procurement Contract	TPE ENERGY	POWIN LLC.	From November 18, 2021 to the last payment paid	Battery storage cabinet	Confidentiality clause as transaction conditions and prohibition of public advertisement
Procurement Contract	The Company	WÄRTSILÄ FINLAND OY & WÄRTSILÄ TAIWAN LTD.	From July 22, 2022 to the expiration of the warranties	Energy storage generation equipment	None
Share Purchase Agreement	The Company	Taiya Renewable Energy Co., Ltd.	From June 16, 2022 to the completion of the transaction	Share transaction	Confidentiality clause as transaction conditions
Insurance Contract	The Company	Fubon Insurance Co., Ltd.	From January 1, 2023 to January 1, 2024	Liability insurance for directors and supervisors	N/A

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. International Financial Reporting Standards-Consolidated Financial Statement

Unit: NT$ Tusand

Item \ Year		Financial data of the five most recent years				
		2018	2019	2020	2021	2022
Current assets (Note)		413,631	438,182	483,362	2,674,006	5,414,578
Property, plant and equipment		1,028,434	954,665	1,015,463	1,234,010	1,257,774
Intangible assets		35	2,987	4,513	27,608	33,960
Other assets (Note)		98,269	154,349	498,517	1,210,850	1,500,539
Total assets		1,540,369	1,550,183	2,001,855	5,146,474	8,206,851
Current liabilities	Before distribution	267,557	164,688	233,603	1,950,969	4,238,748
	After distribution	318,509	164,688	233,603	1,973,511	4,471,166
Non-current liabilities		417,323	568,631	739,050	808,658	1,109,082
Total liabilities	Before distribution	684,880	733,319	972,653	2,759,627	5,347,830
	After distribution	735,832	733,319	972,653	2,782,169	5,580,248
Equity attributable to shareholders of the Parent		843,651	816,864	1,001,839	2,217,158	2,663,770
Capital stock		727,891	727,891	727,891	1,127,091	1,127,091
Capital surplus		16,152	16,152	16,470	629,218	644,399
Retained earnings	Before distribution	99,608	72,821	257,478	460,849	892,280
	After distribution	48,656	72,821	257,478	438,307	659,862
Other equity interest		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling interests		11,838	-	27,363	169,689	195,251
Total equity	Before distribution	855,489	816,864	1,029,202	2,386,847	2,859,021
	After distribution	804,537	816,864	1,029,202	2,364,305	2,626,603

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

Note: In the financial statements of 2020 audited and attested by CPAs, the bank loan commitment is listed under the item "non-current financial assets at cost by amortized". In order to make it consistent, the Company intended to reclassify the relevant figures disclosed in 2018.

B. International Financing Reporting Standards- Individual Financial Statement

Unit: NT$ Thousand

Item \ Year		Financial data of the five most recent years				
		2018	2019	2020	2021	2022
Current assets		697,736	432,179	174,239	1,759,419	3,715,013
Property, plant and equipment		1,786	571	27,207	29,000	24,569
Intangible assets		35	-	792	528	865
Other assets		206,821	419,310	968,166	1,757,984	2,108,994
Total assets		906,378	852,060	1,170,404	3,546,931	5,849,441
Current liabilities	Before distribution	62,727	32,399	117,877	1,277,497	3,102,211
	After distribution	113,679	32,399	117,877	1,300,039	3,334,629
Non-current liabilities		-	2,797	50,688	52,276	83,460
Total liabilities	Before distribution	62,727	35,196	168,565	1,329,773	3,185,671
	After distribution	113,679	35,196	168,565	1,352,315	3,418,089
Equity attributable to shareholders of the parent		843,651	816,864	1,001,839	2,217,158	2,663,770
Capital stock		727,891	727,891	727,891	1,127,091	1,127,091
Capital surplus		16,152	16,152	16,470	629,218	644,399
Retained earnings	Before distribution	99,608	72,821	257,478	460,849	892,280
	After distribution	48,656	72,821	257,478	438,307	659,862
Other equity interest		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling interests		-	-	-	-	-
Total equity	Before distribution	843,651	816,864	1,001,839	2,217,158	2,663,770
	After distribution	792,699	816,864	1,001,839	2,194,616	2,431,352

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

(2) Condensed comprehensive income statements

A. International Financial Reporting Standards-Consolidated Financial Statements

Unit: NT$ Thousand

Item \ Year	Financial data of the five most recent years				
	2018	2019	2020	2021	2022
Operating revenue	166,801	175,808	211,428	2,154,921	6,300,762
Gross profit	87,909	80,444	96,536	482,680	1,306,509
Income from operations	14,535	6,425	(3,797)	234,174	876,071
Non-operating income and expenses	81,147	15,243	219,328	14,580	(219,273)
Profir before Income tax	95,682	21,668	215,531	248,754	656,798
Profit from continuing operations	93,105	18,529	182,255	230,474	471,164
Loss from discontinued operations	-	-	-	-	-
Net Profit	93,105	18,529	182,255	230,474	471,164
Other comprehensive income for the year	2,272	-	-	-	-
Total comprehensive income for the year	95,377	18,529	182,255	230,474	471,164
Profit attributable to shareholders of the Company	95,905	24,165	184,657	225,834	453,973
Profit attributable to non-controlling interests	(2,800)	(5,636)	(2,402)	4,640	17,191
Total comprehensive income (loss) attributable to shareholders of the Company	98,177	24,165	184,657	225,834	453,973
Total comprehensive income (loss) attributable to non-controlling interests	(2,800)	(5,636)	(2,402)	4,640	17,191
Earnings per share (in dollars)	1.33	0.33	2.54	2.30	4.03

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

B. International Financial Reporting Standards-Individual Financial Statements

Unit: NT$ Thousand

Item \ Year	Financial data of the five most recent years				
	2018	2019	2020	2021	2022
Operating revenue	32,490	55,114	79,433	1,619,212	4,955,912
Gross profit	16,503	19,543	29,322	277,614	1,208,092
Income from operations	(21,811)	(20,194)	(22,838)	182,355	736,806
Non-operating income and expenses	116,582	42,480	234,535	53,376	(127,651)
Profir before Income tax	94,771	22,286	211,697	235,731	609,155
Profit from continuing operations	95,905	24,165	184,657	225,834	453,973

Item / Year	Financial data of the five most recent years				
	2018	2019	2020	2021	2022
Loss from discontinued operations	-	-	-	-	-
Net Profit	95,905	24,165	184,657	225,834	453,973
Other comprehensive income for the year	2,272	-	-	-	-
Total comprehensive income for the year	98,177	24,165	184,657	225,834	453,973
Profit attributable to shareholders of the Company	95,905	24,165	184,657	225,834	453,973
Profit attributable to non-controlling interests	-	-	-	-	-
Total comprehensive income (loss) attributable to shareholders of the Company	98,177	24,165	184,657	225,834	453,973
Total comprehensive income (loss) attributable to non-controlling interests	-	-	-	-	-
Earnings per share	1.33	0.33	2.54	2.30	4.03

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
2018	PwC Taiwan	Hsu, Sheng-Chung	Unqualified opinion with emphasis on matters
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

II. Financial analysis of the five most recent years

1. Financial Analysis on Consolidated Bases-International Financial Reporting Standards

Item analyzed / Year		Financial analysis of the five most recent years				
		2018	2019	2020	2021	2022
Financial structure	Debt Ratio (%)	44.46	47.31	48.59	53.62	65.16
	Ratio of long-term capital to property, plant and equipment (%)	123.76	145.13	174.13	258.95	315.48

Item analyzed / Year		Financial analysis of the five most recent years				
		2018	2019	2020	2021	2022
Solvency	Current ratio (%)	154.60	266.07	206.92	137.06	127.74
	Quick ratio (%)	139.87	252.27	149.65	131.24	104.20
	Interest earned ratio (times)	5.23	2.48	12.86	11.23	18.97
Operating ability	Accounts receivable turnover (times)	6.35	6.64	12.78	6.13	13.75
	Average collection period	57	55	29	60	27
	Inventory turnover (times)	13.85	16.74	9.43	132.67	60.49
	Accounts payable turnover (times)	4.23	4.64	15.95	2.52	4.34
	Average days in sales	26	22	39	3	6
	Property, plant and equipment turnover (times)	0.16	0.18	0.21	1.91	5.05
	Total assets turnover (times)	0.11	0.11	0.12	0.60	0.94
Profitability	Return on total assets (%)	7.85	2.07	11.12	7.07	7.50
	Return on stockholders' equity (%)	12.02	2.22	19.75	13.49	17.96
	Pre-tax income to paid-in capital (%)	13.15	2.98	29.61	22.07	58.27
	Profit ratio (%)	55.82	10.54	86.20	10.69	7.47
	Earnings per share (NT$)	1.33	0.33	2.54	2.30	4.03
Cash flow	Cash flow ratio (%)	29.41	(Note 1)	(Note 1)	3.31	20.33
	Cash flow adequacy ratio (%)	9.08	7.61	6.76	8.10	24.63
	Cash reinvestment ratio (%)	6.00	(Note 1)	(Note 1)	2.07	20.71
Leverage	Operating leverage	7.20	17.55	(Note 2)	2.31	1.71
	Financial leverage	(1.23)	(0.69)	(Note 2)	1.12	1.05

Item analyzed \ Year	Financial analysis of the five most recent years				
	2018	2019	2020	2021	2022
Explanations of changes by more than 20% in various financial ratios in increase or decrease in the most recent two years: 1. Increased by 21.52% in the ratio of debts to assets: mainly due to the increase in borrowing of long and short-term loans for the power plant projects, resulting in an increase in liabilities. 2. Increased by 21.83% in the ratio of long-term capital to property, plant and equipment: mainly due to continuous profits, and the increase of retained earnings in 2022. 3. Decreased by 20.60% in the current ratio: mainly due to the increase in contract liabilities and short-term borrowings required for constructing contracting and power plant construction, which results in the overall increase of current liabilities. 4. Increased by 68.92% in interest coverage ratio: mainly due to the increase in net profit after tax in 2022. 5. Increased by 124.31% in receivables turnover rate and decreased by 55.00% in average collection days for receivables: mainly due to the construction revenue from the continuous construction in 2022 and recognized based on the percentage of completion method, resulting in a significant increase compared to 2021. However, the aforementioned project collects project payments based on the progress of the said construction, and the average accounts receivable is not significantly different from that in 2021. 6. Increased by 54.41% in inventory turnover rate, decreased by 72.22% in payables turnover rate, and increased by 100.00% in average days for sales of goods: mainly due to the increase in operating costs of project contracting in 2021. 7. Increased by 164.40% in property, plant and equipment turnover rate and increased by 56.67% in total asset turnover rate: mainly due to the significant increase in net revenue in 2022. 8. Increase in return on equity, ratio of profit before tax to paid-in capital and earnings per share: mainly due to the increase in net revenue resulting from contracting construction business in 2022. 9. Decrease by 30.12% in profit margin: mainly due to the significant increase in construction costs resulting in a decline in overall gross profit margin while the Company benefited from a large influx of project income and a significant increase in operating income due to expanding its operating scale in 2022 and developed power plant engineering contracting business. 10. Increase in cash flow ratio, cash flow adequacy ratio and cash reinvestment ratio: mainly due to the Company following the payment conditions to receive payments for the construction, resulting in a net cash inflow from operating activities in 2022. 11. Decrease by 25.97% of operating leverage: mainly due to the increase in operating profit of contracting construction business in 2022.					

Resources: Consolidated financial statements of each year audited 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- International Financial Reporting Standards

Item Analyzed \ Year		Financial analysis of the five most recent years				
		2018	2019	2020	2021	2022
Financial structure	Debt Ratio (%)	6.92	4.13	14.40	37.49	54.46
	Ratio of long-term capital to property, plant and equipment (%)	47,228.69	143,505.42	3,868.63	7,825.67	11,181.69
Solvency	Current ratio (%)	1,112.34	1,333.94	147.81	137.72	119.75
	Quick ratio (%)	1,108.59	1,315.48	89.57	135.71	95.15
	Interest earned ratio (%)	16.72	215.32	505.68	71.51	67.86
Operating ability	Accounts receivable turnover (times)	1.94	3.69	10.37	5.75	17.14
	Average collection period	188	99	35	63	21
	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

Item Analyzed \ Year		Financial analysis of the five most recent years				
		2018	2019	2020	2021	2022
	Average days in sales	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
	Property, plant and equipment turnover (times)	13.27	46.76	5.72	57.62	185.03
	Total assets turnover (times)	0.04	0.06	0.08	0.69	1.05
Profitability	Return on total assets (%)	12.70	2.76	18.30	9.71	9.82
	Return on stockholders' equity (%)	12.61	2.91	20.31	14.03	18.60
	Pre-tax income to paid-in capital (%)	13.02	3.06	29.08	20.92	54.05
	Profit ratio (%)	295.18	43.85	232.47	13.95	9.16
	Earnings per share (NT$)	1.33	0.33	2.54	2.30	4.03
Cash flow	Cash flow ratio (%)	(Note 2)	(Note 2)	(Note 2)	6.77	27.71
	Cash flow adequacy ratio (%)	(Note 2)	(Note 2)	(Note 2)	5.47	38.12
	Cash reinvestment ratio (%)	(Note 2)	(Note 2)	(Note 2)	7.46	59.84
Leverage	Operating leverage	(Note 3)	(Note 3)	(Note 3)	1.90	1.56
	Financial leverage	(Note 3)	(Note 3)	(Note 3)	1.02	1.01

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

1. Increased by 45.27% in the ratio of debts to assets: mainly due to the borrowing of short-term loans for business operations, resulting in an increase in liabilities.
2. Increased by 42.88% in the ratio of long-term capital to property, plant and equipment: mainly due to continuous profits, and the increase of retained earnings in 2022.
3. Decreased by 29.89% in the current ratio: mainly due to the increase in contract liabilities and short-term borrowings required for construction contracting and power plant construction, which results in the overall increase of current liabilities.
4. Increased by 198.09% in receivables turnover rate and decreased by 66.67% in average collection days for receivables: mainly due to the construction revenue from the continuous construction in 2022 and recognized based on the percentage of completion method, resulting in a significant increase compared to 2021. However, the aforementioned project collects project payments based on the progress of the said construction, and the average accounts receivable is not significantly different from that in 2021.
5. Decreased by 83.12% in payable turnover rate: mainly due to the increase in operating costs of construction contracting in 2022.
6. Increased by 221.12% in property, plant and equipment turnover rate and increased by 52.17% in total asset turnover rate: mainly due to the significant increase in net revenue in 2022.

Item Analyzed \ Year	Financial analysis of the five most recent years				
	2018	2019	2020	2021	2022
7. Increase in return on equity, ratio of profit before tax to paid-in capital and earnings per share: mainly due to the increase in net revenue resulting from contracting construction business in 2022. 8. Decrease by 34.34% in profit margin: mainly due to the significant increase in construction costs resulting in a decline in overall gross profit margin while the Company benefited from a large influx of project income and a significant increase in operating income due to expanding its operating scale in 2022 and developed power plant engineering contracting business. 9. Increase in cash flow ratio, cash flow adequacy ratio and cash reinvestment ratio: mainly due to the Company following the payment conditions to receive payments for the construction, resulting in a net cash inflow from operating activities in 2022.					

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 2022 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 for the approved 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,

2023 Shareholders' General Meeting of J&V Energy Technology Co., Ltd.

Audit Committee Convener: Wu Ching-Sung

March 9, 2023

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 154 to 235.

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

Please refer to pages 236 to 310.

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	2022	2021	The difference in the increase (decrease)	
			amount	Ratio (%)
Current assets	5,414,578	2,674,006	2,740,572	102.49
Property, plant and equipment	1,257,774	1,234,010	23,764	1.93
Intangible assets	33,960	27,608	6,352	23.01
Other assets	1,500,539	1,210,850	289,689	23.92
Total assets	8,206,851	5,146,474	3,060,377	59.47
Current liabilities	4,238,748	1,950,969	2,287,779	117.26
Non-current liabilities	1,109,082	808,658	300,424	37.15
Total liabilities	5,347,830	2,759,627	2,588,203	93.79
Capital stock	1,127,091	1,127,091	-	-
Capital surplus	644,399	629,218	15,181	2.41
Retained earnings	892,280	460,849	431,431	93.62
Other components of equity	-	-	-	-
Non-controlling interest	195,251	169,689	25,562	15.06
Total equity	2,859,021	2,386,847	472,174	19.78

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) Increase in current assets: mainly due to the increase in contract assets and prepaid construction payments caused by the contracting projects in 2022, and the restrictions caused by bank financing limits and performance bonds for construction, resulting in the financial assets measured at amortized cost.
   (2) Increase in other assets: mainly due to the increase in right-of-use assets resulting from business needs in 2022.
   (3) Increase in total assets: mainly due to the increase in contract assets, accounts receivable and prepaid construction payments caused by contracting projects in 2022, and the increase in power plant equipment, in the financial assets measured at amortized cost and in the right-of-use assets resulting from business need in 2022.
   (4) Increase in current liabilities: mainly due to the increase in contract liabilities and short-term borrowings required for construction contracting and power plant construction, which results in the overall increase of current liabilities.
   (5) Increase in non-current liabilities: mainly due to the increase in lease liabilities resulting from business needs in 2022.

(6) Increase in total liabilities: mainly due to the increase in contract liabilities and long and short-term borrowings required for power plant construction and lease liabilities resulting from business needs, which results in the overall increase of current liabilities.
(7) The increase in retained earnings: mainly due to the increase in net profit after tax in 2022.

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

Item \ Year	2022	2021	Change in increase or decrease	
			amount	Ratio (%)
Operating Revenue	6,300,762	2,154,921	4,145,841	192.39
Operating Cost	4,760,553	1,616,579	3,143,974	194.48
Gross profit	1,306,509	482,680	823,829	170.68
Operating expenses	430,438	248,506	181,932	73.21
Operating income	876,071	234,174	641,897	274.11
Non-operating income and expenses	(219,273)	14,580	(233,853)	(1,603.93)
Profit before income tax	656,798	248,754	408,044	164.04
Income tax expenses	185,634	18,280	167,354	915.50
Net profit	471,164	230,474	240,690	104.43
Total comprehensive Income for the year	471,164	230,474	240,690	104.43

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 operating revenue, operating cost, and gross profit: mainly due to the Company's expansion of business operations and development of a power plant construction contracting business. Construction revenue has injected a large amount of funds, resulting in a significant increase in operating revenue, and a corresponding increase in construction costs and gross profit.
   (2) Increase in operating expenses: mainly due to the expansion of the Company and the increase in salary and bonus caused by the increased employment.
   (3) Decrease in non-operating income and expenses: mainly due to the decrease in the loss of financial assets evaluation.
   (4) Increase in profit (loss) from operations, profit before tax, income tax expenses, net profit for the year, and comprehensive profit (loss) for the year: mainly due to the business of contracting construction.
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	2022	2021	Change in the increase (decrease)	
			Amount	Ratio (%)
Net cash flows from operating activities	861,981	64,757	797,224	1,231.10
Net cash flows used in investing activities	(1,443,662)	(977,224)	(466,438)	47.73
Net cash flows from financing activities	1,359,792	1,344,744	15,048	1.12
Analysis of changes: 1. The increase in cash inflow due to operating activities: mainly due to the increase of net profit before tax and the accounts receivable generated by contracting projects in 2022. 2. The increase in cash outflow due to investment activities: mainly due to the acceptance of financial assets in 2022. 3. The increase in cash inflow due to financing activities: mainly due to the increase in both short-term and long-term borrowings caused by the increase of power plant projects.				

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 (2023)

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
1,478,180	1,605,540	1,307,428	4,391,148	N/A	
1. Analysis of cash liquidity in the coming year (1) Cash flow due to operating activity: the scale of operation continues to grow, and it is expected that relevant project payments will be received in succession in 2022, which will result in cash inflow. (2) Cash flow due to investment activity: the increase in the investment of power plants and reinvestment for this period will result in cash inflow. (3) Cash flow due to financing activity: mainly due to capital increase and loaning, which result in cash inflow. 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 2022 is NT$ 104,143,000, 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	2020	2021	2022
Property, plant, and equipment (times)	0.21	1.91	5.05
Total assets turnover rate (times)	0.12	0.60	0.94

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 2022	Main reasons for the profit or loss	Improvement plan
Jin Cheng Energy	Electricity Generation Services	6,884	Note 1	-
Chen Yu Energy	Electricity Generation Services	8,797	Note 1	-
FU DI ENERGY	Electricity Generation Services	178	Note 1	-
KUANG TING ENERGY	Electricity Generation Services	(113)	Note2	Note 3

Invested business	Main business items	Investment profit or loss recognized in 2022	Main reasons for the profit or loss	Improvement plan
XU XIAO POWER	Electricity Generation Services	1,552	Note 1	-
YUN YI ENERGY	Electricity Generation Services	(118)	Note 2	Note 3
YU GUANG ENERGY	Automatic Frequency Control (AFC) Frequency Assistance Services	(1,637)	Note 4	All of the shares of YU GUANG ENERGY were disposed of in February 2023.
J&M Power Development	Electricity Generation Services	(120)	Note 2	Note 3
Phanta Energy	Energy Technology Services	(27,644)	The revenue of Phanta Energy is mainly from the sales revenue generated by 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 that generate profit.
Formosa Biomass	Bioenergy development and energy technology services	(435)	Note 2	Actively promoting bioenergy and developing potential customers, and evaluating the supply and demand effects of overseas markets.
Taiwan Huanfeng	Electricity Generation Services	(25,620)	Note 4	All of the shares of Taiwan Huanfeng were disposed of in September 2022.
Xiang Guang Energy	Electricity Generation Services	(165)	Note 2	Note 3

Invested business	Main business items	Investment profit or loss recognized in 2022	Main reasons for the profit or loss	Improvement plan
Guang Liang Energy	Electricity Generation Services	(574)	Note 4	Expecting to be grid-connected and generate profit in mid-2023.
Zhu Ri Energy	Electricity Generation Services	(129)	Note 2	Note 3
GREENET	Sales of Renewable Energy Powers	781	Note 1	-
TPE ENERGY	Automatic Frequency Control (AFC) Frequency Assistance Services	66,156	Note 5	-
Chuang Jie Energy	Automatic Frequency Control (AFC) Frequency Assistance Services	(111)	Note 2	Note 3
Chuang Da Energy	Automatic Frequency Control (AFC) Frequency Assistance Services	(853)	Note 4	All of the shares of Chuang Da Energy were disposed of in March 2023.
WEISHENG	Environmental protection engineering	(888)	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.
Tai Wei Energy	Automatic Frequency Control (AFC) Frequency	(856)	Note 4	All of the shares of Tai Wei Energy were disposed of in

Invested business	Main business items	Investment profit or loss recognized in 2022	Main reasons for the profit or loss	Improvement plan
	Assistance Services			March 2023.
Rui Neng Energy	Automatic Frequency Control (AFC) Frequency Assistance Services	(111)	Note 2	Note 3
J&V Engineering	Energy Technology Services	(126)	Note 6	Note 3
Skynergy	Energy Technology Services	(2,568)	Note 6	Note 3
Storm Power	Automatic Frequency Control (AFC) Frequency Assistance Services	(2,576)	Note 4	Expecting to be grid-connected and generate profit in 2024.
Jin Jie Energy	Electricity Generation Services	(52)	Note 2	Note 3
Jin Hong Energy	Electricity Generation Services	(52)	Note 2	Note 3
FU BAO YI HAO ENERGY	Energy Technology Services	(5,633)	Note 4	The reinvested sites are expected to be grid-connected and generate profit in 2023.
Winball	Operating a professional basketball team and selling related merchandise	(11,986)	T1 League was established in 2021 and its overall reputation and market still require time to develop, and Taoyuan Leopards was founded later than other basketball teams, which limited its choices in recruiting players and their performance	Before the start of the second season, Taoyuan Leopards invited former NBA All-Star Dwight Howard to join the team to increase the popularity and boost sales of

Invested business	Main business items	Investment profit or loss recognized in 2022	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.	peripheral products. Winball also added post-game concerts and other home events to increase ticket sales.

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.

3. The investment plans for the coming year

The Company will follow the needs of business development to implement the investment plans, and will make appropriate announcements in accordance with the investment progress and legal regulations.

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 2021 and 2022 were NT$ NT$ 24,344,000 and NT$ 41,267,000 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 2021 and 2022were NT$ 21,000 and NT$ 39,247,000 respectively, accounting for (0.00)% and (5.98)% 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 Guidelines" and "Making of Endorsements/Guarantees Guidelines". 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. As of the most recent year up to the printed date of this annual report, the proportion of purchases from a single supplier is lower than 30%, and there has been no concentration of supply sources or supply shortages or interruptions.

(2) Sales of Goods

Due to business expansion in 2021, 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 62.38% and 73.71%of the overall net sales in 2021 and 2022 respectively, 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

In the most recent year and as of the printed date of this annual report, the transfer of the Company's shares by directors or major shareholders holding more than ten percent of the shares of the Company is mainly due to adjustments in the shareholdings of external corporate shareholders, the allocation of old shares by the directors and major shareholder to recommendatory securities firms for subscription during the registration of the stock on the emerging stock market, and the transfer of shares to spouses or relatives within second generations by shareholders. The aforementioned share transfer or replacement is primarily due to the requirements for registration on the emerging stock market and personal financial planning by shareholders, and thus will not have a significant impact on the Company's operations

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

In order to comply with the requirements for public listing and establish an audit committee consisting of all independent directors, the Company re-elected directors during a special shareholders' meeting on December 15, 2021. Later, two directors resigned to meet the needs of the Company's planning for public listing and business development, and the new directors were elected, one of whom was an independent director, during a special shareholders' meeting on November 1, 2022. The aforementioned changes were made to comply with the need for corporate governance, 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
Ri Xi Energy Co., Ltd. ("Ri Xi Energy")	Phanta Energy	Payment of Remuneration	On November 6, 2020, Phanta Energy signed a business contract with Ri Xi Energy and Ding Xiang International Energy Development Co., Ltd.("Ding Xiang") However, part of the lands selected by Ri Xi Energy for Phanta Energy was not included in the list of lands stated in the said contract and were not suitable for setting up solar power plants due to their scattered locations, which did not align with the purpose of the contract, while Ri Xi Energy believed that signing contracts with landowners that could provide suitable land for solar power plant development would suffice to complete the staged tasks, and demanded a remuneration of NT$ 8,699,270 from Phanta Energy. On May 13, 2022, the Taiwan Taipei District Court ruled in favor of Phanta Energy (Taiwan Taipei District Court 110-Chong Su Zi No. 567 civil judgment). However, Ri Xi Energy has appealed the case and it is currently under review in the Taiwan High Court (Taiwan High Court 111 Chong Shang Zi No. 562).	The first-instance court ruled in favor of Phanta Energy, but Ri Xi Energy has appealed to the second instance court. Based on the currently available information on the litigation, there is a high probability of Phanta Energy winning the case. Therefore, there is no material impact on the finances and business of Phanta Energy.
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	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
			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. Therefore, the plaintiff filed a lawsuit with the Taiwan Kaohsiung District Court on October 5, 2020, and added an additional claim for the 19th and 20th payments of NT$ 5,480,026, bringing the total claim amount to NT$ 38,000,535. The case is currently under review in case number at the Taiwan Kaohsiung District Court. (Taiwan Kaohsiung District Court 109 Shen Jian Zi No. 83)	
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	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
			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 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. The defendant has appealed the ruling and the case is currently under review in Taiwan Shilin District Court (Taiwan Shilin District Court 110 Jian Shang Zi No. 127) under case number 127 of 2021.	
WEISHENG	Water Resources Department, New Taipei City Government (“WRD”)	Payment of Construction Fee	WEISHENG has signed a joint bidding agreement with third parties, MOH AND ASSOCIATES, INC. (“MPH”) and Continental Engineering Corporation (“Continental Engineering”) on April 16, 2004 for the construction of the “North District Sewage Treatment Plant and Surrounding Facilities Construction Project in Linkou Township, Taipei County”. Subsequently, on June 30, 2004, the	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
			consortium signed a contract with the WRD. Due to disputes over the project acceptance between WEISHENG and WRD, WEISHENG filed a lawsuit on August 13, 2014, requesting payment of NT$ 3,236,828, which was ruled in favor of WRD by the Taiwan New Taipei District Court (Taiwan New Taipei District Court 103 Jian Zi No. 164 civil judgment) and the Taiwan High Court (Taiwan High Court 104 Jian Shang No. 48 civil judgment). The Supreme Court reversed and remanded the case to the Taiwan High Court (Supreme Court 107 Tai Shang Zi No. 1374 civil judgment) and the Taiwan High Court ruled in favor of the WRD (Taiwan High Court 108 Jian Shang Gan Yi Zi No. 24 civil judgment). WEISHENG filed an appeal to the Supreme Court on December 7, 2020, and the Supreme Court reversed and remanded to the Taiwan High Court (Supreme Court 111 Tai Shang Zi No. 1868).	

(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:

The chairman of the Company, Lai, Chin-Lin was involved in the case of TIGA GAMING INC. regarding the violation of the Security Exchange Act in 2015 and 2016 and was searched and questioned by the Taiwan Taipei District Prosecutors Office and the New Taipei City Investigation Division of the Ministry of Justice Investigation Bureau on February 24, 2022. He was released on bail of NT$ 300,000. As of the printed date of this annual report, no charges have been filed against him in this case.

13. Other important risks and countermeasures

None.

VII. Other important matters

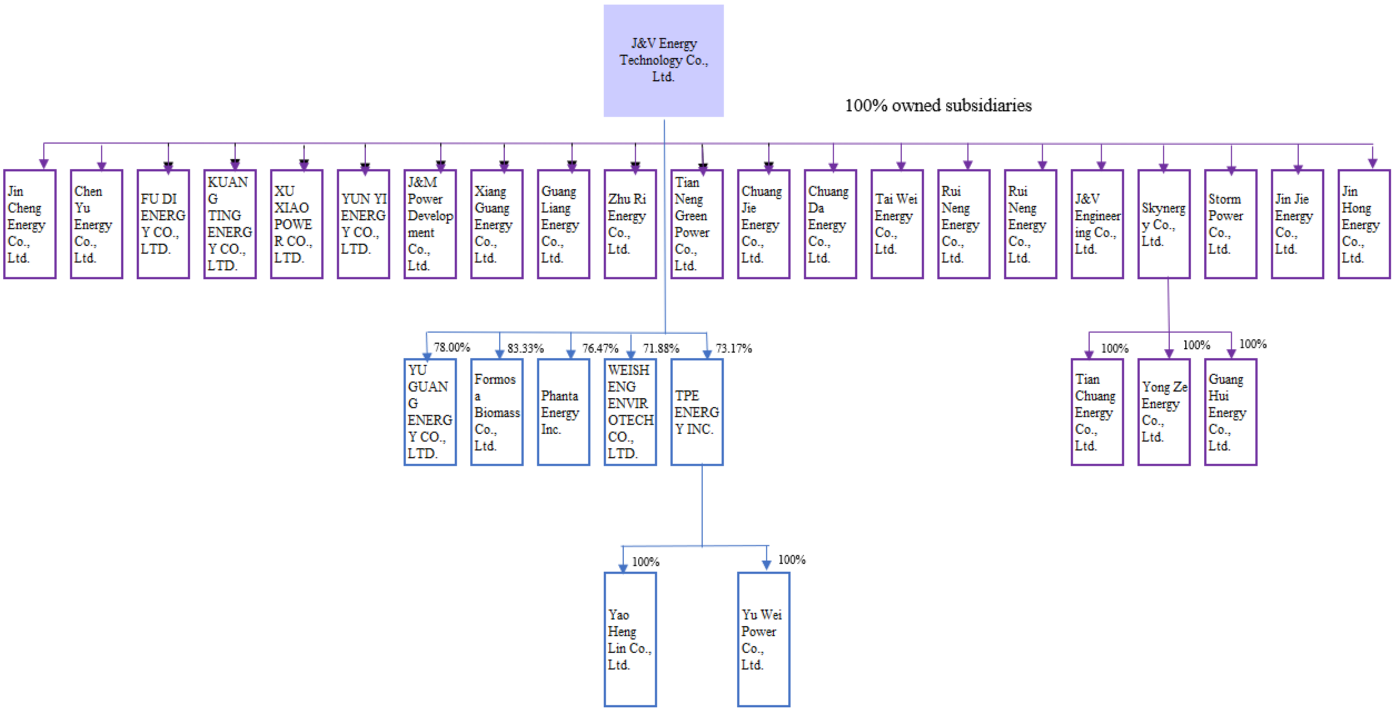
The complete departmental financial information (including industry information, region information, export sales information, and important clients' information): Please refer to page 225 to 226.

Chapter 8 Special Disclosure

I. Information about the affiliates

1. Consolidated Business Reports of the Affiliates

(1) Organization chart of affiliates on December 31, 2022:



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

December 31, 2022；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	2,100	Electricity generation services
YU GUANG ENERGY	August 13, 2019	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	56,000	Automatic frequency control (AFC) frequency assistance services
J&M Power Development	May 16, 2018	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	9,300	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 Co., Ltd.	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	3,500	Electricity generation services
Zhu Ri Energy	April 20, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	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.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	305,000	Automatic frequency control (AFC) frequency assistance services

Name of Affiliate	Incorporation date	Address	Paid-in capital	Main business items
Chuang Jie Energy	August 18, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,000	Automatic frequency control (AFC) frequency assistance services
Chuang Da Energy	December 01, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,500	Automatic frequency control (AFC) frequency assistance services
WEISHENG	January 11, 1984	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	228,571	Environment protection engineering
Tai Wei Energy	October 19, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	1,500	Automatic frequency control (AFC) frequency assistance services
Rui Neng Energy	December 2, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	700	Automatic frequency control (AFC) frequency assistance services
J&V Engineering	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	55,000	Energy technology services
Storm Power	December 17, 2021	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	9,000	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, 2030	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	3,000	Electricity generation services
Guang Hui Energy	July 21, 2022	4F.-1, No. 1, Jihu Rd., Neihu Dist., Taipei City	5,000	Electricity generation services
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, 2022; Unit: shares/%

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
Jin Cheng Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	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.: Tan, Yu-Xuan	15,300,000	100.00
FU DI ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	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.: Tan, Yu-Xuan	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.: Tan, Yu-Xuan	210,000	100.00
YU GUANG ENERGY	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	4,368,000	78.00
	Director	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	4,368,000	78.00
	Director	Representative of Mei Lun Investment Co., Ltd.: Cai, Zong-Kai	616,000	12.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	4,368,000	78.00
J&M Power Development	Chairman	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	930,000	100.00
Phanta Energy	Chairman	Lan, Wei-Wen	500,000	5.82
	Director	MEI LUN INVESTMENT LIMITED COMPANY	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
	Director	Chen, Ming-Yi	530,000	16.67

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
	Supervisor	Chao, Shu-Min	-	-
Xiang Guang Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	100,000	100.00
Guang Liang Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	350,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	350,000	100.00
Zhu Ri Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	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.: Lai, Chin-Lin	21,922,000	71.88
	Director	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	21,922,000	71.88
	Director	Li, Wei-Yi	1,701,400	5.58
	Supervisor	Lin, Ta-Hsiang	-	-
Chuang Jie Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	100,000	100.00
Chuang Da Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	150,000	100.00
WEISHENG	Chairman	Zhang, Jia-Hao	3,457,200	14.17
	Director	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	17,847,143	73.17
	Director	Representative of J&V Energy Technology Co., Ltd.: Tang, Qi-Tong	17,847,143	73.17
	Supervisor	Lin, Ta-Hsiang	70,000	0.03
Tai Wei Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Tan, Yu-Xuan	150,000	100.00
Rui Neng Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Chao, Shu-Min	70,000	100.00
J&V Engineering	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.: Lai, Chin-Lin	5,500,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	5,500,000	100.00

Name of affiliates	Title	Name	Shareholding	
			Shares	Proportion
Storm Power	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	900,000	100.00
	Supervisor	Representative of J&V Energy Technology Co., Ltd.: Chen, Ya-Ting	900,000	100.00
Jin Jie Energy	Chairman	Representative of J&V Energy Technology Co., Ltd.: Lai, Chin-Lin	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.: Lai, Chin-Lin	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.: Lai, Chin-Lin	100,000	100.00
	Supervisor	Representative of Skynergy: Chen, Ya-Ting	100,000	100.00
Yong Ze Energy	Chairman	Representative of Skynergy, Ltd.: Lai, Chin-Lin	300,000	100.00
	Supervisor	Representative of Skynergy: Chen, Ya-Ting	300,000	100.00
Guang Hui Energy	Chairman	Representative of Skynergy, Ltd.: Lai, Chin-Lin	500,000	100.00
	Supervisor	Representative of Skynergy: Chen, Ya-Ting	500,000	100.00
Yao Heng Lin	Chairman	Representative of TPE ENERGY: Lai, Chin-Lin	10,000	100.00
Yu Wei Power	Chairman	Representative of TPE ENERGY: Lai, Chin-Lin	10,000	100.00

(6) Overview of Affiliates' Operations:

December 31, 2022；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	859,679	546,537	313,142	84,568	18,727	6,839	0.23
Chen Yu Energy	153,000	513,609	350,331	163,278	61,876	19,198	8,797	0.68
FU DI ENERGY	60,000	150,523	90,550	59,973	11,704	2,249	178	0.03
KUANG TING ENERGY	2,500	2,117	70	2,047	-	(143)	(113)	(0.45)
XU XIAO POWER	70,000	177,604	104,971	72,633	17,884	4,224	1,676	0.24
YUN YI ENERGY	2,100	1,256	70	1,186	-	(149)	(118)	(0.56)
YU GUANG ENERGY	56,000	182,962	129,719	53,243	-	(1,255)	(2,035)	(0.68)
J&M Power Development	9,300	4,812	70	4,742	-	(153)	(120)	(0.13)
Phanta Energy	85,000	27,469	13,662	13,807	257,546	(23,465)	(36,150)	(4.25)
Formosa Biomass	31,800	1,640	55	1,585	-	(523)	(523)	(0.16)
Xiang Guang Energy	1,000	801	70	731	-	(175)	(165)	(1.65)
Guang Liang Energy	3,500	10,432	7,777	2,655	-	(491)	(574)	(2.48)
Zhu Ri Energy	1,000	813	45	768	-	(104)	(129)	(1.29)
GREENET	45,000	77,546	32,343	45,203	27,441	919	781	0.30
TPE ENERGY	305,000	865,124	415,621	449,503	629,185	145,785	102,614	3.36
Chuang Jie Energy	1,000	853	45	808	-	(92)	(111)	(1.11)
Chuang Da Energy	1,500	15,066	14,476	590	-	(797)	(853)	(9.79)
WEISHENG	228,571	610,696	408,989	201,707	346,563	(13,344)	(1,367)	(0.07)
Tai Wei Energy	1,500	15,050	14,476	574	-	(797)	(856)	(6.78)
Rui Neng Energy	700	577	45	532	-	(97)	(111)	(2.61)
J&V Engineering	5,000	4,919	45	4,874	-	(132)	(126)	(0.26)
Skynergy	55,000	73,656	21,224	52,432	62,361	(1,894)	(2,568)	(0.95)
Storm Power	9,000	184,636	178,230	6,406	-	(2,550)	(2,576)	(12.71)
Jin Jie Energy	1,000	929	52	877	-	(76)	(75)	(0.75)
Jin Hong Energy.	1,000	907	52	855	-	(71)	(70)	(0.70)
Tian Chuang Energy	1,000	42,849	42,446	403	-	(507)	(597)	(12.31)
Yong Ze Energy	3,000	32,858	30,447	2,411	-	(585)	(589)	(4.05)
Guang Hui Energy	5,000	4,953	45	4,908	-	(97)	(92)	(0.38)

Name of affiliates	Capital	Total assets	Total liabilities	Net assets	Revenue	Profit (loss) from operations	Profit (loss) after tax	Earnings per share (NT$)
Yao Heng Lin	100	94	-	94	-	(6)	(6)	(3.32)
Yu Wei Power	100	94	-	94	-	(6)	(6)	(3.32)

2. Consolidated Financial Statements of Affiliates: Please refer to page 160 to 165.
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.

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, 2022 and 2021, 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 significant 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, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 Auditing and Attestation of Financial Statements by 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 2022 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 2022 consolidated 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(18) for details of contract assets and contract liabilities, which amounted to NT$1,663,360 thousand and NT$1,070,346 thousand, respectively, as of December 31, 2022.

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 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 expected 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 the 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, 2022 and 2021.

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 9, 2023

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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,478,180	18	$ 700,069	14
1136	Current financial assets at amortised cost	6(3) and 8	1,073,768	13	72,382	1
1140	Current contract assets	6(18) and 7	1,663,360	21	1,082,725	21
1170	Accounts receivable, net	6(4)	180,319	2	78,942	2
1180	Accounts receivable, net - related parties	6(4) and 7	592	-	554,321	11
1200	Other receivables		15,221	-	71,797	1
130X	Inventories		157,392	2	-	-
1410	Prepayments	6(5)	840,327	10	113,472	2
1470	Other current assets		5,419	-	298	-
11XX	**Total current assets**		5,414,578	66	2,674,006	52
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2) and 8	688,094	9	576,948	11
1535	Non-current financial assets at amortised cost	6(3) and 8	86,726	1	63,402	1
1550	Investments accounted for using equity method	6(6)	15,394	-	186,502	4
1600	Property, plant and equipment	6(7), 7 and 8	1,257,774	15	1,234,010	24
1755	Right-of-use assets	6(8)	426,339	5	152,106	3
1780	Intangible assets		33,960	1	27,608	-
1840	Deferred tax assets	6(24)	104,837	1	34,284	1
1900	Other non-current assets	6(9) and 8	179,149	2	197,608	4
15XX	**Total non-current assets**		2,792,273	34	2,472,468	48
1XXX	**Total assets**		$ 8,206,851	100	$ 5,146,474	100

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(10)	$ 1,536,637	19	$ 312,900	6
2130	Current contract liabilities	6(18) and 7	1,069,210	13	137,106	3
2150	Notes payable		10,025	-	22,929	1
2170	Accounts payable		910,576	11	1,252,511	24
2200	Other payables	6(11)	154,372	2	72,131	1
2230	Current tax liabilities		249,015	3	47,092	1
2250	Provision for liabilities - current		832	-	5,371	-
2280	Current lease liabilities		33,673	1	21,233	-
2320	Long-term liabilities, current portion	6(12)	269,619	3	77,887	2
2399	Other current liabilities		4,789	-	1,809	-
21XX	**Total current liabilities**		4,238,748	52	1,950,969	38
	Non-current liabilities					
2540	Long-term borrowings	6(12)	636,379	8	674,647	13
2550	Provision for liabilities - non-current		18,336	-	8,156	-
2570	Deferred tax liabilities	6(24)	2,012	-	522	-
2580	Non-current lease liabilities		387,416	5	121,835	3
2650	Credit balance of investments accounted for using equity method	6(6)	35,102	-	-	-
2670	Other non-current liabilities	6(18) and 7	29,837	-	3,498	-
25XX	**Total non-current liabilities**		1,109,082	13	808,658	16
2XXX	**Total liabilities**		5,347,830	65	2,759,627	54
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(15)				
3110	Ordinary share		1,127,091	14	1,127,091	22
	Capital surplus	6(16)				
3200	Capital surplus		644,399	8	629,218	12
	Retained earnings	6(17)				
3310	Legal reserve		51,245	1	30,908	1
3350	Unappropriated retained earnings		841,035	10	429,941	8
31XX	**Equity attributable to owners of the parent**		2,663,770	33	2,217,158	43
36XX	**Non-controlling interests**		195,251	2	169,689	3
3XXX	**Total equity**		2,859,021	35	2,386,847	46
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 8,206,851	100	$ 5,146,474	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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	$ 6,300,762	100	$ 2,154,921	100
5000	Operating costs	7	(4,760,553)	(75)	(1,616,579)	(75)
5900	Gross profit		1,540,209	25	538,342	25
5910	Unrealized loss from sales		(233,700)	(4)	(55,662)	(3)
5950	Gross profit from operations		1,306,509	21	482,680	22
	Operating expenses	7				
6100	Selling expenses		(69,612)	(1)	(66,292)	(3)
6200	Administrative expenses		(351,597)	(6)	(156,621)	(7)
6450	Impairment loss	12(2)	(9,229)	-	(25,593)	(1)
6000	Total operating expenses		(430,438)	(7)	(248,506)	(11)
6900	Operating income		876,071	14	234,174	11
	Non-operating income and expenses					
7100	Interest income		9,270	-	535	-
7010	Other income	6(19)	17,600	-	5,054	-
7020	Other gains and losses	6(20)	(161,637)	(2)	35,991	2
7050	Finance costs	6(21)	(41,267)	(1)	(24,344)	(1)
7060	Share of loss of associates and joint ventures accounted for using equity method		(43,239)	(1)	(2,656)	-
7000	Total non-operating income and expenses		(219,273)	(4)	14,580	1
7900	**Profit before income tax**		656,798	10	248,754	12
7950	Income tax expense	6(24)	(185,634)	(3)	(18,280)	(1)
8200	**Profit**		$ 471,164	7	$ 230,474	11
8300	**Other comprehensive income for the year**		$ -	-	$ -	-
8500	**Total comprehensive income for the year**		$ 471,164	7	$ 230,474	11
	Profit attributable to:					
8610	Owners of the parent		$ 453,973	7	$ 225,834	11
8620	Non-controlling interest		$ 17,191	-	$ 4,640	-
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 453,973	7	$ 225,834	11
8720	Non-controlling interest		$ 17,191	-	$ 4,640	-
	Earnings per share (in dollars)	6(25)				
9750	Basic earnings per share		$ 4.03		$ 2.30	
9850	Diluted earnings per share		$ 4.02		$ 2.30	

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, 2022 AND 2021
(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, 2021								
Balance at January 1		$ 727,891	$ 16,470	$ 12,442	$ 245,036	$ 1,001,839	$ 27,363	$ 1,029,202
Profit		-	-	-	225,834	225,834	4,640	230,474
Total comprehensive income		-	-	-	225,834	225,834	4,640	230,474
Appropriation of 2020 earnings:	6(17)							
Legal reserve		-	-	18,466	(18,466)	-	-	-
Issuance of shares	6(15)(16)	350,000	590,000	-	-	940,000	-	940,000
Issuance of employee share options	6(15)(16)	49,200	23,124	-	-	72,324	-	72,324
Compensation cost of share-based payments	6(14)(16)	-	438	-	-	438	-	438
Changes in ownership interests in subsidiaries	6(16)	-	(814)	-	(22,463)	(23,277)	-	(23,277)
Changes in non-controlling interests	6(16)(26)	-	-	-	-	-	137,686	137,686
Balance at December 31		$ 1,127,091	$ 629,218	$ 30,908	$ 429,941	$ 2,217,158	$ 169,689	$ 2,386,847
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(17)							
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(16)	-	9,087	-	-	9,087	-	9,087
Changes in non-controlling interests	6(16)(26)	-	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

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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 656,798	$ 248,754
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(22)	112,924	85,334
Amortisation	6(22)	4,089	561
Loss (gain) on financial assets at fair value through profit or loss, net	6(20)	132,596	(15,782)
Impairment loss	12(2)	9,229	25,593
Compensation cost of share-based payments	6(14)	-	438
Unrealized loss from sales		233,700	55,662
Share of loss of associates and joint ventures accounted for using equity method		43,239	2,656
Gain on disposal of investments	6(20)	(14,593)	(39,384)
(Gain) loss on disposal of property, plant and equipment, net	6(20)	(4,350)	413
Gain arising from lease settlement	6(8)	(6)	(2)
Interest income		(9,270)	(535)
Interest expense	6(21)	41,267	24,344
Other loss		-	17,691
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(580,635)	(912,389)
Accounts receivable (including related parties)		451,099	(633,398)
Other receivables (including related parties)		104,301	(64,109)
Inventories		(157,392)	24,369
Prepayments		(726,701)	5,997
Other current assets		(5,121)	446
Changes in operating liabilities			
Current contract liabilities		932,104	135,242
Notes payable		(12,904)	22,929
Accounts payable		(341,935)	1,111,430
Other payables (including related parties)		73,128	8,081
Other current liabilities		2,980	(1,604)
Provision for liabilities		5,409	(862)
Cash inflow generated from operations		949,956	101,875
Interest received		4,063	535
Interest paid		(36,791)	(24,308)
Income taxes paid		(55,247)	(13,345)
Net cash flows from operating activities		861,981	64,757

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of non-current assets held for sale	6(6)(28)	$ 74,115	$ 949
Acquisition of financial assets at fair value through profit or loss		(427,840)	(256,137)
Proceeds from disposal of financial assets at fair value through profit or loss		175,806	-
Acquisition of financial assets at amortised cost		(1,024,710)	(119,277)
Acquisition of investments accounted for using equity method		(163,556)	(196,444)
Acquisition of property, plant and equipment	6(28)	(104,143)	(362,159)
Proceeds from disposal of property, plant and equipment	6(28)	9,839	16,656
Acquisition of intangible assets		(1,639)	(376)
Decrease (increase) in other non-current assets		18,459	(141,027)
Proceeds from disposal of subsidiaries		7	14,229
Net cash flow from acquisition of subsidiaries	6(27)	-	66,362
Net cash flows used in investing activities		(1,443,662)	(977,224)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(29)	2,084,750	508,407
Decrease in short-term borrowings	6(29)	(882,012)	(230,100)
Payments of lease liabilities	6(29)	(28,205)	(14,959)
Proceeds from long-term borrowings	6(29)	279,762	81,060
Repayment of long-term borrowings	6(29)	(105,299)	(59,176)
(Decrease) Increase in other payables - related parties	7	(1,000)	1,000
Increase in other non-current liabilities		26,339	3,428
Proceeds from issuance of shares	6(15)	-	940,000
Cash dividends paid		(22,542)	-
Employee stock options exercised	6(15)(16)	-	72,324
Changes in non-controlling interests		7,999	42,760
Net cash flows from financing activities		1,359,792	1,344,744
Net increase in cash and cash equivalents		778,111	432,277
Cash and cash equivalents at beginning of year		700,069	267,792
Cash and cash equivalents at end of year		$ 1,478,180	$ 700,069

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, 2022 AND 2021
(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. 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 9, 2023.

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") 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 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts— cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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 IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC 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

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) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs 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
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
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 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	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.

4. Summary of Significant 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, 2022	Ownership (%) December 31, 2021	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	100	(h)
The Company	MU GUANG ENERGY CO., LTD.	Energy technology services	-	-	(g)
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	
The Company	Taiwan Huanfeng Holdings Co., Ltd.	Power generation services	-	45	(c)
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	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2022	Ownership (%) December 31, 2021	Description
The Company	GREENET CO., LTD.	Renewable-energy-based electricity distribution	100	100	(d)
The Company	TPE ENERGY INC.	Ancillary service on automatic frequency control (AFC)	72	62	(e)
The Company	Chuang Jie Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	(a)
The Company	Chuang Da Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	(a)
The Company	WEISHENG ENVIROTECH CO., LTD.)	Environmental protection engineering	73	70	(f)
The Company	Tai Wei Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	(a)
The Company	Rui Neng Energy Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	100	(a)
The Company	J&V Engineering Co., Ltd.	Energy technology services	100	-	(a)
The Company	Skynergy Co., Ltd.	Energy technology services	100	-	(a)
The Company	Storm Power Co., Ltd.	Ancillary service on automatic frequency control (AFC)	100	-	(a)
The Company	Jin Jie Energy Co., Ltd.	Power generation services	100	-	(b)
The Company	Jin Hong Energy Co., Ltd.	Power generation services	100	-	(b)
Phanta Energy Inc.	Jin Hong Energy Co., Ltd.	Power generation services	-	100	(b)
Phanta Energy Inc.	Jin Pin Energy Co., Ltd.	Power generation services	-	100	(i)

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2022	Ownership (%) December 31, 2021	Description
Phanta Energy Inc.	Jin Jie Energy Co., Ltd.	Power generation services	-	100	(b)
Phanta Energy Inc.	Jin Wei Energy Co., Ltd.	Power generation services	-	100	(i)
Phanta Energy Inc.	Jin Peng Energy Co., Ltd.	Power generation services	-	100	(i)
Skynergy Co., Ltd.	Tian Chuang Energy Co., Ltd.	Power generation services	100	-	(a)
Skynergy Co., Ltd.	Yong Ze Energy Co., Ltd.	Power generation services	100	-	(a)
Skynergy Co., Ltd.	Guang Hui Energy Co., Ltd.	Power generation services	100	-	(a)
TPE ENERGY INC.	Yao Heng Lin Co., Ltd.	Ancillary services on automatic frequency control (AFC)	100	-	(a)
TPE ENERGY INC.	Yu Wei Power Co., Ltd.	Ancillary services on automatic frequency control (AFC)	100	-	(a)

(a) It is a subsidiary newly established by the Group between 2022 and 2021.

(b) The Group adjusted its investment structure in October 2022, and Phanta Energy Inc. sold 100% of its subsidiary's equity to the Company.

(c) The Group established Taiwan Huanfeng Holdings Co., Ltd. in October 2020 and participated in the capital increase by acquiring 80 thousand shares with a par value of $10 (in dollars) per share in April 2021. As the Group did not acquire shares proportionally to its ownership, the shareholding ratio decreased to 60%. Information on relevant equity transaction is provided in Note 6(26). In September 2021, the Group sold 645 thousand shares with a par value of $25 (in dollars) per share and the shareholding ratio decreased to 45%; therefore, the Group lost its control over the subsidiary. In September 2022, the Group sold all its equity interest in the subsidiary. Information on relevant equity transaction is provided in Note 6(6).

(d) On January 19, 2021, the Group invested $7,000 to establish and acquire 700 thousand shares of GREENET CO., LTD. The shareholding ratio was 70% and the Group obtained control over the company. On November 29, 2021, the Group acquired additional 300 thousand shares of equity interest in the subsidiary and the shareholding ratio was increased to 100%.

(e) In May 2021, the Group participated in the capital increase of TPE ENERGY INC. by acquiring 2,000 thousand shares for cash of $20,000 and obtained a 19% equity interest. Additionally, the Group received the shareholders’ unanimous support over the decision on

TPE ENERGY INC. which represented a total of over half of the share interest, and the Group's senior management also served as the general manager of TPE ENERGY INC. which indicated that the Group had the current ability to direct the relevant activities of the entity, and thus TPE ENERGY INC. was included in the consolidated financial statements from the date the Group obtained control over it. In November 2021, the Group acquired additional 2,050 thousand shares of equity interest in the subsidiary and participated in the capital increase by acquiring 14,924 thousand shares with a par value of $10 (in dollars) per share. As the Group did not acquire shares proportionally to its ownership for the aforementioned transactions, the shareholding ratio was increased to 62%. In March 2022, the Group acquired additional 2,948 thousand shares of equity interest in the subsidiary and the shareholding ratio increased to 72%. Information on relevant equity transaction is provided in Notes 6(26) and 6(27).

(f) In July 2021, the Group participated in the capital increase of WEISHENG ENVIROTECH CO., LTD. by acquiring 51% equity interest for cash of $40,000 and obtained control over the company. In October 2021 and April 2022, the Group participated in the capital increase by acquiring 5,000 and 8,857 thousand shares with a par value of $10 (in dollars) per share, respectively. As the Group did not acquire shares proportionally to its ownership, the shareholding ratio increased to 70% and 78%, respectively. Information on relevant equity transaction is provided in Notes 6(26) and 6(27).

(g) In December 2021, MU GUANG ENERGY CO., LTD carried out a cash capital increase. As the Group did not acquire shares proportionally to its ownership, the shareholding ratio was decreased to 0.4%. As a result, the Group lost its control over the subsidiary. It was reclassified to financial assets at fair value through profit or loss and thus the Group recognised gain or loss on disposal of investment. As of September 2022, the Group had sold all share interest of the company.

(h) 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 decreased to 78%. Information on relevant equity transaction is provided in Note 6(26).

(i) In September 2022, Phanta Energy Inc. sold 100% share interest of its subsidiary to a non-related party.

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) 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.

(6) 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 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) Derecognition of financial liabilities

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

(21) 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.

(22) 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.

(23) 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.

(24) 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. 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.

(25) 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.

(26) 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.

(27) Revenue recognition

A. Revenue from power generation

The Group provides energy technology and power generation services 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. 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.

(28) 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.

(29) 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 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 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, 2022	December 31, 2021
Petty cash	$ 365	$ 72
Demand deposits and checking accounts	1,477,815	699,997
	$ 1,478,180	$ 700,069

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 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, 2022	December 31, 2021
Financial assets mandatorily measured at fair value through profit or loss		
Emerging stocks	$ 198,542	$ 229,333
Unlisted stocks	450,903	152,604
Valuation adjustment	38,649	195,011
	$ 688,094	$ 576,948

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,	
	2022	2021
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	($ 132,596)	$ 15,782

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, 2022	December 31, 2021
Current items:		
Bank deposits	$ 1,073,768	$ 72,382
Non-current items:		
Bank deposits	$ 86,726	$ 63,402

A. As at December 31, 2022 and 2021, 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, 2022	December 31, 2021
Notes receivable	$ 15,043	$ 7,001
Accounts receivable	217,897	120,661
Less: Allowance for uncollectible accounts	(52,621)	(48,720)
	$ 180,319	$ 78,942
Accounts receivable due from related parties	$ 618	$ 554,674
Less: Allowance for uncollectible accounts	(26)	(353)
	$ 592	$ 554,321

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	Accounts receivable	
	December 31, 2022	December 31, 2021
Not past due	$ 175,513	$ 631,801
Up to 90 days	102	-
91 to 180 days	2,229	132
Over 180 days	55,714	50,403
	$ 233,558	$ 682,336

The above ageing analysis was based on past due date.

B. As of December 31, 2022 and 2021, accounts receivable were all from contracts with customers. As of January 1, 2021, the balance of receivables from contracts with customers amounted to $20,716.

C. The Group had no accounts receivable discounted or pledged as collateral.

D. As at December 31, 2022 and 2021, 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) Prepayments

	December 31, 2022	December 31, 2021
Prepayments to suppliers	$ 576,002	$ 12,860
Prepayments for constructions	138,056	42,916
Prepayments for project development expenses	72,282	9,042
Business tax paid	26,937	21,142
Excess business tax paid	6,639	16,112
Others	20,411	11,400
	$ 840,327	$ 113,472

(6) Investments accounted for using equity method

	December 31, 2022	December 31, 2021
Associates		
FU BAO YI HAO ENERGY CO., LTD.	($ 35,102)	$ 140,676
Winball Sport Culture and Education Co., Ltd.	15,394	-
Taiwan Huanfeng Holdings Co., Ltd.	-	45,826
	(19,708)	186,502
Credit balance of investments amounted for using equity method	35,102	-
	$ 15,394	$ 186,502

A. On December 31, 2022 and 2021, all of the Group's associates did not reach 5% of 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, 2022 and 2021, the total loss of the Group's individual insignificant associates (that is, total comprehensive income) amounted to $267,611 and $6,318, 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. As of December 31, 2022, the conditions of equity interest disposal had been fulfilled, the second instalment was received in the amount of $74,115 (net of amortisation of expenses), and the Company recognised gain on disposals of investments in the amount of $14,593.

(7) Property, plant and equipment

	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

	Machinery and equipment	Computer equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2021						
Cost	$ 1,118,614	$ 10,597	$ 13,679	$ 4,033	$ 12,998	$ 1,159,921
Accumulated depreciation	(143,829)	(558)	-	(71)	-	(144,458)
	$ 974,785	$ 10,039	$ 13,679	$ 3,962	$ 12,998	$ 1,015,463
2021						
Opening net book amount as at January 1	$ 974,785	$ 10,039	$ 13,679	$ 3,962	$ 12,998	$ 1,015,463
Additions	235,359	1,573	6,012	2,648	39,607	285,199
Disposals	-	(603)	(5,792)	(680)	-	(7,075)
Transfers	12,998	-	-	-	(12,998)	-
Acquired from business combinations	417	666	6,577	990	-	8,650
Depreciation expense	(58,732)	(3,763)	(4,388)	(1,344)	-	(68,227)
Closing net book amount as at December 31	$ 1,164,827	$ 7,912	$ 16,088	$ 5,576	$ 39,607	$ 1,234,010
At December 31, 2021						
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

Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(8) 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 expense are as follows:

	December 31, 2022	December 31, 2021
	Carrying amount	Carrying amount
Buildings	$ 104,833	$ 122,317
Land	316,571	28,999
Transportation equipment	4,935	790
	$ 426,339	$ 152,106

	Year ended December 31,	
	2022	2021
	Depreciation expense	Depreciation expense
Buildings	$ 23,074	$ 14,530
Land	6,216	1,719
Transportation equipment	2,325	858
	$ 31,615	$ 17,107

D. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were $315,398 and $58,547, respectively.

E. For the year ended December 31, 2022, the Group terminated and modified the lease contract early. Consequently, right-of-use assets decreased by $9,213 and $358, lease liability decreased by $9,385 and $360, overcharge collection amounted to $166 and $0 and gains on settlement of lease of $6 and $2 was recognized as "other gains and losses - others", respectively.

F. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31,	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 5,009	$ 2,391
Expense on short-term lease contracts	9,916	3,068
Expense on variable lease payments	9,357	7,833
Gains arising from lease settlement	(6)	(2)

G. For the years ended December 31, 2022 and 2021, the Group's total cash outflow for leases were $50,902 and $28,301, 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.

(9) Other non-current assets

	December 31, 2022	December 31, 2021
Guarantee deposits paid	$ 174,590	$ 197,608
Other	4,559	-
	$ 179,149	$ 197,608

Detail of other non-current assets pledged as collateral are provided in Note 8.

(10) Short-term borrowings

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		

Type of borrowings	December 31, 2021	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 255,000	1.625%~3.08%	Bank deposits, credit guarantee fund and property
Unsecured borrowings	57,900	1.5%~2%	None
	$ 312,900		

A. Refer to Note 6(21) for details of the Group's interest expenses recognised in profit or loss for the years ended December 31, 2022 and 2021.

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.

(11) Other payables

	December 31, 2022	December 31, 2021
Wages, salaries and rewards payable	$ 81,045	$ 39,607
Business tax payable	37,379	10,060
Payables on service fees	8,459	6,834
Payable on machinery and equipment	8,561	2,734
Others	18,928	12,896
	$ 154,372	$ 72,131

(12) Long-term borrowings

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

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2021
Installment-repayment of borrowings				
Secured borrowings	Borrowing period is from March 10, 2017 to February 11, 2036; interest is repayable periodically; principal is repayable from June 25, 2017	1.70%~ 2.63%	Bank deposits, machinery and equipment, credit guarantee fund and property	$ 752,534
Less: Current portion (shown as long-term liabilities, current portion)				(77,887)
				$ 674,647

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.

(13) 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, 2022 and 2021 were $8,460 and $5,568, respectively.

(14) 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, 2021, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Contract period	Vesting conditions
Employee stock options	2021.2.9	5,000	-	Vested immediately
Cash capital increase reserved for employee preemption	2021.4.15	3,000	-	Vested immediately
Cash capital increase reserved for employee preemption	2021.7.30	140	-	Vested immediately

The share-based payment arrangements above are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2021	
	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	8,140	17.57
Options exercised	(7,160)	17.30
Options expired	(980)	19.57
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)
Employee stock options	2021.2.9	13.88	14.7	38.88%	0.026	-	0.34%	0.0876
Cash capital increase reserved for employee preemption	2021.4.15	14.93	20	34.57%	0.06	-	0.34%	0.0001
Cash capital increase reserved for employee preemption	2021.7.30	29.52	68	38.62%	0.1	-	0.10%	-

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, 2021, the Company had compensation costs due to the recognition of share-based payments transactions (equity-settled) in the amount of $438.

(15) Share capital

A. As of December 31, 2022, the Company's authorised capital and the paid-in capital were $2,000,000 and $1,127,091, 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:

	2022 shares (in thousands)	2021 shares (in thousands)
At January 1	$ 112,709	$ 72,789
Cash capital increase (including cash capital increase reserved for employees)	-	35,000
Employee stock options exercised	-	4,920
At December 31	$ 112,709	$ 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. As of December 31, 2022, the capital increase has not been completed.

C. As employees exercised stock options according to the terms of stock options, the Company issued 4,920 thousand common shares. The effective date was set on March 8, 2021, and the registration of change had been completed.

D. On April 15, 2021, the Board of Directors of the Company approved to increase cash capital by issuing 30,000 thousand new shares for the operational needs with an issuance price of NT$20 (in dollars) per share. The effective date was set on May 7, 2021, and the registration of change had been completed.

E. On July 16, 2021, the Board of Directors of the Company approved to increase cash capital by issuing 5,000 thousand new shares for the operational needs with an issuance price of NT$68 (in dollars) per share. The effective date was set on September 7, 2021, and the registration of change had been completed.

(16) 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.

	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

	2021			
	Share premium	Options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Total
At January 1	$ 15,656	$ -	$ 814	$ 16,470
Cash capital increase	590,000	-	-	590,000
Employee stock options exercised	23,124	-	-	23,124
Share-based payments	-	438	-	438
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	(814)	(814)
At December 31	$ 628,780	$ 438	$ -	$ 629,218

(17) 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 June 28, 2022, the stockholders resolved the distribution of dividends from the 2021 earnings in the amount of $22,542 at NT$0.2 (in dollars) per share.

E. On March 9, 2023, the Board of Directors proposed for the distribution of dividends from the 2022 earnings in the amount of $232,418 at NT$2.06 (in dollars) per share.

(18) Operating revenue

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue from contracts with customers		
Construction revenue	$ 5,742,197	$ 1,754,155
Revenue from electric power generation	178,012	149,364
Sales revenue	268,254	140,438
Service revenue	112,299	110,964
	$ 6,300,762	$ 2,154,921

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 in the following major natures:

Year 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

Year ended December 31, 2021	Construction revenue	Revenue from electric power generation	Sales revenue	Service revenue	Total
Revenue from external customer contracts	$ 1,754,155	$ 149,364	$ 140,438	$ 110,964	$ 2,154,921
Timing of revenue					
Over time	$ 1,754,155	$ 149,364	$ -	$ 110,964	$ 2,014,483
At a point in time	-	-	140,438	-	140,438
	$ 1,754,155	$ 149,364	$ 140,438	$ 110,964	$ 2,154,921

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, 2022 and 2021 are as follows:

	Year expected to recognise revenue	Contracted amount
December 31, 2022	2023-2024	$ 6,892,525
December 31, 2021	2022-2023	$ 8,101,309

C. Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	December 31, 2022	December 31, 2021
Contract assets	$ 1,663,360	$ 1,082,725
Contract liabilities (including shown as other non-current liabilities	$ 1,070,346	$ 137,106

(19) Other income

	Year ended December 31, 2022	Year ended December 31, 2021
Rent income	$ 7,568	$ 2,802
Government grants	-	2,000
Others	10,032	252
	$ 17,600	$ 5,054

(20) Other gains and losses

	Year ended December 31, 2022	Year ended December 31, 2021
(Losses) gains on financial assets at fair value through profit or loss	($ 132,596)	$ 15,782
Gains on disposals of investments	14,593	39,384
Foreign exchange losses	(39,247)	(21)
Losses on disposals of property, plant and equipment	(4,350)	(413)
Others	(37)	(18,741)
	($ 161,637)	$ 35,991

(21) Finance costs

	Year ended December 31, 2022	Year ended December 31, 2021
Interest expense:		
Bank borrowings	$ 36,098	$ 20,190
Lease liability	5,009	2,391
Others	160	1,763
	$ 41,267	$ 24,344

(22) Expenses by nature

	Year ended December 31, 2022	Year ended December 31, 2021
Depreciation expense	$ 112,924	$ 85,334
Amortisation expense	4,089	561
Employee benefit expense	266,921	164,232
	$ 383,934	$ 250,127

(23) Employee benefit expense

	Year ended December 31, 2022	Year ended December 31, 2021
Wages and salaries	$ 220,508	$ 137,073
Labour and health insurance fees	16,504	10,513
Pension costs	8,460	5,568
Other personnel expenses	21,449	11,078
	$ 266,921	$ 164,232

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, 2022 and 2021, employees' compensation was accrued at $10,610 and $2,381, respectively; while directors' remuneration were accrued at $6,238 and $0, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 1.69% and 1% of distributable profit of current year for the year ended December 31, 2022, respectively.

Employees' compensation and directors' remuneration for 2021 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2021 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.

(24) Income tax

A. Components of income tax expense:

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax:		
Current tax on profits for the year	$ 243,620	$ 34,594
Tax on undistributed surplus earnings	9,797	8,310
Prior year income tax underestimation	3,276	112
Total current tax	256,693	43,016
Deferred tax:		
Origination and reversal of temporary differences	(71,059)	(24,736)
Income tax expense	$ 185,634	$ 18,280

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2022	Year ended December 31, 2021
Tax expenses calculated based on profit before tax and statutory tax rate	$ 141,643	$ 51,881
Prior year income tax underestimation	3,276	112
Tax on undistributed surplus earnings	9,797	8,310
Expenses disallowed by tax regulation	2,125	766
Temporary difference not recognised as deferred tax assets	3	4,925
Tax exempt loss (income) by tax regulation	21,250	(22,778)
Change in assessment of realisation of deferred tax assets (liabilities)	1,662	(25,426)
Taxable loss not recognised as deferred tax assets	5,878	490
Income tax expense	$ 185,634	$ 18,280

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	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

	2021				
	January 1	Recognised in profit or loss	Acquired from business combinations	Proceeds from disposal of subsidiaries	December 31
Deferred tax assets:					
Temporary differences:					
Loss on investments accounted for using equity method	$ 5,317	($ 2,308)	$ -	$ -	$ 3,009
Unrealised gross profit from sales	261	12,721	-	-	12,982
Unrealised provision for decommissioning liabilities	26	10	1,126	-	1,162
Others	161	152	5,308	-	5,621
Tax losses	17,566	(7,368)	1,539	(227)	11,510
	$ 23,331	$ 3,207	$ 7,973	($ 227)	$ 34,284
Deferred tax liabilities:					
Temporary differences:					
Gains on investment valuation	($ 21,507)	$ 21,507	$ -	$ -	$ -
Others	(544)	22	-	-	(522)
	($ 22,051)	$ 21,529	$ -	$ -	($ 522)
	$ 1,280	$ 24,736	$ 7,973	($ 227)	$ 33,762

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

	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	

	December 31, 2021			
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	13,685	1,779	2030
2021	33,825	33,825	673	2031
	$ 120,227	$ 52,309	$ 2,452	

E. The Group’s income tax returns through 2020 have been assessed and approved by the Tax Authority.

(25) Earnings per share

	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

	Year ended December 31, 2021		
	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	$ 225,834	98,052	$ 2.30
Diluted earnings per share			
Profit attributable to the parent	$ 225,834	98,052	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	121	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 225,834	98,173	$ 2.30

(26) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

(a) 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.

(b) The Company acquired an additional 19% outstanding shares of the subsidiary, TPE

ENERGY INC. (TPE), by cash in the amount of $20,500 on November 5, 2021. The carrying amount of non-controlling interest in TPE was $15,016 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by $15,016 and a decrease in the equity attributable to owners of the parent by $5,484.

(c) The Company acquired an additional 30% outstanding shares of the subsidiary, GREENET CO., LTD. (GREENET), by cash in the amount of $3,000 on November 29, 2021. The carrying amount of non-controlling interest in GREENET was $2,898 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by $2,898 and a decrease in the equity attributable to owners of the parent by $102.

(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, 2022 and 2021 is shown below:

	Year ended December 31,	
	2022	2021
Carrying amount of non-controlling interest acquired	$ 37,958	$ 17,914
Consideration paid to non-controlling interest	(30,659)	(23,500)
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	$ 7,299	$ -
Retained earnings	$ -	($ 5,586)

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, Taiwan Huanfeng Holdings Co., Ltd., of the Group increased its capital by issuing new shares on April 29, 2021. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 40%. This transaction resulted in an increase in the non-controlling interest by $5,016 and an increase in the equity attributable to owners of the parent by $184.

(b) The Group's subsidiary, WEISHENG ENVIROTECH CO., LTD., of the Group increased its capital by issuing new shares on October 19, 2021. The Group did not acquire shares proportionally to its interest. As a result, the Group increased its share interest by 19%. This transaction resulted in an increase in the non-controlling interest by $10,894 and a decrease in the equity attributable to owners of the parent by $10,894.

(c) The Group's subsidiary, TPE ENERGY INC. by issuing new shares on November 15, 2021. The Group did not acquire shares proportionally to its interest. As a result, the Group increased its share interest by 24%. This transaction resulted in an increase in the non-controlling interest by $57,741 and a decrease in the equity attributable to owners of the parent by $6,981.

(d) The Group's subsidiary, WEISHENG ENVIROTECH CO., LTD., 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. In addition, on December 13, 2011, new shares were issued for cash capital increase. The Group did not acquire shares proportionally to its interest. As a result, the Group increased its share interest by 5%. This transaction resulted in an increase in the non-controlling interests by $3,530 and a increased in the equity attributable to owners of the parent by $2,258.

(e) The primary, YU GUANG ENERGY CO., LTD., of the Group 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 increase in the equity attributable to owners of the parent by $207.

(f) The effect of changes in interests in the Group on the equity attributable to owners of the parent for the years ended December 31, 2022 and 2021 is shown below:

	Year ended December 31,	
	2022	2021
Cash	$ 29,537	$ 55,960
Increase in the carrying amount of non-controlling interest	(30,742)	(73,651)
Effect of the equity interests attributable to owners of the parent	($ 1,205)	($ 17,691)
Adjustment on the equity attributable to owners of the parent:		
Retained earnings	$ -	($ 16,877)
Capital surplus - difference between proceeds on actual acquisition of or disposal of equity interest in a subsidiary and its carrying amount	($ 1,205)	($ 814)

(27) Business combinations

A. TPE ENERGY INC. (TPE)

(a) On May 3, 2021, the Group acquired 2,000 thousand shares of TPE for cash of $20,000 and obtained a 19% equity interest. Additionally, the Group received the shareholders' unanimous support over the decision on TPE, which represented a total of over half of the share interest, and the Group's senior management also served as the general manager of TPE, which indicated that the Group had the current ability to direct the relevant activities of the entity, and thus the Group obtained control over TPE. As a result of the acquisition, the Group is expected to increase its presence in these markets.

(b) The following table summarises the consideration paid for TPE 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:

		May 3, 2021
Purchase consideration		
Cash paid	$	20,000
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets		75,433
Fair value of the identifiable assets acquired and liabilities assumed		
Cash		75,373
Prepayments		32,079
Property, plant and equipment		7,890
Intangible assets		9,981
Other non-current assets		1,003
Deferred tax assets		1,539
Accounts payable	(	5,763)
Other payables	(	26,793)
Other current liabilities	(	61)
Deferred tax liabilities	(	1,996)
Other non-current liabilities	(	70)
Total identifiable net assets		93,182
Goodwill	$	2,251

(c) The operating revenue included in the consolidated statement of comprehensive income since May 3, 2021 contributed by TPE was $275,795. TPE also contributed loss before income tax of $72,634 over the same period. Had TPE Company been consolidated from January 1, 2021, the consolidated statement of comprehensive income would show operating revenue of $2,154,921 and profit before income tax of $241,061 for the year ended December 31, 2021.

B. WEISHENG ENVIROTECH CO., LTD. (TPE)

(a) On July 9, 2021, the Group acquired a 51% equity interest in WEISHENG for a cash of $40,000 and obtained control over WEISHENG. As a result of the acquisition, the Group is expected to increase its presence in these markets.

(b) The following table summarises the consideration paid for WEISHENG 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:

		July 9, 2021
Purchase consideration		
Cash paid	$	40,000
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets		19,759
Fair value of the identifiable assets acquired and liabilities assumed		
Cash		50,989
Contract assets		170,336
Accounts receivable, net		4,749
Prepayments		4,286
Non-current financial assets at amortised cost		774
Property, plant and equipment		760
Right-of-use assets		1,854
Deferred tax assets		6,434
Other non-current assets		9,324
Short-term borrowings	(	55,000)
Notes payable	(	38,353)
Accounts payable	(	87,714)
Other payables	(	7,893)
Current tax liabilities	(	8,001)
Long-term borrowings (including current portion)	(	5,000)
Lease liabilities (including current portion)	(	1,665)
Provisions (including current portion)	(	5,629)
Total identifiable net assets		40,251
Goodwill	$	19,508

(c) The operating revenue included in the consolidated statement of comprehensive income since July 9, 2021 contributed by WEISHENG was $101,044. WEISHENG also contributed loss before income tax of $3,054 over the same period. Had WEISHENG been consolidated from January 1, 2021, the consolidated statement of comprehensive income would show operating revenue of $2,354,439 and profit before income tax of $171,491 for the year ended December 31, 2021.

(28) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Year ended December 31, 2022	Year ended December 31, 2021
Purchase of property, plant and equipment	$ 110,042	$ 285,199
Add: Opening balance of payable on equipment (including related parties)	2,734	84,519
Less: Ending balance of payable on equipment (including related parties)	(8,561)	(2,734)
Less: Additional current decommissioning liability provisions	(72)	(4,825)
Cash paid during the year	$ 104,143	$ 362,159

	Year ended December 31, 2022	Year ended December 31, 2021
Proceeds from disposal of property, plant and equipment	$ 9,839	$ 6,662
Add: Opening balance of receivable on equipment	-	9,994
Cash received during the year	$ 9,839	$ 16,656

B. On February 3, 2021, the Group disposed all its equity interest in Jin Chen Energy Co., Ltd., and therefore the Group lost control over this subsidiary, and those equity interests had been transferred to non-current assets held for sale on December 31, 2020. The details of the consideration received from the transaction (including cash) and assets and liabilities relating to the subsidiary are as follows:

	February 3, 2021
Consideration received	
Cash	$ 949
Carrying amount of the assets and liabilities of Jin Chen Energy Co., Ltd.	
Cash	326
Prepayments	596
Property, plant and equipment	11,886
Other non-current assets	6
Accounts payable	(11,865)
Total net assets	$ 949
Equity attributable to owners of the parent	$ 949
Non-controlling interest	$ -

C. The Group sold 15% of shares in Taiwan Huanfeng Holdings Co., Ltd. on September 21, 2021 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:

	September 21, 2021
Consideration received	
Cash	$ 16,125
Equity instruments (investments accounted for using equity method)	48,375
Total consideration	64,500
Carrying amount of the assets and liabilities of Taiwan Huanfeng Holdings Co., Ltd.	
Cash	16,043
Prepayments	26,286
Deferred tax assets	139
Other payables	(24)
Total net assets	$ 42,444
Equity attributable to owners of the parent	$ 25,466
Non-controlling interest	$ 16,978

(29) Changes in liabilities from financing activities

	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

	2021			
	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 26,203	$ 679,040	$ 98,166	$ 803,409
Changes in cash flow from financing activities	278,307	21,884	(14,959)	285,232
Changes in acquisition of subsidiaries	55,000	5,000	1,665	61,665
Interest expense paid	-	-	(2,383)	(2,383)
Changes in other non-cash items	(46,610)	46,610	60,579	60,579
At December 31	$ 312,900	$ 752,534	$ 143,068	$ 1,208,502

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
FU BAO YI HAO ENERGY CO., LTD. (FU BAO)	Associate
Enfinite Capital Taiwan Solar I Co. Ltd. (Enfinite)	Associate
Green Forever Ltd. (Green Forever)	Associate (until December 2, 2022)(Note 4)
Winball Sport Culture and Education Co., Ltd. (Winball)	Associate
Taiwan Huanfeng Holdings Co., Ltd. (Taiwan Huanfeng)	Associate (it was a subsidiary before September 21, 2021) (Note 1)
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
Qi Yi Venture Investment Co., Ltd. (Qi Yi)	Other related party
MF Design Co., Ltd. (MF)	Other related party
HE LIN ENERGY CO., LTD. (HE LIN)	Other related party (during the period from November 6, 2020 to September 29, 2021)
Yang Yu Mei	Other related party
Zhang Jia Hao	Other related party
Lan Wei Wen	Other related party
NEW GREEN POWER CO., LTD. (NEW GREEN)	Other related party (until September 30, 2021) (Note 2)
MaxinSolar Co., Ltd. (MaxinSolar)	Other related party (until September 30, 2021) (Note 2)

Names of related parties	Relationship with the Company
MU GUANG ENERGY CO., LTD. (MU GUANG)	Other related party (it was the Company's subsidiary before December 28, 2021) (Note 3)
CountryEDU Charity Foundation (EDU)	Other related party
Collins Co., Ltd. (Collins)	Other related party

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(6) for information in relation to equity interest transactions.

Note 2: The Company's CEO and the chairman of NEW GREEN had a second degree of kinship before September 30, 2021 but had no kinship after October 1, 2021. 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.

Note 4: 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.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31,	
	2022	2021
Sales revenue:		
Other related parties	$ -	$ 8,242
Service revenue:		
Associates		
Enfinite	$ 24,616	$ 59,119
Others	1,215	106
	25,831	59,225
Other related parties	696	1,211
	$ 26,527	$ 60,436
Construction revenue:		
Associates		
Enfinite	$ 4,619,458	$ 1,285,163
Other related parties	24,328	-
	$ 4,643,786	$ 1,285,163

(a) Goods sold to related parties by the Group are components of solar energy generating systems and are sold based on the price lists in force and terms that would be available to third parties.

(b) 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.

(c) 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

	Year ended December 31,	
	2022	2021
Other related parties	$ -	$ 4,409

Aforementioned operating costs mainly arose from a solar photovoltaic system maintenance contract which was signed by the Group to appoint other related parties to provide management, maintenance and operating services for power plants. The transaction terms had no significant difference with those to non-related parties.

C. Operating expenses - donation

	Year ended December 31,	
	2022	2021
Other related parties	$ 5,020	$ -

D. Receivables from related parties

	December 31, 2022	December 31, 2021
Accounts receivable:		
Associates		
Enfinite	$ -	$ 554,325
Others	609	60
Other related parties	9	289
	618	554,674
Less: Allowance for uncollectible accounts	(26)	(353)
	$ 592	$ 554,321

Receivables from related parties mainly arose from construction and consulting revenue. The above receivables are unsecured in nature and bear no interest.

E. Contract assets

	December 31, 2022	December 31, 2021
Associates		
Enfinite	$ 1,285,168	$ 614,377

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. Payables to related parties

	December 31, 2022	December 31, 2021
Other payables - loans:		
Other related parties	$ -	$ 1,000

The payables are non-interest bearing.

G. Contract liabilities

	December 31, 2022	December 31, 2021
Associates		
Enfinite	$ 6,154	$ 6,154
Other related parties	999	-
	$ 7,153	$ 6,154

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.

H. Guarantee deposits received (shown as other non-current liabilities)

	December 31, 2022	December 31, 2021
Associates		
Enfinite	$ 24,629	$ -

I. Property transactions:

Acquisition of property, plant and equipment

	Year ended December 31,	
	2022	2021
Other related party - NEW GREEN	$ -	$ 70,096
Other related parties, others	1,300	-
	$ 1,300	$ 70,096

J. Endorsements and guarantees provided to related parties

	December 31, 2022	December 31, 2021
Lan Wei Wen	$ 10,000	$ 30,000
Yang Yu Mei and Zhang Jia Hao	120,000	70,000
	$ 130,000	$ 100,000

(3) Key management compensation

	Year ended December 31,	
	2022	2021
Short-term employee benefits	$ 72,334	$ 34,839
Post-employment benefits	1,721	681
	$ 74,055	$ 35,520

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value December 31, 2022	Book value December 31, 2021	Nature of collateral
Machinery and equipment	$ 1,068,463	$ 927,808	Collateral for borrowings
Stock (shown as "Non-current financial assets at fair value through profit or loss")	3,000	-	Secured letter of credit
Cash in banks (shown as "financial assets at amortised cost")	1,160,494	135,784	Collateral for bank financing facility and Guarantee for construction performance
Other financial assets (shown as "other non-current assets")	164,766	187,461	Performance guarantees for constructions, warranty guarantees and bond deposit as security for court proceedings
	$ 2,396,723	$ 1,251,053	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

A. As of December 31, 2022 and 2021, the commercial papers for performance guarantee issued by the Group due to contracted constructions and electricity distribution amounted to $729,789 and $757,441, 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.

C. In November 2020, the Group and the claimants, Ri Xi Energy Co., Ltd. and Ding Xiang International Energy Development Co., Ltd., signed a construction contract. However, due to the land development dispute, the claimants have asked the Group's subsidiary to pay $8,699. After the local court rendered a decision against the claimants, the claimants appealed for the second instance in the third quarter of 2022. 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, 2022 and 2021, 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, 2022	December 31, 2021
Up to 12 months	$ 9,554	$ 9,530
Later than one year but not later than five years	35,837	36,434
Over 5 years	90,037	101,488
	$ 135,428	$ 147,452

B. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2022	December 31, 2021
Equipment procurement contract	$ 515,664	$ 447,312
Development service and construction contract	$ 6,222,136	$ 4,947,326

C. On October 6, 2021, the Company and Enfinite Capital Taiwan Solar I Co. Ltd. signed a turnkey project contract of fishery and electricity symbiosis with a contract price of $7,232,000, and the contract sets forth a construction schedule which started from the signing date to the last completion date. All the grid interconnections should be completed by June 30, 2023. If the construction is not completed before the last completion date, a penalty for breach of contract will be enforced and calculated based on the number of days of delay. As of December 31, 2022, 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.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. On March 9, 2023, the Board of Directors of the Company approved the distribution of 2022 earnings. Refer to Note 6(17) for details.

B. In order to meet the loan requirements of Green Forever Ltd., the Company's investee, all the shareholders of Green Forever Ltd. were required to pledge their shareholdings as collateral for the loan. In March 2023, the Company's board of directors resolved to pledge all the shares held by the Company in Green Forever Ltd. in the amount of $180,000.

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, 2022	December 31, 2021
Financial assets		
Financial assets at fair value through profit or loss	$ 688,094	$ 576,948
Financial assets at amortised cost (Note)	$ 3,009,396	$ 1,738,521

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial liabilities at amortised cost (Note)	$ 3,546,309	$ 2,414,002
Lease liability	$ 421,089	$ 143,068

Note: Financial assets at amortised cost included cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables and guarantee deposits paid; financial liabilities at amortised cost included short-term borrowings, notes payable, accounts payable, 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, 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

	December 31, 2021		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 900	27.68	$ 24,912
Financial liabilities			
Monetary items			
USD:NTD	$ 14,784	27.68	$ 409,221

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, 2022 and 2021 amounted to $39,247 and $21, respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	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	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 364	$ -

	Year ended December 31, 2021				
	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%	$	249	$	-
Financial liabilities					
Monetary items					
USD:NTD	1%	$	4,092	$	-

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, 2022 and 2021 would have increased/decreased by $6,055 and $5,077, 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.

(b) 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 accepted 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 assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 120 days.

iv. The Group 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, 2022 and 2021, 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, 2022 and 2021, individually assessed receivables amounted to $66,019 and $50,535, and loss allowances provided amounted to $60,570 and $48,709, 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, 2022	December 31, 2021
Expected loss rate	0.03%	0.03%
Total book value	$ 175,513	$ 631,801
Loss allowance	$ 53	$ 364

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for receivables (including other receivables) are as follows:

	2022	2021
At January 1	$ 49,073	$ 7
Provision for impairment	9,229	25,593
Acquired from business combinations	2,321	23,473
At December 31	$ 60,623	$ 49,073

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.

(c) 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:

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

December 31, 2021	Less than 1 year	Between 1 and 5 year(s)	Over 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 23,969	$ 78,874	$ 56,212	$ 159,055
Long-term borrowings (including current portion)	$ 93,640	$ 537,073	$ 174,577	$ 805,290

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.

(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

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.

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. 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, 2022 and 2021 are as follows:

(a) The related information on the nature of the assets is as follows:

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

December 31, 2021	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 360,826	$ -	$ 216,122	$ 576,948

(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.

C. For the years ended December 31, 2022 and 2021, 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, 2022 and 2021:

	2022	2021
	Equity instruments	Equity instruments
At January 1	$ 216,122	$ -
Acquired during the year	427,840	211,004
Transfer (out) in to Level 3	(8,292)	1,000
Investment cost refund	(59,040)	-
(Losses) gains recognised in profit or loss	(1,398)	4,118
Sold during the year	(33,927)	-
At December 31	$ 541,305	$ 216,122

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, 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

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 190,103	Discounted cash flow	Weighted average cost of capital	6.07%-25.08%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%-35%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	26,019	The latest transaction price	Not applicable	Not applicable	Not applicable

G. 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 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, 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)

			December 31, 2021	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 1,836	($ 1,865)

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: None.

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 4.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(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.

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 manages the business from each 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, 2022	Solar energy construction	Energy storage construction	Electricity trading	Others	Total
Segment revenue	$ 4,703,039	$ 740,976	$ 178,012	$ 678,735	$ 6,300,762
Segment income (loss)	$ 897,050	$ 216,900	$ 80,604	$ 111,955	$ 1,306,509

Year ended December 31, 2021	Solar energy construction	Energy storage construction	Electricity trading	Others	Total
Segment revenue	$ 1,409,965	$ 269,073	$ 149,364	$ 326,519	$ 2,154,921
Segment income (loss)	$ 228,697	$ 89,218	$ 67,992	$ 96,773	$ 482,680

(4) 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:

	Year ended December 31, 2022	Year ended December 31, 2021
Reportable segments income/(loss)	$ 1,194,554	$ 385,907
Other segments income/(loss)	111,955	96,773
Total segments	1,306,509	482,680
Depreciation	(112,924)	(85,334)
Amortisation	(4,089)	(561)
Others	(532,698)	(148,031)
Income/(loss) before tax from continuing operations	$ 656,798	$ 248,754

(5) Information on products and services

Refer to Note 6(18) for the related information.

(6) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

	Year ended December 31,			
	2022		2021	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 6,300,762	$ 1,897,222	$ 2,154,921	$ 1,611,332

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2022 and 2021 is as follows:

	Year ended December 31,			
	2022		2021	
	Revenue	Segment	Revenue	Segment
E	$ 4,644,074	Solar energy construction and others	$ 1,344,282	Solar energy construction and others
A	644,590	Electricity distribution and others	425,085	Electricity distribution and others

J&V Energy Technology Co., Ltd. and subsidiarties

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate range	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	Other receivables due from related parties	Yes	$ 40,000	$ 40,000	$ -	2.366%	Short-term financing	$ -	Business operation	$ -	-	$ -	$ 799,131	$ 1,331,885	
0	J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	Other receivables due from related parties	Yes	40,000	40,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	Other receivables due from related parties	Yes	40,000	40,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	Other receivables due from related parties	Yes	50,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Phanta Energy Inc.	Other receivables due from related parties	Yes	30,000	30,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	Other receivables due from related parties	Yes	100,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	Other receivables due from related parties	Yes	50,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	Other receivables due from related parties	Yes	100,000	100,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Green Forever Ltd.	Other receivables due from related parties	No	10,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
1	Jin Cheng Energy Co., Ltd.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	90,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	TPE ENERGY INC.	Other receivables due from related parties	Yes	30,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	Chen Yu Energy Co., Ltd.	Other receivables due from related parties	Yes	35,000	35,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	YU GUANG ENERGY CO., LTD.	Other receivables due from related parties	Yes	35,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
2	XU XIAO POWER CO., LTD.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	20,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	21,790	36,317	

													Collateral				
No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate range	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
3	FU DI ENERGY CO., LTD.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	$ 18,000	$ -	$ -	2.366%	Short-term financing	$ -	Business operation	$ -	-	$ -	$ 17,992	$ 29,986	
3	FU DI ENERGY CO., LTD.	Green Forever Ltd.	Other receivables due from related parties	Yes	5,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	17,992	29,986	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: The limit on loans grandted by the Company to subsidiaries should not exceed 30% of the Company’s net assets, and the ceiling on total loans granded by the Company should not exceed 50% of the Company’s assets. When subsidiaries grand loans to others, the limit on loan granded to a single party should not exceed 30% of the creditor’s net assets, and the ceiling on total loans should not exceed 50% of the creditor’s net assets.

Note 3: The net assets referred to above are based on the latest reviewed financial statements.

J&V Energy Technology Co., Ltd. and subsidiarties

Provision of endorsements and guarantees to others

Year ended December 31, 2022

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022	Outstanding endorsement/ guarantee amount at December 31, 2022	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement / guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/guarantees provided (Note 4)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	2	$ 6,659,425	$ 879,834	$ 528,324	$ 240,939	$ -	20%	$ 10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	2	6,659,425	533,562	346,162	314,445	-	13%	10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	2	6,659,425	275,104	275,104	88,022	-	10%	10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	XU XIAO POWER CO., LTD.	2	6,659,425	96,000	96,000	82,000	-	4%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	GREENET CO., LTD.	2	6,659,425	143,263	143,263	137,334	-	5%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	2	6,659,425	30,000	30,000	30,000	-	1%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	2	6,659,425	705,758	411,440	258,973	-	15%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	2	6,659,425	146,800	146,800	117,400	-	6%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	2	6,659,425	666,585	579,930	154,963	-	22%	10,655,080	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: The limit on endorsements/guarantees provided to a single party by the Company or the Company and subsidiaries as a whole is 250% of the Company’s net assets in the latest audited or reviewed financial statements by independent auditors.

Note 4: The ceiling on total amount of endorsements/guarantees provided by the Company or the Company and subsidiaries as a whole is 400% of the net assets on the latest financial statements of the Company audited or reviewed by independent auditors.

Note 5: The Company’s endorsement/guarantee was one part of joint guarantees for lease contracts, and the actual payment for lease should be considered.

J&V Energy Technology Co., Ltd. and subsidiarties

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2022				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
J&V Energy Technology Co., Ltd.	Common stock of TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.	None	Non-current financial assets at fair value through profit or loss	2,513,512	$ 146,789	3.59%	$ 146,789	
J&V Energy Technology Co., Ltd.	Common stock of Teras Marine Service Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	246,000	-	12.06%	-	
J&V Energy Technology Co., Ltd.	Common stock of Formosa 5 International Investment Co., Ltd.	Other related party	Non-current financial assets at fair value through profit or loss	1,512,420	16,894	9.75%	16,894	
J&V Energy Technology Co., Ltd.	Common stock of Formosa 4 International Investment Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	2,850,000	30,033	4.75%	30,033	
J&V Energy Technology Co., Ltd.	Common stock of GRAND GREEN ENERGY CO., LTD.	None	Non-current financial assets at fair value through profit or loss	4,500,000	60,686	9.44%	60,686	
J&V Energy Technology Co., Ltd.	Common stock of KOP INVESTMENT COMPANY LIMITED	None	Non-current financial assets at fair value through profit or loss	60,000	23,892	6.00%	23,892	
J&V Energy Technology Co., Ltd.	Common stock of Green Forever Ltd.	None	Non-current financial assets at fair value through profit or loss	18,000,000	180,000	15.00%	180,000	
J&V Energy Technology Co., Ltd.	Julien's International Entertainment Gourp	None	Non-current financial assets at fair value through profit or loss	1,500,000	30,000	4.08%	30,000	
J&V Energy Technology Co., Ltd.	Dong Fang Offshore Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	7,400,000	199,800	5.71%	199,800	

J&V Energy Technology Co., Ltd. and subsidiarties

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
J&V Energy Technology Co., Ltd.	Enfinite Capital Taiwan Solar I Co. Ltd.	Associate of the Company	Sales	$ 4,644,074	94%	Note	At a mutually agreed price	Note	$ -	-	

Note: Refer to Note 7(2)A. for details.

J&V Energy Technology Co., Ltd. and subsidiarties

Significant inter-company transactions during the reporting period

Year ended December 31, 2022

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	TPE ENERGY INC.	YU GUANG ENERGY CO., LTD.	3	Contract liabilities	$ 125,825	Note 5	2%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The above significant inter-company transactions are purchases or sales of goods from or to related parties, and only amounts of theses transactions, receivables due from related parties and contract assets reaching NT$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: The sales price was equivalent to general customers.

J&V Energy Technology Co., Ltd. and subsidiarties

Information on investees

Year ended December 31, 2022

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	Taiwan	Power generation services	$ 300,000	$ 300,000	30,000,000	100	$ 298,087	$ 6,839	$ 6,884	
J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	Taiwan	Power generation services	153,000	103,000	15,300,000	100	15,442	8,797	8,797	
J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	Taiwan	Power generation services	60,000	60,000	6,000,000	100	59,973	178	178	
J&V Energy Technology Co., Ltd.	KUANG TING ENERGY CO., LTD.	Taiwan	Power generation services	2,500	2,500	250,000	100	2,047	(73)	(113)	
J&V Energy Technology Co., Ltd.	YUN YI ENERGY CO., LTD.	Taiwan	Power generation services	2,100	2,100	210,000	100	1,186	(118)	(118)	
J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	Taiwan	Ancillary service on automatic frequency control (AFC)	43,680	1,000	4,368,000	78	41,530	(2,035)	(1,637)	
J&V Energy Technology Co., Ltd.	XU XIAO POWER CO., LTD.	Taiwan	Power generation services	75,770	75,770	7,000,000	100	74,610	1,676	1,552	
J&V Energy Technology Co., Ltd.	J&M Power Development Co., Ltd.	Taiwan	Power generation services	6,130	6,130	930,000	100	4,742	(120)	(120)	
J&V Energy Technology Co., Ltd.	Phanta Energy Inc.	Taiwan	Energy technology services	65,000	65,000	6,500,000	76	11,389	(36,150)	(27,644)	
J&V Energy Technology Co., Ltd.	Formosa Biomass Co., Ltd.	Taiwan	Bioenergy development and energy technology services	26,500	26,500	2,650,000	83	1,321	(523)	(435)	
J&V Energy Technology Co., Ltd.	Taiwan Huanfeng Holdings Co., Ltd.	Taiwan	Power generation services	-	48,375	-	-	-	(170,082)	(25,620)	Note 1
J&V Energy Technology Co., Ltd.	Xiang Guang Energy Co., Ltd.	Taiwan	Power generation services	1,000	1,000	100,000	100	731	(165)	(165)	
J&V Energy Technology Co., Ltd.	Guang Liang Energy Co., Ltd.	Taiwan	Power generation services	3,500	1,000	350,000	100	2,655	(574)	(574)	
J&V Energy Technology Co., Ltd.	Zhu Ri Energy Co., Ltd.	Taiwan	Power generation services	1,000	1,000	100,000	100	768	(129)	(129)	

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
J&V Energy Technology Co., Ltd.	GREENET CO., LTD.	Taiwan	Renewable-energy-based electricity distribution	$ 45,000	$ 10,000	4,500,000	100	$ 45,204	$ 781	$ 781	
J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	Taiwan	Ancillary service on automatic frequency control (AFC)	220,399	189,740	21,922,000	72	324,033	102,614	66,156	
J&V Energy Technology Co., Ltd.	FU BAO YI HAO ENERGY CO., LTD.	Taiwan	Energy technology services	260,000	196,444	26,000,000	21	(35,102)	(27,301)	(5,633)	
J&V Energy Technology Co., Ltd.	Chuang Jie Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,000	1,000	100,000	100	808	(111)	(111)	
J&V Energy Technology Co., Ltd.	Chuang Da Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,500	100	150,000	100	589	(853)	(853)	
J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	Taiwan	Environmental protection engineering	178,571	90,000	17,857,143	73	167,102	(1,367)	(888)	
J&V Energy Technology Co., Ltd.	Tai Wei Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,500	1,000	150,000	100	574	(856)	(856)	
J&V Energy Technology Co., Ltd.	Rui Neng Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	700	100	70,000	100	532	(111)	(111)	
J&V Energy Technology Co., Ltd.	Winball Sport Culture and Education Co., Ltd.	Taiwan	Management of professional basketball team and sales of peripheral products	19,500	9,500	1,950,000	21	15,394	(70,228)	(11,986)	Note 2
J&V Energy Technology Co., Ltd.	J&V Engineering Co., Ltd.	Taiwan	Energy technology services	5,000	-	500,000	100	4,874	(126)	(126)	
J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	Taiwan	Energy technology services	55,000	-	5,500,000	100	52,432	(2,568)	(2,568)	
J&V Energy Technology Co., Ltd.	Storm Power Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	3,000	-	300,000	100	6,406	(2,576)	(2,576)	
J&V Energy Technology Co., Ltd.	Jin Jie Energy Co., Ltd.	Taiwan	Power generation services	929	-	100,000	100	876	(75)	(52)	
J&V Energy Technology Co., Ltd.	Jin Hong Energy Co., Ltd.	Taiwan	Power generation services	907	-	100,000	100	855	(70)	(52)	
Phanta Energy Inc.	Jin Hong Energy Co., Ltd.	Taiwan	Power generation services	-	1,000	-	-	-	(70)	(18)	
Phanta Energy Inc.	Jin Pin Energy Co., Ltd.	Taiwan	Power generation services	-	1,000	-	-	-	(23)	(23)	

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
Phanta Energy Inc.	Jin Jie Energy Co., Ltd.	Taiwan	Power generation services	$ -	$ 1,000	-	-	$ -	($ 75)	($ 23)	
Phanta Energy Inc.	Jin Wei Energy Co., Ltd.	Taiwan	Power generation services	-	500	-	-	-	(23)	(23)	
Phanta Energy Inc.	Jin Peng Energy Co., Ltd.	Taiwan	Power generation services	-	500	-	-	-	(24)	(24)	
Skynergy Co., Ltd.	Tian Chuang Energy Co., Ltd.	Taiwan	Power generation services	1,000	-	100,000	100	403	(597)	(597)	
Skynergy Co., Ltd.	Yong Ze Energy Co., Ltd.	Taiwan	Power generation services	3,000	-	300,000	100	2,411	(589)	(589)	
Skynergy Co., Ltd.	Guang Hui Energy Co., Ltd.	Taiwan	Power generation services	5,000	-	500,000	100	4,908	(92)	(92)	
TPE ENERGY INC.	Yao Heng Lin Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	100	-	10,000	100	94	(6)	(6)	
TPE ENERGY INC.	Yu Wei Power Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	100	-	10,000	100	94	(6)	(6)	

Note 1：In June 2022, it was transferred to non-current assets for sale, and the sale was completed in September of the same year.
Note 2：In April 2022, Non-current financial assets at fair value through profit or loss were transferred to investments accounted for using equity method.

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, 2022 and 2021, 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 significant 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, 2022 and 2021, 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 Auditing and Attestation of Financial Statements by 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 2022 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 2022 parent company only financial statements are stated as follows:

Recognition of construction revenue - determination of the stage of completion

Description

Refer to Note 4(26) 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(15) for details of contract assets and contract liabilities, which amounted to NT$1,321,220 thousand and NT$967,993 thousand, respectively, as of December 31, 2022.

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 expected 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 9, 2023

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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 683,672	12	$ 303,303	9
1136	Current financial assets at amortised cost	6(3) and 8	910,880	16	30,000	1
1140	Current contract assets	6(15) and 7	1,321,220	23	718,196	20
1170	Accounts receivable, net	6(4)	2,385	-	6,253	-
1180	Accounts receivable, net - related parties	6(4) and 7	14,150	-	554,987	16
1200	Other receivables		12,175	-	69,919	2
1210	Other receivables - related parties	7	3,314	-	50,996	1
130X	Inventories		115,902	2	-	-
1410	Prepayments	6(5)	647,245	11	25,765	1
1470	Other current assets		4,070	-	-	-
11XX	**Total current assets**		3,715,013	64	1,759,419	50
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2) and 8	688,094	12	576,948	16
1550	Investments accounted for using equity method	6(6)	1,273,160	22	1,100,410	31
1600	Property, plant and equipment	6(7)	24,569	-	29,000	1
1755	Right-of-use assets	6(8)	49,197	1	60,844	2
1780	Intangible assets		865	-	528	-
1840	Deferred tax assets	6(20)	92,376	1	16,310	-
1900	Other non-current assets		6,167	-	3,472	-
15XX	**Total non-current assets**		2,134,428	36	1,787,512	50
1XXX	**Total assets**		$ 5,849,441	100	$ 3,546,931	100

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(9)	$ 1,130,000	19	$ 80,000	2
2130	Current contract liabilities	6(15)	966,857	17	6,154	-
2170	Accounts payable		666,493	11	1,105,900	31
2200	Other payables		98,575	2	42,153	1
2230	Current tax liabilities		220,601	4	28,570	1
2280	Current lease liabilities		15,816	-	14,232	1
2300	Other current liabilities		3,869	-	488	-
21XX	**Total current liabilities**		3,102,211	53	1,277,497	36
	Non-current liabilities					
2550	Provision for liabilities - non-current		11,004	-	-	-
2580	Non-current lease liabilities		35,028	-	48,139	1
2650	Credit balance of investments accounted for using equity method	6(6)	35,102	1	-	-
2670	Other non-current liabilities	6(15)	2,326	-	4,137	-
25XX	**Total non-current liabilities**		83,460	1	52,276	1
2XXX	**Total liabilities**		3,185,671	54	1,329,773	37
	Equity					
	Share capital	6(12)				
3110	Ordinary share		1,127,091	19	1,127,091	32
	Capital surplus	6(13)				
3200	Capital surplus		644,399	11	629,218	18
	Retained earnings	6(14)				
3310	Legal reserve		51,245	1	30,908	1
3350	Unappropriated retained earnings		841,035	15	429,941	12
3XXX	**Total equity**		2,663,770	46	2,217,158	63
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 5,849,441	100	$ 3,546,931	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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	2022 AMOUNT	2022 %	2021 AMOUNT	2021 %
4000	Operating revenue	6(15) and 7	$ 4,955,912	100	$ 1,619,212	100
5000	Operating costs	7	(3,747,820)	(76)	(1,276,687)	(79)
5900	Gross profit		1,208,092	24	342,525	21
5910	Unrealized loss from sales		(247,541)	(5)	(64,911)	(4)
5950	Gross profit from operations		960,551	19	277,614	17
	Operating expenses					
6100	Selling expenses		(34,840)	-	(20,247)	(1)
6200	Administrative expenses	7	(189,233)	(4)	(74,657)	(5)
6450	Impairment gain (loss)	12(2)	328	-	(355)	-
6900	Operating income		736,806	15	182,355	11
	Non-operating income and expenses					
7100	Interest income	7	9,726	-	438	-
7010	Other income	6(16)	18,293	-	4,744	1
7020	Other gains and losses	6(17)	(148,009)	(3)	36,492	2
7050	Finance costs		(9,642)	-	(3,343)	-
7070	Share of profit of associates and joint ventures accounted for using equity method		1,981	-	15,045	1
7000	Total non-operating income and expenses		(127,651)	(3)	53,376	4
7900	**Profit before income tax**		609,155	12	235,731	15
7950	Income tax expense	6(20)	(155,182)	(3)	(9,897)	(1)
8200	**Profit**		$ 453,973	9	$ 225,834	14
8300	**Other comprehensive income for the year**		$ -	-	$ -	-
8500	**Total comprehensive income for the year**		$ 453,973	9	$ 225,834	14
	Earnings per share (in dollars)	6(21)				
9750	Basic earnings per share		$ 4.03		$ 2.30	
9850	Diluted earnings per share		$ 4.02		$ 2.30	

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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings		
	Notes	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings	Total equity
Year ended December 31, 2021						
Balance at January 1		$ 727,891	$ 16,470	$ 12,442	$ 245,036	$ 1,001,839
Profit		-	-	-	225,834	225,834
Total comprehensive income		-	-	-	225,834	225,834
Appropriation of 2020 earnings:	6(14)					
Legal reserve		-	-	18,466	(18,466)	-
Issuance of shares	6(12)(13)	350,000	590,000	-	-	940,000
Issuance of employee share options	6(12)(13)	49,200	23,124	-	-	72,324
Compensation cost of share-based payments	6(11)(13)	-	438	-	-	438
Changes in ownership interests in subsidiaries	6(13)	-	(814)	-	(22,463)	(23,277)
Balance at December 31		$ 1,127,091	$ 629,218	$ 30,908	$ 429,941	$ 2,217,158
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(14)					
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(13)	-	9,087	-	-	9,087
Changes in ownership interests in subsidiaries	6(13)	-	6,094	-	-	6,094
Balance at December 31		$ 1,127,091	$ 644,399	$ 51,245	$ 841,035	$ 2,663,770

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, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 609,155	$ 235,731
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(18)	25,618	16,228
Amortisation	6(18)	437	264
Loss (gain) on financial assets at fair value through profit or loss, net	6(17)	132,596	(15,782)
Compensation cost of share-based payments		-	438
Unrealized loss from sales		247,541	64,911
Gain on disposal of investments	6(17)	(14,593)	(39,384)
Share of profit of associates and joint ventures accounted for using equity method		(1,981)	(15,045)
Interest income		(9,726)	(438)
Interest expense		9,642	3,343
Other loss		-	17,691
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(603,024)	(718,196)
Accounts receivable, net		3,868	(5,479)
Accounts receivable, net - related parties		540,837	(554,270)
Other receivables		106,355	(69,275)
Other receivables - related parties		716	(852)
Inventories		(115,902)	-
Prepayments		(621,480)	42,896
Other current assets		(4,070)	36
Changes in operating liabilities			
Current contract liabilities		960,703	6,154
Accounts payable		(439,407)	1,105,900
Other payables		58,523	11,369
Other payables - related parties		-	(220)
Other current liabilities		3,381	292
Other non-current liabilities		(1,811)	4,137
Provision for liabilities - non-current		11,004	-
Cash inflow generated from operations		898,382	90,449
Interest received		9,726	428
Interest paid		(9,119)	(3,343)
Income taxes paid		(39,217)	(1,016)
Net cash flows from operating activities		859,772	86,518

(Continued)

J&V ENERGY TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	Year ended December 31 2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost	6(3)	($ 880,880)	($ 30,000)
Decrease (increase) in other receivables - related parties	7	49,000	(49,000)
Acquisition of financial assets at fair value through profit or loss	6(2)	(427,840)	(256,137)
Proceeds from disposal of financial assets at fair value through profit or loss		175,806	-
Acquisition of investments accounted for using equity method		(486,284)	(654,589)
Proceeds from disposal of investments accounted for using equity method		-	102,771
Proceeds from disposal of non-current assets held for sale		74,155	-
Acquisition of property, plant and equipment	6(22)	(8,473)	(22,208)
Proceeds from disposal of property, plant and equipment		18	18
Acquisition of intangible assets		(774)	-
(Increase) decrease in other non-current assets		(2,695)	1,188
Net cash flows used in investing activities		(1,507,967)	(907,957)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(23)	1,470,000	310,000
Decrease in short-term borrowings	6(23)	(420,000)	(230,100)
Decrease in other payables - related parties	7	-	(65,000)
Payments of lease liabilities	6(23)	(15,236)	(8,057)
Cash dividends paid	6(14)	(22,542)	-
Proceeds from issuance of shares	6(12)	-	940,000
Distribution of retained earnings by subsidiaries		16,342	35,765
Employee stock options exercised	6(12)(13)	-	72,324
Net cash flows from financing activities		1,028,564	1,054,932
Net increase in cash and cash equivalents		380,369	233,493
Cash and cash equivalents at beginning of year		303,303	69,810
Cash and cash equivalents at end of year		$ 683,672	$ 303,303

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, 2022 AND 2021
(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. The Company is primarily engaged in energy technology services and construction services, etc. As of December 31, 2022, the Company's paid-in capital was $1,127,091.

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 9, 2023.

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") 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 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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 IFRSs as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC 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

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) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs 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
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
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 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	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.

4. Summary of Significant 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: 4~5 years

Office equipment: 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

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.

(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) 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. 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.

B. 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.

C. 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, 2022	December 31, 2021
Petty cash	$ 7	$ 5
Demand deposits and checking accounts	683,665	303,298
	$ 683,672	$ 303,303

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, 2022	December 31, 2021
Financial assets mandatorily measured at fair value through profit or loss		
Emerging stocks	$ 198,542	$ 229,333
Unlisted stocks	450,903	152,604
Valuation adjustment	38,649	195,011
	$ 688,094	$ 576,948

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,	
	2022	2021
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	($ 132,596)	$ 15,782

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, 2022	December 31, 2021
Bank deposits	$ 910,880	$ 30,000

A. As at December 31, 2022 and 2021, 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, 2022	December 31, 2021
Accounts receivable	$ 2,386	$ 6,255
Less: Allowance for uncollectible accounts	(1)	(2)
	$ 2,385	$ 6,253
Accounts receivable due from related parties	$ 14,176	$ 555,340
Less: Allowance for uncollectible accounts	(26)	(353)
	$ 14,150	$ 554,987

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	Accounts receivable	
	December 31, 2022	December 31, 2021
Not past due	$ 16,562	$ 561,463
91 to 180 days	-	132
	$ 16,562	$ 561,595

The above ageing analysis was based on past due date.

B. As of December 31, 2022 and 2021, accounts receivable were all from contracts with customers. As of January 1, 2021, the balance of receivables from contracts with customers amounted to $1,491.

C. The Company had no accounts receivable discounted or pledged as collateral.

D. As at December 31, 2022 and 2021, 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) Prepayments

	December 31, 2022	December 31, 2021
Prepayments to suppliers	$ 566,030	$ -
Prepayments for project development expenses	72,000	-
Business tax paid	948	9,153
Excess business tax paid	-	10,799
Others	8,267	5,813
	$ 647,245	$ 25,765

(6) Investments accounted for using equity method

	December 31, 2022	December 31, 2021
Subsidiaries		
TPE ENERGY INC.	$ 324,033	$ 219,919
Jin Cheng Energy Co., Ltd.	298,087	316,047
WEISHENG ENVIROTECH CO., LTD.	167,102	80,831
Chen Yu Energy Co., Ltd.	154,442	98,374
XU XIAO POWER CO., LTD.	74,610	75,670
FU DI ENERGY CO., LTD.	59,973	59,795
Others	179,519	63,272
Associates		
FU BAO YI HAO ENERGY CO., LTD.	(35,102)	140,676
Taiwan Huanfeng Holdings Co., Ltd.	-	45,826
Winball Sport Culture and Education Co., Ltd.	15,394	-
	1,238,058	1,100,410
Credit balance of investments accounted for using equity method	35,102	-
	$ 1,273,160	$ 1,100,410

A. Subsidiaries

Refer to Note 4(3) in the 2022 consolidated financial statements for the information regarding the Company's subsidiaries.

B. Associates

(a) On December 31, 2022 and 2021, 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, 2022 and 2021, the total loss of the Company's individual insignificant associates (that is, total comprehensive income) amounted to $267,611 and $6,318, 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, 2022, the conditions of equity interest disposal had been fulfilled, the second instalment was received in the amount of $74,115 (net of amortisation of expenses), and the Company recognised gain on disposals of investments in the amount of $14,593.

(7) Property, plant and equipment

	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

	Computer equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
At January 1, 2021						
Cost	$ 10,597	$ 3,460	$ 13,679	$ 47	$ -	$ 27,783
Accumulated depreciation	(558)	-	-	(18)	-	(576)
	$ 10,039	$ 3,460	$ 13,679	$ 29	$ -	$ 27,207
2021						
Opening net book amount as at January 1	$ 10,039	$ 3,460	$ 13,679	$ 29	$ -	$ 27,207
Additions	1,336	-	418	59	7,411	9,224
Disposals	(18)	-	-	-	-	(18)
Depreciation expense	(3,674)	(741)	(2,981)	(17)	-	(7,413)
Closing net book amount as at December 31	$ 7,683	$ 2,719	$ 11,116	$ 71	$ 7,411	$ 29,000
At December 31, 2021						
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

(8) 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, 2022	December 31, 2021
	Carrying amount	Carrying amount
Buildings	$ 46,772	$ 60,844
Others	2,425	-
	$ 49,197	$ 60,844

	Year ended December 31,	
	2022	2021
	Depreciation expense	Depreciation expense
Buildings	$ 14,423	$ 8,815
Others	933	-
	$ 15,356	$ 8,815

D. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were $3,709 and $33,671, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31,	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 1,142	$ 793
Expense on short-term lease contracts	7,092	446

F. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases were $23,505 and $9,289, respectively.

(9) Short-term borrowings

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		

Type of borrowings	December 31, 2021	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 30,000	1.500%	None
Secured borrowings	50,000	1.625%	Bank deposits
	$ 80,000		

Refer to Note 8 for details of the Company's collateral pledged for short-term borrowings.

(10) 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, 2022 and 2021 were $3,429 and $2,511, respectively.

(11) 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, 2021, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Contract period	Vesting conditions
Employee stock options	2021.2.9	5,000	-	Vested immediately
Cash capital increase reserved for employee preemption	2021.4.15	3,000	-	Vested immediately
Cash capital increase reserved for employee preemption	2021.7.30	140	-	Vested immediately

The share-based payment arrangements above are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2021	
	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -
Options granted	8,140	17.57
Options exercised	(7,160)	17.30
Options expired	(980)	19.57
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)
Employee stock options	2021.2.9	13.88	14.7	38.88%	0.026	-	0.34%	0.0876
Cash capital increase reserved for employee preemption	2021.4.15	14.93	20	34.57%	0.06	-	0.34%	0.0001

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	2021.7.30	29.52	68	38.62%	0.1	-	0.10%	-

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, 2021, the Company had compensation costs due to the recognition of share-based payments transactions (equity-settled) in the amount of $438.

(12) Share capital

A. As of December 31, 2022, the Company's authorised capital and the paid-in capital were $2,000,000 and $1,127,091, 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:

	2022	2021
	shares (in thousands)	shares (in thousands)
At January 1	112,709	72,789
Cash capital increase (including cash capital increase reserved for employees)	-	35,000
Employee stock options exercised	-	4,920
At December 31	112,709	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. As of December 31, 2022, the capital increase has not been completed.

C. As employees exercised stock options according to the terms of stock options, the Company issued 4,920 thousand common shares. The effective date was set on March 8, 2021, and the registration of change had been completed.

D. On April 15, 2021, the Board of Directors of the Company approved to increase cash capital by issuing 30,000 thousand new shares for the operational needs with an issuance price of NT$20 (in dollars) per share. The effective date was set on May 7, 2021, and the registration of change had been completed.

E. On July 16, 2021, the Board of Directors of the Company approved to increase cash capital by issuing 5,000 thousand new shares for the operational needs with an issuance price of NT$68 (in dollars) per share. The effective date was set on September 7, 2021, and the registration of change had been completed.

(13) 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.

	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

	2021			
	Share premium	Options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Total
At January 1	$ 15,656	$ -	$ 814	$ 16,470
Cash capital increase	590,000	-	-	590,000
Employee stock options exercised	23,124	-	-	23,124
Share-based payments	-	438	-	438
Recognition of change in equity of associates in proportion to the Group's ownership	-	-	(814)	(814)
At December 31	$ 628,780	$ 438	$ -	$ 629,218

(14) 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 June 28, 2022, the stockholders resolved the distribution of dividends from the 2021 earnings in the amount of $22,542 at NT$0.2 (in dollars) per share.

E. On March 9, 2023, the Board of Directors proposed for the distribution of dividends from the 2022 earnings in the amount of $232,418 at NT$2.06 (in dollars) per share.

(15) Operating revenue

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue from contracts with customers		
Construction revenue	$ 4,864,809	$ 1,516,142
Service revenue	84,250	102,525
Sales revenue	6,853	545
	$ 4,955,912	$ 1,619,212

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 in the following major natures:

Year ended December 31, 2022	Sales revenue	Construction revenue	Service revenue	Total
Revenue from external customer	$ 6,853	$ 4,864,809	$ 84,250	$ 4,955,912
Timing of revenue recognition				
Over time	$ -	$ 4,864,809	$ 84,250	$ 4,949,059
At a point in time	6,853	-	-	6,853
	$ 6,853	$ 4,864,809	$ 84,250	$ 4,955,912

Year ended December 31, 2021	Sales revenue	Construction revenue	Service revenue	Total
Revenue from external customer	$ 545	$ 1,516,142	$ 102,525	$ 1,619,212
Timing of revenue recognition				
Over time	$ -	$ 1,516,142	$ 102,525	$ 1,618,667
At a point in time	545	-	-	545
	$ 545	$ 1,516,142	$ 102,525	$ 1,619,212

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, 2022 and 2021 are as follows:

	Year expected to recognise revenue	Contracted amount
December 31, 2022	2023-2024	$ 5,810,722
December 31, 2021	2022-2023	$ 6,544,554

C. Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities:

	December 31, 2022	December 31, 2021
Contract assets	$ 1,321,220	$ 718,196
Contract liabilities (including shown as other non-current liabilities	$ 967,993	$ 6,154

(16) Other income

	Year ended December 31,	
	2022	2021
Rent income	$ 13,115	$ 4,591
Others	5,178	153
	$ 18,293	$ 4,744

(17) Other gains and losses

	Year ended December 31,	
	2022	2021
(Losses) gains on financial assets at fair value through profit or loss	($ 132,596)	$ 15,782
Foreign exchange losses	(30,006)	-
Gains on disposals of investments	14,593	39,384
Others	-	(18,674)
	($ 148,009)	$ 36,492

(18) Expenses by nature

	Year ended December 31,	
	2022	2021
Employee benefit expense	$ 138,126	$ 82,899
Depreciation expense	25,618	16,228
Amortisation expense	437	264
	$ 164,181	$ 99,391

(19) Employee benefit expense

	Year ended December 31, 2022		Year ended December 31, 2021
Wages and salaries	$ 110,737		$ 67,232
Labour and health insurance fees	7,278		4,879
Pension costs	3,429		2,511
Other personnel expenses	16,682		8,277
	$ 138,126		$ 82,899

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, 2022 and 2021, employees' compensation was accrued at $10,610 and $2,381, respectively; while directors' remuneration were accrued at $6,238 and $0, respectively. The aforementioned amounts were recognised in salary expenses.

   The employees' compensation and directors' remuneration were estimated and accrued based on 1.69% and 1% of distributable profit of current year for the year ended December 31, 2022, respectively. The employees' compensation and directors' remuneration resolved by the Board of Directors were $10,610 and $6,238, and the employees' compensation will be distributed in the form of cash.

   Employees' compensation and directors' remuneration for 2021 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2021 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.

(20) Income tax

A. Components of income tax expense:

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax:		
Current tax on profits for the year	$ 212,576	$ 20,259
Prior year income tax underestimation	10,647	-
Tax on undistributed surplus earnings	8,025	8,310
Total current tax	231,248	28,569
Deferred tax:		
Origination and reversal of temporary differences	(76,066)	(18,672)
Income tax expense	$ 155,182	$ 9,897

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2022	Year ended December 31, 2021
Tax expenses calculated based on profit before tax and statutory tax rate	$ 121,831	$ 47,146
Prior year income tax underestimation	10,647	-
Tax on undistributed surplus earnings	8,025	8,310
Expenses disallowed by tax regulation	1,425	-
Temporary difference not recognised as deferred tax assets	-	(70)
Tax exempt loss (income) by tax regulation	21,250	(22,779)
Change in assessment of realisation of deferred tax assets (liabilities)	(7,996)	(22,710)
Income tax expense	$ 155,182	$ 9,897

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2022 January 1	2022 Recognised in profit or loss	2022 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

	2021		
	January 1	Recognised in profit or loss	December 31
Deferred tax assets:			
Temporary differences:			
Loss on investments accounted for using equity method	$ 5,317	($ 2,308)	$ 3,009
Unrealised gross profit from sales	-	12,982	12,982
Others	160	159	319
Tax losses	13,668	(13,668)	-
	$ 19,145	($ 2,835)	$ 16,310
Deferred tax liabilities:			
Temporary differences:			
Gains on investment valuation	($ 21,507)	$ 21,507	$ -
	($ 2,362)	$ 18,672	$ 16,310

D. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority.

(21) Earnings per share

	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

	Year ended December 31, 2021		
	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	$ 225,834	98,052	$ 2.30
Diluted earnings per share			
Profit attributable to the parent	$ 225,834	98,052	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	121	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 225,834	98,173	$ 2.30

(22) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31,	
	2022	2021
Purchase of property, plant and equipment	$ 5,849	$ 9,224
Add: Opening balance of payable on equipment (including related parties)	2,624	15,608
Less: Ending balance of payable on equipment (including related parties)	-	(2,624)
Cash paid during the year	$ 8,473	$ 22,208

(23) Changes in liabilities from financing activities

	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

	2021		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1	$ 100	$ 36,757	$ 36,857
Changes in cash flow from financing activities	79,900	(8,057)	71,843
Interest expense paid	-	(793)	(793)
Changes in other non-cash items	-	34,464	34,464
At December 31	$ 80,000	$ 62,371	$ 142,371

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
YU GUANG ENERGY CO., LTD. (YU GUANG)	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
Tai Wei Energy Co., Ltd. (Tai Wei)	Subsidiary
Rui Neng Energy Co., Ltd. (Rui Neng)	Subsidiary
WEISHENG ENVIROTECH CO., LTD. (WEISHENG)	Subsidiary
Skynergy Co., Ltd. (Skynergy)	Subsidiary
Storm Power Co., Ltd. (Storm)	Subsidiary
J&V Engineering Co., Ltd. (J&V Engineering)	Subsidiary
Jin Jie Energy Co., Ltd. (Jin Jie)	Subsidiary
Jin Hong Energy Co., Ltd. (Jin Hong)	Subsidiary

Names of related parties	Relationship with the Company
Tian Chuang Energy Co., Ltd. (Tian Chuang)	Subsidiary
Yong Ze Energy Co., Ltd. (Yong Ze)	Subsidiary
Guang Hui Energy Co., Ltd. (Guang Hui)	Subsidiary
Taiwan Huanfeng Holdings Co., Ltd. (Taiwan Huanfeng)	Associate (it was a subsidiary before September 21, 2021) (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
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
CountryEDU Charity Foundation (EDU)	Other related party
Collins Co., Ltd. (Collins)	Other related party
NEW GREEN POWER CO., LTD. (NEW GREEN)	Other related party (until September 30, 2021) (Note 2)
Zhao Young Co., Ltd.	Other related party (during the period from November 6, 2020 to September 30, 2021)
ASIA ENERGY DEVELOPMENT CO., LTD. (ASIA ENERGY)	Other related party (it was the Company's director before December 16, 2021)
Tan Yu Xuan	Other related party (it was the Company's director beforeSeptember 23, 2021)
MU GUANG ENERGY CO., LTD. (MU GUANG)	Other related party (it was the Company's subsidiary before December 28, 2021) (Note 3)

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(6) for information in relation to equity interest transactions.

Note 2: The Company's CEO and the chairman of NEW GREEN had a second degree of kinship before September 30, 2021 but had no kinship after October 1, 2021. 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, 2022	Year ended December 31, 2021
Service revenue:		
Subsidiary	$ 33,249	$ 25,696
Associates	25,831	59,225
Other related parties	696	987
	$ 59,776	$ 85,908
Construction revenue:		
Subsidiary		
Chen Yu	$ -	$ 230,979
Other	97,142	-
Associates		
Enfinite	4,619,458	1,285,163
	$ 4,716,600	$ 1,516,142

(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.

B. Operating costs

	Year ended December 31, 2022	Year ended December 31, 2021
Other related parties	$ -	$ 70,096

The operating cost above mainly pertains to subcontract costs, which is entrusted to related parties to carry out project construction. The transaction price and payment terms of its engineering costs are about the same as those of general customers or market conditions.

C. Operating expenses - donation

	Year ended December 31, 2022	Year ended December 31, 2021
Other related parties	$ 5,020	$ -

D. Receivables from related parties

	December 31, 2022	December 31, 2021
Accounts receivable:		
Subsidiary		
Jin Cheng	$ 9,678	$ -
Others	3,880	666
Associates		
Enfinite	-	554,325
Others	609	60
Other related parties	9	289
	14,176	555,340
Less: Allowance for uncollectible accounts	(26)	(353)
	$ 14,150	$ 554,987

Receivables from related parties mainly arose from construction and consulting revenue. The above receivables are unsecured in nature and bear no interest.

E. Contract assets

	December 31, 2022	December 31, 2021
Contract assets:		
Subsidiary		
Chen Yu	$ 20,764	$ 103,819
Associates		
Enfinite	1,285,168	614,377
	$ 1,305,932	$ 718,196

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, 2022	December 31, 2021
Subsidiary	$ 2,225	$ -
Associates		
Enfinite	6,154	6,154
Other related parties	999	-
	$ 9,378	$ 6,154

(a) The above pertains to payments for construction contracted to the Company by related parties, which was recognised based on the proportion of costs incurred for construction, and the Company had not fulfilled performance obligations.

(b) The above pertains to payments arising from administrative and support services provided to related parties, which was recognised based on the services provided over time, and the Company has not fulfilled its performance obligations.

G. Acquisition of financial assets

	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

	Accounts	No. of shares (in thousands)	Objects	Year ended December 31, 2021 Consideration	
Subsidiary					
TPE	Investments accounted for using the equity	16,924	Common Stock	$	169,240
Jin Cheng	"	9,000	"		90,000
Others	"	-	"		90,030
Associates					
FU BAO	Investments accounted for using the equity	19,644	Common Stock		196,444
				$	545,714

H. Loans to /from related parties :

(a) Loans to related parties(shown as other receivables):

(i) Outstanding balance:

	Year ended December 31, 2022	2021
Subsidiary		
TPE	$ -	$ 50,000

The above mentioned lending to related parties is to sign a short-term loan contract to meet the capital needs for the establishment and operation of the case.

(b) Interest income

	Year ended December 31, 2022	2021
Subsidiary	$ 1,403	$ 10
Associates		
FU BAO	-	339
	$ 1,403	$ 349

The condition of lending to related parties is to repay within one year after the loan is made, and the interest in the years ended December 31, 2022 and 2021, is charged at an annual rate of 2.366%.

I. Provided Endorsements and guarantees to related parties

	Year ended December 31,			
	2022		2021	
	guaranteed amount	Borrowing amount used	guaranteed amount	Borrowing amount used
Subsidiary				
Jin Cheng	$ 528,324	$ 240,939	$ 847,800	$ 419,593
Chen Yu	346,162	314,445	533,562	334,549
FU DI	275,104	88,022	275,104	93,606
XU XIAO	96,000	82,000	96,000	88,000
GREENET	143,263	137,334	-	-
Skynergy	30,000	30,000	-	-
WEISHENG	411,440	258,973	-	-
YU GUANG	146,800	117,400	-	-
TPE	579,930	154,963	-	-
	$ 2,557,023	$ 1,424,076	$ 1,752,466	$ 935,748

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,	
	2022	2021
Short-term employee benefits	$ 44,982	$ 18,684
Post-employment benefits	829	395
	$ 45,811	$ 19,079

8. Pledged Assets

The Company's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2022	December 31, 2021	Nature of collateral
Stock (shown as "Non-current financial assets at fair value through profit or loss")	$ 3,000	$ -	Secured letter of credit
Bank Deposits(shown as "financial assets at amortised cost")	910,880	30,000	Guarantee of Bank Facility
Other financial assets (shown as "other non-current assets")	1,000	-	Performance guarantees for constructions
	$ 914,880	$ 30,000	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

As of December 31, 2022 and 2021, except for the important construction contracts specified Note 6 (15), the Company's other contingent liabilities and commitments are as follows:

(1) As of December 31, 2022 and 2021, the commercial papers for performance guarantee issued by the Company due to contracted constructions and electricity distribution amounted to $690,075 and $670,786, respectively.

(2) Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2022	December 31, 2021
Equipment procurement contract	$ 400,589	$ 218,816
Development service and construction contract	$ 5,191,950	$ 4,142,499

(3) On October 6, 2021, the Company and Enfinite Capital Taiwan Solar I Co. Ltd. signed a turnkey project contract of fishery and electricity symbiosis with a contract price of $7,232,000, and the contract sets forth a construction schedule which started from the signing date to the last completion date. All the grid interconnections should be completed by June 30, 2023. If the construction is not completed before the last completion date, a penalty for breach of contract will be enforced and calculated based on the number of days of delay. As of December 31, 2022, 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.

(4) 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.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. On March 9, 2023, the Board of Directors of the Company approved the distribution of 2022 earnings. Refer to Note 6(14) for details.

B. In order to meet the loan requirements of Green Forever Ltd., the Company's investee, all the shareholders of Green Forever Ltd. were required to pledge their shareholdings as collateral for the loan. In March 2023, the Company's board of directors resolved to pledge all the shares held by the Company in Green Forever Ltd. in the amount of $180,000.

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, 2022	December 31, 2021
Financial assets		
Financial assets at fair value through profit or loss	$ 688,094	$ 576,948
Financial assets at amortised cost (Note)	$ 1,632,743	$ 1,018,930

	December 31, 2022	December 31, 2021
Financial liabilities		
Financial liabilities at amortised cost (Note)	$ 1,895,068	$ 1,228,053
Lease liability	$ 50,844	$ 62,371

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, 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

	December 31, 2021		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 900	27.68	$ 24,912
Financial liabilities			
Monetary items			
USD:NTD	$ 14,784	27.68	$ 409,221

iii. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021 amounted to $30,006 and $0, respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	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	$ -

	Year ended December 31, 2021		
	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%	$ 249	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 4,092	$ -

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, 2022 and 2021 would have increased/decreased by $6,055 and $5,077, 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, 2022 and 2021, 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, 2022, individually assessed no allowance for loss. On December 31, 2021, individually assessed receivables amounted to $132.

(ii). The Company 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, 2022	December 31, 2021
Expected loss rate	0.03%	0.03%
Total book value	$ 16,562	$ 561,463
Loss allowance	$ 27	$ 355

viii. Movements in relation to the Company applying the modified approach to provide loss allowance for receivables are as follows:

	2022	2021
At January 1	$ 355	$ -
Provision for impairment	-	355
Reversal of impairment	(328)	-
At December 31	$ 27	$ 355

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 table are the contractual undiscounted cash flows:

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

December 31, 2021	Less than 1 year	Between 1 and 5 year(s)	Total
Non-derivative financial liabilities:			
Lease liability	$ 15,335	$ 49,734	$ 65,069

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.

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. 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, 2022 and 2021 are as follows:

(a) The related information on the nature of the assets is as follows:

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

December 31, 2021	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 360,826	$ -	$ 216,122	$ 576,948

(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, 2022 and 2021, 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, 2022 and 2021:

	2022	2021
	Equity instruments	Equity instruments
At January 1	$ 216,122	$ -
Acquired during the year	427,840	211,004
Transfer (out) in to Level 3	(8,292)	1,000
Sold during the year	(33,927)	-
Investment cost refund	(59,040)	-
(Losses) gains recognised in profit or loss	(1,398)	4,118
At December 31	$ 541,305	$ 216,122

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, 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

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 190,103	Discounted cash flow	Weighted average cost of capital	6.07%-25.08%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%-35%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	26,019	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:

	Input	Change	December 31, 2022 Recognised in profit or loss Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 1,797	($ 1,797)

	Input	Change	December 31, 2021 Recognised in profit or loss Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability	±1%	$ 1,836	($ 1,865)

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: None.

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 4.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(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.

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, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 1

Unit: NT$ thousand

	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.	3,914	$ 360,826	-	$ -	(1,400)	($ 214,037)	2,514	$ 146,789	None	
GRAND GREEN ENERGY CO., LTD.	4,500	61,906	-	-	-	(1,220)	4,500	60,686	None	
Teras Marine Service Co., Ltd.	6,150	59,128	-	-	(5,904)	(59,128)	246	-	None	
Formosa 4 International Investment Co., Ltd.	4,393	47,360	1,457	14,567	(3,000)	(31,894)	2,850	30,033	None	
KOP INVESTMENT COMPANY LIMITED	60	25,019	-	-	-	(1,127)	60	23,892	None	
Formosa 5 International Investment Co., Ltd.	1,165	12,817	347	4,077	-	-	1,512	16,894	None	
Winball Sport Culture and Education Co., Ltd.	950	8,892	-	-	(950)	(8,892)	-	-	None	Note 3
MU GUANG ENERGY CO., LTD.	100	1,000	-	-	(100)	(1,000)	-	-	None	
Green Forever Ltd.	-	-	18,000	180,000	-	-	18,000	180,000	Yes	Note 4
Julien's International Entertainment Gourp	-	-	1,500	30,000	-	-	1,500	30,000	None	
Dong Fang Offshore Co., Ltd.	-	-	7,400	199,800	-	-	7,400	199,800	None	
		$ 576,948		$ 428,444		($ 317,298)		$ 688,094		

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.

Note 3: It is an investment transferred from financial assets to Investments accounted for using equity method.

Note 4: It is an investment transferred from Investments accounted for using equity method to financial assets.

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 2

	Beginning Balance		Gains (Losses) on investment		Addition (Note 1)		Decrease (Note 2)		Ending Balance			Market value/Net equity value			
Name of Financial Instrument	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
Jin Cheng Energy Co., Ltd.	30,000,000	$ 316,047	-	$ 6,884	-	$ -	-	($ 24,844)	30,000,000	100%	$ 298,087	-	$ 298,087	None	
Chen Yu Energy Co., Ltd.	10,300,000	98,374	-	8,797	5,000,000	50,000	-	(2,729)	15,300,000	100%	154,442	-	154,442	None	
XU XIAO POWER CO., LTD.	7,000,000	75,670	-	1,552	-	-	-	(2,612)	7,000,000	100%	74,610	-	74,610	None	
TPE ENERGY INC.	18,974,000	219,919	-	66,156	2,948,000	37,958	-	-	21,922,000	72%	324,033	-	324,033	None	
FU BAO YI HAO ENERGY CO., LTD.	19,644,400	140,676	-	(5,633)	6,355,600	63,556	-	(233,701)	26,000,000	21%	(35,102)	-	(35,102)	None	
WEISHENG ENVIROTECH CO., LTD.	9,000,000	80,831	-	(888)	8,857,143	88,571	-	(1,412)	17,857,143	73%	167,102	-	167,102	None	
Others	-	168,893	-	(74,887)	-	321,047	-	(160,167)	-	-	254,886	-	254,886	None	Note 3
		$ 1,100,410		$ 1,981		$ 561,132		($ 425,465)			$1,238,058		$ 1,238,058		

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, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 3

Vendor Name	Description	Amount	Note
Company A		$ 138,249	
Company B		119,624	
Company C		104,108	
Company D		97,905	
Company E		93,070	
Company F		45,123	
Company G		32,000	
Others		36,414	The balance of each vendor has not exceeded 5% of total account balance.
		$ 666,493	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 4 Unit: NT$ thousand

Item	Subtotal	Amount	Note
Operating costs			
Construction cost		$ 3,685,206	
Other operating costs		62,614	The balance of each cost has not exceeded 5% of total account balance.
		$ 3,747,820	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 5 | Unit: NT$ thousand

Item	Description	Amount	Note
Wages and salaries		$ 24,404	
Depreciation expenses		4,360	
Insurance expenses		1,603	
Other expenses		4,473	The balance of each expense account has not exceeded 5% of total account balance.
		$ 34,840	

J&V ENERGY TECHNOLOGY CO., LTD.
STATEMENT OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 6 | Unit: NT$ thousand

Item	Description	Amount	Note
Wages and salaries		$ 56,094	
Service fees		51,154	
Depreciation expenses		12,655	
Contribute funds		9,470	
Other expenses		59,860	The balance of each expense account has not exceeded 5% of total account balance.
		$ 189,233	

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, 2022 and 2021
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 7

Unit: NT$ thousand

Function / Nature	Year ended December 31, 2022			Year ended December 31, 2021		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	$ 30,239	$ 80,498	$ 110,737	$ 19,927	$ 47,305	$ 67,232
Labour and health insurance fees	2,379	4,899	7,278	1,412	3,467	4,879
Pension costs	1,121	2,308	3,429	727	1,784	2,511
Directors' remuneration	-	10,321	10,321	-	1,627	1,627
Other personnel expenses	2,079	4,282	6,361	1,925	4,725	6,650
	$ 35,818	$ 102,308	$ 138,126	$ 23,991	$ 58,908	$ 82,899
Depreciation Expense	$ 8,603	$ 17,015	$ 25,618	$ 4,696	$ 11,532	$ 16,228
Amortisation Expense	$ 143	$ 294	$ 437	$ 76	$ 188	$ 264

Note 1: For the years ended December 31, 2022 and 2021, the average number of employees had 79 and 63 employees, including 7 and 7 non-employee directors, respectively.

Note 2: For the years ended December 31, 2022 and 2021, the average employee benefit expense amounted to $1,775 and $1,451, respectively.

Note 3: For the years ended December 31, 2022 and 2021, the average employee salary expenses amounted to $1,538 and $1,201, respectively.

Note 4: The average change in adjustments on salary expenses was 28.06%.

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, 2022 and 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Form 7

Unit: NT$ thousand

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.

J&V Energy Technology Co., Ltd.

Loans to others

Year ended December 31, 2022

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate range	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
0	J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	Other receivables due from related parties	Yes	$ 40,000	$ 40,000	$ -	2.366%	Short-term financing	$ -	Business operation	$ -	-	$ -	$ 799,131	$ 1,331,885	
0	J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	Other receivables due from related parties	Yes	40,000	40,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	Other receivables due from related parties	Yes	40,000	40,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	Other receivables due from related parties	Yes	50,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Phanta Energy Inc.	Other receivables due from related parties	Yes	30,000	30,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	Other receivables due from related parties	Yes	100,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	Other receivables due from related parties	Yes	50,000	50,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	Other receivables due from related parties	Yes	100,000	100,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
0	J&V Energy Technology Co., Ltd.	Green Forever Ltd.	Other receivables due from related parties	No	10,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	799,131	1,331,885	
1	Jin Cheng Energy Co., Ltd.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	90,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	TPE ENERGY INC.	Other receivables due from related parties	Yes	30,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	Chen Yu Energy Co., Ltd.	Other receivables due from related parties	Yes	35,000	35,000	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	
1	Jin Cheng Energy Co., Ltd.	YU GUANG ENERGY CO., LTD.	Other receivables due from related parties	Yes	35,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	93,943	156,571	

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2022	Balance at December 31, 2022	Actual amount drawn down	Interest rate range	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
2	XU XIAO POWER CO., LTD.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	$ 20,000	$ -	$ -	2.366%	Short-term financing	$ -	Business operation	$ -	-	$ -	$ 21,790	$ 36,317	
3	FU DI ENERGY CO., LTD.	J&V Energy Technology Co., Ltd.	Other receivables due from related parties	Yes	18,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	17,992	29,986	
3	FU DI ENERGY CO., LTD.	Green Forever Ltd.	Other receivables due from related parties	No	5,000	-	-	2.366%	Short-term financing	-	Business operation	-	-	-	17,992	29,986	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The limit on loans grandted by the Company to subsidiaries should not exceed 30% of the Company's net assets, and the ceiling on total loans granded by the Company should not exceed 50% of the Company's assets. When subsidiaries grand loans to others, the limit on loan granded to a single party should not exceed 30% of the creditor's net assets, and the ceiling on total loans should not exceed 50% of the creditor's net assets.

Note 3: The net assets referred to above are based on the latest reviewed financial statements.

J&V Energy Technology Co., Ltd.

Provision of endorsements and guarantees to others

Year ended December 31, 2022

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2022	Outstanding endorsement/ guarantee amount at December 31, 2022	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement / guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/guarantees provided (Note 4)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	2	$ 6,659,425	$ 879,834	$ 528,324	$ 240,939	$ -	20%	$ 10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	2	6,659,425	533,562	346,162	314,445	-	13%	10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	2	6,659,425	275,104	275,104	88,022	-	10%	10,655,080	Y	N	N	Note 5
0	J&V Energy Technology Co., Ltd.	XU XIAO POWER CO., LTD.	2	6,659,425	96,000	96,000	82,000	-	4%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	GREENET CO., LTD.	2	6,659,425	143,263	143,263	137,334	-	5%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	2	6,659,425	30,000	30,000	30,000	-	1%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	2	6,659,425	705,758	411,440	258,973	-	15%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	2	6,659,425	146,800	146,800	117,400	-	6%	10,655,080	Y	N	N	
0	J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	2	6,659,425	666,585	579,930	154,963	-	22%	10,655,080	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.

(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: The limit on endorsements/guarantees provided to a single party by the Company or the Company and subsidiaries as a whole is 250% of the Company’s net assets in the latest audited or reviewed financial statements by independent auditors.

Note 4: The ceiling on total amount of endorsements/guarantees provided by the Company or the Company and subsidiaries as a whole is 400% of the net assets on the latest financial statements of the Company audited or reviewed by independent auditors.

Note 5: The Company’s endorsement/guarantee was one part of joint guarantees for lease contracts, and the actual payment for lease should be considered.

J&V Energy Technology Co., Ltd.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2022 Number of shares	Book value	Ownership (%)	Fair value	Footnote
J&V Energy Technology Co., Ltd.	Common stock of TIEN LI OFFSHORE WIND TECHNOLOGY CO., LTD.	None	Non-current financial assets at fair value through profit or loss	2,513,512	$ 146,789	3.59%	$ 146,789	
J&V Energy Technology Co., Ltd.	Common stock of Teras Marine Service Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	246,000	-	12.06%	-	
J&V Energy Technology Co., Ltd.	Common stock of Formosa 5 International Investment Co., Ltd.	Other related party	Non-current financial assets at fair value through profit or loss	1,512,420	16,894	9.75%	16,894	
J&V Energy Technology Co., Ltd.	Common stock of Formosa 4 International Investment Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	2,850,000	30,033	4.75%	30,033	
J&V Energy Technology Co., Ltd.	Common stock of GRAND GREEN ENERGY CO., LTD.	None	Non-current financial assets at fair value through profit or loss	4,500,000	60,686	9.44%	60,686	
J&V Energy Technology Co., Ltd.	Common stock of KOP INVESTMENT COMPANY LIMITED	None	Non-current financial assets at fair value through profit or loss	60,000	23,892	6.00%	23,892	
J&V Energy Technology Co., Ltd.	Common stock of Green Forever Ltd.	None	Non-current financial assets at fair value through profit or loss	18,000,000	180,000	15.00%	180,000	
J&V Energy Technology Co., Ltd.	Common stock of Julien's International Entertainment Gourp	None	Non-current financial assets at fair value through profit or loss	1,500,000	30,000	4.08%	30,000	
J&V Energy Technology Co., Ltd.	Common stock of Dong Fang Offshore Co., Ltd.	None	Non-current financial assets at fair value through profit or loss	7,400,000	199,800	5.71%	199,800	

J&V Energy Technology Co., Ltd.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
J&V Energy Technology Co., Ltd.	Enfinite Capital Taiwan Solar I Co. Ltd.	Associate of the Company	Sales	$ 4,644,074	94%	Note	At a mutually agreed price	Note	$ -	-	

Note: Refer to Note 7(2)A. for details.

J&V Energy Technology Co., Ltd.

Significant inter-company transactions during the reporting period

Year ended December 31, 2022

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	TPE ENERGY INC.	YU GUANG ENERGY CO., LTD.	3	Contract liabilities	$ 125,825	Note 5	2%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The above significant inter-company transactions are purchases or sales of goods from or to related parties, and only amounts of theses transactions, receivables due from related parties and contract assets reaching NT$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: The sales price was equivalent to general customers.

J&V Energy Technology Co., Ltd.

Information on investees

Year ended December 31, 2022

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2022					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
J&V Energy Technology Co., Ltd.	Jin Cheng Energy Co., Ltd.	Taiwan	Power generation services	$ 300,000	$ 300,000	30,000,000	100	$ 298,087	$ 6,839	$ 6,884	
J&V Energy Technology Co., Ltd.	Chen Yu Energy Co., Ltd.	Taiwan	Power generation services	153,000	103,000	15,300,000	100	154,442	8,797	8,797	
J&V Energy Technology Co., Ltd.	FU DI ENERGY CO., LTD.	Taiwan	Power generation services	60,000	60,000	6,000,000	100	59,973	178	178	
J&V Energy Technology Co., Ltd.	KUANG TING ENERGY CO., LTD.	Taiwan	Power generation services	2,500	2,500	250,000	100	2,047	(113)	(113)	
J&V Energy Technology Co., Ltd.	YUN YI ENERGY CO., LTD.	Taiwan	Power generation services	2,100	2,100	210,000	100	1,186	(118)	(118)	
J&V Energy Technology Co., Ltd.	YU GUANG ENERGY CO., LTD.	Taiwan	Ancillary service on automatic frequency control (AFC)	43,680	1,000	4,368,000	78	41,530	(2,035)	(1,637)	
J&V Energy Technology Co., Ltd.	XU XIAO POWER CO., LTD.	Taiwan	Power generation services	75,770	75,770	7,000,000	100	74,610	1,676	1,552	
J&V Energy Technology Co., Ltd.	J&M Power Development Co., Ltd.	Taiwan	Power generation services	6,130	6,130	930,000	100	4,742	(120)	(120)	
J&V Energy Technology Co., Ltd.	Phanta Energy Inc.	Taiwan	Energy technology services	65,000	65,000	6,500,000	76	11,389	(36,150)	(27,644)	
J&V Energy Technology Co., Ltd.	Formosa Biomass Co., Ltd.	Taiwan	Bioenergy development and energy technology services	26,500	26,500	2,650,000	83	1,321	(523)	(435)	
J&V Energy Technology Co., Ltd.	Taiwan Huanfeng Holdings Co., Ltd.	Taiwan	Power generation services	-	48,375	-	-	-	(170,082)	(25,620)	Note 1
J&V Energy Technology Co., Ltd.	Xiang Guang Energy Co., Ltd.	Taiwan	Power generation services	1,000	1,000	100,000	100	731	(165)	(165)	
J&V Energy Technology Co., Ltd.	Guang Liang Energy Co., Ltd.	Taiwan	Power generation services	3,500	1,000	350,000	100	2,655	(574)	(574)	
J&V Energy Technology Co., Ltd.	Zhu Ri Energy Co., Ltd.	Taiwan	Power generation services	1,000	1,000	100,000	100	768	(129)	(129)	

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
J&V Energy Technology Co., Ltd.	GREENET CO., LTD.	Taiwan	Renewable-energy-based electricity distribution	$ 45,000	$ 10,000	4,500,000	100	$ 45,204	$ 781	$ 781	
J&V Energy Technology Co., Ltd.	TPE ENERGY INC.	Taiwan	Ancillary service on automatic frequency control (AFC)	220,399	189,740	21,922,000	72	324,033	102,614	66,156	
J&V Energy Technology Co., Ltd.	FU BAO YI HAO ENERGY CO., LTD.	Taiwan	Energy technology services	260,000	196,444	26,000,000	21	(35,102)	(27,301)	(5,633)	
J&V Energy Technology Co., Ltd.	Chuang Jie Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,000	1,000	100,000	100	808	(111)	(111)	
J&V Energy Technology Co., Ltd.	Chuang Da Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,500	100	150,000	100	589	(853)	(853)	
J&V Energy Technology Co., Ltd.	WEISHENG ENVIROTECH CO., LTD.	Taiwan	Environmental protection engineering	178,571	90,000	17,857,143	73	167,102	(1,367)	(888)	
J&V Energy Technology Co., Ltd.	Tai Wei Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	1,500	1,000	150,000	100	574	(856)	(856)	
J&V Energy Technology Co., Ltd.	Rui Neng Energy Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	700	100	70,000	100	532	(111)	(111)	
J&V Energy Technology Co., Ltd.	Winball Sport Culture and Education Co., Ltd.	Taiwan	Management of professional basketball team and sales of peripheral products	19,500	9,500	1,950,000	21	15,394	(70,228)	(11,986)	Note 2
J&V Energy Technology Co., Ltd.	J&V Engineering Co., Ltd.	Taiwan	Energy technology services	5,000	-	500,000	100	4,874	(126)	(126)	
J&V Energy Technology Co., Ltd.	Skynergy Co., Ltd.	Taiwan	Energy technology services	55,000	-	5,500,000	100	52,432	(2,568)	(2,568)	
J&V Energy Technology Co., Ltd.	Storm Power Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	3,000	-	300,000	100	6,406	(2,576)	(2,576)	
J&V Energy Technology Co., Ltd.	Jin Jie Energy Co., Ltd.	Taiwan	Power generation services	929	-	100,000	100	876	(75)	(52)	
J&V Energy Technology Co., Ltd.	Jin Hong Energy Co., Ltd.	Taiwan	Power generation services	907	-	100,000	100	855	(70)	(52)	
Phanta Energy Inc.	Jin Hong Energy Co., Ltd.	Taiwan	Power generation services	-	1,000	-	-	-	(70)	(18)	
Phanta Energy Inc.	Jin Pin Energy Co., Ltd.	Taiwan	Power generation services	-	1,000	-	-	-	(23)	(23)	

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022	Investment income (loss) recognised by the Group for the year ended December 31, 2022	Footnote
Phanta Energy Inc.	Jin Jie Energy Co., Ltd.	Taiwan	Power generation services	$ -	$ 1,000	-	-	$ -	($ 75)	($ 23)	
Phanta Energy Inc.	Jin Wei Energy Co., Ltd.	Taiwan	Power generation services	-	500	-	-	-	(23)	(23)	
Phanta Energy Inc.	Jin Peng Energy Co., Ltd.	Taiwan	Power generation services	-	500	-	-	-	(24)	(24)	
Skynergy Co., Ltd.	Tian Chuang Energy Co., Ltd.	Taiwan	Power generation services	1,000	-	100,000	100	403	(597)	(597)	
Skynergy Co., Ltd.	Yong Ze Energy Co., Ltd.	Taiwan	Power generation services	3,000	-	300,000	100	2,411	(589)	(589)	
Skynergy Co., Ltd.	Guang Hui Energy Co., Ltd.	Taiwan	Power generation services	5,000	-	500,000	100	4,908	(92)	(92)	
TPE ENERGY INC.	Yao Heng Lin Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	100	-	10,000	100	94	(6)	(6)	
TPE ENERGY INC.	Yu Wei Power Co., Ltd.	Taiwan	Ancillary service on automatic frequency control (AFC)	100	-	10,000	100	94	(6)	(6)	

Note 1：In June 2022, it was transferred to non-current assets for sale, and the sale was completed in September of the same year.
Note 2：In April 2022, Non-current financial assets at fair value through profit or loss were transferred to investments accounted for using equity method.