Stock code: 8927

Market Observation Post System: http://mops.twse.com.tw
Company website: www.nspco.com.tw

NORTH-STAR INTERNATIONAL CO., LTD

2023 Annual Report

Printed on April 23, 2024

I. Company spokesperson and acting spokesperson

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II. Address and telephone number of head office and branches

Name	Contact number	Address	Name	Contact number	Address
Head office	(02)2259-6969	No. 137, Xinhai Road, Banqiao District, New Taipei City 220	Beiji Zhongyang Road gas station	(03) 856-9259	710 No. 28, Fuxing Road, Yongkang District, Tainan City
Xinhai gas station	(02)2256-8588	No. 137, Xinhai Road, Banqiao District, New Taipei City 220	Baili gas station	(08)738-3509	908 No. 98-1, Zhongxing Road, Changxing Village, Changzhi Township, Pingtung County
Minggui gas station	(03)471-1020	No. 350, Jia'an section, Zhongzheng Road, Longtan Township, Taoyuan County 325	Jianmin gas station	(08)752-3396	900 No. 130 Jianguo Road, Housheng Vil, Pingtung City, Pingtung County
Jijin gas station	(02)2498-3603	No. 19-5, Wanli Jiatou, Wanli District, New Taipei City 207	Xiangyang gas station	(08)723-3398	908 No. 400, Section 1, Ruiguang Road, Changzhi Township, Pingtung County
Yatan gas station	(04)2531-3100	No. 81-16, Section 2, Yatan Road, Tanzi District, Taichung City 427	Heshun gas station	(08)780-5688	920 No. 348, Jieshou Road, Chaozhou Town, Pingtung County
Nantun gas station	(04)2350-2626	No. 25-1, Gongye 25th Road, Nantun District, Taichung City 408	Beiji Dali gas station	(07)717-1186	802 No. 657, Kaixuan 3rd Road, Lingya District, Kaohsiung City
Central gas station	(03)427-8886	No. 1015, Zhongzheng Road, Zhongli City, Taoyuan County 320	Beiji Jiuru Road gas station	(07) 380-9312	807 No. 878, Jiuru 1st Road, Sanmin District, Kaohsiung City
ITRI gas station	(03)583-1515	No. 491, Section 4, Zhongxing Road, Zhudong Town, Hsinchu County 310	Beiji Fenggang gas station	(08)780-5688	920 No. 348, Jieshou Road, Chaozhou Town, Pingtung County
Dongyi gas station	(037)684-885	No. 1755, Zhonghua Road, Toufen Town, Miaoli County 351	Beiji Xike gas station	(02)8691-0670	221 No. 132, Section 1, Xintai 5th Road, Xizhi District, New Taipei City
Centennial gas station	(03)499-2080	No. 366, Shengting Road, Longtan Township, Taoyuan County 325	Beiji Alian gas station	(07) 632-1828	822 No. 256, Heping Road, Alian Township, Kaohsiung County
Kuntai gas station	(04)2691-0620	No. 2-56, Zhongzhe Road, Dadu District, Taichung City 432	Beiji Madou gas station	(06)570-0236	No. 118, Madoukou, Makou Vil, Madou District, Tainan City 721
World trade gas station	(04)2465-3499	No. 199, Fukang Road, Xitun District, Taichung City 407	Gaoqi gas station	(07)740-9408	830 No. 91, Fengren Road, Wusong Vil, Fengshan District, Kaohsiung City
Risheng gas station	(089)331-671	No. 76, Xinsheng Road, Taitung City, 950	Beiji DanJin Road gas station	(02)2625-5498	251 No. 446, Section 3, Danjin Road, Danshui District, New Taipei City
Hualien gas station	(03)853-5268	No. 248, Section 2, Zhonghua Road, Ji'an Township, Hualien County 973	Beiji Golden Lion gas station	(07)310-7389	807 No. 36, Dingli Road, Sanmin District, Kaohsiung City
Dongyou gas station	(03)359-5798	No. 991, Zhenxing Road, Guishan Township, Taoyuan County 333	Beiji Taizi station	(06)271-0618	717 No. 143, Taizi Road, Tuku Vil, Rende District, Tainan City
Donghong gas station	(03)439-5008	No. 69, South East Road, Pingzhen City, Taoyuan County 324	Beiji Jixing Road station	(03)851-1122	973 No. 126, Section 1, Jixing Road, Ji'an Township, Hualien County
Champion gas station	(02)8273-3837	No. 7-1, Section 1, Central Road, Tucheng District, New Taipei City 236	Beiji Gangshan station	(07)622-6798	820 No. 608, Gangshan Road, Gangshan District, Kaohsiung City
Beiji Zhonghe gas station	(02)2226-3972	No. 53, Section 3, Zhongshan Road, Zhonghe District, New Taipei City 235	Beiji Xinshi station	(06)589-0309	744 No. 227-3, Zhongshan Road, Xincheng District, Tainan City
Gengsheng Road gas station	(089)220-731	No. 1199, Gengsheng Road, Taitung City, 950	Beiji Jiahe station	(02)8242-1828	235 No. 22, Section 2, Zhongshan Road, Zhonghe District, New Taipei City
North Keelung gas station	(02)2436-5548	No. 199, Fuxing Road, Zhongshan District, Keelung City 203	Beiji Minxiong station	(05)206-0727	621 No. 10, Jingpu 1, Jingpu Village 1, Minxiong Township, Chiayi County
Beiji Wudu interchange gas station	(02)2451-8513	No. 102, Mingde 3rd Road, Qidu District, Keelung City 206	Beiji Huwei station	(05)632-9989	648 No. 530, Section 1, Linsen Road, Dexing Vil, Huwei Town, Yunlin County
Beiji Heping Road gas station	(03)833-5040	No. 294, Heping Road, Hualien City 970	Beiji Yongkang gas station	06-253-0938	710 569-1, Zhongzheng South Road, Yanzhou Vil, Yongkang District, Tainan City
Beijizhonghe Road gas station	(02)2436-2770	No. 18, Zhonghe Road, Zhongshan District, Keelung City, 203	Beiji Shanhua station	(06) 583-1856	741 No. 1-13, Jiabei Vil. Jiaba, Shanhua District, Tainan City
Beiji Luzhou gas station	(02)2281-2383	No. 310, Zhongshan 1st Road, Luzhou District, New Taipei City 247	Beiji Anding station	(06) 592-0698	745 No. 59, Anga Vil. Anding 258, Anding District, Tainan City
Yanghu gas station	(03)478-7818	No. 231, Section 2, Yanghu Road, Yangmei Town, Taoyuan County 326	Beiji Keyunco Station	(05)551-3911	640 No.1-11, Chang'an W. Rd., Douliu City, Yunlin County
Tucheng interchange Road gas station	(02)2268-2700	No. 164, Section 3, Central Road, Tucheng District, New Taipei City 236	Beiji Man Tin Station	(04)2247-0676	406 No. 891, Sec. 4, Wenxin Rd., Beitun Dist., Taichung City

Xuanyuan Road gas station	(03)832-2828	No. 12-1, Xuanyuan Road, Hualien City 970	Beiji Baili Ruiguang Station	(08) 735-1168	900 No. 202, Sec.3, Ruiguang Rd., Pingtung City, Pingtung County
Zhongqing Jiaotong Road gas station	(04)2560-8150	No. 801, Section 3, Zhongqing Road, Daya District, Taichung City 428	Beiji Houyuan No. 68 Station	(082)-336205	891 No. 68, Houyuan, Jinhu Township, Kinmen County
Zhongyi Road Gas Station	(03)319-5758	333 No.496, Sec. 1, Zhongyi Rd., Guishan Dist., Taoyuan County	Beiji Zhengxin gas station	(06)5512955	640 No. 273, Xiping Rd., Douliu City, Yunlin County
Chaoyang Gas Station	(03) 331-2719	330 No.236, Sec.2, Sanmin Rd., Taoyuan Dist.,Taoyuan County	Beiji Xinying gas station	(06) 3563-108	730 No. 299 Fusing Rd., Xinying Dist. Tainan City
Beiji Kunshan gas station	(06) 272-1689	710 No. 28, Fuxing Road, Yongkang District, Tainan City			

Note: there are thirteen gas stations in operation by the subsidiaries.

Nstar Energy Corporation	(05)588-2005	648 No. 2-2 Expressway gas station, Xiluo Town, Yunlin County
Yingguang Enterprise Co., Ltd	(07)347-2200	807 No. 99, Tianxiang 1st Road, Sanmin District, Kaohsiung City
Yingguang Enterprise Co., Ltd. Jiaquan gas station	(08)7706-689	912 No. 66, Daxin Road, Neipu Township, Pingtung County
Zhonghua Prince Gas Station Co., Ltd.	(06)264-2968	702 No. 91, Section 1, Zhonghua West Road, Tainan City
Zhonghua Prince Gas Station Co., Ltd. Vision Gas Station	(06)270-6046	717 No. 631, Section 2, Zhongzheng Road, Rende District, Rende District, Tainan City
Zhonghua Prince Gas Station Co., Ltd. Shengzhu Gas Station	(07)696-3505	821 No. 38, Zhongshan Road, Zhuxi Vil, Luzhu District, Kaohsiung City
Zhonghua Prince Gas Station Co., Ltd. Xingzhong Road Gas Station	(08)796-3855	906 No. 355, Xingzhong Road, Gaoshu Township, Pingtung County
Zhonghua Prince Gas Station Co., Ltd. Zhonghua Dashun Gas Station	(07)557-3098	804 No. 399, Dashun 1st Road, Gushan District, Kaohsiung City
Zhonghua Prince Gas Station Co., Ltd. Zhonghua Ligang Gas Station	(08)772-2268	905 No. 40 Zai South Road, Ligang Township, Pingtung County
Zhonghua Prince Gas Station Co., Ltd. Zhonghua Zhongzheng Road Gas Station	(03)356.2238	330 No. 1511, Zhongzheng Road, Beipu Vil, Taoyuan District, Taoyuan City
Zhonghua Prince Gas Station Co., Ltd. Daxin Gas Station	(07)380-2089	807 No. 270, Free 1st Road, Sanmin District, Kaohsiung City
Zhonghua Prince Gas Station Co., Ltd. Ba Gua Mountain gas station	(04)-8361398	510 No. 655, Sec. 1, Liuqiao Rd., Yuanlin City, Changhua County
Zhonghua Prince Gas Station Co., Ltd. Dashe gas station	(07)355-7008	815 No. 670, Zhongshan Rd., Dashe Dist., Kaohsiung City

III. The name, address, website and telephone number of the stock transfer agency

Name: Stock Affairs Agency Department of SinoPac Securities Co., Ltd
Address: 3F., No. 17, Boai Road, Zhongzheng District, Taipei
Website: www.securities.sinopac.com Telephone: (02)2381-6822

IV. The name, address, website and telephone number of the CPAs in the latest annual financial report

Name of CPAs: Yu Sheng-Ho and Chen Guo-Zong Name of the firm: KPMG
Address: 68F., No. 7, Section 5, Xinyi Road, Taipei (Taipei 101) Website: www.kpmg.com.tw Telephone: (02) 8101-6666

V. The name of the trading venue where overseas securities are listed and traded and the method of querying the information of the overseas securities:

The company has not issued overseas securities.

VI. Company website:www.nspco.com.tw

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I. Letter to Shareholders

Dear Shareholders,

Thank you for taking the time out of your busy schedules to attend this year's shareholders meeting. On behalf of the entire company and the board of directors, I would like to express our utmost gratitude.

Thanks to the support of all shareholders and the hard work of our team in 2023, we actively expanded and now have a total of 72 operating locations (including subsidiaries) with an annual oil output of 245,160 kiloliters as of the end of 2023. Due to the increase in basic salary and difficulty in recruiting manpower, the Company is actively increasing the installation of self-service gas refueling facilities at each station. As of the end of 2023, there are 28 stations having the self-service refueling facilities.

The oil prices showed slight fluctuations in rise and fall in the 2023. Effective inventory management allowed the Company to increase profitability. Looking to the future, the Company aims to continue improving domestic oil production and increasing market share of gas stations, while enhancing brand image and value to strengthen positive reputation of our oil products, and implementing regular marketing events and continuous promotion of self-service gas facilities are implemented to attract new customers to refuel at the station through differentiated services.

Due to external competition and the overall business environment in recent years, including price reductions and promotional activities among the industry, difficulty in acquiring new operating locations, fluctuations in international oil prices, and increasing demands for environmental protection, coupled with stricter regulations from regulatory authorities on gas stations, the environment of operating gas stations has become increasingly difficult in general. Therefore, our company has decided to diversify and forge alliances with other industries to increase profitability as soon as possible. Through investments in solar energy and charging piles, we aim to generate long-term stable income.

The 2023 business performance and the 2024 business plan are presented as follows:

1. 2023 Business Achievement Report

(1) Implementation of Business Plan:

(1) Operating Revenue:

In 2023, the Company's total operating revenues increased by $943,526,000 or 13.97% to $7,697,962,000 compared to $6,754,436, 000 in 2022, mainly due to the higher oil output of the Oil Product Business Unit in January to December of 2023 and higher revenue of the Optoelectronic Business Unit in January to December of 2023. As of the end of 2023, there are a total of 72 operating locations.

(2) Sales:

Comparison of sales figures of various types of oil products of the Company in 2023 with the sales situation in 2012 is as follows.

Unit: NT$ in thousands; %

Product / Year	Unleaded Gasoline	Premium Diesel	Solar Energy	Storage Energy	Others	Total
2023	5,332,133	1,571,549	365,576	96,732	331,972	7,697,962
2022	5,027,011	1,473,999	-	24,940	228,486	6,754,436
Increase (Decrease) in number	305,122	97,550	365,576	71,792	103,486	943,526
Increase (Decrease) %	6.07%	6.62%	-	287.86%	45.29%	13.97%

(2) Budget Execution

In accordance with to the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to release forecasts for the year 2023.

(3) Financial Revenue and Expenditure Analysis and Profitability Analysis

(1) Financial Revenue and Expenditure Analysis:

Unit: NT$ in thousands

Item	2023	2022
Net operating income	7,697,962	6,754,436
Gross profit	1,228,452	857,722
Profit or loss after tax	122,790	117,449

(2) Profitability Analysis:

Item		2023	2022
Return on asset (%)		0.49	1.68
Return on shareholders' equity (%)		1.39	3.35
Paid-in capital Proportion (%)	7.91	7.91	3.37
	5.36	5.36	7.45
Net profit margin (%)		1.46	1.95
Current earning per share (NT$)		0.35	0.48

(4) Research and Development:

Our company mainly operates in the service industry and has not engaged in the research and development of products. Over the years, we have actively educated our employees on oil expertise, familiarized them with refueling equipment, and instilled a service-oriented spirit in the service industry to cultivate excellent service attitude and quality. In the future, we will continue to uphold this spirit and provide continued service and achieve higher performance.

2. 2024 Business Plan Overview

(1) Operation Policies

1. Enhance the value of the company and contribute to the well-beings of our customers, shareholders, and employees.
2. Comply with laws, protect the environment, and fulfill corporate social responsibility.
3. Provide quality services.

(2) Estimated Sales Volume and its Basis

The Company has taken changes in overall external environment and future development, as well as past business performance, current status, and future trends into consideration to set the sales forecast as a basis for the year. However, the Company has not disclosed the 2024 financial forecast, and will not disclose the projected sales figure of the year.

(3) Important Production and Marketing Policies

1. Increase self-service refueling to cope with the increase in labor costs and uncertainty of staff recruitment.
2. Gradually replace operating locations to achieve better operational performance.
3. Strive for good long-term and high-volume customers to stabilize business income.
4. Strengthen the management of members and improve customer loyalty to increase the growth of gasoline consumption steadily.
5. Activate asset activation to continue promoting and increasing the Company’s profitability through diversified operations and cross-industry alliances.
6. Diversify business operations.
7. Strengthen independent pollution prevention and control capabilities.

3. Future Development Strategies

(1) Improve operational performance

Develop high-profitability stations, expand gas station partnerships with other companies of the industry, and strengthen car wash services to enhance business performance.

(2) Strengthen Information Platform

1. Combine cross-industry joint marketing through the information platform of membership cards to expand the range of physical channels.

2. Integrate internal information platforms, actively develop ERP systems, strengthen information integration and sharing, and simplify operating processes.

(3) Continuously invest in the development of photovoltaic industries, such as solar and energy storage, and actively forge alliances with companies of the industry.

(4) Provide electric vehicle charging and battery swapping services in line with the government's development for the green energy industry.

4. Impacts by External Competitive, Regulatory and Overall Business Environments

(1) Current status and development of the industry

The company mainly operates the business of gas stations. In recent years, the influences of the external competitive environment and the overall business environment, price cuts among peers, promotional activities, difficulties in obtaining new operating bases, and fluctuations in international oil prices have resulted in a gradual decline in gross profit margins. The public has higher and higher demand for environmental protection, and the competent authorities become gradually stricter on the regulations of gas stations. Overall speaking, the environment for operating gas stations is becoming more and more difficult. With the efforts and support of all shareholders and colleagues, the company strives to maximize the rights and interests of shareholders.

(2) Relation between upstream, midstream and downstream of the industry

Upstream	Midstream	Downstream
Gasoline and diesel manufacturing supplier	Gas Station	Transportation industry and general consumer

(3) Various development trends of products and external competitive environments

In the future, the market will develop in the direction of bigger and bigger players, so that industry consolidations will occur one after another. In addition, gas stations should provide differentiated services, highlighting the features of the gas stations as much as possible, and increasing consumers' visibility, supplemented with diversified operating items will increase consumers to engage in diversified consumption at gas stations. Under the development of groups of gas stations, each group will attract consumers by brilliant creative marketing, so as to consolidate consumer loyalty and cooperate with consistent service process. On the one hand, it can make consumers to be familiar to high-quality service methods; on the other hand, it can improve customer satisfaction, so that customers can come to the gas station for consumption without pressure.

(4) Impacts caused by of oil price

The oil price in 2023 showed a small fluctuation, and the effective utilization of adjusting the weekly price at an appropriate timing helped maintain high or low oil levels, significantly reducing operating costs and increasing operating profits.

(5) Impacts caused by lifestyle

The improvement of lifestyle, the continuous opening and increased availability of metropolitan rapid transit systems, the increased parking costs in urban areas along with the growing environmental awareness have led to changes in consumer habits, with a higher percentage of people choosing to use public transportation instead of driving, and relatively reduced the demand for oil products under the trend of energy saving and carbon reduction. Many favorable and unfavorable lifestyle factors intertwinely affect sales, and the company responds to these factors with different marketing strategies.

(6) Impacts caused by regulatory environments

In recent years, there have been no major changes in the regulations on the establishment of gas stations. In terms of gas station management, the competent authorities have paid more attention to environmental pollution monitoring and management improvement in recent years. In order to comply with regulations and fulfill social responsibilities, the company has set up a fuel gas recycle system. For oil storage equipment and soil, groundwater pollution is also regularly tested to reduce the possibility of pollution, and the professional training of personnel is strengthened to avoid the impact caused by negligence of the personnel. In addition, barrier-free spaces and related facilities are generally set up to take care of the physically handicapped users' needs.

North-Star International Co., Ltd.

Chairman: Chung Jia-Cun

II. Company Profile

1. Date of Incorporation

December 16, 1988

2. Company History

1988	Approved to establish, with a capital of NT$53,750,000.
1989	Xinhai gas station started operation, and Minggui gas station started operation. Increased capital by NT$107,500,000 in cash to the paid-in capital of NT$161,250,000
1990	Increased capital by NT$53,750,000 in cash, bringing the total a paid-in capital to NT$ 215,000,000, and the approval for public offering of the Company's shares. Re-elected the second-term directors and supervisors.
1991	Xingyun gas station started operation. Increased cash capital increases by NT$47,800,000 and retained earnings increase by NT$17,200,000, bringing the total paid-in capital to NT$280,000,000.
1992	Took back the first floor of the Xinhai Station for the self-operation of automotive and motorcycle accessories and goods. Transferred surplus into capital increase of NT$22,400,000 and increased capital by NT$47,600,000, resulting in a total paid-in capital of NT$350,000,000. Acquired Douzhong gas station and commenced operations on the 11th day of the same month.
1994	Acquired Jijin gas station and commenced operations on the 28th of the same month. Transferred surplus into capital increase of NT$63,000,000, resulting in a paid-in capital of NT 413,000,000. Re-elected the third-term directors and supervisors
1995	Transferred surplus into capital increase of NT$41,300,000 and increased capital by 45,900,000, resulting in a paid-in capital of NT$500,200,000. Purchased the land of Nantun gas station.
1996	Yatan gas station started operation. Purchased the land of Chutung gas station. Transferred surplus into capital increase of NT$39,515,800, resulting in a paid-in capital of NT$539,715,800.
1997	Nantun gas station started operation. Acquired Zhengzhong gas station, and joined the operation on the 31st day of the same month. Transferred surplus into capital increase of NT$41,558,110 and increased capital by NT$68,726,090 in cash, resulting in a paid-in capital NT$650,000,000. ITRI gas station started operation.
1998	Re-elected the fourth-term directors and supervisors. Re-invested in Tany Yi Gas Station, Co., Ltd. Purchased the land of Dongyi gas station. Purchased the land of Bainian gas station. Purchased the land of Kuntai gas station. Signed the lease of Changhua Guoyi station. Transferred surplus into capital increase of NT$50,700,000 and transferred capital surplus into capital increase of NT$1,300,000 (Ex-right date: February 27, 1999), resulting in a paid-in capital of NT$702,000,000.
1999	Guoyi gas station started operation. Donyi gas station started operation. Bainian gas station started operation. Signed the lease of the land for Renmei Jianguo gas station land. Purchased Taichung World Trade gas station and the land for parking lots.

Jianguo gas station started operation.
Transferred surplus into capital increase of NT$28,290,600, transferred capital surplus into capital increase NT$12,425,400, increased capital by NT$87,284,000 in cash; resulting a paid-in capital of NT$830,000,000 and completed the change of capital registration on January 12, 2000.

2000 The OTC listing case was approved by Taipei Exchange's committee member meeting and the Board of Directors.
The OTC listing case was passed by Securities and Futures Institute.
Officially became an OTC company on November 2.
Kuntai gas station started operation.
Risheng station started operation.
Transferred surplus into capital increase of NT$31,540,000, resulting in a paid-in capital of NT$861,540,000.

2001 Hualien station started operation in January.
Re-elected the fifth-term directors and supervisors on June 15.
Shimao station started operation in September.

2002 Dongyou station started operation on July 1.
Dadu station started operation on July 16.
Donghong station started operation on August 1.
Guangjin station started operation on August 16.

2003 Fengchuan station started operation on June 1.
Champion station started operation on June 21.
Dadu gas station and Guoyi gas station closed for business in June and December respectively.

2004 The subsidiary Tangyi gas station started operation on April 27.
Signed the lease of the land for Keelung Wudu station, and Keelung Fuxing station.

2005 Signed the lease of the land for Taichung Fuxing station, and Zhonghe station.
Keelung Wudu station, Keelung Fuxing station, Taichung Fuxing station, Zhonghe station, and Zhonghe Road station started operation.

2006 Signed the lease of the land for Taichung Zhongke station, and Taipei County Lozhou station.

2007 Taichung Zhongke station started operation on April 20.
Lozhou station started operation on June 25.
Tucheng Interchange Road station started operation on September 14.
Shanying station started operation on November 1.
Hualien Airport station started operation on December 15.
Guangjin gas station closed for business in July.

2008 Gengsheng station started operation on January 18.
Alishan station started operation on February 5.
Ailan Interchange Road station started operation on March 24.
Xuanyuan station started operation on May 8.
Transferred surplus into capital increase of NT$22,184,650, resulting in a paid-in capital of NT$909,570,850 on August 11.
Nanzhu Road station started operation on October 18.
Nanshan Road station started operation on October 23.

2009 Zhongxing Road station started operation on January 21.
Zhongqing Interchange Road station started operation on March 25.
Zhongyi Road station started operation on March 25.
Issued convertible bonds of NT$180,000,000 in October.

2010 Converted corporate bonds into 9,974,959 common shares, resulting in a paid-in capital of NT$1,009,320,440 in January.
Converted corporate bonds into 3,816,621 common shares, resulting in a paid-in capital

of NT$1,047,486,650 in April.
Converted corporate bonds into 1,058,326 common shares, resulting in a paid-in capital of NT$1,058,069,910 in August.
Transferred surplus into capital increase of NT$26,489,270, resulting in a paid-in capital of NT$1,084,559,180 in September.
Converted corporate bonds into 153,093 common shares, resulting in a paid-in capital of NT$1,086,090,110 in October.

2011 Converted corporate bonds into 1,617,920 common shares, resulting in a paid-in capital of NT$1,102,269,310 in February.
Taichung Fuxing station closed for one year in July.
Sold Taichung Shimao gas station and signed a commissioned management contract to continue operation in November of the same year.
Established a new business unit - Petrochemical and Energy Engineering Division in July.
Transferred capital surplus into capital increase of NT$27,556,730, resulting in a paid-in capital of NT$1,129,826,040.

2012 Shanying station closed for business on April 30.
Converted corporate bond into 95,785 common shares, resulting in a paid-in capital of NT$1,130,783,890 in May.
Transferred surplus into capital increase of NT$41,803,560, resulting in a paid-in capital of 1,172,587,450 in August.
Nanshan Road station closed for business on September 29.

2013 Kunshan station started operation on August 17.
Dawan station started operation.
Sanmin Road station started operation on October 31.
Zhonggang station started operation on November 27.
Repaid unconverted corporate bond amounted to a total of NT$272,500,000 on September 17.

2014 Central Road station started operation on January 21.
Hualien Airport station closed for business on August 30.
Ailan Interchange Road station closed for business on August 30.
Zhongxing Road station closed for business on August 30.

2015 The subsidiary Nstar Energy Corporation's Sky City gas station started operation on February 1.
The subsidiary Yuanjian Gas Station Co/, Ltd. started operation on March 1.
The subsidiary Zhonghua Prince Gas Station Co., Ltd started operation on April 1.
Jianmin station started operation on June 18.
Xiangyang station started operation on July 8.
Dawan station closed for business on July 16.
The subsidiary United Prince International Co., Ltd. started operation on August 1.
Baili station started operation on September 7.
Heshun station started operation on December 11.

2016 Fenggang station started operation on February 1.
Dali station started operation on April 15
Douzhong station closed for business on May 31.
Jiuru Road station started operation on August 11.

2017 Nadou station started operation on March 8.
Xike station started operation on March 10.
Wudu station and Alian stations started operation on May 1.
Gaoqi station started operation on October 30.

2018 Danjin station started operation on June 20.

2019 Zhonggang station closed for business on March 24.

Jinshi station started operation on June 26.
The subsidiary Zhonghua Prince Gas Station Co., Ltd. Xingzhong Road gas station started operation on July 1.
The subsidiary Zhonghua Prince Gas Station Co., Ltd. Shengzhu gas station started operation on September 29.
Prince station started operation on December 20.

2020 Jixing station started operation on February 1.
Gangshan station started operation on August 14.
The subsidiary Zhonghua Prince Gas Station Co., Ltd. Zhonghua Dashun gas station started operation on October 14.
The subsidiary Zhonghua Prince Gas Station Co., Ltd. ZhonghuaLigang gas station started operation on October 20.
Sanmin station closed for business on November 23.
Yingguang Enterprise Co., Ltd. started operation on December 14.
Issued convertible corporate bonds of NT$600,000,000 on December 23.

2021 The subsidiary Zhonghua Prince Gas Station Co., Ltd. Zhonghua Zhongzheng Road gas station started operation on January 16.
Converted corporate bonds into 197,966,242 common shares, resulting in a paid-in capital of NT$1,979,662,420 on May 27.
Jaihe station started operation on June 1.
Ninxiong station started operation on June 6.
Xinshi station started operation on July 19.
Converted corporate bonds into 205,078,402 common shares, resulting in a paid-in capital of NT$2,050,784,020 on September 23.
The charging pile started operation on September 23.
The subsidiary Zhonghua Prince Gas Station Co., Ltd. Daxin gas station started operation on October 26.
Huwei station started operation on November 22.
Converted corporate bonds into 206,237,765 common shares, resulting in a paid-in capital of NT$2,062,377,650 on December 2.
Converted corporate bonds of NT$300,000,000 on December 10.
Xingyun station closed for business on December 31.

2022 Increased capital of NT$400 million in cash, resulting in a paid-in capital of NT$246,238 on January 13.
Yongkang station started operation on January 28.
Shanhua station started operation on March 21.
Transferred surplus into capital increase of NT$246,604,251, resulting in a paid-in capital of NT$2,466,042,510 on April 20.
The subsidiary Yingguang Enterprise Co. Ltd. Jiaquan gas station on April 20.
Anding station started operation on May 1.
Yunke station started operation on May 17.
Issued the first guaranteed ordinary corporate bonds of NT$500,000,000 on June 14.
Beiji Wentian station started operation on July 11.
Amended the company's articles of association to set the rated capital to NT$8.8 billion on July 15.
Converted corporate bonds into 250,862,026 common shares, resulting in a paid-in capital of NT$ 2,508,620,260 on August 22.
Beiji Ruiguang station started operation on September 7.
Issued the second guaranteed ordinary corporate bonds of NT$700,000,000 on September 22
Converted corporate bonds into 272,388,410 common shares, resulting in a paid-in capital of NT$2,723,884,100 on October 13.

Converted corporate bonds into 275,233,570 common shares, resulting in a paid-in capital of NT$2,750,233,570 on November 29.

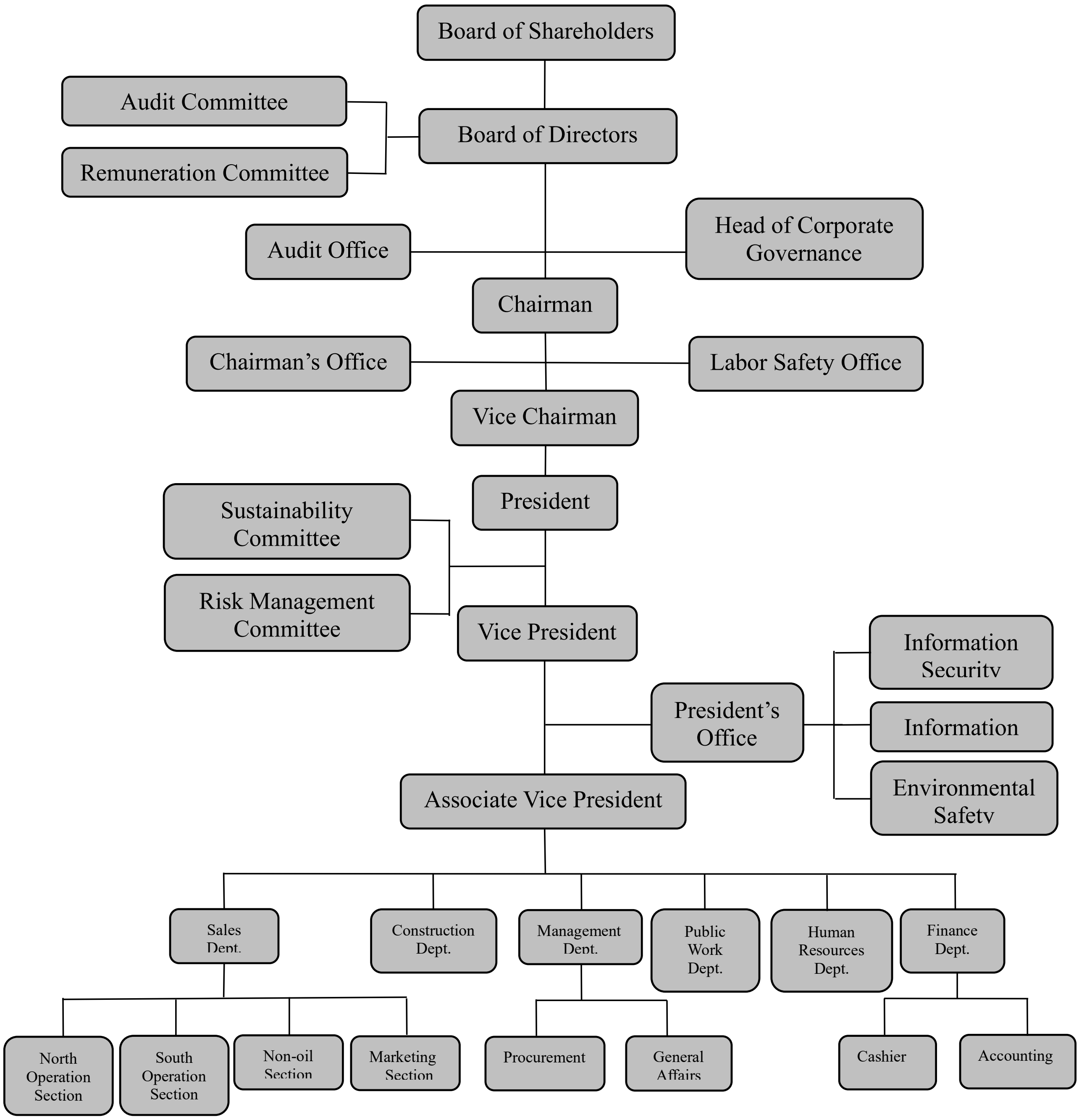
2023 Beiji Houyuan station started operation on January 5.
Beiji released 80,000,000 shares of Santi Energy Co., Ltd.'s stocks on February 17.
Beiji Zhengxin station started operation on March 8.
Converted corporate bonds into 279,272,945 common shares, resulting in a paid-in capital of NT$2,792,729,450 on March 27.
Zhonghua Taizi Gas Station Co., Ltd. Bagua station started operation on May 5.
Beiji released 20,000,000 shares of Santi Energy Co., Ltd.'s stocks on August 15
Beiji invested Jia Yang Co., Ltd. on September 21.
Xinying station started operation on October 4.
Beiji invested and established SanDi Properties Co., Ltd. on November 22.

2024 Zhonghua Taizi Gas Station Co., Ltd. Dashe station started operation on February 21.

III. Corporate Governance Report

1. Organization

(1) Organization Chart



(2) Business operations of major departments

The Company appoints one President who implements the instructions of the Chairman and Vice Chairman, and manages all business of the Company in accordance with relevant laws and regulations, and one Associate Vice President who assists the President in handling related matters and managing designated business.

The Associate Vice President of the Company follows the instructions of the President, and is responsible for supervising the planning and execution of Information Department, Environmental Safety Department, etc.

The Company also sets up the following business operations in different departments.

Department	Main Responsibilities
Board of Directors	The Chairman is responsible for convening the Board of Directors, overseeing the company's operations, making important decisions, and planning the Company's future business direction and goals.
Audit Office	Manage and execute various audit operations for the Company, assessing the soundness and effectiveness of internal control systems, and providing timely improvement suggestions.
Head of Corporate Governance	Handle matters related to the meetings of the Board of Directors and the Board of Shareholders in accordance with the law, prepare the meeting materials for the Board of Directors and the Board of Shareholders, assist in the appointment and continuing education of Directors, provide necessary information for the Directors to perform their business, and assist the Directors to comply with laws and regulations, etc.
Chairman's Office	Assist the Chairman in overseeing the Company's operations and important decisions of the Board of Directors, and assist the Chairman in planning future business directions and goals.
Labor Safety Office (Labor-Management Relation Coordination Office	Coordinate labor relations and labor safety preventions of the Company.
President's Office	The President coordinates the planning and execution of all operations of the Company. 1- Legal affairs, the application (change) of (gas) stations, cross-sector alliances, the planning and implementation of the Company's long-term development, the coordination of overall planning, and assisting department heads to promote various businesses of the Company.
Management Department	1- Execution of purchasing, and general and administrative operations 2- Paperwork management.
Sales Department	1- Planning, management and execution of the Company's sales. 2- Industrial safety, education and training, and management of the Company's refueling (gas) station operations. 3- Public Works Installation, construction and overall planning of new gas station (including construction and operation) Administration of new gas station (communication with architects and related personnel) 4- Publicity activities of new gas station (Inaugural activities of new station)
Construction Department	1- Construction of gas station and its auxiliary facilities 2- Industrial plant construction 3- Construction of residential buildings and houses 4- Other commercial real estate constructions

Finance Department	1- Establishment and implementation of accounting systems. 2- Accounting, taxation, and announcement reporting. 3- Preparation of annual budget. 4- Preparation and analysis of financial statements. 5- Financial management and fund allocation, bank cashier operation, etc. 6- Stock operations and announcement reporting. 7- Preparation, planning and execution of property inventory plan.
Human Resources Department	Human resources and remuneration calculation

2. Directors (including Independent Directors), President, Vice President, Associate Vice President and Department/Branch Heads

(1) Information of Directors and Independent Directors

Information of Directors and Independent Directors (1)

April 23, 2023

Job Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Office Term	Date of First Elected	Shares Held when Elected		Shares Currently Held		Shares Currently Held by Spouse & Minors		Shareholding by Nominee Arrangement		Experience (Education)	Current Positions in the Company and at other companies	Other Heads, Directors or Supervisors who are spouses or relatives of second degree of kinship			Note
							No. of shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Chung Jia-Cun	Male 61-70	2022.06.23	3 years	2014.07.01	20,680,000	8.35%	24,576,192	7.53%	0	0.00%	0	0.00%	See Table 1	See Table 1	Director Director	Chung Hsin-Pei Chung Yu-Lin	Father-daughter /son	None
Director	R.O.C.	Kaohsiung Bus Co., Ltd.		2022.06.23	3 years	2016.06.13	43,409,000	17.53%	69,105,218	21.17%	0	0.00%	0	0.00%	N/A	None	None	None	None	None
Director	R.O.C.	Representative: Hsieh An-Chi	Male 61-70	2022.06.23	3 years	2022.06.23	716,363	0.29%	851,103	0.26%	3,617	0.00%	0	0.00%	See Table 1	See Table 1	None	None	None	None
Director	R.O.C.	Representative: Chung Yu-Lin	Male 31-40	2022.06.23	3 years	2019.06.18	0	0.00%	0	0	0	0.00%	0	0.00%	See Table 1	See Table 1	Director	Chung Jia-Cun	Father-son	None
Director	R.O.C.	Representative: Lee Tsung-Xi	Male 51-60	2022.06.23	3 years	2019.06.18	0	0.00%	0	0	0	0.00%	0	0.00%	See Table 1	None	None	None	None	None
Director	R.O.C.	Representative: Tseng I-Nan	Female 41-50	2022.06.23	3 years	2022.06.23	592,000	0.24%	703,348	0.22%	0	0	0	0	See Table 1	See Table 1	None	None	None	None
Director	R.O.C.	Representative: Liao Shun-Ching	Male 51-60	2022.06.23	3 years	2017.12.06	372,322	0.15%	372,351	0.11%	846	0.00%	0	0.00%	See Table 1	None	President /Director	None	None	None
Corporate Director	R.O.C.	Tung Cheng Investment Consulting Co., Ltd.		2022.06.23	3 years	2022.06.23	18,862,170	7.62%	22,409,949	6.86%	0	0.00%	0	0.00%	N/A	None	None	None	None	None
Corporate Director	R.O.C.	Representative: Chung Hsin-Pei	Female 31-40	2022.06.23	3 years	2022.06.23	0	0.00%	0	0	0	0.00%	0	0.00%	See Table 1	See Table 1	Director	Chung Jia-Cun	Father-daughter	None
Independent Director	R.O.C.	Chang Chi-Ming	Male 61-70	2022.06.23	3 years	2016.06.13	10,000	0.00%	1,880	0.00%	0	0.00%	0	0.00%	See Table 1	See Table 1	None	None	None	None
Independent Director	R.O.C.	Hou Shu-Hui	Female 51-60	2022.06.23	3 years	2016.06.13	0	0.00%	0	0	0	0.00%	0	0.00%	See Table 1	See Table 1	None	None	None	None
Independent Director	R.O.C.	Tsai Chia-Yu	Female 41-50	2022.06.23	3 years	2016.06.13	0	0.00%	0	0	0	0.00%	0	0.00%	See Table 1	See Table 1	None	None	None	None

Table 1: Education and Experience of Directors and Supervisors

Title	Name	Education: School	Education: Major	Experience: Name of Company/Organization	Experience: Title	Current position in the Company and other companies: Name of Company	Current position in the Company and other companies: Title
Chairman	Chung Jia-Cun	Chung Shan Industrial & Commercial School	Comprehensive Business	Kaohsiung Bus Co., Ltd.	Chairman	Kaohsiung Bus Co., Ltd.	Chairman
						Nstar Energy Corporation	
						SanDi Properties Co., Ltd.	
						Taiwan Bus Co., Ltd.	
						Nan Ren Lake Leisure Amusement Co., Ltd.	
						Hi-Scene World Enterprise Co., Ltd.	
						Jin Shi Hu Hotel Co., Ltd.	
						Tung Cheng Investment Consulting Co., Ltd.	Director
Director	Kaohsiung Bus Co., Ltd.	-	-	-	-	-	-
Director	Representative: Hsieh An-Chi	Tamkang High School	General Education	North-Star International Co., Ltd.	Supervisor	None	None
Director	Representative: Chung Yu-Lin	University of British Columbia	Nutrition	SanDi Property Co., Ltd.	Chairman	Kaohsiung Bus Co., Ltd.	Director
						Taiwan Bus Co., Ltd.	
						Beiji International Development Co., Ltd.	
						Tung Li Investment Consulting Co., Ltd.	Chairman
						SanDi Construction Co., Ltd.	
						Chiayi Bus Co., Ltd.	
Director	Representative: Lee Tsung-Xi	National Kaohsiung University of Applied Science	Business Administration Research Institute of	Kaohsiung Bus Co., Ltd.	Vice Chairman	Kaohsiung Bus Co., Ltd.	Vice Chairman
						Nan Ren Lake Leisure Amusement Co., Ltd.	
						Hi-Scene World Enterprise Co., Ltd.	
						Tung Cheng Investment Consulting Co., Ltd.	Director
						Jin Shi Hu Hotel Co., Ltd.	
						SanDi Property Co., Ltd.	
Director	Representative: Tseng I-Nan	Da-Yeh University	Business Administration	SanDi Properties Co., Ltd.	Financial officer	Tung Cheng Investment Consulting Co., Ltd.	Supervisor
Director	Representative: Liao Shun-Ching	Jingwen Vocational College	Auto Repair	North-Star International Co., Ltd.	President	-	-
Director	Tung Cheng Investment Consulting Co., Ltd.	-	-	-	-	-	-
Director	Representative: Chung Hsin-Pei	University of British Columbia	Asian Studies Research Institute	Kaohsiung Bus Co., Ltd.	Director	Kaohsiung Bus Co., Ltd.	Director
						Nstar Energy Corporation	
						Taiwan Bus Co., Ltd.	
Independent Director	Chang Chi-Ming	National Chung Hsing University	Bachelor of Law	Ministry of Justice Investigation Bureau	Investigator	Dynes Law Office	Representative
		Ministry of Justice Investigation Class 23 Graduated					
		Academy for the Judiciary Class 27 Graduated (with training)		Civil, Criminal, and Administrative Litigation	Lawyer		
		Passed Bar Exam				Nan Ren Lake Leisure Amusement Co., Ltd.	Independent Director
						Hi-Scene World Enterprise Co., Ltd.	

Independent Director	Hou Shu-Hui	National Chengchi University, Institute of Accounting	Master	Spirox Education Foundation	Administrative Director	Chung Hui Accounting Firm	Certified Public Accountant
		National Chung Hsing University Department of Finance and Tax	Bachelor	Chia Nan University of Pharmacy & Science	Adjunct Lecturer		
				China University of Technology	Adjunct Lecturer		
Independent Director	Tsai Chia-Yu	Tamkang University, Institute of Accounting	Master	Accton Technology Corporation Finance and Administration Center	Project Manager	We Win CPAs Firm	Certified Public Accountant
						Nubuds International Co., Ltd.	Director
						Joymom Biotechnology Co., Ltd.	
						Jia Ze Management Consulting Co., Ltd.	Chairman

Table 1. Major shareholders of corporate shareholders

2024.04.23

Name of Corporate Shareholder (Note 1)	Major shareholder of corporate shareholder (Note 2)
Kaohsiung Bus Co., Ltd.	Tung Cheng Investment Consulting Co., Ltd. (78.56%), Chung Jia-Cun (11.28%), SanDi Properties Co., Ltd. (3.49%), Hsu Chen-Chih (1.01%), Wanjinyi International Investment Co., Ltd.(0.51%), Wu Fang-Chih (0.30%), Chung Yu-Lin (0.29%), Wu Shang-Chih (0.21%), Chung Hsin-Pei (0.20%), Chen Shih-Cian (0.18%)
Tung Cheng Investment Consulting Co., Ltd.	Chung Jia-Cun (99.88%), Chung Yu-Lin (0.04%), Lee Tsung-Xi (0.04%), Tseng I-Nan (0.04%)

Table 2: Major shareholders of the major shareholders which are corporate shareholders as listed in Table 1

April 23, 2024

Name of Corporate Shareholder	Major shareholder of corporate shareholder
Tung Cheng Investment Consulting Co., Ltd.	Chung Jia-Cun (99.88%), Chung Yu-Lin (0.04%), Lee Tsung-Xi (0.04%), Tseng I-Nan (0.04%)
SanDi Properties Co., Ltd.	Chung Jia-Cun (33.35%), Sun Guo-Cheng (13.33%), Tsai Yuh-Min (13.33%), Tseng Yi-Ling (13.33%), Wu You-Hua (13.33%), Lee Mun-Hsin (13.33%)
Wanjunyi International Investment Co., Ltd.	Su Wang Siu-Yu (100%)

Information of Directors and Independent Directors (2)

1. Disclosed information of the professional qualifications of directors and independence of independent directors:

Conditions / Name	Professional qualification and experience	Independence status	No of other public companies where an independent director works
Chung Jia-Cun	(1) Education: Vocational School – Comprehensive Business (2) Experience: Chairman of Kaohsiung Bus Co., Ltd. Chairman of Nstar Energy Corporation Chairman of Zhonghua Taizi Gas Station Co., Ltd. Chairman of Santi Renewable Energy Co., Ltd. Chairman of SanDi Properties Co., Ltd. Chairman of Taiwan Bus Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Hsieh An-Chi	(1) Education: Tamkang High School – General Subject (2) Experience: Supervisor of North-Star International Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Chung Yu-Lin	(1) Education: University of British Columbia, Nutrition (2) Experience: Chairman of SanDi Property Co., Ltd. Chairman of San Jia Development and Construction Co., Ltd. Chairman of Chiayi Bus Co., Ltd. Chairman of Tung Li Investment Consulting Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Lee Tsung-Xi	(1) Education: National Chengchi University, Business Administration (2) Experience: Vice Chairman of Kaohsiung Bus Co., Ltd. Vice Chairman of Chiayi Bus Co., Ltd. Vice Chairman of Nan Ren Lake Leisure Amusement Co., Ltd. Vice Chairman of Hi-Scene World Enterprise Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Tseng I-Nan	(1) Education: Da-Yeh University, Business administration major (2) Experience: Supervisor of Tung Cheng Investment Consulting Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0

Liao Shun-Ching	(1) Education: Jingwen Vocational College, Car Repair (2) Experience: President of Nstar Energy Corporation (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Chung Hsin-Pei	(1) Education: University of British Columbia, Institute of Asian Studies (2) Experience: Director of Kaohsiung Bus Co., Ltd. Director of Nstar Energy Corporation Director of Taiwan Bus Co., Ltd. (3) There is no circumstance as specified in Article 30 of the Company Act.	-	0
Chang Chi-Ming	(1) Education: National Chung Hsing University –Bachelor of Law (2) Experience: Independent Director of Nan Ren Lake Leisure Amusement Co., Ltd. Independent Director of Hi-Scene World Enterprise Co., Ltd. Investigator of Ministry of Justice Investigation Bureau Civil, Criminal, Administrative Litigation Attorney of Dynes Law Office (3) There is no circumstance as specified in Article 30 of the Company Act.	(1) I, my spouse and relatives within the second degree of kinship have not acted as the director, supervisor or employee of the Company or its affiliated companies. (2) I, my spouse and relatives within the second degree of kinship (or in the name of others) hold the Company's shares and weight as follows: 1,880 shares, accounting to 0.00% of the outstanding shares. (3) I am not serving as a director, supervisor or employee of a company that has a specific relationship with the Company. (4) The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliated enterprises in the last 2 years: None.	3
Hou Shu-Hui	(1) Education: National Chengchi University, Master of accounting National Chung Hsing University, Bachelor of finance and taxation. (2) Experience: Executive director of Spirox Education Foundation Adjunct lecturer of Chia Nan University of Pharmacy ＆ Science Adjunct lecturer of China University of Technology. (3) There is no circumstance as specified in Article 30 of the Company Act.	(1) I, my spouse and relatives within the second degree of kinship have not acted as the director, supervisor or employee of the Company or its affiliated companies (2) I, my spouse and relatives within the second degree of kinship (or in the name of others) hold the Company's shares and weight as follows: None. (3) I am not serving as a director, supervisor or employee of a company that has a specific relationship with the Company. (4) The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliated enterprises in the last 2 years: None.	0

Tsai Chia-Yu	(1) Education: Tamkang University, Master of accounting (2) Experience: Chairman of Jia Ze Management Consulting Co., Ltd. Director of Uborn International Co., Ltd. Director of Joymom Biotechnological Co., Ltd. Certified Public Accountant of We Win CPAs Firm Project Manager of Financial and administration center of Accton Technology Corporation (3) There is no circumstance as specified in Article 30 of the Company Act.	(1) I, my spouse and relatives within the second degree of kinship have not acted as the director, supervisor or employee of the Company or its affiliated companies. (2) I, my spouse and relatives within the second degree of kinship (or in the name of others) hold the Company's shares and weight as follows: None. (3) . I am not serving as a director, supervisor or employee of a company that has a specific relationship with the Company. (4) The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliated enterprises in the last 2 years: None.	1

2. Diversity and independence of Board of Directors:

(1) Diversity of Board of Directors: The diversity policy, objectives and achievements of the Board of Directors are clearly stated. The diversity policy includes, but is not limited to, the criteria for selection of directors, the professional qualifications and experience, gender, age, nationality and culture of the Board of Directors, or the ratio, and describes the specific objectives of the Company and their achievement in relation to the aforementioned policy.

The Board of Directors of the Company has met the requirements for listed companies, the regulations of the Securities and Exchange Act and the Company Act, and the members of the Board of Directors shall meet the following requirements in accordance with Article 20 of the Code of Governance Practice for Listed Companies:

1. Operational judgment ability.
2. Accounting and financial analysis skill.
3. Business management ability.
4. Crisis management capability.
5. Industry knowledge.
6. International market outlook.
7. Leadership.
8. Decision-making ability.

At present, the qualifications of the members of the Board of Directors cover accounting, finance, legal affairs, management and other related fields, and have considerable experience in corporate governance and operation, all of which are in line with the code of practice and the required diversification needs. To continuously promote the business philosophy and satisfy members' self-requirements, the board members actively and systematically continue to learn diverse professional knowledge based on the needs for laws and regulations, internal audit and the requirements of the Company, and provide more opinions and guidelines for the Company's future continuous operation.

(2) Independence of Board of Directors: The number and proportion of independent directors, and the independence of the board of directors, together with the reasons for the absence of the provisions of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, including the spousal and second degree of kinship between Directors, Supervisors or between Directors and Supervisors are stated clearly.

The Company's three independent directors, in total, meet the requirements of the Board of Directors of the Company, and comply with the regulations of the Securities and Exchange Act and the Company Act. The Company's three independent directors are also in compliance with the regulation of Article 14-2 of the Securities and Exchange Act. In addition, the Company's three independent directors are in compliance with the regulation of Article 26-3 of the Securities and Exchange Act, which allows them to make independent judgments and provide objective professional opinions on the Company's business matters and corporate governance.

(2) Information of President, Vice President, Associate Vice President and Department/Branch Heads:

Title (Note 1)	Nationality	Name	Sex	Date of appointment	Shareholding		Shareholding of spouse, minor children		Shareholding in the name of others		Education and Experience (Note 2)	
					Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %		
President	R.O.C.	Liao Shun-Ching	Male	2017.12.06	372,351	0.11%	846	0.00%	0	0.00%	Jingwen Vocational College	The Compan
Vice President	R.O.C.	Chen Chiung-Hua	Female	2019.06.01	0	0.00%	0	0.00%	0	0.00%	Chilee University of Technology Graduated from the Department of Advanced Studies	The Compan
Vice President Finance Department	R.O.C.	Han Jia-Xian	Male	2020.03.17	9,504	0.00%	0	0.00%	0	0.00%	National Chung Hsing University Finance and taxation department	Logah Technology Co administration Ying Cheng Environmental Accounting Hua Ya Electronic Co., L Wus Printed Circuit Co., I manag Ralec Co., Ltd., Account
Associate Vice President, Sales Department	R.O.C.	Chen He-Chen	Male	2017.12.31	0	0.00%	0	0.00%	0	0.00%	China University of Technology	Taiwan You Li Distr Assistant sales
Associate Vice President, Construction Department	R.O.C.	Hsu, Wen-Jing	Female	2022.07.15	0	0.00%	0	0.00%	0	0.00%	National Kaohsiung University of Applied Sciences Civil Engineering	San Jia Development Constr Hess Industr, Purchasing Guanjie Development, Purch
Manager Audit Office	R.O.C.	Huang Meng-Kai	Male	2005.09.01	248,546	0.00%	0	0.00%	0	0.00%	Chinese Culture University Tourism department	North-Star Internat Audi
Manager President's Office	R.O.C.	Chien Maw-Sheng	Male	2015.03.01	0	0.00%	0	0.00%	0	0.00%	Taoyuan Agricultural Engineering University Car repair department	Gigawin Enterprise Co., Taiwan You Li Distr Safety and enviror
Manager Personnel Department	R.O.C.	Huang Mei-Ling	Female	2015.03.01	0	0.00%	0	0.00%	0	0.00%	Shih Chien University Accounting major	North-Star Internat Finance dep
Assistant Manager Information Section	R.O.C.	Lin Chung-Hui	Male	2010.03.01	0	0.00%	0	0.00%	0	0.00%	Lunghwa University of Science and Technology Information major	Well Take Computer, Power-Con Electronics Corp
Assistant Manager Safety and Environmental Affairs	R.O.C.	Chang Yung-Cheng	Male	2012.04.16	0	0.00%	0	0.00%	0	0.00%	Dahan Institute of Technology Finance and taxation department	North-Star Internat Labor safety

Junior Manager Management Department	R.O.C.	Kao, Ya-Ling	Female	2024.04.01	0	0.00%	0	0.00%	0	0.00%	Takming University of Science and Technology, Business Administration	Roburn Co., Ltd. Pam Land Co., Ltd. General Affairs/Warehouse Management	N/A	N/A	N/A	N/A	N/A
Junior Manager Management Department	R.O.C.	Chou Dong-Yuan (Resigned on 2024.04.03)	Male	2023.02.06	0	0.00%	0	0.00%	0	0.00%	Lunghwa University of Science and Technology Engineering management major	Taiwan Tai Yang Electronic Co., Ltd. General affairs	N/A	N/A	N/A	N/A	N/A

3. Remuneration of directors (including independent directors), supervisors, president and vice president in the recent year

(1) Remuneration of general directors and independent director (Name and remuneration method are disclosed separately)

Unit: NT$ in thousands

Title	Name	Remuneration of directors: Reward (A) - The Company	Remuneration of directors: Reward (A) - All companies included in financial reports	Retirement pension (B) - The Company	Retirement pension (B) - All companies included in financial reports	Compensation of directors (C) - The Company	Compensation of directors (C) - All companies included in financial reports	Business operating expenses(D) - The Company	Business operating expenses(D) - All companies included in financial reports	The sum of A, B, C and D as a percentage of net income after tax - The Company	The sum of A, B, C and D as a percentage of net income after tax - All companies included in financial reports	Remuneration received by part-time employees: Salary, bonus and special expenses(E) - The Company	Salary, bonus and special expenses(E) - All companies included in financial reports	Retirement pension (F) - The Company	Retirement pension (F) - All companies included in financial reports	Employees' remuneration (G) - The Company - Cash amount	Employees' remuneration (G) - The Company - Stock amount	Employees' remuneration (G) - All companies included in financial reports - Cash amount	Employees' remuneration (G) - All companies included in financial reports - Stock amount	The sum of A, B, C, D, E, F and G as a percentage of net income after tax - The Company	The sum of A, B, C, D, E, F and G as a percentage of net income after tax - All companies included in financial reports	Remuneration received from reinvested business or parent company other than subsidiaries
Chairman	Chung Jia-Cun	195	195	0	0	1,241	1,241	40	100	1.28	1.28	2,463	4,381	0	0	0	0	0	0	4.94	4.94	N/A
Director	Kaohsiung Bus Co., Ltd.	0	0	0	0	0	0	0	0	0.00	0.00	0	0	0	0	0	0	0	0	0	0	N/A
Director	Representative: Liao Shun-Ching	195	195	0	0	620	620	40	40	0.71	0.71	2,203	0	103	103	41	41	0	0	2.55	2.55	N/A
Director	Representative: Chung Yu-Lin	195	195	0	0	310	310	40	40	0.45	0.45	0	595	0	0	0	0	0	0	0.95	0.95	N/A
Director	Representative: Lee Tsung-Xi	195	195	0	0	310	310	40	100	0.50	0.50	0	0	0	0	0	0	0	0	0.50	0.50	N/A
Director	Representative: Tseng I-Nan	195	195	0	0	310	310	40	40	0.45	0.45	0	0	0	0	0	0	0	0	0.45	0.45	N/A
Director	Representative: Hsieh An-Chi	195	195	0	0	310	310	35	35	0.45	0.45	0	0	0	0	0	0	0	0	0.45	0.45	N/A
Director	Tung Cheng Investment Consulting Co., Ltd.	0	0	0	0	0	0	0	0	0.00	0.00	0	0	0	0	0	0	0	0	0	0	N/A
Director	Representative: Chung Hsin-Pei	195	195	0	0	310	310	40	40	0.45	0.45	0	4,807	0	108	0	0	0	0	4.55	4.55	N/A
Independent Director	Tsai Chia-Yu	455	455	0	0	310	310	95	95	0.72	0.72	0	0	0	0	0	0	0	0	0.72	0.72	N/A
Independent Director	Hou Shu-Hui	455	455	0	0	310	310	80	80	0.70	0.70	0	0	0	0	0	0	0	0	0.70	0.70	N/A
Independent Director	Chang Chi-Ming	455	455	0	0	310	310	85	85	0.71	0.71	0	0	0	0	0	0	0	0	0.71	0.71	N/A

Note 1: Please state the policy, system, criteria and structure for the remuneration of independent directors, and the factors correlated to the remuneration paid based on the responsibilities, risks, and time commitment of the independent directors. The Board of Directors is authorized to pay all directors (including independent directors) according to their level of participation in the Company's operations and the value of their contributions, as well as by reference to the average payment among peers in the industry

Note 2: In addition to those disclosed in the table above, the remuneration received by the directors of the Company for services rendered (e.g., serving as consultants to the parent company/all companies/transferred investment undertakings not belonging to the employees, etc.) in the most recent year:
Including salary expense recognized for various types of bonuses, incentive payments and equity awards (e.g., restricted stock awards)

(2) Remuneration of Supervisors (Name and remuneration method are disclosed individually)

Unit: NT$ in thousands

N/A

(3) Remuneration of President and Vice-Presidents (Name and remuneration method are disclosed individually)

Unit: NT$ in thousands

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonus and special expense, etc. (C) (Note 3)		Employee's remuneration (D) (Note 4)				The sum of A, B, C and D as a percentage of net income after tax (%) (Note 6)		Remuneration received from a reinvested business or parent company other than subsidiaries (Note 9)
								The Company		All companies included in financial report				
		The Company	All companies included in financial report	The Company	All companies included in financial report	The Company	All companies included in financial report	Cash	Stock amount	The Company	All companies included in financial report	The Company	All companies included in financial report	
President	Liao Shun-Ching	1,843	1,843	103	103	360	360	41	0	0	0	1.96	1.96	N/A
Vice President	Chen Chiung-Hua	1,284	1,284	75	75	253	253	27	0	0	0	1.37	1.37	N/A
Vice President	Han Jia-Xian	1,183	1,183	70	70	242	242	34	0	0	0	1.28	1.28	N/A

(4) Remuneration of Top Five Executives of listed OTC Companies (Name and remuneration method are disclosed individually)

Unit: NT$ in thousands

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Title	Nationality	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonus and special expense, etc. (C) (Note 3)		Employee's remuneration (D) (Note 4)				The sum of A, B, C and D as a percentage of net income after tax (%) (Note 6)		Remuneration received from a reinvested business or parent company other than subsidiaries (Note 7)
									The Company		All companies included in financial report (Note 5)				
			The Company	All companies included in financial report	The Company	All companies included in financial report	The Company	All companies included in financial report	Cash	Stock amount	Cash	Stock amount	The Company	All companies included in financial report	
Chairman	R.O.C.	Chung Jia-Cun	2,175	2,175	0	0	288	288	0	0	0	0	0	2.05	N/A
President	R.O.C.	Liao Shun-Ching	1,843	1,843	103	103	360	360	41	0	41	0	0	1.96	N/A

Vice President	R.O.C.	Chen Chiung-Hua	1,284	1,284	75	75	253	253	27	0	27	0	0	1.37	N/A
Finance Head	R.O.C.	Han Jia-Xian	1,183	1,183	70	70	242	242	34	0	34	0	0	1.28	N/A
Associate Vice President Sales	R.O.C.	Hsu, Wen-Jing	1,049	1,049	63	63	340	340	20	0	20	0	0	1.22	N/A

Name of managers who distributes employee's remuneration and distribution status

2023.12.31 Unit: NT$ in thousands

	Title	Name	Stock amount	Cash amount	Total	Total amount as a percentage of net income after tax (%)
Managers	President	Liao Shun-Ching	0	122	122	0.09
	Associate Vice President	Chen Chiung-Hua				
	Finance Head	Han Jia-Xian				
	Accounting Head	Han Jia-Xian				
	Associate Vice President, Sales	Hsu Wen-Jing				

(5) The analysis of the total remuneration paid to the Company's directors, supervisors, president and vice presidents as a percentage of individual or separate net income after tax for the most recent two years of the Company and those of all companies included in the consolidated financial statements were compared, and the correlation between the policy, criteria and combination of remuneration payments, the process for setting the remuneration, the operating performance and future risks was explained:

Title	2023		2022	
	This Company	All companies	This Company	This Company
Director	6.62	12.82	10.19	10.19
Supervisor	-	-	0.59	0.59
President	1.84	1.84	1.38	1.38
Vice President	2.47	2.47	-	-

1. Description: The Company's net income after tax for 2023 increased by 0.92% compared to 2022. The Company's net income after tax for 2023 was based on the table of proposed statement of earnings distribution. In addition to the legal reserve as set forth in the Company's articles of incorporation, the Company proposed to pay cash dividends of NT$0.4 per share.
2. Explanation of the policy, criteria and combination of remuneration, the procedure for setting remuneration and the correlation with operational performance:
   (1) The Company's remuneration for directors is divided into two categories: a fixed amount of

transportation fee for each meeting and the director's remuneration for surplus distribution. The total remuneration of the directors and supervisors has been specified in the Company's articles of association.

(2) The structure of the president's remuneration is based on base salary, meal allowance, duty allowance, etc. In addition, the remunerations and year-end bonuses are paid to employees according to the overall operational performance and personal performance of the Company, and the avoidance of managers creating and pursuing a higher performance with future risks that the Company cannot afford. The proposed president's remuneration is submitted to the Chairman at the time of appointment and passed by the Board of Directors for approval.

(3) In accordance with the regulations of Article 16 of the Code of Corporate Governance and relevant laws and regulations, the Company shall set sound financial, operational and accounting management objectives and systems, and shall properly perform comprehensive risk assessments with its affiliates with respect to major banks, customers and suppliers, and implement necessary control mechanisms to reduce credit risk.

(4) In accordance with the regulations of Article 29 of the Code of Corporate Governance, the Company shall establish the position of an accounting heads' agent in order to improve the quality of financial reporting.

The above accounting head's agent shall pursue continuing training and education on a yearly basis to enhance the professional competence of the accounting head's agent as compared to the accounting head.

The accounting personnel related to the preparation of financial reports shall also take at least six hours of professional courses each year, either through internal training or through professional courses offered by the accounting supervisor's training institution.

4. Corporate Governance Operations

(1) Operation of Board of Directors:

(1) Information on Board Operation

The 12th Board of Directors meeting was held 8 times in the recent year (A), and the attendance of the directors and supervisors was as follows: January 1, 2023 to December 31, 2023

Job Title	Name	Actual no. of attendance (B)	No. of attendances by proxy	Actual attendance (%) [B/A]	Remarks
Chairman	Chung Jia-Cun	8	0	100%	The 12th Board of Directors met 8 times in 2023.
Director	Kaohsiung Bus Co., Ltd. Representative: Hsieh An-Chi	7	0	87.5%	
Director	Kaohsiung Bus Co., Ltd. Representative: Chung Yu-Lin	8	0	100%	
Director	Kaohsiung Bus Co., Ltd. Representative:	8	0	100%	

	Lee Tsung-Xi				
Director	Kaohsiung Bus Co., Ltd. Representative: Tseng I-Nan	8	0	100%	
Director	Kaohsiung Bus Co., Ltd. Representative: Liao Shun-Ching	8	0	100%	
Director	Tung Cheng Investment Consulting Co., Ltd. Representative: Chung Hsin-Pei	8	0	100%	
Independent Director	Chang Chi-Ming	6	2	75%	
Independent Director	Hou Shu-Hui	8	0	100%	
Independent Director	Tsai Chia-Yu	8	0	100%	

Other items to be recorded:

1. If the operation of the Board of Directors has one of the following circumstances, the date, session, and content of the Board of Directors' meetings, the opinions of all independent directors, and the handling of the independent directors' opinions of the by the Board of Directors shall be stated
   (1) Matters set forth in Article 14-3 of the Securities and Exchange Act.
   Please refer to pages 23 to 27 of this annual report for more details on the operations of the Audit Committee. Each motion was passed by all of the independent directors.
   (2) Matters other than those mentioned above, any resolution of the Board of Directors on which the independent director objects or reserves an opinion and which is recorded or stated in writing: No such circumstances.
2. The Director shall avoid conflicts of interest in motions and shall clearly specify the name of the director, the content of the motion, the reasons for the conflict of interest and the participation in voting.
   Note 1.
3. Listed companies shall disclose information on the frequency, period, scope, method and content of the Board of Directors' self-(or peer) evaluations, and fill the information in Table 2 (2)
   The Company conducts internal self-evaluation of director members and functional committee members every year, and the evaluation result is divided into 5 levels with a full score of 5, and the evaluation result of this time ranges from 4.10 to 4.57. Based on the results of the 2023 Board of Directors' performance evaluation made by Taiwan Corporate Governance Association, the Board of Directors' overall operations were found to be satisfactory and reported in the Board of Directors' report dated March 8, 2024.
   Please refer to P. 22-23 of this annual report.
4. Evaluation on the current and most recent year's goals for strengthening the Board of Directors' functions (e.g., establishing an audit committee, improving information transparency, etc.) and evaluating their implementation.
   (1) The Company's Board of Directors operates in accordance with the "Regulations Governing the Procedure of Board of Directors" Meetings" to improve the corporate governance system.
   (2) The Company established the "Audit Committee" on June 23, 2022 to improve the corporate governance system.
5. The Audit Committee of the Company periodically evaluates the independence of the certified public accountants every year and submits the evaluation results to the Board of Directors. The most recent evaluation was approved by the Audit Committee on March 06, 2024 and submitted to the Board of Directors on March 08, 2024 for approval.
   The evaluation mechanism is as follows:
   1. Whether the accountant has a direct or significant indirect financial interest relationship with the company?
   2. Whether the accountant has any financing or guarantee activities with the company or its directors?
   3. Whether the accountant has a close business relationship and potential employment relationship with the company?
   4. Whether the accountant and members of its audit team currently or in the last two years have served as directors, managers or positions that have significant influence on the audit work in the company?
   5. Whether the accountant has provided non-audit services to the company that may directly affect the audit work
   6. Whether the accountant has brokered stocks or other securities issued by the company?
   7. Whether the accountant serves as the company's defender or mediates conflicts with other third parties on behalf of the company?
   8. Whether the accountant has a family relationship with the company's directors, managers or persons who have a significant influence on the audit work in the company?
   9. Whether the certified public accountant has complied with the independence standards of the Norm of

Professional Ethics for Certified Public Accountant, Bulletin No. 10 and the “Declaration of Independence” issued by the certified public accountant has been obtained?

10. Obtain 13 audit quality indicators (AQIs) information provided by the accounting firm, and evaluate the audit quality of the accounting firm and the audit team based on the "Guidance on the Audit Committee Interpretation of Audit Quality Indicators (AQI)” issued by the competent authority.

The evaluation result is as follows:

The financial statements for the year ended December 31, 2023 were signed by Certified Public Accountants Yu Sheng-Ho and David Chen of KPMG in Taiwan, both of whom were assessed to meet the Company's standards of independence and suitability, and that they had not violated the standards of independence, and that they were qualified to act as certified public accountants for the Company.

Note 1:

In the 12th Board of Directors meeting held on May 5, 2023, the proposal of adjusting the salary and remuneration of the Company’s Chairman and Managers was discussed. The Company’s Chairman and Director Liao Shun-Ching (who serves as President) were interested parties and were recused from discussion and voting

In the 12th Board of Directors meeting held on October 6, 2023, the proposal of the Company’s acquisition of real estate was discussed. The Company’s Chairman was an interested party and was recused from discussion and voting.

In the 12th Board of Directors meeting held on November 3, 2023, the proposal of the Company’s acquisition of superficies was discussed. The Company’s directors Chung, Yu-Lin and Chung Hsin-Pei were interested parties, and were recused from discussion and voting.

(2) Execution of Evaluation of Board of Directors

Evaluation Frequency (Note 1)	Evaluation Period (Note 2)	Evaluation Scope (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)
Once per year	2023.01.01 ~ 2023.12.31	■ Entire Board of Directors □ Individual director members ■ Each functional committee	■ Board of Directors Internal self-evaluation □ Directors' self-evaluation □ Peer-evaluation □ External evaluation	The Board of Directors of the Company amended and adopted the "Board of Directors' Performance Evaluation Method", which stipulates that the Board of Directors shall perform at least one performance evaluation of the Board of Directors, its members, the Remuneration Committee, and the Audit Committee each year. The internal evaluation shall be conducted at the end of each year in accordance with this method for the current year's performance evaluation. The measurement items submitted to the Board of Directors for performance evaluation should include the following five major aspects. 1. Degree of participation in the operation of the Company. 2. Improvement on the quality of decision making of Board of Directors. 3. Composition and structure of the Board of Directors. 4. Director selection and continuing education. 5. Internal control. The measurement items for performance evaluation of the functional committee should include the following five major aspects. 1. Degree of participation in the operation of the Company. 2. Awareness of functional committees' responsibilities. 3. Improvement of the quality of decision making of functional committees. 4. Composition and member selection of functional committees. 5. Internal control.
Once per year	2023.01.01 ~ 2023.12.31	□Entire Board of Directors ■ Individual director members □ Each functional committee	□ Board of Directors Internal self-evaluation ■ Directors' self-evaluation □ Peer-evaluation □ External evaluation	The measurement items for performance evaluation of the board members should include the following six major aspects: 1 Control of the Company's objectives and tasks. 2 Awareness of the duties and responsibilities of directors. 3. Degree of participation in the Company's operation. 4. Internal relationship management and communication 5. Professional and continuing education of directors.

				6. Internal control.
Once every three years	2023.01.01 ~ 2023.12.31	■ Entire Board of Directors □ Individual director members □ Each functional committee	□ Board of Directors Internal self-evaluation □ Directors' self-evaluation □ Peer-evaluation ■ External evaluation	Taiwan Corporate Governance Association's service of the performance of evaluation of the Board of Directors includes the following eight major aspects: 1. Composition of Board of Directors. 2. Guidance of Board of Directors. 3. Authorization of Board of Directors. 4. Supervisions of Board of Directors. 5. Communication of Board of Directors. 6. Internal control and risk management. 7. Self-discipline of Board of Directors. 8. Others.

2. Information on Audit Committee's Operation

In the most recent year, the Audit Committee has met for 8 times, and the attendance of Independent Directors is as follows:

Title	Name	No. of actual attendance (B)	No. of attendance by proxy	Actual attendance (%) (B/A) (Note 1, Note 2)	Remark
Independent Director	Hou Shu-Hui	5		100%	
Independent Director	Tsai Chia-Yu	5		100%	
Independent Director	Chang Chi-Ming	4		88%	

Other items to be recorded:

1. In any of the following events occurred in the audit committee's operation, the date, period, content of motion, all of the independent director's opinions and the Company's handling of the independent director's opinions, refer to Note 1 for detail.
   (1) Matters set forth in Article 14(5) of the Securities and Exchange Act: None.
   (2) For matters other than those mentioned above, other resolution matters that have not been approved by the Audit Committee but must be agreed by more than two-thirds of all directors of the Board: None.
2. In the event of conflict of interests, the Audit Committee shall specify the name of the Independent Director, the content of motion, the reason for the conflict of interest and the participation in the vote. There are no such circumstances.
3. Communication between the independent directors and the head of internal audit and accountants (which shall include significant matters, methods and results of communication regarding the Company's financial and business conditions).
   Independent Directors reached a consensus with the Head of Internal Audit, Accountants and Head of Accounting on the contents of the four board meetings held on 3/3, 5/5, 8/4 and 11/3 of 2023, as well as on the communication and discussion of the financial reports and the status of the financial business.

Note 1: If an Independent Director resigns at the end of the year, the date of resignation should be indicated in the remarks column, and the actual attendance (%) is calculated based on the number of Audit Committee Meetings and the number of other actual attendance during his tenure.

Note 2: Before the end of the year, if an Independent Director is re-elected, both the new and old Independent Directors should be filled in, and the date of the old, new or re-elected Independent Director should be noted in the remarks column. The actual attendance (%) is calculated based on the number of Audit Committee meetings and the number of actual attendances during his tenure.

Note 1: Operations of Audit Committee

(1) 2022/6/23 Firth-term first-session audit committee meeting

Cause of the case: The Company elected an "Audit Committee" convener and a chairperson of the meeting

(2) 2022/8/5 Second session of the first-term audit committee meeting

Cause of the case: The Company drafted the 2022 Q2 consolidated financial report and accountant review report

Cause of the case: Setting the base date of capital increase by issuance of new shares for the Company's' "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.

Cause of the case: Discussion of the Company's cash dividends and transfer of capital surplus into capital increase to issue new shares on the base date

Cause of the case: Release of shares of the Subsidiary Santi Renewable Energy Co., Ltd.

Cause of the case: Discussion of the Company's proposal to convene the 2022 first extraordinary shareholders' meeting

Cause of the case: Discussion of the Company's salary and remuneration package for directors (including independent directors)

Cause of the case: Discussion of the Company's credit with financial institutions

(3) 2022/10/13 First-term third-session audit committee meeting

Cause of the case: Discussion of the Company's endorsement and guarantee limit for the Subsidiary "Huan Chuang Electric Co., Ltd. "(hereinafter referred to as "Huan Chuang Company").

Cause of the case: Formulation of the Company's "Operating Procedures for Handling Material Internal Information"

Cause of the case: Formulation of the Company's "Risk Management Policies and Procedures".

Cause of the case: Amendment to the Company's "Rules of Procedure of Board of Directors".

(4) 2022/11/4 First-term fourth-session audit committee meeting

Cause of the case: the Company's 2022 Q3 consolidated financial report.

Cause of the case: Setting of the base date for issuing new shares of the Company's "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.

Cause of the case: Discussion of the Company's 2023 business plan.

Cause of the case: Discussion of the Company's 2023 audit plan.

Cause of the case: Payment of year-end bonus to the Company's directors, Chairman and managers in 2022.

Cause of the case: Proposed purchase of Wudu gas station buildings in Keelung City from related parties.

Cause of the case: Discussion on the joint building and selling project of the Company and the landlord.

Cause of the case: Discussion of amendments to the Company's internal control system and implementation rules.

Cause of the case: Formulation of the Company's "Management Procedure for Audit Committee Operations".

Cause of the case: Release of shares of the subsidiary Santi Renewable Energy Co., Ltd.

Cause of the case: Discussion of the Company's cash capital increase to the subsidiary Santi Renewable Energy Co., Ltd. (hereinafter referred to as "Santi Renewable Energy Co., Ltd.")

Cause of the case: Formulation of the Company's "General Principles of Pre-Approval Non-Assured Services Policy".

Cause of the case: Discussion of the Company's credit with financial institutions

(5) 2022/12/29 First-term fifth-session audit committee meeting

Cause of the case: Proposal of negotiating a loan principal of no more than NT$4,750,000,000 with Bank SinoPac Co., Ltd. as the coordinating sponsor bank and the credit-granting bank syndicate of the management bank with for the Company's sub-subsidiary Sanlu Energy Storage Co., Ltd. and issuing a commitment support letter.

(6) 2023/3/3 First-term sixth-session audit committee meeting

Cause of the case: Report of the Company's 2022 business report and financial statements.

Cause of the case: Setting of the base date of capital increase by issuance of new shares for the "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.

Cause of the case: Setting of the Company's 2022 surplus distribution.

Cause of the case: Report on the Company's 2022 employees' remuneration and directors' remuneration distribution.

Cause of the case: Plan of transferring capital surplus into capital increase by issuance of new shares.

Cause of the case: Plan of allotting cash from capital surplus

Cause of the case: Establishment of the Company's "Code of Conduct for Integrity".

Cause of the case: Establishment of the Company's "Code of Practice for Sustainability"

Cause of the case: Discussion of the Company's proposal to convene the 2023 shareholders' meeting.

Cause of the case: Discussion on matters related to the shareholders' right to make proposals at shareholders' meetings.

Cause of the case: The Company's 2022 "Assessment of the Effectiveness of Internal Control System" and "Statement of Internal Control System".

Cause of the case: Evaluation of the independence and suitability of the Company's appointment of accountants.

Cause of the case: Amendments to certain provisions of the Company's "Regulations for financial operations between affiliated companies" and change of name to "Rules for financial operations between related parties".

Cause of the case: Amendments to certain provisions of the Company's "Code of Corporate Governance Practices".

Cause of the case: Discussion of the Company's credit case with financial institutions.

(7) 2023/5/5 First-term seventh-session audit committee meeting

Cause of the case: The Company's 2023 Q1 consolidated financial report.

Cause of the case: Setting of the base date of capital increase by issuance of new shares for the Company's' "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.

Cause of the case: Investment in new subsidiaries.

Cause of the case: Release of shares of the subsidiary Santi Renewable Energy Co., Ltd.

Cause of the case: The Company's real estate acquisition.

Cause of the case: The Company's salary and remuneration adjustment plan for chairman and managers

Cause of the case: Formulation of the Company's "Directors' and Managers' Salary and Remuneration Management Procedure",

Cause of the case: Formulation of the Company's "Whistleblower's Report Channel and Protection System Operating System"

Cause of the case: Amendments to some of the Company's "Standard Operating Procedures for Processing Directors' Requests"

Cause of the case: Discussion of the Company's credit with financial institutions.

(8) 2023/5/23 First-term eighth-session audit committee meeting

Cause of the case: The Company's real estate acquisition

(9) 2023/7/14 First-term ninth-session audit committee meeting

Cause of the case: Report on the Company's improvement of the corporate governance plan and implementation status of ESG

Cause of the case: The Company's real estate acquisition

Cause of the case: Discussion on the Company’s land leasing

Cause of the case: Matters related to the issue whether or not the Company's release of shares of important subsidiaries affects the Company's continued listing on the OTC market.

Cause of the case: Proposal of negotiating joint credits with a principal amount of NT$4,750,000,000 with Bank SinoPac Co., Ltd. as the coordinating sponsor bank and the credit-granting bank syndicate of the management bank for the Company’s sub-subsidiary Sanlu Energy Storage Co., Ltd. and issuing a commitment support letter again.

(10) 2023/8/4 First-term tenth-session audit committee meeting

Cause of the case: Report on the Company’s greenhouse gas emissions inventory and verification schedule plan.

Cause of the case: Publicity matters to avoid violations in reporting insider equity changes

Cause of the case: The Company's 2023 Q2 consolidated financial report

Cause of the case: Setting of the base date of capital increase by issuance of new shares for the “5th guaranteed convertible corporate bond” and “6th unsecured convertible corporate bond” in Taiwan.

Cause of the case: Discussion on the matters related to the Company’s cash dividends distribution, capital reserve allotment of cash, and transfer of capital surplus into capital increase to issue new shares on the base date

Cause of the case: Proposal of issuing a commitment support letter for the joint credit contract of a principal amount of NT$3,300,000,000 for Xin Ri Tai Electric Power Co., Ltd. and Bank SinoPac Co., Ltd. as the coordinating sponsor bank and the credit-granting bank syndicate of the management bank, and its requirements for the first supplementary contract.

Cause of the case: Discussion on the Company’s credit case with financial institutes

(11) 2023/9/8 First-term eleventh-session audit committee meeting

Cause of the case: The Company’s real estate acquisition

Cause of the case: The Company’s plan of investing in a new subsidiary

Cause of the case: Formulation of the Company’s “Sustainability report preparation and verification procedures”

Cause of the case: Amendment to some of the provisions of the Company’s “Employee business trip management procedure”

(12) 2023/10/6 First-term twelfth-session audit committee meeting

Cause of the case: Cash capital increase of the Company’s invested company, Beiji International Development Co., Ltd.

Cause of the case: The Company’s real estate acquisition

Cause of the case: The Company’s plan of investing in a new subsidiary

Cause of the case: The Company’s investment plan

(13) 2023/11/3 First-term thirteenth-session audit committee meeting

Cause of the case: Report on the Company’s greenhouse gas inventory and verification schedule plan.

Cause of the case: Publicity matters to avoid violations in reporting insider equity changes

Cause of the case: The Company's 2023 Q3 consolidated financial report

Cause of the case: Setting of the base date of capital increase by issuance of new shares for the “5th guaranteed convertible corporate bond” and “6th unsecured convertible corporate bond” in Taiwan.

Cause of the case: Discussion on the Company’s 2024 business plan.

Cause of the case: Discussion on the Company’s 2024 audit plan

Cause of the case: Discussion on the Company’s Directors and Managers Year-end Bonus for 2023

Cause of the case: The Company’s plan of investing in a new subsidiary

Cause of the case: The Company's proposal of issuing the "6th guaranteed convertible corporate bond" and "7th unsecured convertible corporate bond" in Taiwan.

Cause of the case: Amendment to some of the provisions of the Company's "General Principles for Pre-Approval of Uncertain Service Policies".

Cause of the case: Discussion on the Company's credit case with financial institutes.

Cause of the case: The Company's superficies acquisition

(14) 2024/3/6 First-term fourteenth-session audit committee meeting

Cause of the case: The Company's 2023 business report and financial statements

Cause of the case: Setting of the base date of capital increase by issuance of new shares for the "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.

Cause of the case: The Company's 2023 surplus distribution.

Cause of the case: The Company's distribution of 2023 employees' remuneration and directors' remuneration.

Cause of the case: The Company's profit transfer to capital increase by issuance of new shares.

Cause of the case: The Company's proposal of converting capital surplus into capital increase by issuance of new shares.

Cause of the case: The Company's proposal of distributing cash by capital reserve

Cause of the case: Amendment to some provisions of the Company's "Rules for Shareholders Meetings"/

Cause of the case: Formulation of the Company's "Operating Procedure of Loaning Capital Funds to Others".

Cause of the case: Amendment to some provisions of the Company's "Operating Procedure of Acquisition or Disposal of Assets".

Cause of the case: Discussion on the amendment to the Company's "Rules for Board Meetings".

Cause of the case: Discussion on matters related to convening the Company's 2024 Shareholders Meeting

Cause of the case: Discussion on matters related to the right to accept shareholder proposals at shareholders meetings.

Cause of the case: The Company's 2023 "Assessment of Effectiveness of Internal Control System" and "Internal Control System Declaration".

Cause of the case: Amendment to some provisions of the Company's "Organizational Procedures of Audit Committee"

Cause of the case: Discussion on the amendments to the Company's "Measures for Governing Approval Rights" and "Organization System Chart"

Cause of the case: Evaluation on the independence and suitability of Company's appointed accountants.

Cause of the case: Discussion on the Company's change of accountants

Cause of the case: Amendment to some provisions of the Company's "General Principles for Pre-Approval of Uncertain Service Policies".

Cause of the case: The Company's adjustment of salary and remuneration for managers (Associated Vice Presidents)

Cause of the case: Discussion on the Company's cash capital increase for the subsidiary "Jia Yang Enterprise Co., Ltd." (hereinafter referred to as "Jia Yang Co.")

Cause of the case: Discussion on the Company's cash capital increase for the subsidiary "SanDi International Property Co., Ltd." (hereinafter referred to as "SanDi International Co.")

Cause of the case: The Company's renting gas stations

Cause of the case: Discussion on the joint construction and sub-sale case between the Company and the builder.

Cause of the case: The Company's real estate acquisition.

Cause of the case: Discussion on the Company's' credit case with financial institutes.

(3) Operation of corporate governance and its difference from the Code of Corporate Governance Practices of Listed Company and its reasons:

Evaluation Item	Operation			Difference from the Code of Corporate Governance Practices of Listed Company and its reasons
	Yes	No	Summary	
1. Has the Company established and disclosed the Code of Corporate Governance Practices in accordance with the "Code of Corporate Governance Practices for Listed Companies"?	V		The Company has established and disclosed the Code of Corporate Governance Practices.	None
2. Shareholding structure and shareholders' equity of the Company				
(1) Does the Company have internal procedures for handling shareholder's suggestions, questions, disputes and litigation, and does it follow these procedures?	V		The Company has a spokesperson responsible for handling matters relating to shareholder's proposals, queries, disputes and litigation matters that involve legal issues and will be referred to legal counsel.	None
(2) Does the Company have a list of the major shareholders and ultimate controllers of the major shareholders who actually control the Company?	V		The Company's Stock Affairs Section keeps track of changes in the shareholdings of its directors and major shareholders, and reports these changes in the Market Observation Post System on a monthly basis.	None
(3) Has the Company established and implemented a risk control and firewall mechanism with its affiliates?	V		Controlled through company related practices.	None
(4) Does the Company have internal regulations that prohibit insiders from trading marketable securities using non-public information?	V		The Company has formulated the "Codes of Ethical Conduct for Directors and Managers" and "Codes of Ethical Conduct for Employees".	None
3. Composition and Responsibilities of the Board of Directors				
(1) Does the Board of Directors have a diversity policy, specific management objectives and implementation?	V		The Company's Board of Directors members should be composed by focusing on diversity and generally possession of necessary knowledge, skills and education to perform their duties. The composition of the Company's Board of Directors has diversified backgrounds covering accounting, finance, legal, management and other related fields, and takes into account the multicultural composition of gender, age and other factors, including four female directors, which account for 40% of the Board of Directors, in	None

			order to diversify the Board of Directors. Please refer to the "Information on Directors" in the 2023 Annual Report of the Company for the major experience of the Board members and other important position information.	
(2) In addition to the remuneration committee and audit committee according to law, does the company voluntarily set up other functional committees?	V		In addition to the remuneration committee established by law, the Company's corporate governance operations are under the responsibility of each department in accordance with its duties and responsibilities. For the consideration of major mergers and acquisitions, a "Mergers and Acquisitions Special Committee" is established.	None
(3) Has the Company established the Board of Directors' performance evaluation system and its evaluation method, and conducts performance evaluation annually and regularly, and reports the performance evaluation results to the Board of Directors, and uses them as reference for individual director's salary and remuneration and nomination for reappointment?	V		The Company has established the Board of Directors performance evaluation method and conducts performance evaluation annually and regularly. The Company conducts internal self-evaluation of the board members and each functional committee annually, and the evaluation result this time is divided into 5 levels with a full score of 5 and rated as falling within 4.10~4.57 by the external evaluation institute, the Chinese Governance Association. Based on the results of the 2023 Board of Directors performance evaluation, the overall operation of the Board of Directors was good. The results of the evaluation were reported to the Board of Directors on March 8, 2024.	None
(4) Does the Company periodically evaluate the independence of the certified public accountants?	V		The Company conducted an evaluation of the independence and suitability of the certified public accountant prior to the change of the certified public accountant and annually in accordance with the declaration of independence issued by the certified public accountant, and confirmed that the certified public accountant has no financial interest or business relationship with the Company other than the fees for certification and tax cases, and confirmed that the certified public accountant is not an interested party of the Company, and that there is no circumstances as stipulated in Articles 27 and 30 of the Company Act. The results of the auditor's independence evaluation in 2023 were submitted to	None

			the audit committee on March 6, 2024 and the Board of Directors on March 8, 2024, and no breach of independence was found so far.	
4. Does the listed company have a suitable and appropriate number of corporate governance personnel and designate a corporate governance officer to be responsible for corporate governance-related matters (including, but not limited to, providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors to comply with laws and regulations, conducting the Board of Directors meetings and shareholders' meetings in accordance with the law, and preparing minutes of Board of Directors and shareholders' meetings, etc.)	V		On March 17, 2022, the Board of Directors resolved to appoint Vice President Han Jia-Xian, the current Financial Head, as the Head of Corporate Governance, who has more than three years of experience as a financial and stock executive in public companies. He is a manager of the Company and his main responsibilities are to provide information necessary for the directors to execute their business, assist the directors in complying with laws and regulations, and handle matters related to Board of Directors and shareholders' meetings, etc. He also actively participates in corporate governance related training courses and corporate governance evaluation seminars, and has completed the initial 12 hours of training in 2023. The execution of business is as follows. 1. Conduct related matters of the Board of Directors meeting and shareholders' meeting in accordance with the law, and assist the Company to comply with relevant laws and regulations. 2. Coordinate and execute the operations of the Board of Directors and functional committee. 3. Produce meeting minutes of the Board of Directors meeting and shareholders' meeting 4. Assist directors in compliance with laws and regulations, appointment and continuing education matters of directors. 5. Other matters in accordance with the articles of incorporation or contract.	None
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and set up a stakeholder area on the Company's website, and appropriately respond to important CSR issues of concern to stakeholders?	V		The Company listens to the voices of stakeholders through various communication channels and platforms, and incorporates the suggestions and concerns of stakeholders into the organization's strategies and operation plans, which are discussed by the Sustainable Development Committee and external consultants. With reference to the stakeholder groups in the industry, and based on the	None

			characteristics of dependence, responsibility, influence, diversified viewpoints, and attention to tension, and after analyzing the above mentioned principles, the "Customers", "Employees", "Shareholders/Investors", "Suppliers/Contractors", and the "Government/Competent Authorities" are the five major targets of communication for Beiji International Development Co., Ltd.. 1. Customers' trust is the source of creating sales profits, the Company has to be ahead of customers, through quality and diversified products to create higher brand value for customers. 2. Employees are the most important partners in the company's sustainable development. In addition to protecting the rights and interests of employees and providing a competitive salary and benefit system, we must also respect and care for our employees in order to attract talented people to join us, and when employees realize their potentials and move forward side by side with the company, we will be able to create greater operational performance. 3. The Company takes care of shareholders' interests while actively developing. By providing investors with transparent information on the company's operational and management strategies and financial policies, the Company achieves the goal of increasing the value of investors' investments. 4. Suppliers/contractors are important strategic partners of the Company, and the Company establishes good relationship and mutual trust through fair and transparent cooperation. 5. The Company follows the relevant regulations of governmental agencies, proactively cooperates with the implementation of policies, and gains the trust, support and cooperation of the government through transparent two-way communication.	
6. Does the Company appoint a professional stock affairs agency to handle the stock affairs	V		The Company's stock affairs agency is "SinoPac Securities Co., Ltd.'s stock affairs agency	None

of the shareholders?			department.	
7. Disclosure of Information				
(1) Has the company set up a web site to disclose financial and corporate governance information?	V		The Company publishes its business status on its website and discloses financial information on the Market Observation Post System.	None
(2) Does the Company adopt other ways of disclosing information (such as setting up an English web site, designating a person responsible for the collection and disclosure of company information, implementing a spokesperson system, placing the company web site in the course of a corporate presentation, etc.)?	V		The Company has a Chinese web site, and has designated a person responsible for the collection and disclosure of information, and the implementation of the spokesperson system.	None
(3) Does the Company announce and report its annual financial statements within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial statements and operations for each month in advance of the required deadline?		V	The Company publishes and reports its annual financial statements, quarterly financial statements and monthly operations in accordance with the relevant regulations. 1. The Company announces and reports the annual financial information within three months after the end of each fiscal year. 2. The Company announces and reports the financial information within 45 days after the end of each first quarter, second quarter and third quarter. 3. The Company announces and reports its operations for the previous month by the tenth day of each month.	None
8. Is there any other important information that can help understanding the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, vendor relations, stakeholder rights, directors' and supervisors' training, implementation of risk management policies and risk measurement standards, implementation of customer policies, the company's liability insurance for directors and supervisors, etc.)? What is the status of implementation of risk management policies	V		(1) Employee Rights and Benefits. The Company protects the legal rights and interests of its employees in accordance with the Labor Standards Act, Act of Gender Equality in Employment and the Employment Service Act, and has established employee welfare committees (education scholarships, childbirth subsidies, travel subsidies, wedding and funeral subsidies, sympathy payments, etc.), implements a pension system, and purchased employee group insurance for employees. (2) Employee care.	None

and risk measurement standards, implementation of customer policies, and purchase of liability insurance for directors and supervisors?)			Regular medical checkups for all employees. (3) Investor Relations. The Company has implemented a spokesperson system and established an acting spokesperson to assist with shareholder inquiries. (4) Supplier relationship: The Company's supplier is China Petroleum Corporation (Taiwan), and we have signed a regular contract to maintain a good supply relationship. (5) Rights of stakeholders: The Company discloses all information required to be disclosed in accordance with the law for the information of the investing public. (6) Directors' training The Company provides information on the directors' and supervisors' continuing education at any time, and the status of their continuing education is regularly disclosed in the Market Observation Post System. (refer to the content of the annual report) (7) Implementation of risk management policies and risk measurement standards: The Company's management has a thorough understanding of the industry, the Company's position and the future development direction of the Company. All decisions are carefully evaluated and then discussed, authorized and implemented by the Board of Directors to protect the Company's assets and reduce risk. (8) Implementation of consumer protection or customer policies: The Company has set up a customer service hotline to provide consultation service and reply to the suggestions or complaints made by consumers to the Company, and to inform each unit in writing at the same time. (9) The Company purchases liability insurance for directors and supervisors and its social	

			responsibility, etc.: The Company has purchased liability insurance for the directors in accordance with the regulations.	

9. Please describe the improved situations by using the results of the most recent annual corporate governance evaluation provided by the governance center of the Taiwan Stock Exchange Corporation to, and suggest priorities and measures for improvement for those that have not yet improved.

To promote the corporate governance, the Company's current improvement measures are as follows.

(1) Continuous improvement of directors' professional skill and promotion of risk management system to strengthen the functions of the Board of Directors.
(2) Preparation of sustainability report and early announcement of financial report to enhance information transparency.
(3) Reorganization of the Company's website structure and ESG information disclosure to enhance stakeholder communication.
(4) Continuously review corporate governance assessment indicators and effectiveness to deepen the Company's culture of sustainable governance.

The Company continues to enhance its corporate governance practices in order to establish a sound corporate governance system.

Note: The operation shall be described in the summary column regardless of whether "Yes" or "No" is checked.

(4) Composition, duties, responsibilities, and operations of the remuneration committee:

(1) Information of remuneration committee members

2023.01.01 to 2023.12.31

Position \ Conditions \ Name		Professional qualification and experience	Independence Status	No. of other public companies that remuneration committee member works
Convener (Independent Director).	Tsai Chia-Yu	Certified Public Accountant of We Win CPAs Firm Project manager of Finance and administration center of Accton Technology Corporation	Please refer to the description of the independence of independent directors.	0
Committee member	Tsai Mu-Lin	Takming University of Science and Technology (95) Assistant Professor of Institute of Logistics Management Assistant Professor, Institute of Economics, Trade and Logistics Management	(1) I, my spouse and relatives within the second degree of kinship have not acted as the director, supervisor or employee of the Company or its affiliated enterprises. (2) I, my spouse and relatives within the second degree of kinship (or in the name of others) hold the Company's shares and weight as follows: None (3) The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliated enterprises in the last 2 years: None.	0
Committee member (Independent Director).	Chang Chi-Ming	Investigator of Ministry of Justice Investigation Bureau Civil, Criminal, Administrative Litigation Attorney Dynes Law Office	Please refer to the description of independence status of independent directors.	0

(2) Information on the operation of the remuneration committee

1. The Company’s Salary and Remuneration Committee has a total of three members.
2. The term of office of the fifth remuneration committee member is from 2023.01.01 to 2023.12.31, and the remuneration committee met three times in 2023 and the qualification and attendance of the committee members are as follows:

Title	Name	Actual number. of times of attendance (B)	No. of attendance by proxy	Actual attendance (%) (B/A)	Remarks
Convener	Tsai Chia-Yu	3	0	100%	The Committee met three times in 2023.
Committee member	Tsai Mu-Lin	3	0	100%	
Committee member	Chang Chi-Ming	3	0	100%	
Other items to be recorded: 1. If the Board of Directors does not adopt or amend the recommendation of the remuneration committee, it shall					

state the date, period, content of the Board of Directors' resolution, the Board of Directors' resolution and the Company's handling of the remuneration committee's opinion. (If the Board of Directors approves a salary and remuneration proposal that is superior to the remuneration committee's proposal, the Board of Directors shall state the difference and the reasons for the difference). No such circumstance.

2. If the remuneration committee has any objection or reservation to the resolution and there is a record or written statement, it should state the date, period, content of the motion, all members' opinions and the handling of the members' opinions. No such circumstance.

1. Composition of the salary and remuneration committee: (all members meet the requirements of professional qualifications and provide the declaration of independence and relevant supporting documents)

Name	Education	Experience	Professional Qualification
Tsai Chia-Yu	Tamkang University Master of Accounting	Certified Public Accountant of We Win CPAs Firm; Finance and Administration Center Project Manager of Accton Technology Corporation	We Win CPAs Firm Certified Public Accountant
Tsai Mu-Lin	National Taipei University PhD of Business Administration	Chairman of Taiwan Tobacco & Liquor Corporation (Taiwan Tobacco and Wine Monopoly Bureau)	Takming University of Science and Technology (95) Assistant Professor of Logistics Management Assistant Professor of Institute of Economics and Trade Operations Management
Chang Chi-Ming	Bachelor of Laws of National Chung Hsing University; Investigation Class of Ministry of Justice Investigation Bureau; The 23rd graduate of judicial officer training institute; The 27th graduate (with training) of laws and passed the bar examination	Dynes Law Office	Investigator of Ministry of Justice Investigation Bureau Civil, Criminal, Administrative Litigation Attorney

2. Responsibility of Remuneration Committee:

(1) Regularly review and propose amendments to these rules and regulations.

(2) Formulate and regularly review the Company's annual and long-term performance goals and salary and remuneration policies, systems, standards and structures of directors and managers

(3) Regularly evaluate the Company's performance goals and objectives of directors and managers, and determine the content and amount of their individual salaries and remunerations.

When carrying out the above-mentioned duties, this committee shall be guided by the following principles:

(1) Ensure that the Company's salary and remuneration arrangements are in accordance with relevant laws and regulations and are sufficient to attract talented people.

(2) The performance evaluation and salary and remuneration of directors and managers shall be based on the usual salary levels in the industry, taking into account the time devoted by the individuals, their responsibilities, achievement of personal goals, performance in other positions, the salary and remuneration offered by the Company to the equivalent positions in recent years, as well as the achievement of short-term and long-term business goals and the Company's financial

position, the evaluation of the reasonableness of the relationship between personal performance and the Company's operating performance and future risks.

(3) Directors and managers shall not be induced to engage in behavior that exceeds the risk that the Company can accommodate in pursuit of salary and remuneration.

(4) The percentage of short-term performance bonuses and the timing of partial change in salary and remuneration for directors and upper management shall be determined by taking into account the characteristics of the industry and the nature of the Company's business.

(5) Members of this committee shall not be included in the discussion and voting on the decision of their personal salary and remuneration.

3. Operation of the Salary and Remuneration Committee:

(1) 2011/12/14 First-term first-session remuneration committee preparatory meeting:
Election of the committee member, Tsai Mu-Lin, as the committee convener and chairperson.

(2) 2011/12/14 First session of the first-term remuneration committee meeting:
Review of the Company's existing salary and performance assessment system.

(3) 2012/07/24 Second session of the first-term remuneration committee meeting:
Discussion of the Company's remuneration for directors and supervisors in 2011.

(4) 2012/12/20 First-term third-session remuneration committee meeting:
Discussion of the Company's year-end bonus distribution of directors and supervisor in 2012.

(5) 2013/07/13 Second-term first-session remuneration committee meeting:
Election of the committee member Tsai Mu-Lin as the second-term committee convener and chairperson;
Approval of the Company's remuneration for directors and supervisors in 2012.

(6) 2013/12/03 Second-term second-session remuneration committee meeting:
Approval of the Company's year-end bonus distribution of directors and supervisor in 2013.

(7) 2014/10/01 Second-term third-session remuneration committee meeting:
Approval of not distributing the Company's employees' bonus and remuneration of directors and supervisors in 2013.

(8) 2014/12/25 Second-term fourth-session remuneration committee meeting:
Discussion of the Company's year-end bonus to directors and supervisor in 2014 and resolution of having further discussion in the next meeting;
Discussion of the Company's salary increment standard, and resolution of having further discussion in the next meeting.

(9) 2015/01/26 Second-term fifth-session remuneration committee meeting:
Approval of not distributing the Company's year-end bonus to directors, supervisors, and president in 2014.
Approval of the Company's salary increment standard.

(10) 2015/07/22 Second-term sixth-session remuneration committee meeting:
Approval of the Company's salary increment standard.

(11) 2015/11/26 Second-term seventh-session remuneration committee meeting:
Approval of the amendment to the Articles of Incorporation regarding the distribution of earnings.

(12) 2016/01/19 Second-term eighth-session remuneration committee meeting:
Approval of not distributing the Company's year-end bonus to directors and supervisors in 2015.

(13) 2016/06/13 Third-term first-session remuneration committee meeting:
Approval of the election of the Convener and Chairman of the third-term remuneration committee;
Approval of the 2015 director and supervisor remuneration plan;
Approval of the travel expenses, attendance fees and salaries of the Board of Directors and Supervisors with reference to the industry standard.

(14) 2017/01/05 Third-term second–session remuneration committee meeting;
Approval of the distribution of year-end bonus to directors, supervisors, chairman and managers in 2016.

(15) 2017/06/13 Third-term third-session remuneration committee meeting:
Approval of not distributing the remuneration of the Company's directors and supervisors in 2016.

(16) 2017/09/05Third-term fourth-session remuneration committee meeting:
Approval of the early retirement plan of the Company's chairman and adjunct president.
Approval of the remuneration plan of the Company's chairman and president.

(17) 2018/01/03 Third-term fifth-session remuneration committee meeting:
Approval of the remuneration plan of the Company's chairman.
Approval of the remuneration plan of the Company's president.
Approval of distribution of year-end bonus to the Company's directors, supervisors, chairman and managers in 2019.

(18) 2018/07/25 Third-term sixth-session remuneration committee meeting:
Discussion of the Company's employee bonus proposal, but the amount was not large enough for management and included in the distribution of year-end bonus.
Discussion of the distribution of remuneration of directors and supervisors.

(19) 2019/01/03Third-term seventh-session remuneration committee meeting:
Discussion of the distribution of bonus of employees.
Discussion of the distribution of 2019 year-end bonus to the Company's directors, supervisors, chairman and managers.

(20) 2019/03/30Third-term eight-session remuneration committee meeting:
Discussion of the 2019 remuneration proposal of directors and employees.

(21) 2019/6/25 Fourth-term first-session remuneration committee meeting:
Cause of the case (1): The 2018 remuneration distribution plan of directors, supervisors, and employees.
Cause of the case (2): The salary and remuneration of new Vice Chairman, Lee Tsung-Xi.

(22) 2019/7/17 Fourth-term second-session remuneration committee meeting:
Cause of the case (1): The salary and remuneration of new Vice Chairman, Lee Tsung-Xi.

(23) 2019/12/24 Fourth-term third-session remuneration committee meeting:
Cause of the case (1): Discussion of the Company's 2019 year-end bonus distribution plan of directors, supervisors, chairman, vice chairman and managers.

(24) 2020/3/17 Fourth-term fourth-session remuneration committee meeting:

Cause of the case (1): The contribution ratio and payment method of the remunerations of directors, supervisors and employees in 2019.

(25) 2020/11/12 Fourth-term fifth-session remuneration committee meeting:

Cause of the case (1): The Company's 2020 year-end bonus distribution plan of directors, supervisors, chairman, vice chairman and president managers.

(26) 2020/12/2 Fourth-term sixth-session remuneration committee meeting:

Cause of the case (1): The salary and remuneration of new Vice Chairman Ho Jia-Jing.

(27) 2021/3/16 Fourth-term seventh-session remuneration committee meeting:

Cause of the case (1): The contribution ratio and payment method of the remunerations of directors, supervisors and employees in 2020.

(28) 2021/11/10 Fourth-term eighth-session remuneration committee meeting:

Cause of the case (1): Discussion of the 2021 year-end bonus plan of the Company's directors, supervisors and employees with the director position.

Cause of the case (2): Discussion of the amendment to the Company's "Employee Stock Option Plan for Capital Increase in Cash".

Cause of the case (3): Discussion of the Company's allocation of authorized shares of managers for the capital increase in cash of the current year.

(29) 2022/3/17 Fourth-term ninth-session remuneration committee meeting:

Cause of the case (1): Discussion of amendments to certain provisions of the Company's "Employee Bonus Plan".

Cause of the case (2):The contribution ratio and payment method of the 2021 Remuneration plan for directors and supervisors, and employees.

(30) 2022/6/23 Fifth-term first-session remuneration committee meeting:

Cause of the case: Election of the Company's remuneration committee convener and chairperson of the meeting.

(31) 2022/8/5 Fifth-term second-session remuneration committee meeting:

Cause of the case: The salary and remuneration plan of the Company's independent director(including audit committee members).

Cause of the case: The salary and remuneration plan of the Company's directors (excluding independent directors)

(32) 2022/11/4 Fifth-term third-session remuneration committee meeting:

Cause of the case: Discussion of the Company's 2022 year-end bonus plan for directors, supervisors and employees with director position

Cause of the case: Discussion of the year-end bonus plan for other managers in the Company's current management

(33) 2023/3/3 Fifth-term fourth-session remuneration committee meeting:

Cause of the case: The contribution ratio and payment method of the 2022 remuneration plan for directors and employees.

(34) 2023/5/5 Fifth-term fifth-session remuneration committee

Cause of the case: The salary and remuneration adjustment plan for the Company's chairman and managers

Cause of the case: The formulation of the Company's "Salary and Remuneration Management Procedure for Directors and Managers".

2023/11/3 Fifth-term sixth-session remuneration committee

Cause of the case (1): Discussion of the 2023 year-end bonus plan for chairman and managers.

(35) 2023/11/3 Fifth-term seventh-session remuneration committee

Cause of the case (1): The contribution ratio and payment method of the 2023 remuneration plan for directors and employees.

Cause of the case (2): The salary and remuneration adjustment plan for the Company's managers (Associate Vice President).

(5) Implementation of the promotion of sustainable development, differences with the code of practice for sustainability of listed companies and reasons for such differences:

Promotional Item	Execution Status (Note 1)			Difference from Code of Practice for Sustainability of Listed Companies and Reasons for such difference
	Yes	No	Summary	
1. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, and the Board of Directors authorizing and supervising senior management to handle the promotion of sustainable development?	V		1. The Company officially established the dedicated unit "ESG Sustainability Committee" on November 8, 2022. 2. The "ESG Sustainability Committee" is a committee composed of heads of business units, and holds regular meetings to determine the strategic goals of sustainability, and the President acts as the chairman of the committee. 3. The Company adopted the "Code of Practice for Sustainability" at the Board of Directors on March 3, 2023. 4. The committee reports the details of implementations to the Board of Directors at least once a year, and the Board of Directors oversees the sustainability process with respect to management direction, strategy and goal setting, risk avoidance, and guidance review of the four major areas.	None
2. Does the Company conduct risk assessment of environmental, social and corporate governance issues related to the Company's operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies? (Note 2)	V		The Company holds regular meetings to discuss issues of concern to stakeholders on major topics, and sets nine important issues for ESG sustainability, namely Product Quality, Corporate Governance/Integrity, Economic and Financial Performance, Regulatory Compliance, Waste Water and Waste Management, Occupational Health and Safety, Energy Management and Greenhouse Gas Emissions, Labor	None

			Relations, and Human Rights.	
3. Environmental Issues (1) Has the Company established a suitable environmental management system according to its industrial characteristics?		V	The Company has established an appropriate environmental management system according to the characteristics of the industry. 1. Install oil and gas recovery equipment, perform oil and gas recovery on a half-yearly basis, and test and report the A//L ratio. 2. Install leak detection pipes, and quarterly perform soil test and report test results. 3. Clean the oil tank at least once every two years to ensure the stability of tank gas and oil volume. 4. Set up the sewage discharge, and perform test water quality and report test results half-yearly.	None
(2) Is the Company committed to improving energy efficiency and using recycled materials that have a low impact on the environment?		V	1. Oil and gas recovery system has been built 2. Recycle and reuse wastewater from car wash machines 3. Use energy-saving light bulbs for lighting of the station 4. Electronic invoicing system is fully implemented 5. Some stations are equipped with solar power generation.	None
(3) Does the Company assess the potential risks and opportunities of climate change for the business now and in the future, and take relevant countermeasures?		V	The Company has evaluated the potential risks and opportunities of climate change for businesses now and in the future, and incorporated them into risk management, actively promoting energy saving and carbon reduction, and installing solar energy green power generation equipment.	None
(4) Has the Company compiled statistics on greenhouse gas emissions, water consumption and total weight of waste for the past two years, and formulated policies for greenhouse gas reduction, water use	V		1. In order to implement ESG management and aim for sustainable development, the Company's greenhouse gas emissions, water consumption and total weight of discarded materials are as follows.	None

reduction or other waste management?			1. The greenhouse gas project is expected to start in 2023.. 2. By using wastewater filtration equipment, the Company can reuse treated wastewater, thus significantly reducing the amount of the tap water consumed. In order to further reduce water consumption, the water saving measures of gas stations include the replacement of old and new gas stations with new, self-closing vertical bolt water-saving faucets, which was started several years ago. In addition, the wastewater equipment of gas stations is being replaced more frequently so as to prevent the filters from being clogged and increase efficiency. A total of 9 carwash machines were replaced in 2022, and 1 carwash machine was replaced in 2023. The new carwash machines are more water and energy efficient than the old ones. In the future, the Company will gradually implement water resource management, such as regularly checking the office building and gas station for leaking pipes, installing water-saving faucets, and using water-saving labeling equipment. In addition, the Company will continue to upgrade the wastewater recycling facilities to further increase the recycling capacity and continue to reduce the overall wastewater discharge. 3. In 2023, the total amount of office waste was about	

			19.84 metric tons. The company appointed a certified waste removal company to clear and transport carwash sludge. In terms of carwash sludge, it worked with a government-approved Class A waste removal agency to remove and transport carwash sludge. Statistics and monitoring of the sludge volume were carried out through the data provided by the waste removal company. The waste removal company was also managed through a contract mechanism to facilitate supervision of its compliance with relevant waste regulations. Since the car washing volume at each station was different, the amount of carwash sludge generated also varied. The waste removal company followed the entrusted removal contract and went to each station to remove the sludge according to the amount of accumulated sludge of each station. In 2021, there were a total of 2 clearings, with a clearance volume of about 1.03 metric tons. Due to the small amount of sludge accumulation, no clearing arrangements were made in 2012, and another clearing was carried out in 2023; a total of 5.05 metric tons of sludge was cleared in 2023. 2. Measures to reduce office waste are as follows. 1. Set up garbage sorting and food waste recycling bins to implement garbage sorting and resource recycling. 2. Provide information or promote internal activities via e-mail and other channels to reduce the use of paper	

			or generate waste paper.. 3. Prohibit the purchase of plastic cups for water. Office bans disposable tableware and styrofoam boxes, and encourages colleagues to use environmentally friendly cups to reduce the generation of disposable waste. 4. Stop providing paper cups and cups of water in the office. Advocate employees to bring their own environmentally friendly cups, and a certificate of appreciation by Taipei City Government will be awarded for doing so. 5. Introduce electronic forms and online checkout systems to reduce paper usage, recycle paper for future use, and reduce paper usage.	
4. Social Issues (1) Has the Company established relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		The Company respects internationally recognized fundamental human rights, including freedom of association, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, and elimination of discrimination in employment and occupation, with reference to the international human rights treaties, including the “United Nations Universal Declaration of Human Rights”, “United Nations Guiding Principles on Business and Human Rights”, “United Nations Global Compact”, and “United Nations International Labor Organization” and abide by the labor laws and regulations in where the Company is located. In accordance with the Company’s industry characteristics and business development strategy, risk assessments on human rights issues are conducted regularly, external	None

			expectations and communication with stakeholders are conducted, important human rights issues and high-risk groups are identified, and a risk due diligence process is established to promote mitigation measures and management objectives; the results of the risk assessments are regularly disclosed to external companies.	
(2) Does the Company set and implement reasonable employee benefits (including salary and remuneration, leave and other benefits) and appropriately reflect operational performance or results in employee remuneration?	V		The Company has established and implemented reasonable employee benefit measures, and has a reasonable remuneration policy and incentive and disciplinary system, and has appropriately reflected the operating performance or results in employees' remuneration, for example, the Company has established the "Employee Bonus Plan".	None

<table>
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<td>(3) Does the Company provide a safe and healthy working environment for its employees and conduct regular safety and health education for employees?</td>
<td>V</td>
<td></td>
<td>1. Work environment and personal safety of employees
1. The Company and its subsidiaries and branches are implementing automatic inspection and gas station environment measurement and continuous improvement of various safety and health measures to create a safe, healthy, comfortable and friendly working environment.
2. Strengthen the safety and health education and training of all gas stations and promote and rehearse the safety awareness, intelligence and response ability of employees to ensure the safety of employees and contractors.
3. Provide annual medical checkup for employees.

2. Proactive measures and implementation status of work environment and personal safety of employees:
In view of the importance of work environment and personal safety of employees, the Company has set up a “Labor Safety Room” and achieves significant results and control by implementing the following measures:
<table>
<tr><th>Target</th><th>Plan</th><th>Execution</th></tr>
<tr><td>Provide a safe and healthy working environment for employees</td><td>Assign employees or encourage them to take the initiative to attend the training courses of “Gas station supervisor professional certification”, such as: first-aid staff, labor safety and health business supervisor training courses.</td><td>Regular administration is performed on a yearly basis. Integrated with the employee performance evaluation appraisal, a clear and effective reward and disciplinary system is established.</td></tr>
<tr><td>Implement regular safety and health education for employees</td><td>Regular fire safety inspections and building public safety inspections.</td><td>Regular administration is performed on a half-yearly basis to protect the lives and</td></tr>
</table>
</td>
<td>None</td>
</tr>
</table>

			<table><tr><td></td><td></td><td>property of employees and the community.</td></tr></table> 3. Description of the number of cases, number of employees, and ratio to the total number of employees percentage of occupational accidents of the current year and related improvement measures: In 2023, the average number of employees was 983, and the number of recordable occupational injuries for the year was 10, accounting for 1% of the total number of employees, a decrease of 16.6% compared to 2022; the number of serious occupational injuries was 0 (none), and there were no fatal accidents caused by occupational injuries. Analyzing the types of accidents in the year, the number of occupational injuries such as falls, slips and slides, and improper actions were the most numerous, totaling 4 cases (40%), and we continue to analyze the situation through... We continue to strengthen our safety supervision system through employee education and training, safety standards and work safety analysis, regular inspections of workplace machinery and equipment, and pre-work safety inspections (with improvement measures explained). 4. Description of the number of fires, the number of casualties and its ratio to the total number of employees in the current year and related improvement measures in response to fires: There was no fire accident in 2023..	

(4) Does the Company have an effective career development program for its employees?	V		The Company regularly organizes internal and external training programs to enhance the employees' self-competence according to the needs of their duties. 1. Company's overall training: 2. Job-specified training: Professional courses and on-the-job training are provided according to the Company's departments and functions. The following is an overview of the functions and targets of each type of training, as well as an introduction to the related measures to encourage further training.. (1) New personnel training. (2) Common job function development. (3) Reserve and supervisor personnel management training. (4) Professional knowledge enhancement.	None
(5) Does the Company follow relevant laws and international standards, and has a policy and complaint procedure to protect the rights of consumers or customers in relation to the health and safety of customers, customer privacy, marketing and labeling of products and services?	V		The Company provides transparent and effective consumer complaint procedures for the Company's products and services in order to protect the rights of consumers 1. A customer service area is provided on the Company's website, where one can file a complaint with each sales office, and the head office also has a dedicated customer complaint unit and staff. 2. A measurement inspection is applied at least once every two years to ensure the correctness of the fuel gauge.	None
(6) Does the Company have a supplier management policy that requires suppliers to comply with environmental protection, occupational safety and health, or labor and human rights issues, and how is it implemented?	V		The Company is a gas station wholesaler and retailer, the largest supplier is CPC Corporation in Taiwan, the Company has been using the CPC's oil products for 30 years, the Company's oil quality is pure. Being the domestic leading oil supplier, the Company has a good corporate and social image.	None
5. Does the Company refer to international standards or guidelines for the preparation of reports, such as substantiality reports, that disclose non-financial information about the Company? Has the above reports obtained a third-party verification or assurance opinion?		V	1. Description of the reference of international standards or guidelines for the preparation of reports to disclose non-financial information that should be stated clearly: None. 2. For those who have obtained assurance or guarantee, the name of the verification unit, the item or scope of the verification, and the standard to which the assurance or guarantee is based should be specified: None.	None

6. If the Company has formulated its own code of practice for sustainability in accordance with the “Code of Practice for Listed Companies”, please describe how its operation differs from the Code: The Company has formulated the “Code of Practice for Sustainability” and followed the “Code of Practice for Sustainability for Listed Companies. All employees of the Company promote and fulfill their corporate social responsibility, and there are relevant regulations on environmental protection, social contribution, social services, social welfare, customer rights, human rights, safety and hygiene, etc. The overall operation of the Company is in line with the spirit of corporate social responsibility and there is no significant difference from the Codes.
7. Other important information for understanding the implementation of promoting sustainable development: 1. Actively participate in the community patrol activities in villages such as: donation to the Company’s fuel ticket (gas vouchers) to the patrol squad “ from time to time, Keelung station sponsors the annual Chinese Pudu Festival, Zhengzhong station annually rebates to the residents of the village, etc. 2. The promotion of the physically and mentally challenged personnel has been commended by New Taipei City every year. 3. Gas stations are equipped with accessible toilets. 4. Nozzle A/L ratio testing 5. Gas recovery system is installed and regular leak detection and soil gas detection are implemented.

Note 1: If “Yes” is checked for implementation, please specify the important policies, strategies, measures and implementation status; if “No” is checked for implementation, please explain the differences and reasons in the “Differences from the Code of Practice for Sustainability of Listed Companies and Reasons for Differences” column, and provide the plans for the future implementation of relevant policies, strategies and measures.

Note 2: “Materiality” refers to environmental, social and corporate governance issues that have a significant impact on the Company’s investors and other stakeholders.

Note 3: Please refer to the website of Taiwan Stock Exchange Corporate Governance Center for best practice examples of the disclosure method.

(6) Climate-related information execution Status of listed and OTC companies

Item	Execution Status
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	(1) Board of directors The Board of Directors is the highest guidance unit for the Company's climate-related risk management. The Board of Directors incorporates climate-related risk factors into the Company's risk appetite, strategies and business plans, including the identification of climate-related risks and opportunities and their impact on the Company's strategies and plans, and the continuous and effective monitoring of the Company's management and disclosure of climate risks. (2) Sustainable Development Committee The Sustainable Development Committee, chaired by the President, is responsible for the management of climate-related risks and opportunities. The Sustainable Development Committee identifies and evaluates risks based on the identification by the risk management working group, checks and confirms the potential impacts of each risk issue on the internal and external aspects of the organization, including the identification and evaluation of the risk of climate change and the response to the impacts of climate change. This committee also holds regular meetings to identify priority initiatives for sustainable development, including climate change-related issues, to fulfill our corporate social responsibility through practical actions, and to report the results of these actions to the Board of Directors on a regular basis.
2. Describe how the identified climate risks and opportunities will affect the business, strategy and financial position of the Company (in short-, med- and long-term).	The Company takes the potential impacts of climate change into account in its overall operations, anticipates the occurrence of risks and the extent of their impacts, and formulates plans for risk response and mitigation measures. The Company identifies physical and restructuring risks and opportunities based on its business type, risk strategy, and financial planning status, and plans forward-looking and proactive climate actions, as well as risk response and mitigation measures, and crisis management mechanisms, which include the proactive promotion of internal environmental protection policies and

	green procurement, expanding renewable energy services, and reducing the carbon footprint of corporate operations and product sales. In order to cope with the impact of global climate change and the greenhouse effect on the environment, in addition to formulating energy-saving and carbon reduction measures, we have promoted energy-saving management in offices and public areas, waste reduction and green procurement, purchased products with energy-saving and environmental protection labels, and followed the requirements of governmental laws and regulations in order to ensure the implementation of energy-saving and carbon reduction.
3. Describe the impacts of extreme climate events and transformation actions on financial position of the Company.	Climate change has resulted in an increase in the incidence and intensity of heavy rainfall, which may cause damage to some operational facilities. In particular, the impact of heavy rainfall on oil tanks and dispensers is described as follows. Oil Tank 1. Since oil tanks are underground facilities, if heavy rainfall will cause possible water penetration into the tanks, it is necessary to carry out oil/water testing of the tanks after the water has receded and use auxiliary equipment such as explosion-proof pumping equipment to extract water, so as to avoid subsequent refueling causing damage to the customer's vehicle. 2. In addition to the costs of testing and purchasing pumping equipment, the Company will be required to pay compensation in case of damage to the customer's vehicle. Oil Dispenser 1. On-site equipment on the island such as oil dispensers are connected in series underground. Heavy rainfall may cause water seepage in the pipelines. After the water recedes, the circuits of the equipment on the island must be retested to avoid short circuits and fires, thus incurring a higher testing fee. 2. Due to heavy rainfall causing ground water seepage, the Company must strengthen regular inspection and maintenance of oil dispensers, thus resulting in an increase in the repair budget. The operating hours are also relatively reduced, and revenue may be affected.

4. Describe how climate risk identification, assessment and management processes are integrated into overall risk management system.	The Company's risk management task force team identifies and evaluates risks in accordance with the risk management policy, and then, depending on the nature of the risk, assigns the relevant units to adopt different handling methods to control climate-related risks, which are discussed and evaluated by the representatives of the relevant units in the Supervisory Meeting and the Sustainable Development Committee Meeting, and then reported to the Board of Directors. The Company adopts various management methods to cope with risks of different nature: 1. Physical risks: It is difficult to clearly attribute operational incidents to climate factors, and accidents and delays may also be caused by weather problems. However, through reviewing and checking the incidents, the Company may still be able to estimate the impact of climate from the trend of incidents. 2. Transformation risk: a. For risks mainly related to the implementation progress of international regulations, the company will jointly review compliance methods and costs. There are many factors that affect financial costs, and the risk of price changes, since the implementation of regulations is still difficult to assess individually. b. The impact of climate issues on customers, the capital market, banks and brand value relies on continuous communications between the relevant units and stakeholders. 3. Short-term Risks: The impact is mainly on the operation, which is controlled and managed by the Sales Department. 4. Mid- and Long-term Risks: These risks affect investment decisions and the company's business allocation, which are considered by the Board of Directors for overall planning.
5. If scenario analysis is used to assess the resilience to climate change risk, the scenarios, parameters, assumptions, analytical factors, and key financial impacts should be described.	Beiji has not used scenario analysis for evaluation in 2023, so this item is not applicable.
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transformation risks.	Beiji has not yet established a transformation plan to manage climate-related risks in 2023, so this item is not applicable.

7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Beiji has not yet used internal carbon pricing in 2023, so this item is not applicable.
8. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of carbon reduction credits offset or the amount of renewable energy certificates (RECs) should be described.	Beiji has not yet set climate-related targets or used carbon offsets or renewable energy certificates (RECs) to achieve relevant targets in 2023, so this item is not applicable.
9. Greenhouse gas inventory and verification, reduction goals, strategies and specific action plans (fill in additional forms 1-1 and 1-2).	Please refer to Pages 45~47 of this annual report.

1-1 Greenhouse Gas Inventory and Verification of the Company in the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

Description on greenhouse gas emissions (metric tons CO2e), intensity (metric tons CO2e/million dollars) and data coverage in the past two years.

1. According to the provisions of the sustainable development roadmap for listed companies, the scope of information that Beiji International should disclose is as follows::
   1. The parent company entity should start conducting greenhouse gas inventory in 2025 and disclose the inventory data of individual entities in 2026.
   2. Subsidiaries with consolidated financial reports should start conducting greenhouse gas inventories in 2026, and disclose the inventory data of consolidated financial reporting subsidiaries in 2027..

2. Since 2022, the parent company, Beiji International has established a greenhouse gas inventory mechanism in accordance with the ISO14064-1 greenhouse gas inventory standard issued by the International Standards Organization (ISO). Every year, it conducts greenhouse gas inspections on the company's individual headquarters and one of its operating sites. Beiji will gradually expand its inspection sites, and is expected to disclose the greenhouse gas inventory data of the company's individual (headquarters and all operating sites in Taiwan) starting from 2026, and the greenhouse gas inventory data of the consolidated financial reporting subsidiaries starting from 2027, so as to understand the Company's overall greenhouse gas usage and emission status, and further formulate reduction actions.

3. With regard to the greenhouse gas inventory data for the last two years, the Company's greenhouse gas emissions were summarized using the operational control method. The specific emissions of the Company in the past two years are as follows:

Greenhouse gas emissions in the past two years

		2022		2023	
		Emissions (Metric tons CO2e)	Intensity (Metric tons CO2e/million NTD of sales)	Emissions (Metric tons CO2e)	Intensity (Metric tons CO2e/million NTD of sales)
The Company	Scope 1 Direct greenhouse gas emissions	44.81		130.40	
	Scope 2 Indirect greenhouse gas emissions	1,641.94		1,892.35	
Total		1,686.75	0.31	2,022.35	0.28

Note 1: Direct Emissions (Scope 1, i.e., emissions directly from emission sources owned or controlled by the Company), Indirect Emissions (Scope 2, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and other indirect emissions (Scope 3, i.e., emissions generated by company activities are not indirect emissions from energy, but come from emission sources owned or controlled by other companies. company activities that are not indirect emissions from energy, but come from emission sources owned or controlled by other companies).

Note 2: The coverage of direct and indirect emissions data shall be handled in accordance with the timetable specified in the order specified in Item 6 of Subparagraph 4 of Paragraph 1 of Article 10 of these Guidelines, and other indirect emission information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The greenhouse gas emission intensity can be calculated per unit of product/service or sales amount, but at least the data calculated in terms of sales amount (in million NTD) should be stated.

1-1-2 Greenhouse Gas Verification Information

Describe the status of verification in the most recent two years, including the verification scope, the verification organization, the verification criteria, and the verification opinion.

1. According to the provisions of the sustainable development roadmap for listed companies, the time and scope of verification that Beiji International should implement are as follows:
   1. The parent company entity should complete the 2027 greenhouse gas inventory data verification by 2028
   2. The consolidated financial reporting subsidiaries should complete the 2028 greenhouse gas inventory data verification by 2029.
2. The Company's greenhouse gas inventory verification status for the past two years is as follows:

		2022	2023
		Emissions (Metric ton CO2e)	Emissions (Metric ton CO2e)
The Company	Scope 1 Direct greenhouse emissions	44.81	130.40
	Scope 2 Indirect greenhouse emissions	1,641.94	1,888.52
Total		1,686.75	2,018.92
Percentage of inventory data disclosed in Section 1-1-1 above		100%	100%
Verification Institution		None	None
Verification Status		Verification has not passed yet.	Verification has not passed yet.
Verification Opinion/Conclusion		Verification has not passed yet.	Verification has not passed yet.

Note 1: It should be handled in accordance with the timetable specified in Paragraph 3 of Article 4-1 of these operating regulations.

Note 2: Verification institutions should comply with the relevant regulations for sustainability report verification institutions stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange of the Republic of China.

Note 3: The contents disclosed can be found in the Best Practice Reference Sample on the Taiwan Stock Exchange Corporate Governance Center website.

1-2 Greenhouse gas reduction targets, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.
1. Greenhouse Gas Reduction Base Year and Reduction Targets As a listed company with paid-in capital of less than NT$5 billion, the Company is required by law to complete the carbon reduction targets for its subsidiaries, including its consolidated financial statements, starting from the year of 2027, therefore, the Company has not yet set a base year and a specific reduction target at this stage. Nevertheless, the Company is still committed to carbon reduction by adjusting the opening hours and temperatures of air conditioners in the office, cleaning equipment to improve efficiency, and replacing old equipment and promoting renewable energy and energy-saving products and services to reduce energy consumption and greenhouse gas emissions in its operations. 2. Greenhouse Gas Reduction Strategies and Specific Action Plans Although there is no specific reduction strategy and target, there are specific actions to reduce greenhouse gases to meet the net-zero trend. The Company's main action plans for greenhouse gas reduction are "Enhancement of Energy Utilization" and "Development of Low-Carbon Products and Services". As for the "Enhancement of Energy Utilization", we calculate the carbon reduction cost when purchasing electrical equipment, gradually replace old equipment, and purchase electrical equipment with Grade 1~2 energy consumption to enhance energy efficiency and environmental protection. As for the "Development of Low-Carbon Products and Services", we implement the smart green energy transformation of gas stations and gradually complete the installation of charging and switching stations and charging and switching facilities. We are also considering the provision of diversified services to create new green business opportunities, and committed to reducing greenhouse gas emissions from our products and services. 3. Achievement of Reduction Targets The status of the Company's greenhouse gas reduction actions for 2023 is as follows: 1. 16 air-conditioners and 4 refrigerators were replaced in operation stations, and all new appliances meet the energy efficiency level 1~2. 2. As of the end of 2023, 15 of Beiji operation stations were equipped with battery exchange stations, and 20 rechargeable piles were installed in 9 Beiji operation stations to provide customers with low carbon energy services. 3. All gas stations in Taiwan have introduced e-signature carriers to reduce the use of paper. 3,191,562 electronic carriers were used in 2023, accounting for 20% of the total number of invoices issued.

Note 1: It should be handled in accordance with the time schedule stipulated in Paragraph 4 of Article 4-1 of these Operating Guidelines.

Note 2: The base year should be the year in which the review is completed based on the boundaries of the consolidated financial statements. For example, according to Paragraph 2 of Article 4-1 of these Guidelines, a company with a capital of NT$10 billion or more should finalize the consolidated financial statements for the fiscal year of 2024 in the year of 2025, so the base year should be 2024; if the company has finalized the review of the consolidated financial statements in advance, then the earlier year will be taken as the base year, and the data in the base year can be calculated by a single year or the average of several years.

Note 3: The contents disclosed can be found in the Best Practice Reference Sample on the Taiwan Stock Exchange Corporate Governance Center website.

(7) Difference of the Company's compliance with the Code of Conduct for Integrity of listed companies and the reasons for such difference:

Evaluation Items	Operation Status			Difference from the Code of Conduct for Integrity for Listed Companies and reasons for such difference
	Yes	No	Summary	
1. Establishment of integrity management policies and programs				
(1) Has the Company established an integrity management policy approved by the Board of Directors, and has the policy, practices, and commitment of the Board of Directors and upper management actively implemented the policy in the bylaws and external documents?	V		The Company has established an integrity management policy approved by the Board of Directors, and has stated in its bylaws and external documents its policy and practice of integrity management, and the commitment of the Board of Directors and upper management to actively implement the management policy.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(2) Has the Company established a mechanism to assess the risk of dishonest conduct, regularly analyze and evaluate business activities within the scope of business that have a higher risk of dishonest conduct, and formulate a plan to prevent dishonest conduct based on this mechanism, and at least cover the preventive measures for each of the behaviors specified in Paragraph 2 of Article 7 of the "Code of Conduct for Integrity of Listed Companies"?	V		The Company has established a mechanism to assess the risk of dishonest conduct, regularly analyzes and evaluates the business activities within the scope of business that have a higher risk of dishonest conduct, and established a plan to prevent dishonest conduct, covering at least the preventive measures for each of the behaviors specified in Paragraph 2 of Article 7 of the "Code of Conduct for Integrity for Listed Companies.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(3) Does the Company specify the procedures, conduct guidelines, disciplinary and grievance systems for non-compliance in its dishonesty prevention program, and implement them, and regularly review and revise the aforementioned program?	V		The Company's dishonesty prevention program specifies operating procedures, conduct guidelines, disciplinary and grievance systems for non-compliance, and implements them, and regularly reviews and revises the above mentioned program.	No difference with the "Code of Conduct for Integrity for Listed Companies"
2. Implementation of integrity management				
(1) Does the Company evaluate the integrity records of its counter-parties and specify the integrity terms in the contracts with its counter-parties?	V		The Company evaluates the legitimacy of its agents, suppliers, customers or other business counterparties and the record of dishonest behavior before doing business with them, and avoids doing business with those who have a record of dishonest behavior.	No difference with the "Code of Conduct for Integrity for Listed Companies"

Evaluation Items	Operation Status			Difference from the Code of Conduct for Integrity for Listed Companies and reasons for such difference
	Yes	No	Summary	
(2) Does the Company have a dedicated unit under the Board of Directors to promote corporate integrity and report to the Board of Directors on a regular basis (at least once a year) on its integrity management policies and programs to prevent dishonest practices and monitor their implementation?	V		The Company has set up a dedicated unit under the Board of Directors to promote corporate integrity management and has not yet reported regularly to the Board of Directors on its integrity management policy and plans to prevent dishonest acts and monitor their implementation.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(3) Does the Company have a conflict of interest prevention policy, provide appropriate channels for presentation, and implement them?	V		The Company has formulated a conflict of interest prevention policy, provided appropriate channels of presentation, and implemented a disciplinary and grievance system for express violations of the integrity management regulations, and immediately disclosed on the Company's internal website the information such as the title, name, date of violation, content of the violation, and handling situation of the violator.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(4) Has the Company established effective accounting system and internal control system for the implementation of integrity management, and has the internal audit unit prepared an audit plan based on the assessment results of the risk of dishonesty, and checked the compliance of the dishonesty prevention program accordingly, or appointed an accountant to conduct the audit?	V		The Company has established an effective accounting system and internal control system for business activities with a higher risk of dishonesty, and there shall not have internal accounts or keep secret accounts, and shall review the system from time to time to ensure that the system is designed and implemented effectively. Internal auditors regularly review the compliance of the former system, and accountants also review the implementation of the internal control system annually.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(5) Does the Company regularly conduct internal and external education and training on integrity management?	V		The company regularly conducts internal and external education and training on integrity management.	No difference with the "Code of Conduct for Integrity for Listed Companies"
3. Operation of corporate prosecution system				

Evaluation Items	Operation Status			Difference from the Code of Conduct for Integrity for Listed Companies and reasons for such difference
	Yes	No	Summary	
(1) Does the Company have a specific reporting and reward system, and has it established a channel to facilitate reporting and assigned appropriate staff to receive reports on the subject?	V		The Company establishes a specific whistleblower and reward system, and a convenient whistleblower channel and assigns appropriate staff to receive reports on the subject.	No difference with the "Code of Conduct for Integrity for Listed Companies"
(2) Has the Company established standard operating procedures for the investigation of whistleblowing matters? What are the follow-up measures and confidentiality mechanisms to be adopted after the completion of the investigation?	V		The Company establishes standard operating procedures for the investigation of whistleblower matters, and shall take follow-up measures and related confidentiality mechanisms after the investigation	No difference with the "Code of Conduct for Integrity for Listed Companies"
(3) Does the Company take measures to protect whistleblowers from improper treatment as a result of whistleblowing?	V		The disciplinary and complaint system for violation of the integrity management regulations is clearly defined, and the title, name, date of violation, content of the violation and the handling situation of the violator are immediately disclosed on the Company's internal website.	No difference with the "Code of Conduct for Integrity for Listed Companies"
4. Enhancement of information disclosure (1) Does the Company disclose the content and effectiveness of the Code of Conduct for Integrity on its website and Market Observation Post System?	V		The Company's "Code of Conduct for Integrity" is disclosed on the Company's website	No difference with the "Code of Conduct for Integrity for Listed Companies"
5. If a company has its own code of conduct for integrity in accordance with the "Code of Conduct for Integrity of Listed Companies", please describe how its operation differs from the Code. The Company has its own code of conduct for integrity, which does not differ from the Code of Conduct for Integrity of Listed Companies.				
6. Other important information that may be useful in understanding the integrity of the Company's operations: (e.g., the Company's review of the revision of its Code of Conduct for Integrity, etc.): None				

(8) If a company has formulated the code of corporate governance and related regulations, it shall disclose how to make inquiries about them.

The Company has formulated the code of corporate governance practices, and publish the Company's articles of association, rules of procedure of the Board of Directors, and other information on the Company website www.nspco.com.tw.

(9) Other important information that enhances the understanding of corporate governance practices:

1. The Company has established the "North-Star International Co., Ltd. insider trading management control guidelines" for the Company's directors, supervisors, managers and related insider trading prevention and control parties to follow and inform by mail to their respective organizations to prevent improper disclosure of information about the Company and to ensure the timeliness and accuracy of information released to the public.
2. The Company has established the "Code of Ethical Conduct for Employees" and the "Code of Ethical Conduct for Directors, Supervisors and Managers" in 2015.
3. The further study status of the directors and supervisors in this term:

Title	Name	Date of Appointment	Date of Training		Organizer	Name of Course	Training hours	Compliance with regulations? (Note)	remarks
			Start	End					
Director	Chung Jia-Cun	2022/06/23	2023/07/24	2023/07/24	Taipei Foundation of Finance	Technical development and application business opportunities of chatbot ChatGPT	3.0	Yes	
Director	Liao Shun-Ching	2022/06/23	2023/03/29	2023/03/29	Chinese National Association of Industry and Commerce	Things to note and common questions discussed at the 2023 Board of Directors and Shareholders Meeting	3.0	Yes	-
			2023/10/11	2023/10/11	Chinese National Association of Industry and Commerce	Corporate governance, corporate fraud and major case analysis	3.0	Yes	
			2023/12/04	2023/12/04	Taipei Foundation of Finance	Digital fraud and digital financial crime detection and prevention	3.0	Yes	
Director	Lee Tsung-Xi	2022/06/23	2023/10/13	2023/10/13	Securities and Futures Institute, Taiwan	2023 Annual insider trading prevention promotion conference	3.0	Yes	
Director	Chung Yu-Lin	2022/06/23	2023/07/24	2023/07/24	Taipei Foundation of Finance	Technical development and application business opportunities of chatbot ChatGPT	3.0	Yes	
			2023/08/07	2023/08/07	Taipei Foundation of Finance	Sustainable development and sustainable governance trends	3.0	Yes	
Director	Chung Hsin-Pei	2022/06/23	2023/07/24	2023/07/24	Taipei Foundation of Finance	Technical development and application business opportunities of chatbot ChatGPT	3.0	Yes	
Director	Tseng I-Nan	2022/06/23	2023/08/07	2023/08/07	Taipei Foundation of Finance	Sustainable development and sustainable governance trends	3.0	Yes	
Director	Hsieh An-Chi	2022/06/23	2023/09/08	2023/09/08	Taipei Foundation of Finance	Corporate governance-information security governance and corporate resilience in financial industry	3.0	Yes	
Independent Director	Chang Chi-Ming	2022/06/23	2023/05/31	2023/05/31	Institute of Financial Law and Crime Prevention	Insider trading and money laundering prevention under Securities Exchange Act	3.0	Yes	
			2023/06/16	2023/06/16	The Greater Chinese Financial Development Association	ESG corporate governance 3.0 and future trends	3.0	Yes	
			2023/06/29	2023/06/29	Commerce Development Research Institute	Corporate Governance and Business Sustainability Workshop	3.0	Yes	
			2023/08/10	2023/08/10	Securities and Futures Institute, Taiwan	What you need to know about insider equity	3.0	Yes	

						transactions			
Independent Director	Hou Shu-Hui	2022/06/23	2022/06/24	2022/06/24	CPA Associations, Taiwan	Money laundering prevention practices and development trends	3.0	Yes	
Independent Director	Tsai Chia-Yu	2022/06/23	2023/06/21	2023/06/21	CPA Associations, Taiwan	Accountant money laundering prevention supervision	3.0	Yes	
			2023/07/27	2023/07/27	CPA Associations, Taiwan	Tax issues related to selling equity	3.0	Yes	
			2023/08/15	2023/08/15	CPA Associations, Taiwan	Introduction to ESG for dummies	3.0	Yes	
			2023/08/04	2023/08/04	CPA Associations, Taiwan	Accounting for climate change	3.0	Yes	
			2023/09/07	2023/09/07	CPA Associations, Taiwan	International anti-tax avoidance trend and response	3.0	Yes	
			2023/11/06	2023/11/06	Taiwan Corporate Governance Association	Legal liability of directors and supervisors of public companies	3.0	Yes	
			2023/11/07	2023/11/07	CPA Associations, Taiwan	Special issues in company registration practice	3.0	Yes	

4. Statistics and expenses of employees' training and education:

Total Expenses	NT$496,616
Contents of Training	Fire prevention manager training, storage system contamination monitoring personnel training, Class C occupational safety and health training, first-aid personnel training, organic solvent operation training, occupational safety and health training, oil and gas recovery training, internal auditor continuing education, and accounting supervisor continuing education

(10) Implementation status of internal control system

1. Statement of internal control

North-Star International Co., Ltd.

Statement of Internal Control System

Date: March 8, 2024

In 2023, the Company's internal control system based on the results of the self-assessment was stated as follows.

1. The Company recognizes that it is the responsibility of the Board of Directors and the Managers to establish, implement and maintain an internal control system and the Company has established such a system for the purpose of providing reasonable assurance regarding the effectiveness and efficiency of operations (including profitability, performance and safeguarding of assets), the reliability of reporting, timeliness, transparency and compliance with relevant regulations and compliance with relevant laws and regulations.
2. No matter how well designed, an effective internal control system can only provide reasonable assurance that the abovementioned three objectives can be achieved; moreover, the effectiveness of the internal control system may change as circumstances and situations change. However, the Company's internal control system has a self-monitoring mechanism, and the Company takes corrective action once deficiencies are identified.
3. The Company determines the effectiveness of the design and implementation of the internal control system based on the criteria for determining the effectiveness of an internal control system established in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Guidelines"). The criteria for determining the effectiveness of an internal control system are based on the management control process, which is divided into five elements: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, and 5. Monitoring operations. Each element consists of a number of items. Please refer to the "Guidelines" for the aforementioned items.
4. The Company has adopted the above determination items of the internal control system to evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the results of the preceding evaluation, the Company believes that the efficiency objectives of the Company's internal control system (including the supervision and management of subsidiaries) as of December 31, 2023, including the understanding of the effectiveness of operations and the extent have been achieved, the reporting is reliable, timely, transparent and in compliance with relevant laws and regulations, and the design and implementation of such internal control system are effective, reasonably ensuring the achievement of efficiency objectives.
6. This statement will be a main part of the Company's annual report and public statements and will be made available to the public. If any of the above information is false or concealed, it will be subject to the legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. This statement has been approved by the Company's Board of Directors on March 3, 2023, with ten directors present, no director having dissenting opinions, and all others agreeing to the contents of this statement.

North-Star International Co., Ltd.
Chairman: Chung Jia-Cun (Signature and Seal)
President: Liao Shun-Ching (Signature and Seal)

2. Accountant’s Project Review Report: None

(11) For the recent year and as of the publication date of the annual report, the Company and its internal personnel have been punished by law, and the Company’s internal personnel have been punished for violations of the internal control system, and the main deficiencies and improvements: None.

(12) Important resolutions of shareholders’ meetings and Board of Directors meetings for the recent year and as of to the publication date of the annual report.

1. 2023 Shareholders’ Meeting

(1) Time: June 23, 2023 at 10:00 a.m.

(2) Important resolutions:

Item No.	Motion	Resolution	Execution Status
1	The Company’s 2022 business report, financial statements and consolidated financial statements were proposed for approval.	At the time of voting, the total number of voting rights of shareholders present was 181,185,927, and the number of voting rights in favor was 179,835,9537 (including 1,019,245 voting rights exercised electronically), accounting for 99.25% of the total voting rights, exceeding the statutory amount. This case was voted and passed as the original proposal.	Already announced and reported to competent authorities.
2	The Company’s 2022 Annual Earnings Distribution was proposed for approval	At the time of voting, the total number of voting rights of shareholders present was 181,185,927, and the number of voting rights in favor was 179,886,954 (including 1,070,246 voting rights exercised electronically), accounting for 99.28% of the total voting rights, exceeding the statutory amount. This case was voted and passed as the original proposal.	Already processed.
3	The Company’s plan of converting capital reserve into capital increase and issuing new shares was discussed.	At the time of voting, the total number of voting rights of shareholders present was 181,185,927, and the number of voting rights was 179,888,798 (including 1,072,090 voting rights exercised electronically), accounting for 99.28% of the total voting rights, which exceeded the statutory amount. This case was voted and passed as the original proposal.	Already processed.
4	The Company’s plan of converting capital	At the time of voting, the total number of voting rights of shareholders present was	Already operated in accordance with the

	reserve into cash and issuing new shares was discussed.	181,185,927, and the number of votes in favor was 179,890,883 (including 1,074,175 voting rights exercised electronically), accounting for 99.28% of the total voting rights, exceeding the statutory amount. This case was voted and passed as the original proposal.	amended "Articles of Incorporation"

3. Important Resolutions of Board of Directors

2023/03/03
(1) The Company's 2022 business report and financial statements.
(2) Setting of the base date of capital increase by issuance of new shares for the Company's' "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.
(3) The Company's 2022 distribution of surplus.
(4) The distribution report of the Company's 2022 employees' remuneration and directors' remuneration.
(5) Proposal of the Company's transfer of capital reserve into capital increase to issue new shares.
(6) Proposal of the Company's cash allotment from capital reserve.
(7) Formulation of the Company's "Code of Conduct for Integrity".
(8) Formulation of the Company's "Code of Practice for Sustainability".
(9) Discussion of related matters of the Company's 2023 shareholders' meeting.
(10) Discussion of related matters of the shareholders' right to make proposals at general shareholders' meetings.
(11) The Company's 2022 "Assessment of the Effectiveness of Internal Control System" and "Statement of Internal Control System".
(12) Evaluation of the independence and suitability of the Company's accountants.
(13) Amendment to certain provisions of the Company's "Regulations for Financial Operations between Affiliated Companies" and change of name to "Regulations for Financial Operations between Stakeholders".
(14) Amendments to certain provisions of the Company's "Code of Corporate Governance Practices".
(15) Discussion of the Company's credit with financial institutions.

2023/05/05
(1) The Company's 2023 Q1 consolidated financial report.
(2) Setting of the base date of capital increase by issuance of new shares for the Company's' "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan
(3) The Company's investment in new subsidiary.
(4) Related matters of the subsidiary Santi Renewable Energy Co., Ltd.'s share release.
(5) The Company's real estate acquisition case.
(6) Salary and remuneration adjustment of the Company's chairman and managers.
(7) Formulation of the Company's "Directors' and Managers' Salary and Remuneration Management Procedure".
(8) Formulation of the Company's "Whistleblower's Report Channel and Protection System Operating System".
(9) Amendments to certain provisions of the Company's "Standard Operating Procedures for Processing Directors' Requests".
(10) Discussion of the Company's credit with financial institutions.

2023/05/23
(1) The Company's real estate acquisition case

2023/07/14
(1) Report on the Company's improvement of the corporate governance plan and implementation status of ESG
(2) The Company's real estate acquisition case.
(3) Discussion on the Company's land leasing.
(4) Matters related to the issue whether or not the Company's release of shares of

important subsidiaries affects the Company's continued listing on the OTC market.

(5) Proposal of negotiating joint credits with a principal amount of NT$4,750,000,000 with Bank SinoPac Co., Ltd. as the coordinating sponsor bank and the credit-granting bank syndicate of the management bank for the Company's sub-subsidiary Sanlu Energy Storage Co., Ltd. and issuing a commitment support letter again.
(6) Discussion on the Company's credit case with financial institutes.

2023/08/04 (1) Report on the Company's greenhouse gas emissions inventory and verification schedule plan.
(2) Publicity matters to avoid violations in reporting insider equity changes
(3) The Company's 2023 Q2 consolidated financial report.
(4) Setting of the base date of capital increase by issuance of new shares for the "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.
(5) Discussion on the matters related to the Company's cash dividends distribution, capital reserve allotment of cash, and transfer of capital surplus into capital increase to issue new shares on the base date
(6) Proposal of issuing a commitment support letter for the joint credit contract of a principal amount of NT$3,300,000,000 for Xin Ri Tai Electric Power Co., Ltd. and Bank SinoPac Co., Ltd. as the coordinating sponsor bank and the credit-granting bank syndicate of the management bank, and its requirements for the first supplementary contract.
(7) Discussion on the Company's credit case with financial institutes.

2023/09/08 (1) The Company's real estate acquisition case.
(2) The Company's plan of investing in a new subsidiary.
(3) Formulation of the Company's "Sustainability report preparation and verification procedures".
(4) Amendment to some of the provisions of the Company's "Employee business trip management procedure".

2023/10/06 (1) Cash capital increase of the Company's invested company, Beiji International Development Co., Ltd.
(2) The Company's real estate acquisition case.
(3) The Company's plan of investing in a new subsidiary.
(4) The Company's investment plan

2023/11/03 (1) Report on the Company's greenhouse gas inventory and verification schedule plan.
(2) Publicity matters to avoid violations in reporting insider equity changes.
(3) The Company's 2023 Q3 consolidated financial report.
(4) Setting of the base date of capital increase by issuance of new shares for the "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.
(5) Discussion on the Company's 2024 business plan.
(6) Discussion on the Company's 2024 audit plan.
(7) Discussion on the Company's Directors and Managers Year-end Bonus for 2023.
(8) The Company's plan of investing in a new subsidiary.
(9) The Company's proposal of issuing the "6th guaranteed convertible corporate

bond" and "7th unsecured convertible corporate bond" in Taiwan.
(10) Amendment to some of the provisions of the Company's "General Principles for Pre-Approval of Uncertain Service Policies".
(11) Discussion on the Company's credit case with financial institutes.
(12) The Company's superficies acquisition

2024/03/08 (1) The Company's 2023 business report and financial statements.
(2) Setting of the base date of capital increase by issuance of new shares for the "5th guaranteed convertible corporate bond" and "6th unsecured convertible corporate bond" in Taiwan.
(3) The Company's 2023 surplus distribution.
(4) Report on the Company's distribution of 2023 employees' remuneration and directors' remuneration.
(5) The Company's profit transfer to capital increase by issuance of new shares.
(6) The Company's proposal of converting capital surplus into capital increase by issuance of new shares.
(7) The Company's proposal of distributing cash by capital reserve
(8) Amendment to some provisions of the Company's "Rules for Shareholders Meetings".
(9) Formulation of the Company's "Operating Procedure of Loaning Capital Funds to Others".
(10) Amendment to some provisions of the Company's "Operating Procedure of Acquisition or Disposal of Assets".
(11) Discussion on the amendment to the Company's "Rules for Board Meetings".
(12) Discussion on matters related to convening the Company's 2024 Shareholders Meeting.
(13) Discussion on matters related to the right to accept shareholder proposals at shareholders meetings.
(14) The Company's 2023 "Assessment of Effectiveness of Internal Control System" and "Internal Control System Declaration".
(15) Amendment to some provisions of the Company's "Organizational Procedures of Audit Committee".
(16) Discussion on the amendments to the Company's "Measures for Governing Approval Rights" and "Organization System Chart".
(17) Evaluation on the independence and suitability of Company's appointed accountants.
(18) Discussion on the Company's change of accountants
(19) Amendment to some provisions of the Company's "General Principles for Pre-Approval of Uncertain Service Policies".
(20) The Company's adjustment of salary and remuneration for managers (Associated Vice Presidents).
(21) Discussion on the Company's cash capital increase for the subsidiary "Jia Yang Enterprise Co., Ltd." (hereinafter referred to as "Jia Yang Co.")
(22) Discussion on the Company's cash capital increase for the subsidiary "SanDi International Property Co., Ltd." (hereinafter referred to as "SanDi International Co.")
(23) The Company's renting gas stations.
(24) Discussion on the joint construction and sub-sale case between the Company and the builder.
(25) The Company's real estate acquisition case.

(26) Discussion on the Company's' credit case with financial institutions.

(13) For the recent year and as of the publication date of the annual report, the director or supervisor has disagreed with the Board of Directors on the adoption of important resolutions and has a written statement of the main content: No disagreement.

(14) Summary of the resignations and dismissals of the chairman, president, head of Accounting, head of Finance, head of Internal Audit, head of corporate governance and head of research and development of the Company for the recent year and as of the date of printing of the annual report: No such circumstance.

5. Information on the Fees of Certified Public Accountants

Unit: NT$ in thousands

Name of Accounting Firm	Name of Accountant	Accountant's audit period	Audit fee	Non-audit fee	Total	Remark
KPMG in Taiwan	Yu Sheng-Ho David Chen	2023/01/01 ~ 2023/12/31	3,420	1,447	4,867	Direct deduction method: 120 Review annual report: 60 Payroll check: 60 Advance fee: 87 Free distribution: 160 Affiliation Report:120 ESG report:540 Verification fee: 3420 Sustainability report: 300

The contents of non-audit fee services (such as tax certification, confirmation or other financial consulting services) shall be specified

Note 1: If the Company has changed accountant or accounting firm this year, please list the audit period separately, explain the reason for the change in the remarks column, and disclose the audit and non-audit public fees paid in order. Non-audit companies should attach a note to describe the content of its services.

(1) If the accounting firm is changed and the audit fee paid in the year of change is less than the audit fee of the year before the change, and the amount and reason of the audit fee before and after the change shall be disclosed: No such circumstance.

(2) If the audit fee has decreased by more than 15% compared with the previous year, the amount, proportion and reason of decrease of audit fee shall be disclosed: No such circumstance.

Note 2: The date of appointment of the original accountant, Huang Yung-Hua, expired on 2022/02/28 and the date of appointment of the accountant Yu Sheng-Ho started from 2022/03/01.

6. Change of accountant information: If the company has changed its accountant in the last two years and the subsequent period, the Company shall disclose the following: No such circumstance

Information of Change of Accountant

(1) About the predecessor accountant

Date of Change	2023.03.01
Reason for change and explanation	Change of accountant due to internal work restructuring of the firm.

<table>
<tr><td rowspan="3">Description on the appointee or accountant terminates or does not accept the appointment</td><td colspan="2">Related party
Situation</td><td colspan="2">Accountant</td><td>Appointee</td></tr>
<tr><td colspan="2">Proactive termination of appointment</td><td colspan="3" rowspan="2">N/A</td></tr>
<tr><td colspan="2">No longer accept (continue) appointment</td></tr>
<tr><td>Opinions and reasons for audit reports other than unreserved opinions issued within the latest two years</td><td colspan="5">None</td></tr>
<tr><td rowspan="6">Disagreement with the issuer</td><td rowspan="4">Yes</td><td colspan="2"></td><td colspan="2">Accounting principle or practice</td></tr>
<tr><td colspan="2"></td><td colspan="2">Disclosure of financial reports</td></tr>
<tr><td colspan="2"></td><td colspan="2">Audit scope or procedure</td></tr>
<tr><td colspan="2"></td><td colspan="2">Others</td></tr>
<tr><td>No</td><td colspan="4">V</td></tr>
<tr><td colspan="5">Explanation</td></tr>
<tr><td>Other disclosed matters (those that should be disclosed from Items 1-4 to 1-7 of Paragraph 6 of Article 10 of this Code)</td><td colspan="5">None</td></tr>
<tr><td>Date of Change</td><td colspan="5">2024.01.31</td></tr>
</table>

<table>
<tr><td>Reason for change and explanation</td><td colspan="4">Change of accountant due to internal work restructuring of the firm.</td></tr>
<tr><td rowspan="3">Description on the appointee or accountant terminates or does not accept the appointment</td><td colspan="2">Related party
Situation</td><td colspan="1">Accountant</td><td>Appointee</td></tr>
<tr><td colspan="2">Proactive termination of appointment</td><td colspan="2" rowspan="2">N/A</td></tr>
<tr><td colspan="2">No longer accept (continue) appointment</td></tr>
<tr><td>Opinions and reasons for audit reports other than unreserved opinions issued within the latest two years</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Disagreement with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="2">Accounting principle or practice</td></tr>
<tr><td></td><td colspan="2">Disclosure of financial reports</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>No</td><td colspan="3">V</td></tr>
<tr><td colspan="4">Explanation</td></tr>
<tr><td>Other disclosed matters (those that should be disclosed from Items 1-4 to 1-7 of Paragraph 6 of Article 10 of this Code)</td><td colspan="4">None</td></tr>
</table>

(2) About the successor accountant:

Name of accounting firm	KPMG in Taiwan
Name of accountant	Yu Sheng-Ho/David Chen
Date of appointment	2022.03.01
Matters and results of pre-appointment consultations on the accounting treatment of specific transactions or accounting principles and on possible issuance of financial reports.	None
Written opinion of successor accountant on matters disagreed by predecessor accountant.	None
Name of accounting firm	KPMG in Taiwan
Name of accountants	Yu Sheng-Ho /Lisa Lo
Date of appointment	2024.01.31
Matters and results of pre-appointment consultations on the accounting treatment of specific transactions or accounting principles and on possible issuance of financial reports.	None
Written opinion of successor accountant on matters disagreed by predecessor accountant.	None

(3) Reply letter from the previous accountant regarding the matters stipulated in Item 1 of Paragraphs 6(1) and (2)(3) of Article 10 of this guideline: Not applicable.

7. The Chairman, President, or manager in charge of financial or accounting matters of the Company did not work for the licensed accounting firm or its affiliated companies during the last year.

8. Changes in shareholding of directors, supervisors, managers and shareholders holding more than 10% of the shares and pledges for the most recent year and as of to the publication date of the annual report

(1) Change in Equity of Directors, Supervisors, Managers, and Major Shareholders

Title	Name	2022		As of April 23, 2023	
		No. of Shares held Increase (Decrease)	No. of shares pledged Increase (Decrease)	No. of Shares held Increase (Decrease)	No. of shares pledged Increase (Decrease)
Chairman	Chung Jia-Cun	2,126,597	0	0	0
Major Shareholder	Kaohsiung Bus Co., Ltd.	18,844,646	4,600,000	2,610,000	0
Director	Representative: Chung Yu-Lin	0	0	0	0
Director	Representative: Lee Tsung-Xi	0	0	0	0
Director	Representative: Liao Shun-Ching	(31,779)	0	0	0
Director	Representative: Hsieh An-Chi	73,539	0	0	0
Director	Representative: Tseng I-Nan	60,772	0	0	0
Director	Tung Cheng Investment Consulting Co., Ltd.	1,936,323	9,632,273	0	0
Independent Director	Chang Chi-Ming	(8,974)	0	0	0
Independent Director	Hou Shu-Hui	0	0	0	0
Independent Director	Tsai Chia-Yu	0	0	0	0
President	Liao Shun-Ching	(31,779)	0	0	0
Vice President	Chen Chiung-Hua	0	0	0	0
Chief Financial Officer	Han Jia-Xian	821	0	0	0
Associate Vice President, Sales	Hsu Wen-Jing	0	0	0	0

(2) The counterparty to the equity transfer is a related party: No such circumstance.

(3) The counterparty to the equity pledge is a related party: No such circumstance.

9. Information on the top ten shareholders who are spouses or relatives within the second degree of kinship with each other or consanguinity

Information on the relationship between the top ten shareholders and their respective shareholdings

April 23, 2024

Name (Note 1)	No. of shares held personally		No. of shares held by spouse and minor children		Shareholding in the name of another person		Name and relationship of the top ten shareholders who are related to each other or are spouse, second degree of kinship, etc. (Note 3)		remarks
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Name (or Name)	Relation	
Kaohsiung Bus Co., Ltd. Representative: Chung Jia-Cun	69,105,218	21.17%	0	0.00%	0	0.00%	Chung Jia-Cun	Company representative	-
Chung Jia-Cun	24,576,192	7.53%	0	0.00%	0	0.00%	Kaohsiung Bus Co., Ltd.	Company representative	-
							San Di Properties Co., Ltd.	Company representative	
							Kuai Kuai Co., Ltd.	Company representative	
Tung Cheng Investment Consulting Co., Ltd. Representative: Chung Jia-Cun	22,409,949	6.86%	0	0.00%	0	0.00%	Chung Jia-Cun	Company representative	-
Chang Jung-Hua	19,936,570	6,11%	0	0.00%	0	0.00%	-	-	
Shangfa Construction Co., Ltd. Representative: Hsieh Shun-Fa	20,214,758	6.19%	0	0.00%	0	0.00%	-	-	
San Di Properties Co., Ltd. Representative: Chung Jia-Cun	14,257,076	4.37%	0	0.00%	0	0.00%	Chung Jia-Cun	Company representative	
Formosa Oil (Asia Pacific) Co., Ltd. Representative: Tsao Ming	11,462,345	3.51%	0	0.00%	0	0.00%	-	-	
Xin Ann Enterprise Co., Ltd. Representative: Yang Li-Ying	10,040,136	3.08%	0	0.00%	0	0.00%	-	-	-
Kuai Kuai Co., Ltd. Representative: Chung Jia-Cun	9,378,029	2.87%	0	0.00%	0	0.00%	Chung Jia-Cun	Company representative	
Aixin Investment Ltd. Representative: Chung Hsin-Pei	14,852,869	4.55%	0	0.00%	0	0.00%	Chung Jia-Cun	Father/Daughter-	-

Note 1: All of the top ten shareholders shall be listed. For corporate shareholders, the names of the corporate shareholder and its representative shall be listed separately.
Note 2: The shareholding percentage is calculated according to the shareholding percentage of shares under the name of the shareholder, spouse, and minor children or under the name of others.
Note 3: The shareholders listed in the preceding paragraph include both legal and natural persons, and the relationship between them shall be disclosed in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers.

10. The number of shares held by the Company, the Company's directors, managers and businesses directly or indirectly controlled by the Company in the same reinvestment business are aggregated and calculated as the consolidated shareholding percentage Unit: Shares; %

Reinvestment business	Investment by the Company		Investment by directors, supervisors, managers and directly or indirectly controlled companies		Comprehensive investment	
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %
Nstar Energy Corporation	7,000,000	100.00	0	0	7,000,000	100.00
Beiji International Development Co., Ltd.	16,640,000	52.00	0	0	14,700,000	52.00
Zhonghua Prince Gas Station Co., Ltd.	26,000,000	100.00	0	0	26,000,000	100.00
Santi Renewable Energy Co., Ltd. (Former San Lu Development Co., Ltd.)	221,000,000	68.00	0	0	321,000,000	68.00
Jin Shi Hu Hotel Co., Ltd.	2,550,000	51.00	0	0	2,550,000	51.00
Yankee Co., Ltd.	7,500,000	50.00	0	0	7,500,000	50.00
Yingguang Enterprise Co., Ltd.	3,000,000	100.00	0	0	3,000,000	100.00
Jia Yang Enterprise Co., Ltd.	1,000,000	100.00	0	0	1,000,000	100.00
SanDi Properties Co., Ltd.	5,000,000	100.00	0	0	5,000,000	100.00
He Fong Energy Co., Ltd.	0	0	27,415,000	51.00	27,415,000	51.00
Chia Hsin Energy Co., Ltd.	0	0	18,600,000	100.00	18,600,000	100.00
Yao Gu Energy Co., Ltd.	0	0	5,600,000	100.00	5,600,000	100.00
Santi Monster Electric Power Co., Ltd.	0	0	100,000	100.00	100,000	100.00
Green Free Energy Co., Ltd.	0	0	8,000,000	100.00	8,000,000	100.00

Cathy Sunrise Electric Power One Co., Ltd.	0	0	102,585,000	100.00	102,585,000	100.00
Tail Electric Power Co., Ltd.	0	0	16,100,000	100.00	16,100,000	100.00
Sheng Yang Engineering Co., Ltd.	0	0	6,200,000	100.00	6,200,000	100.00
Mole Electric Power Co., Ltd.	0	0	200,000	100.00	200,000	100.00
Junhe Energy Co., Ltd.	0	0	4,400,000	100.00	4,400,000	100.00
Heng Fong Energy Co., Ltd.	0	0	105,050,000	51.00	105,050,000	51.00
Wo Yang Energy Co., Ltd.	0	0	450,000	100.00	450,000	100.00
Sensi Energy Co., Ltd.	0	0	4,100,000	100.00	4,100,000	100.00
Chia Yuan Optronics Co., Ltd.	0	0	800,000	100.00	800,000	100.00
Chia Rui Optronics Co., Ltd.	0	0	1,300,000	100.00	1,300,000	100.00
Hong Tu Energy Co., Ltd.	0	0	450,000	100.00	450,000	100.00
Huan Chuang Electric Co., Ltd.	0	0	3,000,000	100.00	3,000,000	100.00
Tesin Energy Co., Ltd.	0	0	4,210,000	100.00	4,210,000	100.00
Gu Ning Energy Co., Ltd.	0	0	510,000	100.00	510,000	100.00
Si Cheng Energy Co., Ltd.	0	0	10,000	100.00	10,000	100.00
Chang Yong Engineering Co., Ltd.	0	0	10,000	100.00	10,000	100.00
Billion Mega Energy Storage Technologies Inc.	0	0	6,200,000	100.00	6,200,000	100.00
Hsin Ri Tai Engery Co., Ltd.	0	0	30,600,000	51.00	30,600,000	51.00
Bao Shun Energy Co., Ltd.	0	0	400,000	100.00	400,000	100.00
Sanlu Energy Storage Co., Ltd.	0	0	205,557,800	100.00	205,557,800	100.00

Note: It refers to the investment made by the Company using the equity method.

IV. Capital Raising Overview

1. Capital and Shares

(1) Capital Sources

Unit: shares; April 23, 2023

Month.Year	Issue Price	Approved Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Share Capital Source	Offset share capital by property other than cash	Other
December 1996	10	65,000,000	650,000,000	53,971,580	539,715,800	Transfer of surplus into capital increase of $39,515,800	None	Note 1
August 1997	10	65,000,000	650,000,000	65,000,000	650,000,000	Transfer of surplus into capital increase of $41,558,110 Capital increase of $68,726,090 in cash.	None	Note 2
February 1999	10	76,000,000	760,000,000	70,200,000	702,000,000	Transfer of surplus into capital increase of $50,700,000. Transfer of capital surplus into capital increase of $1,300,000.	None	Note 3
December 1999	10	83,000,000	830,000,000	83,000,000	830,000,000	Transfer of surplus into capital increase of $28,290,600 Transfer of capital surplus into capital increase Of $12,425,400. Capital increase of $87,284,000 in cash.	None	Note 4
December 2000	10	95,400,000	954,000,000	86,154,000	861,540,000	Transfer of surplus into capital increase of $31,540,000	None	Note 5
July 2001	3	86,154,000	861,540,000	86,154,000	861,540,000	-		Note 6
July 2005	10	88,738,620	887,386,200	88,738,620	887,386,200	Transfer of surplus into capital increase of $17,230,800. Transfer of capital surplus into capital increase of $8,615,400.	None	Note 7
July 2008	10	200,000,000	2,000,000,000	90,957,085	909,570,850	Transfer of surplus into capital increase of $22,184,650.	None	Note 8
January 2010	10	200,000,000	2,000,000,000	100,932,044	1,009,320,440	Conversion of guaranteed corporate bonds into new issued shares		Note 9
April 2010	10	200,000,000	2,000,000,000	104,748,665	1,047,486,650			
August 2010	10	200,000,000	2,000,000,000	105,806,991	1,058,069,910		None	

September 2010	10	200,000,000	2,000,000,000	109,455,918	1,084,559,180	Transfer of surplus into capital increase of $26,489,270	None	Note 10
October 2010	10	200,000,000	2,000,000,000	109,609,011	1,086,090,110	Conversion of guaranteed corporate bonds into new issued shares		Note 9
February 2011	10	200,000,000	2,000,000,000	110,226,931	1,102,269,310		None	Note 11
October 2011	10	200,000,000	2,000,000,000	112,982,604	1,129,826,040	Transfer of capital surplus into capital increase $27,556,730	None	Note 12
May 2012	10	200,000,000	2,000,000,000	113,078,389	1,130,783,890	Conversion of guaranteed corporate bonds into new issued shares	None	
August 2012	10	200,000,000	2,000,000,000	117,258,745	1,172,587,450	Transfer of surplus into capital increase of $41,803,560	None	Note 13
October 2013	10	200,000,000	2,000,000,000	119,486,661	1,194,866,610	transfer of capital surplus into capital increase of $22,279,160	None	Note 14
May 2014	10	200,000,000	2,000,000,000	114,560,661	1,145,606,610	Buy back treasury stocks of $49,260,000	None	
September 2014	10	200,000,000	2,000,000,000	117,140,066	1,171,400,660	Conversion of guaranteed corporate bonds into new issued shares	None	Note 15
December 2014	10	200,000,000	2,000,000,000	131,833,166	1,318,331,660	Conversion of guaranteed corporate bonds into new issued shares	None	Note 15
July 2015	10	200,000,000	2,000,000,000	161,833,166	1,618,331,660	Private placement	None	Note 16
January 2016	10	200,000,000	2,000,000,000	191,833,166	1,918,331,660	Private placement	None	Note 17
May 2021	10	300,000,000	3,000,000,000	197,966,242	1,979,662,420	Conversion of guaranteed corporate bonds into new issued shares	None	Note 18
August 2021	10	300,000,000	3,000,000,000	205,078,402	2,050,784,020	Conversion of guaranteed corporate bonds into new issued shares	None	Note 19
November 2021	10	300,000,000	3,000,000,000	206,237,765	2,062,377,650	Conversion of guaranteed corporate bonds into new issued shares	None	Note 20
January 2022	10	300,000,000	3,000,000,000	246,237,765	2,462,377,650	Capital increase of $400,000,000 in cash	None	Note 21

April 2022	10	300,000,000	3,000,000,000	246,604,251	2,466,042,510	Conversion of guaranteed corporate bonds into new issued shares	None	Note 22
June 2022	10	300,000,000	3,000,000,000	247,687,273	2,476,872,730	Conversion of guaranteed corporate bonds into new issued shares	None	Note 23
July 2022	10	880,000,000	8,800,000,000	247,687,273	2,476,872,730	Amendment to articles of association to revise approved share capital.	None	Note 24
August 2022	10	880,000,000	8,800,000,000	250,862,026	2,508,620,260	Conversion of guaranteed corporate bonds into new issued shares	None	Note 25
October 2022	10	880,000,000	8,800,000,000	272,388,410	2,723,884,100	Conversion of guaranteed corporate bonds into new issued shares	None	Note 26
November 2022	10	880,000,000	8,800,000,000	275,023,357	2,750,233,570	Conversion of guaranteed corporate bonds into new issued shares	None	Note 27
March 2023	10	880,000,000	8,800,000,000	279,272,945	2,792,729,450	Conversion of guaranteed corporate bonds into new issued shares	None	Note 28
May 2023	10	880,000,000	8,800,000,000	287,288,149	2,872,881,490	Conversion of guaranteed corporate bonds into new issued shares	None	Note 29
August 2023	10	880,000,000	8,800,000,000	291,365,406	2,913,654,060	Conversion of guaranteed corporate bonds into new issued shares	None	Note 30
October 2023	10	880,000,000	8,800,000,000	319,400,454	3,194,004,540	Conversion of surplus into capital increase by issuance of new shares	None	Note 31
December 2023	10	880,000,000	8,800,000,000	326,308,930	3,263,089,300	Conversion of guaranteed corporate bonds into new issued shares	None	Note 32
April 2024	10	880,000,000	8,800,000,000	326,441,924	3,264,419,240	Conversion of guaranteed corporate bonds into new issued shares	None	Note 33

Note 1: Approved as per Letter (85) Tai Cai Zheng (1) No. 72768 of Securities and Futures Institute on 1996.12.13.

Note 2: Approved as per Letter (86) Tai Cai Zheng (1) No. 50653 of Securities and Futures Institute on 1997.06.25

Note 3: Approved as per Letter (87) Tai Cai Zheng (1) No. 107418 of Securities and Futures Institute on1998.12.29

Note 4: Approved as per Letter (88) Tai Cai Zheng (1) Nos. 87440 and 87441of Securities and Futures Institute on 1999.10.05
Note 5: Approved as per Letter (89) Tai Cai Zheng (1) No. 89286 of Securities and Futures Institute on 2000.10.31.
Note 6: Approved as per Letter (90) Shang Zi No. 09001244630 of Ministry of Economic Affairs on 2001.07.03.
Note 7: Approved as per Letter Jing Guan Zheng Yi Zi No. 0940128292 of Financial Supervisory Commission of Executive Yuan on 2005.07.13.
Note 8: Approved as per Letter Jing Guan Zheng Yi Zi No. 0970032604 of Financial Supervisory Commission of Executive Yuan on 2008.07.09.
Note 9: Approved as per Letter Jing Guan Zheng Fa Zi No. 0990036810 of Financial Supervisory Commission of Executive Yuan on 2009.10.08.
Note 10: Approved as per Letter Jing Guan Zheng Fa Zi No. 0990036810 of Financial Supervisory Commission of Executive Yuan on 2010.07.15.
Note 11: Approved as per Letter Jing Guan Zheng Fa Zi No. 0990044948 of Financial Supervisory Commission of Executive Yuan on 2010.09.01.
Note 12: Approved as per Letter Jing Guan Zheng Fa Zi No. 1000035484 of Financial Supervisory Commission of Executive Yuan on 2011.29.
Note 13: Approved as per Letter Jing Guan Zheng Fa Zi No. 1010028833 of Financial Supervisory Commission of Executive Yuan on 2012.06.29.
Note 14: Approved as per Letter Jing Guan Zheng Fa Zi No. 1020029793 of Financial Supervisory Commission of Executive Yuan on 2013.07.31.
Note 15: Approved as per Letter Jing Guan Zheng Fa Zi No. 1010056357 of Financial Supervisory Commission of Executive Yuan on 2012.12.17.
Note 16: Approved as per Letter Jing Guan Zheng Fa Zi No. 10401147240 of Financial Supervisory Commission of Executive Yuan on 2015.07.23.
Note 17: Approved as per Letter Jing Guan Zheng Fa Zi No. 10501000770 of Financial Supervisory Commission of Executive Yuan on 2016.01.08.
Note 18: Approved as per Letter Jing Guan Zheng Fa Zi No. 11001060610 of Financial Supervisory Commission of Executive Yuan on 2021.
Note 19: Approved as per Letter Jing Guan Zheng Fa Zi No. 11001151850 of Financial Supervisory Commission of Executive Yuan on 2021.09.23.
Note 20: Approved as per Letter Jing Guan Zheng Fa Zi No. 11001220640 of Financial Supervisory Commission of Executive Yuan on 2021.12.02.
Note 21: Approved as per Letter Jing Guan Zheng Fa Zi No. 11001240850 of Financial Supervisory Commission of Executive Yuan on 2022.
Note 22: Approved as per Letter Jing Guan Zheng Fa Zi No. 11001053560 of Financial Supervisory Commission of Executive Yuan on 2022.04.20.
Note 23: Approved as per Letter Jing Gan Zheng Fa Zi No. 11101091390 of Financial Supervisory Commission of Executive Yuan on 2022.06.06.
Note 24: Approved as per Letter Jing Guan Zheng Fa Zi No. 11101124930 of Financial Supervisory Commission of Executive Yuan on 2022.07.15.
Note 25: Approved as per Letter Jing Guan Zheng Fa Zi No. 11101162850 of Financial Supervisory Commission of Executive Yuan on 2022.08.22.
Note 26: Approved as per Letter Jing Guan Zheng Fa Zi No. 11101192430 of Financial Supervisory Commission of Executive Yuan on 2022.10.13.
Note 27: Approved as per Letter Jing Guan Zheng Fa Zi No. 11101223720 of Financial Supervisory Commission of Executive Yuan on 2022.11.29.
Note 28: Approved as per Letter Jing Guan Zheng Fa Zi No. 11230042910 of Financial Supervisory Commission of Executive Yuan on 2023.03.27.
Note 29: Approved as per Letter Jing Guan Zheng Fa Zi No. 11230088780 of Financial Supervisory Commission of Executive Yuan on 2023.05.25.
Note 30: Approved as per Letter Jing Guan Zheng Fa Zi No. 11230164850 of Financial Supervisory Commission of Executive Yuan on 2023. 08.21.
Note 31: Approved as per Letter Jing Guan Zheng Fa Zi No. 11230184400 of Financial Supervisory Commission of Executive Yuan on 2023. 10.11.
Note 32: Approved as per Letter Jing Guan Zheng Fa Zi No. 11230221520 of Financial Supervisory Commission of Executive Yuan on 2023. 12.01.
Note 33: Approved as per Letter Jing Guan Zheng Fa Zi No. 11330049730 of Financial Supervisory Commission of Executive Yuan on 2024. 04.01.

Shares Type	Approved Share Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Registered common shares	326,441,924	553,558,076	880,000,000	Over-the-counter shares including private placement of 60 million shares

Information about the comprehensive reporting system: None.

(2) Structure of Shareholders

April 23, 2024

Structure of Shareholders / Quantity	Government agencies	Financial institutes	Other legal persons	Individuals	Foreign institutions and foreigners	Total
No. of persons	0	7	171	16,920	42	17,140
No. of shares held	0	225,691	176,292,802	145,447,386	4,479,639	326,445,518
Shareholding %	0	0.07%	54%	44.55%	1.38%	100%

(3) Diversification of Shareholdings

April 23, 2024

Shareholding class	No. of shareholders	No. of shares held	Shareholding %
1 to 999	13,941	360,696	0.11%
1,000 to 5,000	2,071	4,157,842	1.27%
5,001 to 10,000	369	2,779,908	0.85%
10,001 to 15,000	174	2,172,422	0.67
15,001 to 20,000	110	1,955,106	0.60%
20,001 to 30,000	98	2,447,035	0.75%
30,001 to 40,000	107	4,238,901	1.30%
40,001 to 50,000	92	6,539,379	2.00%
50,001 to 100,000	64	8,572,629	2.63%
100,001 to 200,000	44	12,724,424	3.90%
200,001 to 400,000	21	10,243,379	3.14%
400,001 to 600,000	14	9,730,327	2.98%
600,001 to 800,000	4	3,422,776	1.05%
800,001 to 1,000,000	31	257,100,694	78.76%
More than 1,000,001	17,140	326,445,518	100%
Total	13,941	360,696	0.11%

Special Stock

April 23, 2024

Shareholding class	No. of shareholders	No. of shares held	Shareholding %
Self-grading according to actual situation	0	0	0
Total	0	0	0

(4) Namelist of Major Shareholders:

Name, amount and percentage of shareholding of the top 10 shareholders with 5% or more of shareholding:

April 23, 2024

Stock / Name of major shareholders	No. of shared held	Shareholding (%)
Kaohsiung Bus Co., Ltd.	69,105,218	21.17%
Chung Jia-Cun	24,576,192	7.53%
Tung Cheng Investment Consulting Co., Ltd.	22,409,949	6.86%
Chang Jung-Hua	19,936,570	6.11%
Shangfa Construction Co., Ltd.	20,214,758	6.19%
San Di Properties Co., Ltd.	14,257,076	4.37%
Formosa Oil (Asia Pacific) Co., Ltd.	11,462,345	3.51%
Xin Ann Enterprise Co., Ltd.	10,040,136	3.08%
Kuai Kuai Co., Ltd.	9,378,029	2.87%
Ai Xin Investment Enterprise, Co., Ltd.	14,852,869	4.55%
Total of top 10 Shareholders	216,233,142	66.24%

(5) Stock price, net worth, earnings, dividends per share and related information for the last two years

Unit: NT$ in thousands/shares in thousands

Item \ Year			2022	2023
Market price per share (Note 1)	Highest		42.40	65.3
	Lowest		30.60	34.7
	Average		36.98	50.1
Net value per share (Note 2)	Before distribution		14.41	16.38
	After distribution		12.13	Not distributed yet
Earnings per share	Weighted average number of shares		300,001	318,409
	EPS (Note 3)	Before retrospective adjustment	0.48	0.44
		Before retrospective adjustment	0.35	Not distributed yet
Dividend per share	Cash dividend		0.662	Not distributed yet
	Free allotment	Surplus allotment	0	—
		Capital Fund Allotment	0.946	—
	Accumulated unpaid dividends (Note 4)		0	—
ROI Analysis	Price to earnings ratio (Note 5)		105.66	NA
	Price to dividend ratio (Note 6)		55.86	—
	Cash dividend yield (Note 7)		1.79%	—

* In the event of an allotment of shares by way of surplus or transfer of capital surplus into capital increase, information on the market price and cash dividends retroactively adjusted for the number of shares issued shall be disclosed.

Note 1: The highest and lowest market prices of common stock for each year are listed, and the average market price for each year is calculated based on the value and volume of transactions for each year.

Note 2: Please use the number of outstanding shares at the end of the year as the basis for the distribution resolved by the Board of Directors or the shareholders' meeting of the following year.

Note 3: If there is a retroactive adjustment due to a free tock allotment, etc., the earnings per share before and after the adjustment shall be listed.

Note 4: If the issuance conditions of equity securities stipulate that undistributed dividends in the current year may be accumulated to be distributed in a surplus year, the accumulated unpaid dividends as of the current year shall be disclosed separately.

Note 5: Price to earnings (P/E) ratio=Average closing price per share for the current year/Earnings per share.

Note 6: Price-to-dividend (P/D) ratio = Average closing price per share for the year / Cash dividends per share.

Note 7: Cash dividend yield = Cash dividend per share / Average closing price per share for the year.

Note 8: The net value per share and earnings per share shall be presented in the information of the most recent quarterly audit by a certified public accountant as of the publication date of the annual report; the remaining columns shall be presented for the current year as of the publication date of the annual report.

(6) Company's Dividend Policy and Implementation Status

1. Dividend Policy

If the Company makes a profit in a year, the Company shall contribute not less than 1% of the profit to the employees' remuneration, which shall be distributed in stock or cash as determined by the Board of Directors, to the employees of the Company who meet certain criteria; the Company may contribute not more than 3% of the profit as determined by the resolution of the Board of Directors to the remuneration of directors and supervisors. The proposal of the distribution of profit to the remuneration of the board members, and the remuneration of directors and supervisors shall be submitted to the shareholders' meeting report.

However, if the Company still has accumulated losses, the Company shall retain the amount of compensation for the losses in advance, and then allocate the remuneration to employees and directors and supervisors in proportion to the aforementioned amount.

If there is any surplus in the annual financial statements, the Company shall first make a tax payment to cover past losses and secondly set aside 10% as statuary surplus reserve, but if statutory surplus reserve has reached the Company's paid-in capital, it may not be set aside, and a special reserve may be set aside depending on the Company's operating needs and legal regulations. The Board of Directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for a resolution to distribute dividends to shareholders.

The Company's dividend policy is to allocate no less than 50% of its available earnings to shareholders each year in accordance with its current and future development plans, taking into account the investment environment, capital requirements, domestic and international competition, and the interests of shareholders. When distributing dividends to shareholders, it can be done in the form of cash or stocks, of which cash dividends shall not be less than 20% of the total dividends

2. Proposed dividend distribution at the shareholders' meeting this time:

The Board of Directors resolved on March 8, 2024 to distribute cash dividends of NT$0.1 per share and cash for capital reserve of NT$0.6 per share to shareholders this year. The dividend is expected to be distributed in cash at 30 shares for every 1,000 shares free of charge and the capital reserve for is expected to be distributed in cash at 100 shares for every 1,000 shares free of charge. If there is any subsequent change in the Company's share capital that affects the number of outstanding shares, the Board of Directors will be authorized to handle the change in the dividend distribution rate in accordance with the Company Act or other relevant laws and regulations. This dividend distribution has not been approved by the shareholders' meeting yet.

(7) The effect of the proposed gratis allotment of shares at the shareholders' meeting this time on the Company's operating results and earnings per share:

The Company has no gratis allotment of shares this time. Based on the number of 326,441,924 issued and outstanding shares, the Company's dilution ratio is 9.89%, and the dilution is limited. The gratis allotment of shares will not have a significant impact on operating performance and earnings per share.

(8) Remuneration of employees and directors:

1. The percentage or range of remunerations for employees, directors and supervisors as stated in the articles of incorporation.
   (1) Employees' bonuses shall not be less than 1%.
   (2) Director, Supervisor's remuneration shall not exceed 3%.
2. The estimated amount of remunerations for employees and directors is based on the number of shares distributed to employees and the accounting processing if the actual distribution differs from the estimated amount.
   The bonuses to employees and remuneration to directors and supervisors of the Company after January 1, 2008 (inclusive) are estimated in accordance with the regulations as specified in the Accounting Research and Development Foundation Interpretation (96) Ji Mi Zi Letter No. 052, and the amounts of bonuses to employees and remunerations to directors are accounted for as operating costs or operating expenses based on the nature of the bonuses to employees and remuneration to directors.
3. Information on the Board of Directors' approval of the distribution of remunerations.
   (1) Employees' remuneration and directors' remuneration distributed in cash or stock.
   The Board of Directors resolved on March 8, 2024 to distribute NT$1,448,588 to employees and NT$4,326,064 to directors for the year:
   (2) The amount of employee's remuneration distributed in stock and its proportion to the total amount of net income after tax and employees' remuneration in the individual or individual financial reports: N/A.
4. The actual allotment of remuneration to employees, directors and supervisors in the previous year (including the number of shares distributed, the amount and the price of shares), and the difference between the allotment and the recognition of remunerations to employees, directors and supervisors, as well as the reasons for the difference and the handling of the situation shall be stated.
   In 2022, the Company allotted the remuneration of NT$5,789,117 to employees, directors and independent directors (NT$1,447,279 allotted to employees, and NT$4,341,838 allotted to directors and supervisors). The actual remunerations of NT$5,789,117 were allotted to employees, director and supervisors (NT$1,447,279 allotted to employees and NT$4,341,838 allotted to directors and supervisors), with no discrepancy.

(9) Buyback of the Company's shares: None.

2. Handling of Corporate Bonds:

1. Report on the implementation of the 5th guaranteed convertible corporate bond and the 6th unsecured convertible corporate bond in Taiwan

Type of corporate bonds	Conversion of the 5th guaranteed convertible corporate bond in Taiwan	Conversion of the 6th unsecured convertible corporate bond in Taiwan
Issuance (handling) date	2020.12.23	2021.12.10
Amount	NT$100,000	NT$100,000
Issuance and trading venue (Note 3)	R.O.C.	R.O.C.
Issuance price	NT$102	NT$100
Total amount	NT$600 million	NT$300 million
Interest rate	Annual interest rate 0%	Annual interest rate 0%
Term	Five-year term, due date: 2025.12.23	Three-year term, due date 2024.12.10
Guarantee Organization	Taiwan Cooperative Bank, Co., Ltd.	Taiwan Cooperative Bank, Co., Ltd.
Consignee	Taipei Fubon Commercial Bank Co., Ltd.	Bank SinoPac, Co., Ltd.
Underwriter	Taiwan Cooperative Bank, Co., Ltd.	Taiwan Cooperative Bank, Co., Ltd.
Signing counsel	Far East Law Offices Lawyer: Chiu Ya-Wen	Far East Law Offices Lawyer: Chiu Ya-Wen
Certified accountants	KPMG in Taiwan, Accountants: Huang Yung-Hua and David Chen	KPMG in Taiwan, Accountants: Huang Yung-Hua and David Chen
Repayment method	Except for the conversion of the Company's common stock in accordance with Article 10 of the Rules Governing the Trading of Convertible Corporate Bonds, or the Company's early redemption in accordance with Article 18 of these Rules or the exercise of the right of sale in accordance with Article 19 of these Rules, or the Company's repurchase and cancellation by the securities dealer's office, the Company shall repay the bonds held by the bondholders in a lump sum of cash at the face value of the bonds at the maturity of the convertible corporate bonds.	Except for the conversion of the Company's common stock in accordance with Article 10 of the Rules Governing the Trading of Convertible Corporate Bonds, or the Company's early redemption in accordance with Article 18 of these Rules or the exercise of the right of sale in accordance with Article 19 of these Rules, the Company will repay the convertible corporate bond held by the bondholders in cash at 100.7519% of the face value of the bond (0.25% real rate of return) within seven business days from the day after the maturity of the convertible corporate bond.
Outstanding principal	NT$5,400,000	NT$1,400,000
Terms for redemption or early settlement	Refer to Article 18 of the Rules Governing the Trading of Convertible Corporate Bonds.	Refer to Article 18 of the Rules Governing the Trading of Convertible Corporate Bonds.
Restricted terms (Note 4)	None	None
Name of credit rating agency, rating date, and rating result of corporate bonds	N/A	N/A
Other attached rights: Amount of common stocks, overseas depositary receipts or other marketable securities converted (exchanged or subscribed) as of the publication date of the annual report	Converted common stocks of 35 402,489 shares (as of the closing date of April 23, 2024)	Converted common stocks of 9,644,837 shares (as of the closing date of April 23, 2024)

	Issuance and conversion (exchange or share subscription) method	See Page 105 of the information of the Company's 5th guaranteed convertible corporate bond in Taiwan.	See Page 125 of the information of the Company's 6th unsecured convertible corporate bond in Taiwan.
Issuance and conversion, exchange or subscription method, possible dilution of shareholdings under the terms of the issue and effect on existing shareholders' equity		The Company issued the 5th guaranteed convertible corporate bond of NT$600,000,000 in Taiwan, with an outstanding principal amount of NT$5,400,000, at a conversion price of NT$14.05, convertible into 384,341 shares of the Company's common stock. Based on the 326,441,924 shares issued and outstanding and the estimated number of convertible shares, the dilution ratio is 0.11%, which is limited. The issuance of corporate bonds does not have a significant impact on shareholders' equity as the convertible bonds are usually converted to common stock gradually and the dilution of equity is not immediate. The issuance of corporate bonds does not yet have a material impact on shareholders' equity.	The Company issued the 6th unsecured convertible corporate bond of NT$300,000,000 in Taiwan, with an outstanding principal amount of NT$1,400,000, at a conversion price of NT$27.82, which is convertible into 50,323 shares of the Company's common stock. Based on the number of issued and outstanding shares of the Company of 326,441,924 shares plus the estimated number of convertible shares, the dilution ratio is 0.01%, which is limited and the conversion bond holders usually convert to common shares gradually, so the dilution is not immediate. The issuance of corporate bonds does not yet have a material impact on shareholders' equity.
Name of the custodian entrusted with the exchange of the subject		None	None

2. 2022 First and Second General Corporate Bond Performance Reports in Taiwan

To repay loans from financial institutions, invest in subsidiaries and increase working capital, the Company plans to issue common corporate bonds with a maximum face value of NT$3.8 billion, and may authorize the Chairman to issue the bonds in one or several installments within one year, depending on market conditions, as follows.

Type of corporate bonds	2022 First guaranteed general corporate bond	2022 Second guaranteed general corporate bond
Approval date	2022.06.08	2022.09.15
Issue date	2022.06.14 to 2027.06.13	2022.09.22 to 2027.09.21
Total issue amount	NT$500 million	NT$700 million
Par value	NT$1 million	(same as the left)
Issue price	Issued in full by face value	(same as the left)
Issue period	The issue period of the corporate bonds is five years, from 2022.06.14 to 2027.06.13	The issue period of the corporate bonds is five years, from 2022.09.22 to 2027.09.21.
Coupon rate	fixed annual interest rate 1.95%	fixed annual interest rate 1.8%
Principal and interest repayment method	The corporate bonds are repayable in a lump sum at maturity. Interest is payable annually at simple interest rate from the issue date.	(same as the left)
Guarantee method	The guarantee of corporate bonds is executed by Hua Nan Commercial	(same as the left)

	Bank, Co., Ltd. in accordance with the appointment guarantee contract.	
Underwriting Method	Underwriting is entrusted to the brokerage firm in the form of negotiated sales to the public.	(same as the left)
Underwriter or distributor	Taiwan Cooperative Securities, Co., Ltd.	(same as the left)
Trustees	Taipei Fubon Bank, Co., Ltd.	(same as the left)
Principal repayment Agent	Hua Nan Commercial Bank, Co., Ltd. (Xinxing Branch) is entrusted to act as the agent for the repayment of principal and interest, and to handle the transfer of principal and interest of the corporate bonds in accordance with the namelist of all securities owners provided by Taiwan Depository & Clearing Corporation. The principal repayment agent will prepare and send a withholding voucher to the bond owners.	(same as the left)

3. Report on the Implementation of the 7th Guaranteed Convertible Corporate Bonds and the 8th Unsecured Convertible Corporate Bonds in Taiwan

Types of Corporate Bonds	7th Guaranteed Convertible Corporate Bond in Taiwan	8th Unsecured Convertible Corporate Bond in Taiwan
Issuance (handling) date	The issuance date will be determined upon the effective application of this case.	The issuance date will be determined upon the effective application of this case.
Amount	NT$100,000	NT$100,000
Issuance and trading venue (Note 3)	R.O.C.	R.O.C.
Issuance price	Issued at a face value no less thanNT$104	Issued in full face value
Total amount	NT$590 million	NT$500 million
Interest rate	Annual interest rate 0%	Annual interest rate 0%
Term	Three-year term	Three-year term
Guarantee Organization	Taiwan Cooperative Bank, Co., Ltd.	Taiwan Cooperative Bank, Co., Ltd.
Consignee	Bank SinoPac, Co., Ltd..	Bank SinoPac, Co., Ltd.
Underwriter	Taiwan Cooperative Bank, Co., Ltd.	Taiwan Cooperative Bank, Co., Ltd.

<table>
<tr><td colspan="2">Signing counsel</td><td>Far East Law Offices
Lawyer: Chiu Ya-Wen</td><td>Far East Law Offices
Lawyer: Chiu Ya-Wen</td></tr>
<tr><td colspan="2">Certified accountants</td><td>KPMG in Taiwan, Accountants:
Yu Sheng-Ho and Lisa Lo</td><td>KPMG in Taiwan, Accountants:
Yu Sheng-Ho and Lisa Lo</td></tr>
<tr><td colspan="2">Repayment method</td><td>Except for the conversion of the Company’s common stock in accordance with Article 10 of the Rules Governing the Trading of Convertible Corporate Bonds, or the Company’s early redemption in accordance with Article 18 of these Rules or the Company repurchase the bonds from the securities dealer’s office for cancellation, the Company shall repay the bondholders in a lump sum of cash at a rate of 101.5075% of the face value of the bonds (with an effective yield rate of 0.5%) within seven business days from the day following the maturity date of the convertible corporate bonds.</td><td>Except for the conversion of the Company’s common stock in accordance with Article 10 of the Rules Governing the Trading of Convertible Corporate Bonds, or the Company’s early redemption in accordance with Article 18 of these Rules or the exercise of the right of sale in accordance with Article 19 of these Rules, the Company shall repay the convertible corporate bond held by the bondholders the bondholders in a lump sum of cash at a rate of 101.5075% of the face value of the bonds (with an effective yield rate of 0.5%) within seven business days from the day following the maturity date of the convertible corporate bonds.</td></tr>
<tr><td colspan="2">Outstanding principal</td><td>None</td><td>None</td></tr>
<tr><td colspan="2">Terms for redemption or early settlement</td><td>Refer to Article 18 of the Rules Governing the Trading of Convertible Corporate Bonds.</td><td>Refer to Article 18 of the Rules Governing the Trading of Convertible Corporate Bonds.</td></tr>
<tr><td colspan="2">Restricted terms (Note 4)</td><td>None</td><td>None</td></tr>
<tr><td colspan="2">Name of credit rating agency, rating date, and rating result of corporate bonds</td><td>N/A</td><td>N/A</td></tr>
<tr><td rowspan="2">Other attached rights</td><td>Amount of common stocks, overseas depositary receipts or other marketable securities converted (exchanged or subscribed) as of the publication date of the annual report</td><td>None</td><td>None</td></tr>
<tr><td>Issuance and conversion (exchange or share subscription) method</td><td>See the Company's Public Prospectus for the 7th Guaranteed Convertible Corporate Bonds in Taiwan.</td><td>See the Company's Public Prospectus for the 8th Unsecured Convertible Corporate Bonds in Taiwan.</td></tr>
<tr><td colspan="2">Issuance and conversion, exchange or subscription method, possible dilution of shareholdings under the terms of the issue and effect on existing shareholders’</td><td>The issue amount is NT$590 million. Based on the Company's current 326,441,924 issued and outstanding shares plus the estimated number of</td><td>The issue amount is NT$500 million. Based on the Company's current 326,441,924 issued and outstanding shares plus the estimated number of convertible shares, the extent of</td></tr>
</table>

equity	convertible shares, the extent of dilution is limited. The issuance of corporate bonds does not have a significant impact on shareholders' equity as the convertible bonds are usually converted to common stock gradually and the dilution of equity is not immediate. The issuance of corporate bonds does not yet have a material impact on shareholders' equity.	dilution is limited. The issuance of corporate bonds does not have a significant impact on shareholders' equity as the convertible bonds are usually converted to common stock gradually and the dilution of equity is not immediate. The issuance of corporate bonds does not yet have a material impact on shareholders' equity.
Name of the custodian entrusted with the exchange of the subject	None	None

Information of Convertible Corporate Bonds

Type of Corporate Bonds		5th guaranteed convertible corporate bond in Taiwan			6th unsecured convertible corporate bond in Taiwan		
Item \ Year		2022	2023	Current year to April 23, 2024	2022	2023	Current year to April 23, 2024
Price of convertible corporate bond	Highest	243.00	458.00	458	126.30	214.00	220
	Lowest	190.00	376.00	376	101.05	176.00	200
	Average	217.72	416.00	416	108.90	195.50	180
Conversion price		17.19	15.59	14.05	14.05	30.86	27.82
Issue (handling) date and conversion price at issuance		2021.12.10 Issued/NT$100.00				2022.12.10 Issued/NT$100.00	
Conversion obligation fulfillment method.		Delivered by issuing new shares				Delivered by issuing new shares	

3. Handling Special Shares: None
4. Overseas Depositary Receipts: None.
5. Employee stock options: None.
6. Restricted employee rights: None
7. Mergers and acquisitions or transfer of shares of other companies: None.
8. Capital utilization plan implementation: None.

V. Operation Overview

1. Business Activities

(1) Scope of business

1. Major scopes of business

1. CA02010 Manufacture of Metal Structure and Architectural Components.
2. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy Industry.
3. E50201 Fuel Catheter Installation Engineering.
4. E599010 Piping Engineering.
5. E601020 Electric Appliance Installation.
6. E603010 Cable Installation Engineering.
7. E603040 Fire Safety Equipment Installation Engineering.
8. E603100 Electric Welding Engineering.
9. E603110 Cold Work Engineering.
10. E603120 Sand Blasting Engineering.
11. E603130 Gas Water Heater Contractors.
12. E604010 Machinery Installation.
13. E903010 Anti-Corrosion and Anti-Rust Engineering.
14. EZ02010 Crane and Hoist Services Engineering.
15. EZ03010 Furnace Installation.
16. EZ07010 Drilling Engineering.
17. EZ09010 Electrostatic Protection and Cancellation Engineering.
18. EZ15010 Warming and Cooling Maintenance Construction.
19. EZ99990 Other Engineering.
20. F112010 Wholesale of Gasoline and Diesel Fuel.
21. F112040 Wholesale of Petroleum Products.
22. F113030 Wholesale of Precision Instruments.
23. F113100 Wholesale of Pollution Controlling Equipment.
24. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
25. F203010 Retail Sale of Food, Grocery and Beverage.
26. F203020 Retail Sale of Tobacco and Alcohol.
27. F206020 Retail Sale of daily commodities.
28. F212011 Gas Station.
29. F212050 Retail Sale of Petroleum Products.
30. F212061 Automobile Liquefied Petroleum Gas Station.
31. F213040 Retail Sale of Precision Instruments.
32. F213100 Retail Sale of Pollution Controlling Equipment.
33. F214010 Retail Sale of Motor Vehicles.
34. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
35. F399010 Convenience Stores.
36. F401010 International Trade.
37. F501030 Beverage Shops.
38. F501070 Restaurants.
39. G202010 Parking area Operators.
40. H701010 Housing and Building Development and Rental.
41. H701020 Industrial Factory Development and Rental.
42. H701040 Specific Area Development.
43. H701050 Investment, Development and Construction in Public Construction.
44. H701090 Urban Renewal Renovation or Maintenance.
45. H703090 Real Estate Business.
46. H703100 Real Estate Leasing.

47. H703110 Senior Citizen Residence.
48. I103060 Management Consulting.
49. I199990 Other Consulting Service.
50. IG03010 Energy Technical Services.
51. J101050 Environmental Testing Services.
52. J101090 Waste Disposal.
53. J101990 Other Environmental Sanitation and Pollution Prevention Service.
54. J701020 Amusement Parks.
55. J801030 Athletics and Recreational Sports Stadium.
56. JA01010 Automobile Repair.
57. JA01040 Liquefied Petroleum Gas Automobile Refitting.
58. JA01990 Other Automobile Services.
59. JE01010 Rental and Leasing.
60. I301010 Information Software Services.
61. I301020 Data Processing Services.
62. I301030 Electronic Information Supply Services.
63. F399040 Retail Sale No Storefront.
64. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Current products and services provided by the Company and their weightings in business

① Current products and services provided by the Company are mainly:

A. Sales of premium diesel, unleaded gasoline and automotive motor oil

B. Service Items:

Providing car cleaning, carwash and waxing services.

Providing various services according to the Company's licensed business.

② The business weightings are as follows:

Unit: NT$ in thousands; %

Year / Type of Product	2023 Operating Income	
	Amount	Percentage (%)
98 unleaded gasoline	444,517,280	5.77%
95 unleaded gasoline	4,051,169,062	52.63%
92 unleaded gasoline	1,571,549,330	20.42%
Premium diesel	836,447,091	10.87%
Solar energy	365,576,383	4.75%
Storage energy	96,732,379	1.25%
Others	331,970,691	4.31%
Total	7,697,962,216	100%

3. New products and services planned for development

The Company will evaluate the business development of land assets and diversified operations to increase the added values of the Company's operating sites.

(2) Industry Overview:

1. Current Situation and Development of the Industry:

The Company is mainly engaged in the operation of gas stations. In recent years, the Company has been impacted by the external competitive environment and the general business environment, such as price reduction among the industry, sales promotion activities, difficulties in obtaining new operating locations and the rise and fall of international oil prices, resulting in a gradual decline in gross margin. Overall, the environment for operating gas stations is difficult, but with the efforts of all employees, the Company has made great progress in all aspects and achieved good results.

2. Association amount the upstream, midstream and downstream of the industry:

Upstream	Midstream	Downstream
Gasoline and diesel manufacturers and suppliers	Gas stations	Transportation companies and general consumers

(1) Suppliers:

Chinese Petroleum Corporation (CPC) and Formosa Petrochemical Corporation (FPCC), the two largest oil companies in Taiwan, remain playing the role as the suppliers for the domestic gasoline and diesel market. Despite the entry of FPCC into the domestic gasoline and diesel market, CPC still maintains a market share of over 76%.

Under the guidance of the policies of the Ministry of Economic Affairs, CPC is currently using the “Floating Oil Price Adjustment” mechanism with reference to the international oil prices of Dubai and Brent, and under the structure of an oligopolistic domestic market, CPC announced the price adjustment rate of oil products, while FPCC maintained roughly the same rate of increase or decrease in line with CPC’s adjustment.

(2) Distributors:

With the marginal profitability of oil products, the gas station operators are operating in a difficult environment. As of March 2024, the number of gas stations in Taiwan was 2,507, which shows the fierce competition in the market and the trend of eliminating the weak and leaving the strong, indicating that new competitors are facing the high price of land and labor and are reluctant to enter this market.

(3) Countermeasures:

As a result of fierce competition among gas stations, the operator of each group has shifted its focus to membership management, and weekly price discount promotions and member point rebates, and hopes to consolidate basic customer base and strengthen customer loyalty in the face of low oil margins, and to provide consumers with a variety of services and marketing methods such as sales of goods, filling gasoline together with free carwash, and member gift redemptions to generate revenue on top of the oil sales.

3. Future development trend of gas stations and external competitive environment

In the future, the market will develop in the direction of becoming bigger and bigger, so the consolidation of the industry will happen one after another; and the gas station will provide differentiated services to highlight the characteristics of the gas station and increase the visibility of consumers, supplemented by diversified operation items to increase consumers’ consumption in the gas station. Under group development, each group will attract consumers with more sophisticated and creative marketing in order to consolidate consumer loyalty, and with a consistent service process, it will allow consumers to get used to the quality of service on the one hand, and improve customer satisfaction on the other hand, so that customers can come to the gas station for consumption without pressure.

4. Impacts from the regulatory environment:

In recent years, there is no significant change in the laws and regulations related to gas station installation. In terms of gas station management, in recent years, the competent authorities have paid more attention to the monitoring and management. To comply with regulations and fulfill social responsibilities, the Company has installed oil and gas recycle systems, and regularly inspected oil storage equipment, soil and groundwater contamination to improve the general leakage of high-risk areas to reduce the possibility of contamination, and strengthened the professional training of inspection personnel to avoid the impact caused by personnel negligence.

5. Impacts from lifestyle:

With the economic recovery, leisure lifestyle is becoming increasingly popular, thus promoting the growth of oil consumption. In terms of daily life, with the opening of metropolitan metro systems, the high cost of parking in urban areas and the rise in environmental awareness, consumers are gradually changing their lifestyle and habits and taking public transportation as a trend to save energy and reduce carbon emissions, thereby reducing the demand for oil products. The Company has adopted different marketing strategies to respond to the interplay of favorable and unfavorable factors in lifestyle that affect sales.

(3) Technology and research and development:

The Company currently sells oil products supplied by CPC and has not invested in related technology and research and development for the recent year and as of the publication date of the annual report.

(4) Long-term and short-term business development plans:

1. Short-term business development plans
   (1) Steadily increase the number of operating sites and regional flexible promotions.
   (2) Actively strive for excellent long-term customers to increase sales revenue.
   (3) Strengthen the promotion of membership cards, enhance customer loyalty, and achieve steady growth in sales.
   (4) Run a diversified operation and forge alliance with other companies of the industry.
   (5) Strengthen the MIS management information system and simplify the operation process.

2. Long-term business development plans:
   (1) Continue to expand the overall operation scale by owning, leasing and franchising.
   (2)Actively establish ERP system to strengthen information integration and resource sharing.
   (3) To expand the scope of physical channels by combining member services with cross-industry joint marketing.
   (4) Gradually implement the model of eliminating the weak and supporting the strong to develop excellent operating sites.

2. Marketing and Sales

(1) Market Analysis

1. Sales regions of major products

All of the Company's oil products and other services for the last three years were sold domestically. The situation of dividing the Company's gas stations into sales regions according to the operating sites is as follows.

Unit: NT$ in thousands

District \ Year	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Keelung City ×3	462,850	6.013	443,476	6.566	395,626	7.153
New Taipei City×9	1,379,115	17.916	1,343,481	19.890	1,195,629	21.618
Taoyuan County×9	859,398	11.164	805,850	11.931	677,124	12.242
Hsinchu County×1	57,035	0.741	54,329	0.804	50,769	0.918
Miaoli County×1	52,077	0.677	48,015	0.711	45,392	0.821
Taichung City×6	643,433	8.358	603487	8.935	516,328	9.335
Changhua County×1	60,504	0.786	-	-	-	-
Yunlin County×4	695,598	9.036	598,208	8.857	398,748	7.209
Chaiyi City×1	144,971	1.883	151,111	2.237	80,751	1.460
Taitung County×2	152,029	1.975	152,809	2.262	133,090	2.406
Hualien County×5	278,068	3.612	281,881	4.173	263,624	4.766
Tainan City×10	780,659	10.141	709,276	10.501	481,780	8.710
Kaohsiung City×10	1,044,347	13.567	1,012,503	14.990	892,173	16.130
Pingtung County×9	375,682	4.880	416,044	6.160	335,726	6.070
Kinmen County×1	81,976	1.065	-	-	-	-
Food and Accommodation Revenue	75,987	0.062	68,836	1.019	61,017	1.103
Others	554,235	8.124	65,125	0.964	3,255	0.059
Total	7,697,962	100.00	6,754,436	100.00	5,531,032	100.000

Notes:
1. Houyuan 68 station started operation on January 5, 2023.
2. Zhengshin station started operation on March 8, 2023.
3. Baqua station started operation on May 5, 20223
4. Xinying station started operation on October 4, 2023.

2. Market share and future market supply and demand and growth

The Company has had 73 gas stations in operation since its establishment on December 1988 till March 2024, of which the subsidiaries are having 13 gas stations in operation.

In terms of the number of stations, according to the data from the Bureau of Energy, Ministry of Economic Affairs as of March 2024, the total share of 2,507 public and private gas stations in Taiwan is about 2.912%.

According to the data from the Bureau of Energy, Ministry of Economic Affairs as of February 2024, the total volume of gasoline and diesel fuel dispensed by citizen-owned gas stations in Taiwan was 1,089,443 kiloliters, and the market share of North-Star International Co., Ltd. was about 10%. In the future, with the increase of new locations, the market share of both gasoline stations and fuel dispensing volume will gradually increase and maintain steady growth.

3. Competitive niche

The Company has a total of 73 stations as of March 2024, of which 36 stations are self-owned, accounting for 49.31%. Compared with other domestic gasoline operators, most of which are mainly leased and are facing the pressure of rent adjustment and the risk of decreasing profitability and the number of stations with the successive new gas stations, the Company is relatively stable and sustainable in this aspect.

4. Favorable and unfavorable factors of the prospect of product development

(1) Favorable factors:

A. The oil supplier is CPC, and the oil supply is stable and not in shortage.

B. The channel development of gas stations has moved into the diversified operation to increase the revenue of gas station. In addition to the sale of oil products, the Company also provides exquisite carwash services, and currently issues membership cards to promote the membership, hoping to cultivate members and increase their loyalty, so as to expand the number of members to an economic scale, which will reduce various procurement costs.

(2) Unfavorable factors:

A. It is not easy to obtain a suitable business operating site because of the strict restrictions on land use and road width, public facilities, and distance from other gas stations, etc. for establishing a gas station, so it requires huge capital to expand business operating sites to an economic operating scale and enhance the competitiveness of operation.

B. The operating gas stations are lack of labor force coupled with the high turnover rate of gas staff and the government's yearly increase in the minimum basic wage, thereby leading to an increase in management and operating costs.

5. Countermeasures:

(1) Actively look for good operating sites and strengthen land development planning to expand the number of stations through purchases, leases or mergers.

(2) Improve the Company's operational performance and provide better employee benefits to attract good employees and reduce the turnover rate

(3) Forge strategic alliances with other companies of the industry in the future to increase the consuming volume of oil and improve the bargaining power with oil companies to enhance profitability. In addition, diversification will help increase profitability and create a good corporate image to enhance market visibility.

(4) Set up self-service refueling facilities.

(2) Important usage and production process of major products

1. Usage:

The 98 unleaded gasoline, 95 unleaded gasoline, 92 unleaded gasoline and diesel fuel sold by the Company sell are uses as fuels for motor vehicles.

2. Production process:

All the oil products currently available for sale by the Company are purchased from CPC in Taiwan, so there is no production process involved.

(3) Status of main raw material supply:

The Company's main supplier of raw materials is CPC, and both parties have signed an oil supply contract, so the supply is stable and the quality is good.

(4) The names of customers who have accounted for more than 10% of the total purchase (sales) in any one of the last two years and the amount and proportion of their purchase (sales), together with the reasons for the increase or decrease shall be stated clearly. However, if the customer name shall not be disclosed due to the contract, or if the counterparty is an individual and not a related party, a code may be used for this purpose instead.

1. Information on major customers in the last two years: The Company has no customers accounting for more than 10% of the total sales in the last two years.

2. Information on major suppliers in the last two years:

Unit: NT$ in thousands

	2022				2023			
Item	Name	Amount	% of net import this year	Relationship with issuer	Name	Amount	% of net import this year	Relationship with issuer
1	CPC	5,323,615	91.22	None	CPC	5,513,911	91.06	None
2	FPCC	492,474	8.44	None	FPCC	521,579	8.61	None
3	Others	19,973	0.34	None	Others	20,014	0.33	None
4	Net Import	5,836,062	100.00		Net Import	6,055,504	100.00	

Note: As of the publication date of the annual report, the most recent financial information that has been audited or reviewed by a certified public accountant is not available for disclosure.

(5) The Company's production volume for the last two years: The Company is mainly in the trading service industry, so it is not applicable.

(6) Sales volume and amount in the last two years:

Unit: Kiloliter/NT$ in thousands

Major Product (or Department) \ Sales volume \ Year	2022				2023			
	Domestic Sales		Export		Domestic Sales		Export	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
92 Unleaded Gasoline	10,517	808,011	0	0	30,118	836,447	0	0
Premium Diesel	44,281	1,473,999	0	0	62,472	1,571,549	0	0
95 Unleaded Gasoline	106,115	3,805,563	0	0	138,215	4,051,169	0	0
98 Unleaded Gasoline	10,517	413,437	0	0	14,278	444,517	0	0
By-product oil		34,263	0	0		41,621	0	0
Revenue from carwash		85,201	0	0		117,619	0	0
Revenue from restaurant and accommodation		68,836	0	0		75,987	0	0
Revenue from storage energy		24,788	0	0		96,732	0	0
Revenue from electric bus		15,309	0	0		50,776	0	0
Revenue from vehicle inspection		5,722	0	0		6,428	0	0
Others		19,307	0	0		405,117	0	0
Total	171,430	6,754,436	0	0	245,082	7,697,962	0	0

3. Employee information for the last two years

Year		2022	2023
No. of employees	Employee	347	435
	Part-time student staff	525	478
	Total	872	913
Average age		28.12	28.12
Average no. of years of service		2.8	2.8
Academic Distribution (%)	PhD	0	0
	Master	2	3
	College	365	382
	High School	467	493
	Below High School	38	35

4. Information on Environmental Protection Expenditure

1. Losses due to environmental pollution in the last two years:

Unit: NT$ in thousands

Year	Amount for remediation of environmental pollution
2023	561

2. Countermeasures
   (1) In line with the government's policy to improve air quality, we plan to gradually build more fuel gas recycle systems to enhance the Company's image and gain the trust of our customers.

(2) Estimated capital expenditures for environmental protection in the next two years

Unit: NT$

Purpose	Countermeasure	Cost
Prevention and control of air pollution	The fuel dispenser is equipped with an oil and gas recycle system to reduce the concentration of oil and harmful substances at the site of gas station, and the flow of oil returned to the tank by the oil and gas recycle system will impose a positive effect on inventory.	The cost is calculated by the number of new fuel dispensers purchased at a unit price of $9,500 ~13,000/gas gun.
Prevention and control of soil pollution	Regularly perform soil gas test once every four months to detect possible soil contamination at an early stage.	The average cost is about $900,000 per year.
Prevention and control of water pollution	Regularly perform soil gas test once every four months to detect possible soil contamination at an early stage.	Same project as above
	The carwash machine is equipped with wastewater treatment and recycling equipment based on the estimated wastewater treatment capacity so that the discharged wastewater can meet environmental standards and the recycled water resources can be effectively utilized as carwash water.	The cost for installing new carwash machines of the estimated wastewater treatment specification is about $650,000~700,000/machine, and their maintenance cost is about $20,000/machine.

(5) Impacts after Improvement

To implement the government's environmental protection policies, the Company has planned and set up environmental protection facilities in each business operating station. By regulating the relevant operations of employees, the Company has achieved the performance of environmental protection facilities and established a good social image through actual practice and management.

3. Total amount of losses (including compensation) and penalties incurred by environmental pollutions in the last three years, and their future measures and possible expenses.

(1) Pollution penalty in the last three years:

a. In each of Q1 to Q3 of 2022, Xingyun station violated the Land Pollution Act, and were fined a total of NT$1.5 million, and are in the remediation process of improving the soil pollution.

(2) Losses due to environment pollution and countermeasures: The Company is currently working on improving the sites that are contaminated by soil.

4. Current pollution status, its impact on the Company's earnings, competitive position, and capital expenditures for environmental protection in the next three years: As per the Water Pollution Control Act, all companies of the industry are required to install environmental pollution protection equipment, thus having little impact on the competitive position. It is estimated that the capital expenditure on environmental protection will be less than 1% of annual revenue over the next three years.

5. Information on the EU RoHS directive regarding hazardous substances: Not applicable

5. Labor-Management Relation

(1) Status of current employee benefits, training and development, retirement system and its implementation, agreements between labor and management, and measures for safeguarding employees' rights and benefits:

1. Employee benefits: The Company has always believed that employees are the most important assets. In addition to complying with the provisions of the collective agreements, the Company has also added various benefits such as childcare and employee bonuses and will continue to fulfill its duty of care and provides employees with communication and consultation channels to establish harmonious labor-management relations.

(1) The Company provides group insurance for employees to maintain their interests.

(2) The Company establishes an "'Employee Welfare Committee" to promote various welfare measures.

A. Annual travel subsidy

B. Wedding congratulations money

C. Maternity/paternity subsidy

D. Public work injury hospital consolation money

E. General injury/illness hospital consolation money

F. Consolation money for the death of direct relatives

(3) Implementation status: A total of NT$3,978,574 was spent in 2023, with the details and amounts listed below:

Benefit Item	Name of Item	Amount (NT$)
Welfare subsidy	Wedding and funeral subsidies	193,100
	Injury emergency assistance	15,000
	Childbirth emergency assistance	31,200
Education scholarship	Children's education scholarship	72,500
	Others	72,330
Leisure and recreation	Leisure and recreational activities	1,251,654
	Others	601,496
Other benefits	Seasonal monetary gift	1,725,364
	Others	15,930

2. Retirement System:
The Company has established the "Employee Retirement Plan" to make monthly contributions to the Labor Retirement Fund, which is deposited in the name of the Pension Supervisory Committee in a special account at the Central Trust of China, and cleared the account in accordance with the issued letter Xin Lao Gei Zi No. 10750090131 dated on April 13, 2018.

3. Agreement between Labor and Management:
The Company enforces its management system and welfare measures and provides effective communications between labor and management to achieve a harmonious labor-management relation.

(2) Employees' work environment and personal safety:

1. The Company and its affiliates and branches carry out automatic inspection and environmental testing of the gas stations, continuously improve safety and health measures,

and create a safe, healthy, comfortable, and friendly working environment.
2. The Company strengthens training and promotion of safety and hygiene measures, drills, and awareness, effectively enhancing employees' safety consciousness, intelligence, and contingency capabilities, to ensure the safety of employees and contractors.
3. The Company provides annual health check for employees.

6. Information security management.

(1) The framework for information security risk management, information security policies, specific management plans and resources invested in information security management are stated clearly.

Information Security Risk Management Framework.

The Information Division is responsible for planning and implementing the promotion of awareness of information security management among colleagues and teaching the cause-and-effect relationship of information security incidents to enhance the strength of information security management in response to current situations.

The unit responsible for protecting the Company's information and checking the information security of other departments in the Company is the Information Division. In the event of a cybersecurity incident or a human-caused cybersecurity issue, the Information Division shall immediately intervene to inspect and inform the related department supervisor of the results of the inspection, requesting them to supervise and improve the situation as quickly as possible in order to minimize the impact of the cybersecurity issue.

The operation mode of inspecting information security adopts the PDCA cycle management approach to ensure timeliness and reliability, and to achieve continuous corrective and improvement measures.

Information Security Policies:

Maintain sustainable operations of business systems
Prevent intrusions of unfriendly network behavior
Prevent human improper use and access to data
Prevent leakage of business information by others
Avoid human negligence and error caused by improper operations.
Ensure data security of information environment

Specific Management Solutions

Management of Computer Information Devices

1. The company's server host and important source data storage devices are set up in the machine room, which is subject to access control for personnel.
2. The air conditioning systems in the machine room and office are separated and equipped with relevant fire protection devices for quick access in case of emergencies.
3. Equipment in the machine room is provided with a regulated uninterruptible power supply system to ensure normal operation or safe shutdown during voltage instability or sudden power outage, so as to prevent data loss or damage.

Network Security Management

1. The entrance of external network to the Company is equipped with an enterprise level firewall to prevent hackers and unfriendly network behavior.
2. When information colleagues have to connect to the Company for business needs, they must have VPN accounts and other privileges before they can connect to the Company from outside. The date and time of entry and exit will be recorded for checking.
3. Network equipment capable of adjusting the bandwidth used by the internal staff is installed to avoid staff occupying the Company's bandwidth, which will cause trouble or disturbance to internal operations.

Security Protection and Management

1. Computers in the machine room and office are equipped with basic anti-virus and anti-hacking software, and are updated in a centralized manner so that they can immediately discover malicious programs or behaviors on the user side and respond immediately.

2. When colleagues send and receive internal and external mails, the mails are scanned from the originating end to identify the contents of the mails without any suspicious files or text before they are sent.

Management and Control of Access Rights

1. All staff in each division/department/office must apply for an account and password to access and use data, and the supervisor must confirm the scope of their access rights before submitting the request to the Information Technology Division.
2. For the setting of account password, there will be a default password, and after login with the default password, the password can be changed by the applicant. The password has to be at least 4 digits before it can be changed successfully.
3. When resigning from the job, the personnel must fill out the resignation letter in accordance with the standard operating procedures of the personnel management and destroy or return all of the related access rights and security cards applied when the personnel was onboard.

Ensurance of the sustainable operation of the operating system

1. System backups are done on a daily basis at regular intervals on this and other machines, and the backup status is checked daily to confirm that the backup operation is working properly.
2. The disaster recovery system regularly tests the data read and written in order to restore the correct data, and checks whether there is any abnormality or error in order to avoid the inability of resuming correct data in case of disaster.
3. Two networks are equipped to exchange data without interruption and automatically switch lines without the need of manual operation.

Information Security Education and Propaganda

1. Through the actual occurrence of information security incidents as the basic textbook to educate colleagues on information security, how to prevent and how to deal with the incidents will be informed.
2. In the meeting or cadre education training, the importance of account and password security will be emphasized, and the advocacy and supervision will be promoted through case studies, so that employees will be more careful in using the systems and paying more attention to information security.

Cybersecurity management.

1. Network anti-hacking and malicious software, ransomware is preliminarily processed and judged at the Company's network entrance for trigger-based behavior. Other non-triggered behaviors are rechecked and observed by user-end antivirus and anti-hacking software before being allowed to proceed.
2. Personnel with qualified information security certification is hired to conduct comprehensive audits and improvements for the Company's information security, and to propose effective and reliable countermeasures and guidance.

(2) No significant cybersecurity incidents occurred during the recent fiscal year or as of the publication date of the annual report. Therefore, there were no losses, possible impacts, or countermeasures to report, and no estimation was required.

7. Important Contracts

Nature of contract	Related Party	Term of Contract	Content	Restricted term
Oil Purchase Contract	CPC Corporation, Taiwan	2017.03.01~113.02.28	Automobile gas station supply alliance contract	None

VI. Financial Overview

1. Concise balance sheets and consolidated income statements for the last five years

(1) Concise balance sheets and consolidated profit and loss tables

1. Concise balance sheet (consolidated)

Unit: NT$ in thousands

Item \ Year		Financial information of the last five years (Note 1)				
		2023	2022 (after recompiled)	2021	2020	2019
Current asset		7,725,731	2,781,795	1,749,285	1,035,042	746,722
Property, plant and equipment (Note 2)		13,597,502	6,773,085	4,064,580	3,745,842	3,106,458
Intangible asset		291,875	281,820	183,969	42,500	8,528
Other asset (Note 2)		7,460,843	6,877,853	3,272,465	1,866,611	1,237,409
Total assets		29,075,951	16,714,553	9,270,299	6,689,995	5,099,117
Current liabilities	Pre allocation	13,201,243	3,674,691	1,637,032	1,993,733	898,262
	Post allocation	(Note 4)	3,198,096	1,273,540	1,897,816	895,895
Non-current liabilities		7,772,447	8,438,650	3,838,972	2,319,377	2,004,344
Total liabilities	Pre allocation	20,973,690	12,113,341	5,476,004	4,313,110	2,902,606
	Post allocation	(Note 4)	11,636,745	5,112,512	4,217,193	2,864,239
Equity attributable to owners of the parent company		5,349,245	3,835,454	3,618,336	2,282,915	2,177,540
Share Capital		3,264,419	2,789,307	2,462,493	1,918,332	1,918,332
Capital Reserve		1,784,301	745,749	838,381	106,087	78,270
Retention Surplus	Pre allocation	302,655	302,135	319,137	264,650	182,548
	Post allocation	(Note 4)	189,995	170,909	164,272	144,181
Other Rights and Benefits		(2,130)	(1,737)	(1,675)	(1,693)	(1,610)
Treasury Stocks		0	0	0	0	0
Non-controlling interests		2,753,016	2,753,016	175,959	93,970	18,971
Total equity interests	Pre allocation	8,102,261	4,601,212	3,794,295	2,381,346	2,196,511
	Post allocation	(Note 4)	4,124,617	3,430,803	2,280,968	2,158,144

Note 1: The above annual information has been reviewed and certified by accountant.
Note 2: As of 2023.12.31, the Company has not had its assets revalued.
Note 3: As of the publication date of the annual report, the financial information has been reviewed by accountant.
Note 4: Not distributed yet.

2. Concise comprehensive income statement (Consolidated)

Unit: NT$ in thousands

Item \ Year	Financial information of the last five years (Note 1)				
	2023	2022 (after recompiled)	2021	2020	2019
Operating Income	7,697,962	6,754,436	5,531,032	4,411,593	5,149,620
Gross profit	1,228,452	838,850	823,730	753,440	695,500
Operating Profit and Loss	258,292	(40,155)	82,927	110,347	97,140
Non-operating income and expenses	(83,426)	177,990	100,409	33,842	(25,462)
Net Income before Tax	174,866	137,835	183,336	144,189	71,678
Net profit for the period from continuing operations	122,790	137,835	183,336	144,189	71,678
Loss from discontinued operations	0	0	0	0	0
Net income (loss) for the period	122,790	117,449	151,103	114,666	47,589
Other comprehensive income (net of tax) for the period	(393)	(62)	18	(83)	(100)
Total comprehensive income for the period	122,397	117,387	151,121	114,583	47,489
Net income attributable to owners of parent company	112,660	131,468	154,864	120,469	52,900
Net income attributable to noncontrolling interests	2,897	(1,339)	(3,761)	(5,803)	(5,311)
Total comprehensive income attributable to owners of the parent company	122,267	131,406	154,882	120,386	52,800
Total comprehensive income and loss attributable to noncontrolling interests	2,897	(1,339)	(3,761)	(5,803)	(5,311)
Earnings per share	0.35	0.44	0.69	0.63	0.28

Note 1: The above annual information has been reviewed and certified by accountant.

Note 2: As of the publication date of the annual report, there is no financial information that should be certified or reviewed in the recent period by accountant.

3. Concise balance sheet (Individual)

Unit: NT$ in thousands

Item \ Year		Financial information of the last five years (Note 1)				
		2023	2022 (after recompiled)	2021	2020	2019
Current asset		2,054,313	1,095,362	948,457	726,979	620,403
Property, plant and equipment		4,083,659	3,703,222	3,673,411	3,439,508	3,017,033
Intangible asset		3,809	3,048	4,126	5,486	6,931
Other Asset		5,704,903	5,689,702	2,336,978	1,469,918	842,757
Total Assets		11,846,684	10,491,334	6,952,739	5,641,891	4,487,124
Current liabilities	Pre allocation	3,221,298	3,047,185	1,092,632	1,878,726	833,416
	Post allocation	(Note 2)	2,570,589	729,140	1,782,809	795,049
Non-Current liabilities		3,276,141	3,312,446	2,252,151	1,480,251	1,476,168
Total liabilities	Pre allocation	6,497,439	6,359,631	3,344,783	3,358,977	2,309,584
	Post allocation	(Note 2)	5,883,036	2,981,291	3,263,059	2,271,217
Equity attributable to owners of the parent company		5,349,245	3,835,454	3,607,956	2,282,915	2,177,540
Share capital		3,264,419	2,789,307	2,462,493	1,918,332	1,918,332
Equity capital surplus		1,784,301	745,749	838,381	106,087	78,270
Retention Surplus	Pre allocation	302,655	302,135	308,757	260,189	182,548
	Post allocation	(Note 2)	189,995	160,529	164,272	144,181
Other Rights and Benefits		(2,130)	(1,737)	(1,675)	(1,693)	(1,610)
Treasury Stocks		-	-	-	-	
Non-controlling interests		-	-	-	-	
Total equity interests	Pre allocation	5,349,245	4,131,703	3,607,956	2,282,915	2,177,540
	Post allocation	(Note 2)	3,655,108	3,244,464	2,186,998	2,139,173

Note 1: The above annual information has been reviewed and certified by accountant.

Note 2: Not distributed yet.

4. Concise income statement (Individual)

Unit: NT$ in thousands

Item \ Year	Financial information of the last five years (Note 1)				
	2023	2022 (after recompiled)	2021	2020	2019
Operating Income	5,746,181	5,372,833	4,471,135	3,794,593	4,509,252
Gross profit	798,001	677,051	665,097	661,211	625,321
Operating Profit and Loss	34,717	(14,257)	72,563	117,719	102,299
Non-operating income and expenses	103,709	140,516	107,521	30,238	(23,245)
Net Income before Tax	138,426	126,259	180,084	147,957	79,054
Net profit for the period from continuing operations	119,893	118,788	154,864	120,469	52,900
Loss from discontinued operations	0	0	0	0	0
Net income (loss) for the period	119,893	118,788	154,864	120,469	52,900
Other comprehensive income (net of tax) for the period	(393)	(62)	18	(83)	(100)
Total comprehensive income for the period	119,500	118,726	154,882	120,386	52,800
Net income attributable to owners of parent company	112,660	131,468	154,882	120,469	52,900
Net income attributable to noncontrolling interests	0	0	0	0	0
Total comprehensive income attributable to owners of the parent company	112,267	131,406	154,882	120,386	52,800
Total comprehensive income and loss attributable to noncontrolling interests	0	0	0	0	0
Earnings per share	0.35	0.44	0.68	0.54	0.28

Note 1: The above annual information has been reviewed and certified by accountant.

Note 2: N/A

(2) Concise balance sheet table and concise comprehensive profit and loss table - Financial accounting standards for enterprises in Taiwan: N/A

(3) Name of certified public accountant and audit opinion in the last five years

Year	Name of Certified Public Accountant	Audit Opinion
2019	Huang Yung-Hua , David Chen	No reservation
2020	Huang Yung-Hua , David Chen	No reservation
2021	Huang Yung-Hua, David Chen	No reservation
2022	Yu Sheng-Ho, David Chen	No reservation
2023	Yu Sheng-Ho , David Chen	No reservation

2. Financial analysis of the recent five years

(1) Financial analysis

1. Consolidated

Year (Note 1) / Analysis Item (Note 3)		Financial information of the recent five years				
		2023	2022 (after recompiled)	2021	2020	2019
Financial Structure (%)	Debt to Assets Ratio	72.13	72.47	59.07	64.47	56.92
	Long-term capital to property, plant and equipment ratio	66.75	115.79	119.79	78.37	110.89
Solvency (%)	Current Ratio	58.52	75.70	106.86	51.91	83.13
	Quick Ratio	24.12	51.71	68.85	27.78	31.98
	Interest coverage multiple	1.96	2.53	3.69	4.73	3.13
Operating Capability	Receivables turnover rate (times)	105.04	143.16	189.06	201.14	169.89
	Average collection days	3.47	2.55	1.93	1.81	2.15
	Inventory turnover rate (times)	2.45	8.37	8.85	7.93	10.82
	Payables turnover rate (times)	7.79	14.44	16.65	30.77	30.14
	Average sales days	148.98	43.61	41.22	46.05	33.74
	Property, plant and equipment turnover rate (times)	0.76	1.25	1.42	1.29	1.68
	Total Assets Turnover (Times)	0.34	0.52	0.69	0.75	1.12
Profitability	Return on Assets (%)	1.13	1.57	2.62	2.57	1.74
	Return on equity (%)	2.45	3.53	5.25	5.40	2.44
	Net income before income tax as a percentage of paid-in capital (%) (Note 7)	5.36	4.94	3.37	5.75	3.74
	Net income ratio(%)	1.46	1.95	2.80	2.73	1.03
	Earnings per share (NT$)	0.35	0.44	0.69	0.69	0.28
Cash flow (%)	Cash flow ratio (%)	0.05	8.88	11.83	18.34	14.66
	Cash Flow Allowance Ratio(%)	7.63	19.30	28.91	32.52	11.96
	Cash flow reinvestment ratio (%)	(1.48)	1.81	1.82	9.24	2.85
Leverage	Operating leverage	29.80	(168.21)	66.70	39.98	53.01
	Financial leverage	3.41	0.31	5.57	1.54	1.53
Please explain the reasons for the change in financial ratios for the last two years. (Analysis is exempted if the change is less than 20%) (See Table 1)						

(1.0

* If a company prepares individual financial reports, an analysis of the company's individual financial ratios should be prepared separately.

* The following Table 2 should be prepared using the financial information of Taiwan Financial Reporting Standards if the financial information prepared using the International Financial Reporting Standards is less than five years old.

Note 1: The year in which the information has not been certified by accountant should be indicated.

Note 2: As of the publication date of the annual report, the most recent financial information of companies whose shares are listed or traded in the securities dealer's office has been reviewed and audited by accountant.

Note 3: The following formulas should be listed at the end of the annual report.

1. Financial structure

(1) Debt to assets ratio = Total liabilities / Total assets.

(2) Long-term capital to property, plant and equipment ratio = (Total equity + Non-current liabilities) / Net value of property, plant and equipment.

2. Solvency

(1) Current Ratio = Current Assets / Current Liabilities.

(2) Quick Ratio = (Current Assets - Inventory - Prepaid Expenses) / Current Liabilities.

(3) Interest coverage multiple = Net income before income tax and interest expense / Interest expense for the period.

3. Operating Capabilities

(1) Accounts receivable (including accounts receivable and notes receivable from operations) turnover rate = Net sales/ Average balance of accounts receivable for each period (including accounts and notes receivable from operations) for each period.

(2) Average collection days = 365/receivable turnover rate.

(3) Inventory turnover rate = Cost of goods sold / Average inventory level.

(4) Turnover rate of accounts payable (including accounts payable and notes payable arising from operations) = Cost of goods sold/ Average balance of accounts payable (including accounts payable and notes payable arising from operations) for each period.

(5) Average sales days = 365 / Inventory turnover rate.

(6) Property, plant and equipment turnover rate = Net sales / Average net value of property, plant and equipment.

(7) Total asset turnover rate = Net sales / average total assets.

4. Profitability

(1) Return on assets = [Profit and loss after tax + Interest expense × (1 - Tax rate)] / Total average assets.

(2) Return on equity = Profit or loss after tax / Average net shareholders' equity.

(3) Net profit margin = Profit or loss after tax / Net sales.

(4) Earnings per share = (Net profit after tax – Preferred stock dividend) / Weighted average number of outstanding shares. (Note 4)

5. Cash flow

(1) Cash flow ratio = Net cash flow from operating activities / Current liabilities.

(2) Net cash flow allowance ratio = Net cash flow from operating activities for the last five years / (capital expenditures + increase in inventory + cash dividends) for the last five years.

(3) Cash reinvestment ratio = (Net cash flow from operating activities - Cash dividend) / (gross fixed asset + long-term investment + other asset + Working capital). (Note 5)

6. Leverage:

(1) Operating leverage = (Net operating revenue - Variable operating cost and expense) / operating income. (Note 6).

(2) Financial leverage = Operating income / (Operating income - Interest expense).

Note 4: In the above formula for calculating earnings per share, special attention should be paid to the following items:

1. The calculation is based on the weighted average number of common shares, rather than the number of outstanding shares at the end of the year.
2. The weighted average number of shares should be calculated by taking into account the period of liquidity of the shares, if there is a cash capital increase or a treasury stock transaction.
3. Any transfer of surplus into capital increase or transfer of capital reserve into capital increase should be adjusted retroactively in proportion to the capital increase in the calculation of earnings per share for prior years and semiannual periods, without regard to the issuance period of such capital increase.
4. If the preferred stock is a non-convertible cumulative preferred stock, the dividends (whether or not issued)

for the year shall be reduced by the net income after tax or increased by the net loss after tax. When the preferred stock is non-cumulative, the preferred stock dividends should be deducted from net income if there is a profit after tax; if there is a loss, no adjustment is required.

Note 5: Special attention should be paid to the following items for cash flow analysis:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditures refers to the annual cash outflow from capital investment.
3. Increase in inventories is included only when the ending balance is greater than the opening balance. If the inventory decreases at the end of the year, it is calculated as zero.
4. Cash dividends include cash dividends from common stock and preferred stock.
5. Gross fixed asset refers to the total fixed asset before accumulated depreciation.

Note 6: Issuers should distinguish between fixed and variable operating costs and operating expenses depending on their nature. Where estimates or subjective judgments are involved, the issuer should pay attention to their reasonableness and maintain consistency.

Note 7: If the Company's stock has no par value or the par value per share is not NT$10, the calculation of the ratio of paid-in capital is based on the ratio of equity attributable to the owners of the parent company in the balance sheet.

2. Individual

Analysis Item (Note 1)	Year (Note 1)	Financial information of the recent five years				
		2022	2021	2020	2019	2018
Financial Structure (%)	Debt to Assets Ratio	62.38	48.04	59.49	51.47	46.64
	Long-term capital to property, plant and equipment ratio	141.68	132.54	85.47	113.54	110.72
Solvency (%)	Current Ratio	35.95	86.80	38.9	74.44	65.82
	Quick Ratio	9.66	33.37	14.06	20.40	15.15
	Interest coverage multiple	3.11	5.43	6.50	3.76	5.27
Operating Capability	Receivables turnover rate (times)	260.94	222.26	181.88	219.65	166.97
	Average collection days	1.40	1.64	2.01	1.67	2.19
	Inventory turnover rate (times)	7.53	7.51	7.56	14.14	16.67
	Payables turnover rate (times)	14.91	14.76	12.95	29.66	25.93
	Average sales days	48.49	48.57	48.25	25.80	21.89
	Property, plant and equipment turnover rate (times)	1.50	1.34	1.18	1.51	1.54
	Total Assets Turnover (Times)	0.68	0.78	0.78	1.10	1.18
Profitability	Return on Assets (%)	2.28	3.24	2.9	1.82	2.44
	Return on equity (%)	4.29	5.34	5.42	2.47	3.58
	Net income before income tax as a percentage of paid-in capital (%)	5.05	7.31	7.71	4.12	4.98
	Net income ratio(%)	2.45	3.46	3.17	1.17	1.68
	Earnings per share (NT$)	0.48	0.63	0.63	0.28	0.40

Cash flow (%)	Cash flow ratio (%)	10.90	11.43	18.64	17.08	(16.04)
	Cash Flow Allowance Ratio(%)	34.13	22.50	28.03	7.36	(3.96)
	Cash flow reinvestment ratio (%)	4.56	1.61	8.98	3.14	(4.28)
Leverage	Operating leverage	376.86	61.62	32.23	44.08	57.04
	Financial leverage	0.18	2.28	1.30	1.39	1.39
Please explain the reasons for the change in financial ratios for the last two years. (Analysis is exempted if the change is less than 20%) (Please refer to the table below)						

Note 1: The year in which the information has not been certified by accountant should be indicated.

Note 2: The following formulas should be shown at the end of this annual report:

1. Financial structure
   (1) Liabilities to assets = Total liabilities / Total assets.
   (2) Long-term capital to fixed assets ratio = (Net shareholders' equity + Long-term liabilities) / Net fixed assets.
2. Solvency
   (1) Current ratio = Current assets / Current liabilities.
   (2) Quick ratio = (Current assets - Inventory - Prepaid expenses) / Current liabilities.
   (3) Interest coverage ratio = Net profit before tax and interest expense / Current interest expense.
3. Operating Capabilities
   (1) Accounts receivable (including accounts receivable and notes receivable from operations) turnover rate = Net sales/ Average balance of accounts receivable for each period (including accounts and notes receivable from operations) for each period.
   (2) Average collection days = 365/receivable turnover rate.
   (3) Inventory turnover rate = Cost of goods sold / Average inventory level.
   (4) Turnover rate of accounts payable (including accounts payable and notes payable arising from operations) = Cost of goods sold/ Average balance of accounts payable (including accounts payable and notes payable arising from operations) for each period.
   (5) Average sales days = 365 / Inventory turnover rate.
   (6) Fixed asset turnover rate = Net sales / Average net fixed assets.
   (7) Total asset turnover rate = Net sales / average total assets.
4. Profitability
   (1) Return on assets = [Profit and loss after tax + Interest expense × (1 - Tax rate)] / Total average assets.
   (2) Return on equity = Profit or loss after tax / Average net shareholders' equity.
   (3) Net profit margin = Profit or loss after tax / Net sales.
   (4) Earnings per share = (Net profit after tax – Preferred stock dividend) / Weighted average number of outstanding shares. (Note 4)
5. Cash flow
   (1) Cash flow ratio = Net cash flow from operating activities / Current liabilities.
   (2) Net cash flow allowance ratio = Net cash flow from operating activities for the last five years / (capital expenditures + increase in inventory + cash dividends) for the last five years.
   (3) Cash reinvestment ratio = (Net cash flow from operating activities - Cash dividend) / (gross fixed asset + long-term investment + other asset + Working capital). (Note 5)

6. Leverage:

(1) Operating leverage = (Net operating revenue - Variable operating cost and expense) / operating income. (Note 6).

(2) Financial leverage = Operating income / (Operating income - Interest expense).

Note 3: In the above formula for calculating earnings per share, special attention should be paid to the following items:

6. The calculation is based on the weighted average number of common shares, rather than the number of outstanding shares at the end of the year.
7. The weighted average number of shares should be calculated by taking into account the period of liquidity of the shares, if there is a cash capital increase or a treasury stock transaction.
8. Any transfer of surplus into capital increase or transfer of capital surplus into capital increase should be adjusted retroactively in proportion to the capital increase in the calculation of earnings per share for prior years and semiannual periods, without regard to the issuance period of such capital increase.
9. If the preferred stock is a non-convertible cumulative preferred stock, the dividends (whether or not issued) for the year shall be reduced by the net income after tax or increased by the net loss after tax. If the preferred stock is non-cumulative, the preferred stock dividends should be deducted from net income if there is a profit after tax; if there is a loss, no adjustment is required.

Note 4: Special attention should be paid to the following items for cash flow analysis:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditures refers to the annual cash outflow from capital investment.
3. Increase in inventories is included only when the ending balance is greater than the opening balance. If the inventory decreases at the end of the year, it is calculated as zero.
4. Cash dividends include cash dividends from common stock and preferred stock.
5. Gross fixed asset refers to the total fixed asset before accumulated depreciation.

Note 5: Issuers should distinguish between fixed and variable operating costs and operating expenses depending on their nature. Where estimates or subjective judgments are involved, the issuer should pay attention to their reasonableness and maintain consistency.

(Table 1) The biennial differences of 20% or more for the two years ended December 31, 2022 and 2021 are summarized as follows (Consolidated)

Item	Biennial difference %	Description of the biennial difference
Ratio of long-term funds to property, plant and equipment	-42.35	Mainly due to the successive completion of the factory buildings and equipment of the factor company
Current ratio	-22.69	Mainly due to the increase in short-term borrowing liabilities
Quick ratio	-53.36	Same as above
Interest coverage ratio	-22.53	Mainly due to the increase in interest due to increased borrowings for capital needs
Accounts receivable turnover rate (times)	-26.63	Mainly due to the increase in accounts receivable after the subsidiary company started operations
Average cash receipt days	36.08	Mainly due to the increase in accounts receivable after the subsidiary company started operations
Inventory turnover rate (times)	-70.73	Mainly due to the merger of the subsidiary company Beishi (Construction Inventory) due to changes in accounting principles
Payables turnover rate (times)	-46.05	Same as above
Average sales days	241.62	Same as above
Real estate, plant and equipment turnover rate (times)	-39.2	Mainly due to the increase in commercial transfer assets of the subsidiaries
Total asset turnover rate (times)	-34.62	Same as above
Return on assets	-28.03	Mainly due to the merger of the subsidiary company Beishi due to changes in accounting principles
Return on equity	-30.59	Mainly due to the increase in converted equity capital attributable to the maturity of convertible corporate bonds
Net profit margin	-25.13	Mainly due to the decrease in profits attributable to the gradual increase in commercial transfer costs of the subsidiary company
Earnings per share	-20.45	Mainly due to the increase in converted equity capital attributable to the maturity of convertible corporate bonds
Cash flow ratio	-99.44	Mainly due to the increase in short-term borrowing liabilities
Cash flow adequacy ratio	-60.47	Mainly due to the increase in capital expenditures of reinvested subsidiaries
Cash reinvestment ratio	-181.77	Same as above
Operating leverage	117.72	Mainly due to the increase in revenue due to the start of operations of the sub-company

(Table 1) The biennial differences of 20% or more for the two years ended December 31, 2022 and 2021 are summarized as follows (Individual)

Item	Biennial variance %	Description of the biennial variance percentage
Ratio of long-term funds to property, plant and equipment	23.83	Mainly due to the increase in shareholders' equity
Current ratio	77.39	Mainly due to the increase in current assets
Quick ratio	87.59	Mainly due to the increase in quick assets
Inventory turnover	-36.14	Mainly due to the increase in inventory at the end of the year
Payables turnover ratio	-43.33	Same as above
Average sales days	56.6	Same as above

Return on equity	-30.59	Mainly due to the increase in capital reserves and share capital
Net profit margin	-20	Mainly due to the decrease in after-tax profits
Earnings per share	-20.45	Mainly due to the increase in equity capital
Cash flow ratio	-99.82	Mainly due to the decrease in operating cash flow
Cash flow adequacy ratio	-26.54	Same as above
Cash reinvestment ratio	-205.11	Same as above
Operating leverage	143.92	Mainly due to the increase in operating profits and losses
Financial leverage	-400	Same as above

3. Audit Committee Review Report on the Most Recent Annual Financial Reports

North-Star International Co., Ltd.

Audit Committee Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements and Surplus Distribution Proposal, in which the accountants Vincent Yu and David Chen of KPMG Taiwan have audited the above-mentioned financial statements and issued an audit report, and this Audit Committee has reviewed the above-mentioned business repot and the surplus distribution proposal and believed that there was no discrepancy, thereby hereby issuing this report in accordance with the regulations of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

審計委員會召集人：侯淑惠

Hou, Suk-Hui

Audit Committee Convener
North-Star International Co., Ltd.

April 8, 2024

4. Annual Financial Report of the Recent Year

Representation Letter

The entities that are required to be included in the consolidated financial statements of North-Star International Co., Ltd. as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements.Consequently, North-Star International Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: North-Star International Co., Ltd.
Chairman: Chung, Chia-Tsun
Date: March 8, 2024.

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Independent Auditors' Report

To the Board of Directors of North-Star International Co., Ltd.:

Opinion

We have audited the consolidated financial statements of North-Star International Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022 (Restated), the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022 (Restated), 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 of our opinion.

Emphasis of Matter

As mentioned in notes 1 and 12(b) to the consolidated financial statements, a subsidiary, Santi Energy Co., Ltd. (Formerly known as SANLU DEVELOPMENT CO., LTD.) acquired 51% equity interests in Neo Cathy Electric Power Corp. in September 2023 with cash of $354,960 thousand. In accordance with the IFRS discussion papers issued by the Accounting Research and Development Foundation ("ARDF"), the aforementioned transaction is a reorganization under common control and shall be accounted for as a combination from the beginning. In addition, the Group should restate retroactively the comparative consolidated financial statements for the year ended December 31, 2022. Our opinion is not modified in respect of this matter.

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Other Matter

We did not audit the financial statements of certain subsidiaries for the year ended December 31, 2023. Those financial statements were audited by other auditors, whose audit reports have been furnished to us. Therefore, our opinion, insofar as it relates to those subsidiaries, is based solely on the audit reports of the other auditors. The total assets of the aforementioned subsidiaries constituted 13% of the total consolidated assets as of December 31, 2023, and the total operating revenues constituted 0% of the total consolidated operating revenues for the year ended December 31, 2023, respectively.

We did not audit the financial statements of certain equity-accounted associates for the years ended December 31, 2023 and 2022. Those financial statements were audited by other auditors, whose audit reports have been furnished to us. Our conclusion, insofar as it relates to the amounts included for the aforementioned associates, is based solely on the audit reports of other auditors. As of December 31, 2023 and 2022, the (restated) investments in equity-accounted associates constituted 1% and 2% of total consolidated assets, respectively. For the years ended December 31, 2023 and 2022, the (restated) share of profits of both equity-accounted associates and joint ventures constituted 20% and 131% of total consolidated profit before tax, respectively.

North-Star International Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion with an Other Matter paragraph.

Key Audit Matters

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

Revenue recognition

Refer to Note 4(p) "Revenue" and Note 6(y) "Revenue from contracts with customers" to the consolidated financial statements.

Description of key audit matter:

North-Star International Co., Ltd. is principally engaged in the retail business of gasoline products, with petrol filling stations located throughout Taiwan. The operating income of each station is recorded through the Point-of-Sale Information System (POS) for each transaction in terms of the quantity, unit price and total price. After the daily checkout, sales are counted according to each station's daily sales report and reviewed by the way of customer payment method (by cash, by credit cards, credits sales on account). Therefore, revenue recognition was the key audit matter in the audit of consolidated financial reports for the years ended December 31, 2023 and 2022 of the Group.

How the matter was addressed in our audit:

Our principal audit procedures to the above key audit matter included: understanding the Group's accounting policies adopted for the revenue recognition and the procedures of transactions; sampling and testing effectiveness of the internal controls surrounding revenue recognition; testing selected sales samples and agreeing to daily sales report, bank deposit records, or credit card bill with related certificates, records on ledger, etc., testing sales cut-off, on a sampled basis, for transactions incurred within a certain period before or after the balance sheet date by evaluating whether the revenue was recorded in proper period.

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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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance 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 auditor's 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:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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.

The engagement partners on the audit resulting in this independent auditors' report are Yu, Sheng-Ho and Chen, Kuo-Tsung.

KPMG

Taipei, Taiwan (Republic of China)
March 29, 2024

Notes to Readers

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

The auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

North-Star International Co., Ltd. and subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2023 Amount	%	December 31, 2022 (Restated) Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 1,264,015	4	1,355,886	8
1140	Current contract assets(note6(y))	350,425	1	-	-
1170	Accounts receivable, net (note 6(d)(y) and 7)	89,860	-	56,716	-
1200	Other receivables, net (note 7)	585,559	2	78,640	1
130X	Inventories (note 6(e)(g), 7 and 8)	4,457,700	15	822,337	5
1470	Other current assets (note 6(o), 7 and 8)	978,172	4	468,216	3
		7,725,731	26	2,781,795	17
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b)(o))	-	-	216	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	30,080	-	473	-
1550	Investments accounted for using equity method (note 6(f))	84,205	-	302,036	2
1600	Property, plant and equipment (note 6(k), 7 and 8)	13,597,502	47	6,773,085	40
1755	Right-of-use assets (note 6(l) and 7)	2,671,161	9	2,804,611	17
1760	Investment property, net (note6 (m))	115,158	-	126,158	1
1780	Intangible assets (note 6 (h)(n))	291,875	1	281,820	2
1915	Prepayments for business facilities	3,001,347	11	2,736,142	16
1920	Guarantee deposits paid (note 7)	768,222	3	224,271	1
1980	Other non-current financial assets (note 8)	523,145	2	630,129	4
1990	Other non-current assets, others (note 6(v) and 7)	267,525	1	53,817	-
		21,350,220	74	13,932,758	83
	Total assets	$ 29,075,951	100	16,714,553	100

	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 (Restated) Amount	%
	Current liabilities:				
2100	Short-term borrowings (note 6(q) and 8)	$ 462,360	2	989,319	6
2110	Short-term notes and bills payable (note 6(p))	420,408	1	249,697	1
2130	Current contract liabilities (note 6(y) and 7)	933,274	3	223,784	1
2170	Trade payable	1,104,276	4	556,991	3
2200	Other payables (note 7)	1,076,379	4	319,785	2
2230	Current tax liabilities	64,880	-	11,595	-
2280	Current lease liabilities (note 6(t) and 7)	207,564	1	191,308	1
2320	Total long-term liabilities, current portion (note 6(r)(s) and 8)	8,623,989	30	1,079,418	6
2300	Total other current liabilities (note 6(y) and 7)	308,113	1	52,794	-
		13,201,243	46	3,674,691	20
	Non-Current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (note 6(b)(s))	143	-	210	-
2530	Bonds payable (note 6(s) and 8))	1,203,754	4	1,583,779	9
2540	Long-term borrowings (note 6(r) and 8))	3,727,466	13	4,006,969	24
2580	Non-current lease liabilities (note 6(t) and 7))	2,689,156	9	2,808,277	17
2670	Other non-current liabilities (note 6(v))	151,928	1	39,415	-
		7,772,447	27	8,438,650	50
	Total liabilities	20,973,690	73	12,113,341	70
	Equity attributable to owners of parent (note 6(s)(v)(w)):				
3100	Share capital	3,264,419	11	2,789,307	17
3200	Capital surplus	1,784,301	6	745,749	4
3300	Retained earnings	302,655	1	302,135	2
3400	Other equity interest	(2,130)	-	(1,737)	-
	Total equity attributable to owners of parent	5,349,245	18	3,835,454	23
35XX	Equity attributable to former owner of business combination under common control (note 12)	-	-	296,249	3
36XX	Non-controlling interests (note 6(i))	2,753,016	9	469,509	4
	Total equity	8,102,261	27	4,601,212	30
	Total liabilities and equity	$ 29,075,951	100	16,714,553	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022 (Restated)	
		Amount	%	Amount	%
4000	**Operating revenue (note 6(y) and 7)**	$ 7,697,962	100	6,754,436	100
5000	**Operating costs (note 6(e)(k)(l)(t)(u))**	6,469,510	84	5,915,586	88
5900	**Gross profit from operations**	1,228,452	16	838,850	12
6000	**Operating expenses (note 6(d)(k)(l)(m)(n)(t)(u)(z)):**				
6100	Selling expenses	755,155	10	694,987	10
6200	Administrative expenses	214,928	3	184,018	3
6450	Expected credit impairment loss	77	-	-	-
	Total operating expenses	970,160	13	879,005	13
6900	**Net operating income (loss)**	258,292	3	(40,155)	(1)
7000	**Non-operating income and expenses:**				
7100	Interest income	14,143	-	3,914	-
7010	Other income (note 6(t)(aa) and 7)	72,239	1	61,551	1
7020	Other gains and losses, net (note 6(k)(aa))	(21,163)	-	22,097	-
7050	Finance costs (note 6(t)(aa))	(182,634)	(2)	(90,150)	(1)
7060	Share of profit of associates and joint ventures accounted for using equity method (note 6(f))	33,989	-	180,578	3
	Total non-operating income and expenses	(83,426)	(1)	177,990	3
7900	**Profit from continuing operations before tax**	174,866	2	137,835	2
7950	**Less: income tax expenses (note 6(v))**	52,076	1	20,386	-
	Profit	122,790	1	117,449	2
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(393)	-	(62)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
8300	**Other comprehensive income**	(393)	-	(62)	-
	Total comprehensive income	**$ 122,397**	**1**	**117,387**	**2**
	Profit (loss), attributable to:				
8610	Profit attributable to owners of parent	$ 112,660	1	131,468	2
8160	Profit (loss), attributable to former owner of business combination under common control	7,233	-	(12,680)	-
8620	Non-controlling interests	2,897	-	(1,339)	-
		$ 122,790	**1**	**117,449**	**2**
	Comprehensive income attributable to:				
8710	Comprehensive income attributable to owners of parent	$ 112,267	1	131,406	2
8160	Comprehensive income, attributable to former owner of business combination under common control	7,233	-	(12,680)	-
8720	Non-controlling interests	2,897	-	(1,339)	-
		$ 122,397	**1**	**117,387**	**2**
	Earnings per share (NT dollars) (note 6(x))				
9750	**Basic earnings per share**	**$**	**0.35**		**0.44**
9850	**Diluted earnings per share**	**$**	**0.35**		**0.44**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent: Share capital		Retained earnings				Other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of parent	Equity attributable to former owner of business combination under common control	Non-controlling interests	Total equity
Balance on January 1, 2022	$ 2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	3,618,336	-	175,959	3,794,295
Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control	-	-	-	-	-	-	-	-	308,929	296,814	605,743
Equity at beginning of period after adjustments	2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	3,618,336	308,929	472,773	4,400,038
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	14,002	-	(14,002)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	(18)	18	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(148,228)	(148,228)	-	(148,228)	-	-	(148,228)
	-	-	14,002	(18)	(162,212)	(148,228)	-	(148,228)	-	-	(148,228)
Profit (Restated)	-	-	-	-	131,468	131,468	-	131,468	(12,680)	(1,339)	117,449
Other comprehensive income	-	-	-	-	-	-	(62)	(62)	-	-	(62)
Total comprehensive income	-	-	-	-	131,468	131,468	(62)	131,406	(12,680)	(1,339)	117,387
Stock dividends from capital surplus	215,264	(215,264)	-	-	-	-	-	-	-	-	-
Reorganization	-	-	-	-	(242)	(242)	-	(242)	-	-	(242)
Conversion of convertible bonds	111,550	114,111	-	-	-	-	-	225,661	-	-	225,661
Share-based payments	-	8,175	-	-	-	-	-	8,175	-	-	8,175
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,925)	(1,925)
Exercise of disgorgement	-	346	-	-	-	-	-	346	-	-	346
Balance on December 31, 2022 (Restated)	2,789,307	745,749	128,767	1,675	171,693	302,135	(1,737)	3,835,454	296,249	469,509	4,601,212
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	14,161	-	(14,161)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	62	(62)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(112,140)	(112,140)	-	(112,140)	-	-	(112,140)
	-	-	14,161	62	(126,363)	(112,140)	-	(112,140)	-	-	(112,140)
Profit	-	-	-	-	112,660	112,660	-	112,660	7,233	2,897	122,790
Other comprehensive income	-	-	-	-	-	-	(393)	(393)	-	-	(393)
Total comprehensive income	-	-	-	-	112,660	112,660	(393)	112,267	7,233	2,897	122,397
Conversion of convertible bonds	194,762	197,956	-	-	-	-	-	392,718	-	-	392,718
Stock dividends from capital surplus	280,350	(280,350)	-	-	-	-	-	-	-	-	-
Cash dividends from capital surplus	-	(84,105)	-	-	-	-	-	(84,105)	-	-	(84,105)
Reorganization	-	(35,134)	-	-	-	-	-	(35,134)	(303,482)	(16,344)	(354,960)
Difference between consideration and carrying amount of subsidiaries acquired	-	1,233,224	-	-	-	-	-	1,233,224	-	960,177	2,193,401
Changes in ownership interests in subsidiaries	-	6,961	-	-	-	-	-	6,961	-	(6,961)	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	1,343,738	1,343,738
Balance on December 31, 2023	**$ 3,264,419**	**1,784,301**	**142,928**	**1,737**	**157,990**	**302,655**	**(2,130)**	**5,349,245**	**-**	**2,753,016**	**8,102,261**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

North-Star International Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		2023	2022 (Restated)
Cash flows from (used in) operating activities:			
Profit before tax	$	174,866	137,835
Adjustments:			
Adjustments to reconcile profit:			
Depreciation expense		439,514	250,158
Amortization expense		10,481	1,730
Expected credit impairment loss		77	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss		(14)	1,819
Interest expense		182,634	89,635
Interest income		(14,143)	(3,656)
Dividend income		(117)	(96)
Share-based payments		-	8,175
Share of profit of associates accounted for using equity method		(33,989)	(180,578)
Loss on disposal of property, plan and equipment		469	97
Property, plan and equipment transferred to expenses		3,222	-
Loss on disposal of investments accounted for using equity method		1,651	-
Impairment loss on non financial assets		24,049	-
Gain on lease modification		(11,454)	(10,555)
Total adjustments to reconcile profit		602,380	156,729
Changes in operating assets and liabilities:			
Contract assets		(350,425)	-
Notes receivable		(696)	148
Trade receivable		(22,596)	(19,221)
Other receivable		(462,478)	(50,858)
Inventories		(655,583)	(230,963)
Other current assets		(164,298)	(290,824)
Total changes in operating assets		(1,656,076)	(591,718)
Contract liabilities		168,814	51,179
Notes payable		(15,732)	13,353
Trade payable		294,336	281,569
Other payable		575,487	183,777
Other current liabilities		(33,512)	26,960
Total changes in operating liabilities		989,393	556,838
Total adjustments		(64,303)	121,849
Cash inflow generated from operations		110,563	259,684
Interest received		14,143	3,656
Dividends received		62,106	176,496
Interest paid		(160,819)	(83,110)
Income taxes paid		(19,208)	(30,293)
Net cash flows from operating activities		6,785	326,433

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	-
Acquisition of investments accounted for using equity method	(29,772)	(25,000)
Net cash flow from acquisition of subsidiaries	62,100	-
Acquisition of property, plant and equipment	(5,161,649)	(2,658,554)
Proceeds from disposal of property, plant and equipment	-	32,313
Increase in refundable deposits	(173,056)	(143,261)
Acquisition of intangible assets	(19,233)	(573)
Acquisition of right-of-use assets	(2,246)	-
Increase in other financial assets	-	(359,548)
Decrease in other financial assets	106,984	-
Increase in other non-current assets	(57,013)	(6,279)
Increase in prepayments for land and business facilities	(2,154,811)	(2,306,872)
Net cash flows used in investing activities	(7,458,696)	(5,467,774)
Cash flows from (used in) financing activities:		
Increase in short-term loans	-	755,919
Decrease in short-term loans	(526,959)	-
Increase in short-term notes and bills payable	170,711	199,856
Proceeds from issuing bonds	-	1,184,333
Proceeds from long-term debt	6,429,818	3,535,551
Repayments of long-term debt	(1,255,168)	(245,720)
Increase in guarantee deposits received	11,541	-
Decrease in guarantee deposits received	-	(30)
Revenues from disgorgements	-	433
Payment of lease liabilities	(240,716)	(171,698)
Cash dividends paid	(196,245)	(148,228)
Disposal of ownership interests in subsidiaries (without losing control)	2,193,401	-
Change in non-controlling interests	1,128,617	(1,926)
Decrease in Equity attributable to former owner of business combination under common control	(354,960)	-
Net cash flows from financing activities	7,360,040	5,108,490
Net decrease in cash and cash equivalents	(91,871)	(32,851)
Cash and cash equivalents at beginning of period	1,355,886	1,388,737
Cash and cash equivalents at end of period	$ **1,264,015**	**1,355,886**

See accompanying notes to consolidated financial statements.

(1) Company history

NORTH-STAR INTERNATIONAL CO., LTD. (the "Company") was legally established with the approval of the Ministry of Economic Affairs on December 16, 1988, with registered address at No. 137, Xinhai Rd., Banqiao Dist., New Taipei City 220, Taiwan (R.O.C.). The Company and its subsidiaries ("the Group") mainly engaged in petrol filling stations and the retail business of gasoline products. In addition, for the diversification operation of the Group, the Group has been expanding into hotels, real estate development, and sale as well as renewable energy development services.

On September 28, 2023, a subsidiary, Santai Energy, acquired 51% equity interest in Neo Cathy Electric Power Corp. at a price of $354,960 thousand. In accordance with the discussion papers issued by ARDF, the aforementioned transaction was a reorganization under common control and should be accounted for as a combination from the beginning. In addition, the Group should restate retroactively the comparative consolidated financial statements for the prior period.

(2) Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issue by the Board of Directors on March 8, 2024..

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Group has initially adopted the new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

- Amendments to IAS 12 "International Tax Reform—Pillar Two Model Rules"

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"

(Continued)

- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	Effective date to be determined by IASB

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"
- Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"
- Amendments to IAS21 "Lack of Exchangeability"

(4) Summary of material accounting policies:

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(Continued)

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C..

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis.

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value;

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar (NTD), which is the Company's functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, 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.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income 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.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(Continued)

(ii) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

			Percentage of ownership		
Name of investor	**Name of investee**	**Scope of business**	**December 31, 2023**	**December 31, 2022**	**Description**
The Company	NSTAR ENERGY CORPORATION	Petrol filling station	100.00 %	100.00 %	
The Company	ZHONGHUA PRINCE PETROL FILLING STATION CO., LTD.	Petrol filling station	100.00 %	100.00 %	
The Company	SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	Investment and energy technology services	68.00 %	100.00 %	note1 and note4
The Company	JIN SHI HU HOTEL CO., LTD.	Hotel	51.00 %	51.00 %	
The Company	YING GUANG ENTERPRISE CO., LTD.	Petrol filling station	100.00 %	100.00 %	
The Company	BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	Sales of real estate	52.00 %	49.00 %	note6
The Company	SANDI INTERNATIONAL PROPERTY CO. LTD,.	Sales of real estate	100.00 %	- %	note7
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	HE FONG ENERGY CO., LTD.	Renewable energy	51.00 %	51.00 %	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	JIAXIN ENERGY CO., LTD.	Energy storage	100.00 %	100.00 %	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	YAOGU ENERGY CO., LTD.	Renewable energy	100.00 %	100.00 %	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	SANTI MONSTERS POWER CO., LTD.	Electricity sales	100.00 %	100.00 %	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	LYU YOU ENERGY CO., LTD.	Energy storage	100.00 %	100.00 %	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	CATHY SUNRISE ELECTRIC POWER ONE CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	EVTAIL CO., LTD.	Charging pile	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	SHENG YANG ENGINEERING CO., LTD.	Engineering aquaculture	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	JUNHE ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	MOER ELECTRIC POWER CO., LTD.	Energy consultancy services	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	WO YANG ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	SENSI ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA YUAN OPTRONIC CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA RUI OPTRONIC CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	HONG TU ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	HENG FONG ENERGY CO., LTD.	Investment holding	51.00 %	100.00	note2 and note3
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	HUAN CHUANG ELECTRIC CO., LTD.	Distribution of electric buses	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	TESIN ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	GU NING ENERGY CO., LTD.	Energy technology services	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	SI CHENG ENERGY CO., LTD.	Renewable energy	100.00 %	100.00	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	CHANG YONG ENGINEERING CO., LTD.	Energy technology services	100.00 %	100.00	

(Continued)

			Percentage of ownership		
Name of investor	Name of investee	Scope of business	December 31, 2023	December 31, 2022	Description
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	BILLION MEGA ENERGY STORSGE TECHNOLOGIES INC.	Energy storage	100.00 %	-	
SANTI ENERGY CO., LTD. (Previous: SANLU DEVELOPMENT CO., LTD.)	NEO CATHY ELECTRIC POWER CORP.	Renewable energy	51.00 %	51.00	note5
HENG FONG ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	Energy storage	100.00 %	100.00	note2

Note 1: On May 3, 2023, Santi Energy Co., Ltd. was included in the list of material subsidiaries.

Note 2: Santi Renewable Energy Co., Ltd. initiated the disgorgement establishment of Heng Fong Energy Co., Ltd. at a price of shares (100% of the shares of Sanlu Energy Storage Co., Ltd.), the base day of establishment was June 22, 2022. The relevant statutory procedures were completed in July 2022.

Note 3: In January 2023, Santi Energy did not subscribe for Hengfeng Energy's new shares issued in proportion to its shareholding, which decreased from 100% to 51%. In January 2023, Hengfeng Energy increased its cash capital by issuing 105,058 thousand new shares at $10 per share. The amount of Hengfeng Energy's paid-in capital increased by $1,050,578 thousand, of which the amount $999,500 thousand was subscribed for by NCIs and recognized in the line item of NCIs.

Note 4: The Company disposed of 25% equity interest in Santi Energy in February 2023, decreasing its shareholding from 100% to 75%. The Company disposed of 80,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $1,600,000 thousand, and the difference from the book value was $829,804 thousand, which was recognized in the line item of capital surplus. In 2022, Santi Energy Co., Ltd. issued 2,800 thousand units of employee share subscription warrants, and 1 unit was entitled to subscribe for 1 share. During the period from January 1 to June 30, 2023, the Company issued 2,800 thousand ordinary shares, decreasing its shareholding from 75% to 74%. The Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus. Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus.

Note 5: On September 28, 2023, Santai Energy acquired 51% equity interest in Neo Cathy Electric Power with cash of $354,960 thousand. As a reorganization under common control, the above-mentioned transaction should be accounted for as a combination from the beginning, and the prior-period comparative consolidated financial report should be retrospectively restated accordingly.

Note 6: On December 7, 2023, the Company acquired control over Beiji International Development by acquiring 3% shareholding therein at a price of $15,437 thousand in cash. As the Company's shareholding in Beiji International Development increased from 49% to 52%, the latter became a subsidiary.

Note 7: On December 22, 2023, the Company, investing cash of $50,000 thousand, established Sandi International Property, which became a subsidiary.

Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus.

Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus.

Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus.

(Continued)

Company disposed of 6% equity interest in Santi Energy in August 2023, decreasing its shareholding from 74% to 68%. The Company disposed of 20,000 thousand shares in Santai Energy without loss of control, which was an equity transaction. The disposal price was $600,000 thousand, and the difference from the book value was $403,420 thousand, which was recognized in the line item of capital surplus.

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(d) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as noncurrent.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as noncurrent.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(Continued)

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost or fair value through other comprehensive income (FVOCI) – equity investment. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(Continued)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis)are measured at FVTPL, including derivative financial assets. Trade receivables that the Group intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the 'trade receivables' line item. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized costs, notes and trade receivables, other receivable, leases receivable, guarantee deposit paid and other financial assets) and contract assets.

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

· debt securities that are determined to have low credit risk at the reporting date; and

· other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

(Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Group considers a financial asset to be in default when the financial asset is more than 90 days past due or the debtor is unlikely to pay its credit obligations to the Group in full.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

(Continued)

- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

(Continued)

3) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in NTD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

4) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(Continued)

6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Inventories

(i) Trading/Tourist Hotels

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to the location and condition. The calculation was based on the first-in-first-out method, and the weighted average method was adopted since April 1, 2022 and retroactive adjustments were made.

1) Trading: using weighted average method.

2) Tourist Hotels: using first-in-first-out method.

Net realizable value represents the estimated selling price in the ordinary course of business, less the necessary selling expenses.

(ii) Construction

The cost of inventories includes all necessary expenditures and charges for bringing the inventory to an available to sale and construction condition and location. The real estate development costs include construction costs, land costs, borrowing costs, and project costs incurred during the development period. When completion, construction in progress is carried over to buildings and land held for sale. The real estate development costs proportionate to the sale are carried forward to the operating cost. When the cost of inventories is higher than the net realizable value, it should be offset against the cost to net realizable value, and the amount of inventory should be recognized as cost of goods sold in the current period. The methods of determining the net realizable value are as follows:

1) Land held for development: the net realizable value is the replacement cost or estimated price (based on the market condition), less, the estimated selling expenses at the end of the period.

2) Construction in progress: Net realizable value is the estimated selling price (based on current market condition) in the ordinary course of business, less the estimated costs of completion and selling expenses, or estimated by recent market value.

3) Buildings and land held for sale: the net realizable value is the estimated price (based on the market condition), less, the estimated selling expenses at the end of the period.

(Continued)

(h) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(i) Joint Arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. The IFRS classifies joint arrangements into two types — joint operations and joint ventures, which have the following characteristics: (a) the parties are bound by a contractual arrangement; and (b) the contractual arrangement gives two or more of those parties joint control of the arrangement. IFRS 11 "Joint Arrangements" defines joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (ie activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group accounts for the assets, liabilities, revenues and expenses in relation to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses. When assessing whether a joint arrangement is a joint operation or a joint venture, the Group considers the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances.

(Continued)

(j) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(k) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	buildings	1~60 years
2)	machinery and equipment	1~20 years

(Continued)

3) other equipment 1~12 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

(Continued)

— there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

— there is a change of its assessment on whether it will exercise a extension or termination option; or

— there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

(Continued)

(m) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including computer software, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1)	Computer software	1~15 years
2)	Contract assets	20 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(n) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset' s recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

(Continued)

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(o) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

In accordance with the Group's environmental policy and applicable regulatory requirements, the provision for recovery liabilities is recognized when contaminated land satisfies the recognition criteria of the provision mentioned above, and the related costs are recognized.

(p) Revenue from contracts with customers

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

1) Sale of goods – gasoline products

The Group provides various gasoline products for sale in the retail market and recognizes revenue when the product is delivered to the customers. The price is paid immediately upon the customer's purchase of the product.

2) Customer loyalty program

The Group operates a customer loyalty program to its retail customers. Retail customers obtain points for purchases made, which entitle them to discount on future purchases. The Group considers that the points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the discount granted when the points are redeemed and on the basis of the likelihood of redemption, based on past experience. The stand-alone selling price of the product sold is estimated on the basis of the retail price. The Group has recognized contract liability at the time of sale on the basis of the principle mentioned above. Revenue from the award points is recognized when the points are redeemed or when they expire.

(Continued)

3) Service

The Group provides room services and catering service to customers and recognizes revenue from providing services in the accounting period in which the services are rendered.

4) Land development and sale of real estate

The Group develops and sells residential properties and usually sales properties in advance during construction or before construction begins. Revenue is recognized when control over the properties has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title of a property has passed to the customer. Therefore, revenue is recognized at a point in time when the legal title has passed to the customer.

The revenue is measured at the transaction price agreed under the contract. For sale of readily available house, in most cases, the consideration is due when legal title of a property has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component. For pre-selling properties, the consideration is usually received by installment during the period from contract inception until the transfer of properties to the customer. If the contract includes a significant financing component, the transaction price will be adjusted for the effects of the time value of money during the period, using the specific borrowing rate of the construction project. Receipt of a prepayment from a customer is recognized as contract liability. Interest expense and contract liability are recognized when adjusting the effects of the time value of money. Accumulated amount of contract liability is recognized as revenue when control over the property has been transferred to the customer.

Certain contracts include multiple deliverables, such as sale of residential properties and a decoration service. The Group accounts for the decoration service as a single performance obligation, and the transaction price is allocated to the decoration service on a relative stand-alone selling price basis. Revenue from providing the decoration service is recognized in the accounting period in which the services are rendered.

5) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(Continued)

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;

b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

c) the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations(or partially satisfied performance obligations), the Group recognizes these costs as expenses when incurred.

(q) Government grants and government assistance

The Group recognizes an unconditional government grant related to employees' salaries, working capital subsidies, and quarantine hotels as other income when the grant becomes receivable. Grants that compensate the Group for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

Government assistance in the form of a guarantee from the government for loans from financial institutions is considered part of the unit of account in determining the fair value of the loan.

(Continued)

(r) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(s) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the board of directors authorized the price and number of a new award.

(t) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(Continued)

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(u) Business combination

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

(Continued)

For each business combination, the Group measures any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interest's proportionate share of the acquiree's identifiable net assets, if the noncontrolling interests are present ownership interests and entitle their holders to a proportionate share of the Group's net assets in the event of liquidation. Other components of noncontrolling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value, and recognizes the resulting gain or loss, if any, in profit or loss. In prior reporting periods, the Group may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognized in other comprehensive income will be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest. If the disposal of the equity interest required a reclassification to profit or loss, such an amount will be reclassified to profit or loss.

The Group adopted the book value method instead of the acquisition method to account for business combinations during a reorganization. In addition, the Group treated such business combinations as combinations from the beginning and restated retroactively the comparative consolidated financial statements for the prior period. Please refer to note 12 (b) for details. Due to economic substance, the Group's acquisition of subsidiaries was an intragroup reorganization which shall be recognized in the carrying amounts of the subsidiaries when they were held by the previous owners and be accounted for as combinations from the beginning. In addition, the comparative consolidated financial report for the period shall be restated retrospectively. In preparing the comparative prior-period consolidated balance sheet and statement of changes in equity, equity interests held by previous shareholders shall be recorded as "equity attributable to former owners of business combinations under common control". In preparing the comparative consolidated statement of comprehensive income, the profit (loss) recognized by shareholders shall be recorded as "net profit (loss), attributable to former owners of business combinations under common control".

(v) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as convertible bonds and employee compensation.

(w) Segment information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(Continued)

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

(a) Judgment regarding control of subsidiaries

The Group held 50% voting shares in Yang Ji, and the remaining shares were held by another single shareholder. The Group obtained neither the majority of Yang Ji's board seats nor the majority of the voting rights in shareholders' general meetings, hence it was determined that the Group only had significant influence over the associate.

Information about assumptions and estimation uncertainties does not have a significant risk of resulting in a material adjustment within the next financial year.

The Group's accounting policies include measuring financial and non financial assets and liabilities at fair value through profit or loss. The Group's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

		December 31, 2023	December 31, 2022 (Restated)
Cash	$	34,774	27,196
Check and demand deposit		1,229,241	1,328,690
Cash and cash equivalents in the consolidated statement of cash flows	**$**	**1,264,015**	**1,355,886**

(Continued)

(b) Financial assets and liabilities at fair value through profit or loss

		December 31, 2023	December 31, 2022 (Restated)
Non-current financial asset measured at fair value through			
Convertible bond-embedded derivative	$	-	216

		December 31, 2023	December 31, 2022
Non-current financial liability measured at fair value throughprofit or loss:			
Convertible bond-embedded derivative	$	143	210

Please refer to note 6(s) for the convertible corporate bonds issue by the Group on December 10, 2021 and December 23, 2020. The call option and put option of convertible corporate bonds were mandatorily measured at fair value through profit or loss.

(c) Non-current financial assets at fair value through other comprehensive income

		December 31, 2023	December 31, 2022
Unlisted stocks			
TAIWAN TRUEWIN TECHNOLOGY CO., LTD	$	30,080	-
MA LI QIANG GREEN ENERGY CO., LTD.		-	473
Total	$	30,080	473

(i) Equity investments at fair value through other comprehensive income.

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of December 31, 2023 and 2022.

(ii) For credit risk and market risk, please refer to note 6(ab).

(iii) As of December 31, 2023 and 2022, the financial assets at fair value through other comprehensive income of the Group had not been pledged as collateral.

(Continued)

(d) Notes and accounts receivables

	December 31, 2023	December 31, 2022 (Restated)
Notes receivables	$ 1,949	153
Trade receivables	87,988	56,563
Less: Loss allowance	(77)	-
	$ 89,860	**56,716**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provisions in Taiwan were determined as follows:

	December 31, 2023		
	Gross carrying amount	**Weighted average loss rate**	**Loss allowance provision**
Current	$ 88,197	0%	-
1 to 30 days past due	879	0%	-
31 to 60 days past due	784	0%	-
61 to 90 days past due	-	0%	-
More than 91 days past due	77	100%	77
	$ 89,937		**77**

	December 31, 2022(Restated)		
	Gross carrying amount	**Weighted average loss rate**	**Loss allowance provision**
Current	$ 55,413	0%	-
1 to 30 days past due	1,303	0%	-
31 to 60 days past due	-	0%	-
61 to 90 days past due	-	2.38%	-
More than 91 days past due	-	100%	-
	$ 56,716		**-**

(Continued)

The movements in the allowance for trade receivables and notes receivable were as follows:

	2023	2022
Balance on January 1	$ -	-
Impairment losses recognized	77	-
Balance on December 31	**$ 77**	**-**

As of December 31, 2023 and 2022, the notes and trade receivables of the Group had not been pledged as collateral.

(e) Inventories

	December 31, 2023	December 31, 2022 (Restaed)
Trading/Tourist Hotels:		
Premium Diesel	$ 26,330	35,706
Unleaded gasoline 98	14,723	17,859
Unleaded gasoline 95	40,486	71,061
Unleaded gasoline 92	30,939	38,183
Coproducts and others	5,215	7,082
Merchandise and food	-	2
Subtotal	117,693	169,893
Construction industry:		
Land held for construction site	333,630	-
Construction in progress	3,965,325	652,444
Buildings and land held for sale	41,052	-
Subtotal	4,340,007	652,444
	$ 4,457,700	**822,337**

During 2023 and 2022, the costs of inventories that were recognized as costs of sales and expenses amounted to $6,105,430 thousand and $5,798,518 thousand, respectively. In 2023, the write-down of inventories amounted to $1,647 thousand (2022: $0 thousand). The write-downs is included in cost of sales.

As of December 31, 2023 and 2022, the inventories of the Group had been pledged as collateral for short-term borrowings and long-term borrowings; please refer to note 8.

Capitalized interest costs of the Group were as follows:

	2023	2022
Capitalization of interest	**$ 7,522**	**5,548**
Range of rate for capitalization	**2.08%~2.93%**	**1.75%~2.41%**

(Continued)

(f) Investments accounted for using equity method

A summary of the Group's financial information for investments accounted for using the equity method at the reporting date is as follows:

	December 31, 2023	December 31, 2022
Associates	$ 84,205	302,036

(i) Associates

Name of Associates	Nature of Relationship with the Group	Main operating location/ Registered Country	Proportion of shareholding and voting rights	
			December 31, 2023	December 31, 2022
BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	The main businesses are interior decoration construction, wholesale building materials, and residential and building development and rental.	Taiwan	52 %	49 %
YANG JI ENTERPRISE CO., LTD.	Mainly engages in advertisement consignment.	Taiwan	50 %	50 %
JIA YANG ENTERPRISE CO., LTD.	The principal business activities are real estate agency and advertising services.	Taiwan	50 %	- %
BAOSHUN ENERGY CO., LTD	The main businesses are Renewable energy	Taiwan	50 %	- %

On September 21, 2023, the Group initiated the establishment of Jia Yang Enterprise Co., Ltd. with cash of $10,000 thousand and acquired 50% shareholding therein, thereby gaining significant influence over it.

On September 28, 2023, the Group acquired 50% shareholding in Baoshun Energy Co., Ltd. at a price of $$4,092 thousand in cash, thereby gaining significant influence over it.

On October 20, 2023, the Group participated in the cash capital increase of Beiji International Development Co., Ltd. and subscribed for new issued shares of $15,680 thousand in proportion to its shareholding, after which the investments in it totaled $162,680 thousand.

On December 7, 2023, the Group acquired 3% equity interest in Beiji International Development Co., Ltd. with cash of $15,437 thousand, after which its shareholding increased from 49% to 52%. As the Group obtained control of the entity, it became a subsidiary. Please refer to notes 4(c) and 6(h) for details.

(Continued)

On December 9, 2022 , the Board resolved to participate in the capital increase of Yang Ji Enterprise Co., Ltd. The increase in investments of $25,000 thousand proportioned to the shareholding. As of December 31, 2023, the total investment in Yang Ji Enterprise Co., Ltd. is $75,000 thousand.

The Group has only significant influence over the associates above, taking into account the holdings of other investors, and the Company has determined that there is no control over the board of directors or shareholders' meetings of these associates.

The following is the aggregated financial information of the major associates, and necessary changes have already been made to the information therein concerning the associates' consolidated financial statements based on the IFRS as endorsed by FSC to reflect the fair value adjustments made at the time of acquisition and adjustment for accounting policy variations.

1) Financial information summary of Beiji International Development co., ltd. were as follows:

	December 31, 2022
Current assets	2,578,999
Non-current assets	374,410
Current liabilities	(965,337)
Non-current liabilities	(1,519,860)
Net assets	**468,212**

	2022
Operating revenue	2,292,291
Profit for the year	373,352
Other comprehensive income	-
Total comprehensive income	**373,352**

	2022
Share of net assets of associates as of January 1	222,881
Comprehensive income attributable to the Group	182,942
Increase in investment in associates during the period	-
Dividends received from associates	(176,400)
Share of net assets of associates as of December 31	**229,423**

(Continued)

2) Financial information summary of Yang Ji Enterprise Co., Ltd. were as follows:

	December 31, 2023	December 31, 2022
Current assets	$ 411,780	164,454
Non-current assets	766	89,990
Current liabilities	(43,445)	(2,401)
Non-current liabilities	(228,595)	(106,818)
Net assets	**$ 140,506**	**145,225**

	2023	2022
Operating revenue	$ -	-
Profit for the year	(4,720)	(4,729)
Other comprehensive income	-	-
Total comprehensive income	**$ (4,720)**	**(4,729)**

	2023	2022
Share of net assets of associates as of January 1	$ 72,613	49,977
Capital increase during the period	-	25,000
Comprehensive income attributable to the Group	(2,360)	(2,364)
Share of net assets of associates as of December 31	**$ 70,253**	**72,613**

The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows: ：

	December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates' equity	**$ 13,952**	**-**

	2023	2022
Attributable to the Group:		
Profit (loss) from continuing operations	$ (140)	-
Other comprehensive (loss) income	-	-
Comprehensive income	**$ (140)**	**-**

(ii) Collateral

As of December 31, 2023 and 2022, the Group did not provide any investments accounted for using the equity method as collateral for its loans.

(Continued)

(g) Joint operations

The Group entered into joint development agreements with HEYI CONSTRUCTION CO., LTD., which is not a separate entity, responsible for 50% of the real estate development expenses respectively. HEYI CONSTRUCTION CO., LTD. is the implementing company responsible for real estate development, such as planning and design, outsourcing, and progress tracking. The joint agreement between the Group and HEYI CONSTRUCTION CO., LTD. for participation in land development provides that each party uses its assets and assumes its liabilities in the performance of the contract. The Group and HEYI CONSTRUCTION CO., LTD. recognize revenue from the sale of the products as a 50% share each. The construction license for this case has been issued and started construction in March 2021. As of December 31, 2021, the amount of the buildings held by the joint development was $530,606 and $347,836 thousand, which is recognized under inventories. Please note 6(e) for details.

The Group, TAI JIA DEVELOPMENT CO.,LTD., TOP HIGH IMAGE CORP. and KAOHSIUNG TRANSPORTATION CO., LTD. entered into a Land Development Joint Arrangement, which did not create an independent business entity; all parties shall share the expenditures on development. As the executor of the development project, TOP HIGH IMAGE CORP. shall be responsible for project management matters, such as planning, designing, subcontracting and progress tracking, and the control shall be shared. Under the Group' s joint arrangement for participation in land development, each party shall utilize its own assets and assume its own liabilities in the performance of the contract, and the revenues generated by selling the products shall be recognized by each party in proportion to contribution of capital. The construction license was issued, and the construction commenced in August 2012. Under joint development, the construction in progress amounted to $17,678 thousand as of December 31, 2023; please refer to note 6(e) for details.

(h) Business combination

On December 31, 2023, the Group obtained control of Beiji International Development Co., Ltd. (Beiji International Developmentis an entity engaging in interior decoration, wholesale of building materials, as well as development, rental and sale of residential and commercial buildings.) by acquiring 3% of the shares and voting interests in the company. As a result, the Group's equity interest in Beiji International Development Co., Ltd. increased from 49% to 52%.

1) The following table summarizes the acquisition date fair value of major class of consideration transferred.

Cash	**$ 15,437**

(Continued)

2) The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the acquisition date.

Cash and cash equivalents	$	77,537
Notes receivable, accounts receivable, and other receivables		79,659
Inventories		2,976,005
Property, plant and equipment		557
Deferred tax assets		4,847
Other current and non-current assets		716,455
Contract liabilities		(540,676)
Notes payable, accounts payable, and other payables		(449,788)
Long-term borrowings		(2,114,640)
other current and non-current liabilities		(301,786)
Total identifiable net assets acquired	**$**	**448,170**

3) Goodwill

Goodwill arising from the acquisition has been recognized as follows.

Consideration transferred	$	15,437
Non-controlling interest in the acquiree, if any (proportionate share of the fair value of the identifiable net assets)		215,122
Fair value of pre-existing interest in Beiji International Development Co., Ltd.		217,952
Less: Fair value of identifiable net assets		(448,170)
	$	**341**

The Group re-measured the fair value of its existing equity interest of 49% in Beiji International Development Co., Ltd. before the business combination, and the resulting gain or loss of $1,651 thousand is recognized as “gains or losses arising from disposal of investment” on the statement of comprehensive income.

The goodwill is attributable mainly to the skills and technical talent of Beiji International Development Co., Ltd.'s work force and the synergies expected to be achieved from integrating the company into the Group’s existing standard paper business. None of the goodwill recognized is expected to be deductible for tax purposes.

(Continued)

(i) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place / Registered country of the Company	Percentage of non-controlling interests December 31, 2023
SANTI ENERGY CO., LTD.	Taiwan	32 %

The following information on the aforementioned subsidiaries has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in these information are the fair value adjustments made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

(i) SANTI ENERGY CO., LTD.'s collective financial information

	December 31, 2023
Current assets	$ 2,003,892
Non-current assets	13,352,208
Current liabilities	(6,989,248)
Non- current liabilities	(3,751,719)
Net assets	**$ 4,615,133**
Non-controlling interests	**$ 2,506,301**

	2023
Sales revenue	**$ 543,039**
Net income	26,077
Other comprehensive income	-
Comprehensive income	**$ 26,077**
Profit, attributable to non-controlling interests	**$ (2,557)**
Comprehensive income, attributable to non-controlling interests	**$ (2,557)**

	2023
Net cash flows from operating activities	$ (201,876)
Net cash flows from investing activities	(5,697,389)
Net cash flows from financing activities	5,557,743
Net increase (loss) in cash and cash equivalents	**$ (341,522)**
Dividends paid to NCIs	**$ -**

(Continued)

(j) Changes in subsidiaries' equity did not result in the Company's loss of control

On January 6, 2023, Hengfeng Energy issued 105,058 thousand new shares to increase cash capital, but the Group did not subscribe for new shares in proportion to its shareholding, which was decreased from 100% to 51%. During 2022, the Group' s shareholding in subsidiaries remained unchanged.

The following summarizes the effect of changes in equity of the parent due to changes in the ownership interest of subsidiaries:

	2023
Equity interests in subsidiaries after issuing new shares	$ 43,014
Consideration paid for share subscription	(51,078)
Capital surplus–movements in ownership interests in subsidiaries	**$ (8,064)**
	$ (16,128)

(k) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Land	Buildings and construction	Machinery and equipment	Others equipment	Construc-tion in progress	Total
Cost or deemed cost:						
Balance on January 1, 2023(Restated)	$ 3,629,068	538,728	718,595	174,031	2,336,216	7,396,638
Acquisition through Business combination	-	-	-	13,102	-	13,102
Additions	1,453,995	14,430	626,111	11,716	3,163,937	5,270,189
Disposal	-	(24,174)	(42,968)	(32,163)	-	(99,305)
Reclassification	-	21,186	6,031,579	1,722	(4,332,004)	1,722,483
Other additions	-	-	-	-	98,121	98,121
Balance on December 31, 2023	**$ 5,083,063**	**550,170**	**7,333,317**	**168,408**	**1,266,270**	**14,401,228**
Balance on January 1, 2022(Restated)	$ 3,583,468	515,367	327,564	144,264	95,224	4,665,887
Additions	10,800	6,938	419,212	27,553	2,194,051	2,658,554
Disposal	-	(1,520)	(44,393)	(1,650)	-	(47,563)
Reclassification	34,800	17,943	16,212	3,864	-	72,819
Other additions	-	-	-	-	46,941	46,941
Balance on December 31, 2022(Restated)	**$ 3,629,068**	**538,728**	**718,595**	**174,031**	**2,336,216**	**7,396,638**
Depreciation and impairments losses:						
Balance on January 1, 2023(Restated)	$ -	232,388	265,533	119,072	6,560	623,553
Acquisition through Business combination	-	-	-	12,545	-	12,545
Depreciation	-	22,014	210,714	16,137	-	248,865
Disposal	-	(23,748)	(42,945)	(32,143)	-	(98,836)
Reclassification	-	(11,711)	11,346	(6,085)	-	(6,450)
Impairment loss	-	-	-	-	24,049	24,049
Balance on December 31, 2023	**$ -**	**218,943**	**444,648**	**109,526**	**30,609**	**803,726**

(Continued)

	Land	Buildings and construction	Machinery and equipment	Others equipment	Construc-tion in progress	Total
Balance on January 1, 2022(Restated)	$ -	211,631	248,619	107,178	6,560	573,988
Depreciation	-	21,270	31,253	12,195	-	64,718
Disposal	-	(513)	(14,339)	(301)	-	(15,153)
Balance on December 31, 2022(Restated)	$ -	232,388	265,533	119,072	6,560	623,553
Carrying amount:						
Balance on December 31, 2023	$ 5,083,063	331,227	6,888,669	58,882	1,235,661	13,597,502
Balance on January 1, 2022(Restated)	$ 3,583,468	303,736	78,945	37,086	88,664	4,091,899
Balance on December 31, 2022(Restated)	$ 3,629,068	306,340	453,062	54,959	2,329,656	6,773,085

During 2023 and 2022, depreciation expenses and interest expenses qualified for capitalization were transferred to the line item of unfinished construction of property, plant and equipment; please refer to notes 6(l) and (aa) for details.

In July 2023, the Group changed the locations of energy storage sites in response to its operating requirement, and the development of energy storage sites and photovoltaic power stations at Niuchaopu, Luermen (Tainan) and Zhonggong (Taoyuan) were terminated. The recoverable amount of relevant unfinished construction was estimated at $0 thousand, which was less than the carrying amount of $24,049 thousand, hence the recognition of impairment losses in other gains and losses. The Group assessed the impairment of property, plant and equipment, and their values in use were deemed as the recoverable amounts. The values in use were calculated based on the Group’ s estimated future cash flows. As the development has been terminated, there is no future cash flow, and key assumptions such as discount rate are not applicable.

As of December 31, 2023 and 2022, agricultural land used by the Group as a petrol stations amounted to $$70,368 thousand and $$39,417 thousand, respectively. The ownership of the land was temporarily entrusted and registered in the name of third parties designated by the Group. All of the trustees have contracted with the Group to hold the land on behalf of it. In addition, the trustees pledged the land to the Group as collateral totaling $$43,250 thousand.

As of December 31, 2023 and 2022, the property, plant and equipment of the Group had been pledged as collateral for long-term and short-term borrowings; please refer to note 8.

(l) Right-of-use assets

The Group leases many assets including land and buildings, vehicles, machinery and other assets. Information about leases for which the Group is a lessee was presented below:

	Land and building	Transportation equipment	Machiner-y and equipment	Others assets	Total
Cost:					
Balance on January 1, 2023(Restated)	$ 3,362,727	9,769	-	-	3,372,496
Additions	356,762	10,696	32,462	-	399,920
Write-off	(309,874)	(10,997)	-	-	(320,871)
Reclassification	(48,896)	(897)	-	9,576	(40,217)
Balance on December 31, 2023	$ 3,360,719	8,571	32,462	9,576	3,411,328

(Continued)

		Land and building	Transportation equipment	Machiner-y and equipment	Others assets	Total
Balance on January 1, 2022(Restated)	$	2,937,170	9,769	-	-	2,946,939
Additions		727,926	-	-	-	727,926
Write-off		(162,389)	-	-	-	(162,389)
Reclassification		(139,980)	-	-	-	(139,980)
Balance on December 31, 2022(Restated)	$	**3,362,727**	**9,769**	**-**	**-**	**3,372,496**
Accumulated depreciation:						
Balance on January 1, 2023(Restated)	$	560,506	7,379	-	-	567,885
Depreciation for the year		244,245	5,360	877	1,596	252,078
Reclassification		16,754	(872)	-	399	16,281
Write-off		(90,302)	(5,775)	-	-	(96,077)
Balance on December 31, 2023	$	**731,203**	**6,092**	**877**	**1,995**	**740,167**
Balance on January 1, 2022(Restated)	$	379,450	4,209	-	-	383,659
Depreciation for the year		218,214	3,170	-	-	221,384
Write-off		(37,158)	-	-	-	(37,158)
Balance on December 31, 2022(Restated)	$	**560,506**	**7,379**	**-**	**-**	**567,885**
Carrying amount:						
Balance on December 31, 2023	$	**2,629,516**	**2,479**	**31,585**	**7,581**	**2,671,161**
Balance on January 1, 2022(Restated)	$	**2,557,720**	**5,560**	**-**	**-**	**2,563,280**
Balance on December 31, 2022(Restated)	$	**2,802,221**	**2,390**	**-**	**-**	**2,804,611**

For 2023 and 2022, $72,432 thousand and $46,941 thousand were transferred to the line item of unfinished construction of property, plant and equipment, respectively.

(m) Investment property

The cost, depreciation, and impairment of the investment property of the Group for the years ended December 31, 2023 and 2022, were as follows:

		Owned property	Right-of-use assets	
		Land	Land	Total
Cost or deemed cost:				
Balance on January 1, 2023	$	83,125	139,980	223,105
Reclassification		-	(18,825)	(18,825)
Balance on December 31, 2023	$	**83,125**	**121,155**	**204,280**
Balance on January 1, 2022	$	83,125	-	83,125
Reclassification		-	139,980	139,980
Balance on December 31, 2022	$	**83,125**	**139,980**	**223,105**

(Continued)

	Owned property Land	Right-of-use assets Land	Total
Depreciation and impairments losses:			
Balance on January 1, 2023	$ 48,793	48,154	96,947
Depreciation for the year	-	11,003	11,003
Reclassification	-	(18,828)	(18,828)
Balance on December 31, 2023	$ **48,793**	**40,329**	**89,122**
Balance on January 1, 2022	$ 48,793	-	48,793
Depreciation for the year	-	10,997	10,997
Reclassification	-	37,157	37,157
Balance on December 31, 2022	$ **48,793**	**48,154**	**96,947**
Carrying amount:			
Balance on December 31, 2023	$ **34,332**	**80,826**	**115,158**
Balance on January 1, 2022	$ **34,332**	**-**	**34,332**
Balance on December 31, 2022	$ **34,332**	**91,826**	**126,158**
Fair value:			
Balance on December 31, 2023			**355,585**
Balance on December 31, 2022			**350,050**

The fair value of investment property as of December 31, 2023 was derived by management from real estate appraisal reports, market evidence, the transaction prices of similar real estate in the same region. The fair value of investment property as of December 31, 2022 was derived by management from market evidence, the transaction prices of similar real estate in the same region.

As of December 31, 2023 and 2022, the investment property of the Group had not been pledged as collateral.

(n) Intangible assets

The cost, amortization and impairment of the intangible assets of the Group for the years ended December 31, 2023 and 2022, were as follows:

	Goodwill	Computer Software	Value of contract	Total
Cost：				
Balance on January 1, 2023(Restated)	$ 37,513	12,163	241,917	291,593
Additions	-	15,953	3,280	19,233
Acquisition through Business combination	341	1,808	-	2,149
Disposals	-	(3,563)	-	(3,563)
Reclassification	-	1,016	-	1,016
Balance on December 31, 2023	$ **37,854**	**27,377**	**245,197**	**310,428**

(Continued)

		Goodwill	Computer Software	Value of contract	Total
Balance on January 1, 2022(Restated)	$	37,513	11,590	249,127	298,230
Additions		-	573	-	573
Disposals		-	-	(7,210)	(7,210)
Balance on December 31, 2022(Restated)	**$**	**37,513**	**12,163**	**241,917**	**291,593**
Accumulated amortization and impairment losses:					
Balance on January 1, 2023(Restated)	$	-	9,773	-	9,773
Amortization for the year		-	4,433	6,048	10,481
Disposals		-	(3,563)	-	(3,563)
Reclassification		-	54	-	54
Acquisition through business combinations		-	1,808	-	1,808
Balance on December 31, 2023	**$**	**-**	**12,505**	**6,048**	**18,553**
Balance on January 1, 2022(Restated)	$	-	8,043	-	8,043
Amortization for the year		-	1,730	-	1,730
Balance on December 31, 2022(Restated)	**$**	**-**	**9,773**	**-**	**9,773**
Carrying amount:					
Balance on December 31, 2023	**$**	**37,854**	**14,872**	**239,149**	**291,875**
Balance on January 1, 2022(Restated)	**$**	**37,513**	**3,547**	**249,127**	**290,187**
Balance on December 31, 2022(Restated)	**$**	**37,513**	**2,390**	**241,917**	**281,820**

(i) Amortization expenses

The amortization of intangible assets is included in the statement of comprehensive income:

		2023	2022
Cost of sales	**$**	**7,063**	**-**
Operating expenses	**$**	**3,418**	**1,730**

(ii) Collateral

As of December 31, 2023 and 2022, the intangible property of the Group had not been pledged as collateral.

(Continued)

(o) Other current asset

	December 31, 2023	December 31, 2022 (Restated)
Other current assets:		
Prepayments to suppliers	$ 35,044	37,058
Prepaid rents	2,932	19,282
Net input VAT	432,352	272,543
Prepaid expenses	84,166	59,212
Supplies inventories	16,170	15,619
Incremental costs of obtaining a contract	198,138	51,814
Other current financial assets	174,676	1,589
Others	34,694	11,099
	$ **978,172**	**468,216**

For the marketing activities information on other current assets provided as deposits, as of December 31, 2023 and 2022, please refer to Note 8.

(p) Short-term notes and bills payable

	December 31, 2023		
	Guarantee or acceptance institution	Range of interest rates	Amount
Commercial paper payable	DAH CHUNG BILLS FINANCE CORPORATION	2.12%	$ 50,000
Commercial paper payable	CHINA BILLS FINANCE CORPORATION	2.16%	141,000
Commercial paper payable	MEGA BILLS FINANCE CORPORATION	2.19%~2.49%	80,000
Commercial paper payable	TAIWAN FINANCE CORPORATION	2.09%~2.63%	100,000
Commercial paper payable	INTERNATIONAL COMMERCIAL BANK OF CHINA	2.22%	50,000
Less: Discount on short-term notes and bills payable			(592)
Total			$ **420,408**

(Continued)

	December 31, 2022(Restated)		
	Guarantee or acceptance institution	**Range of interest rates**	**Amount**
Commercial paper payable	DAH CHUNG BILLS FINANCE CORPORATION	2.08%~2.10%	$ 50,000
Commercial paper payable	TAIWAN FINANCE CORPORATION	2.06%	50,000
Commercial paper payable	INTERNATIONAL COMMERCIAL BANK OF CHINA	2.33%	50,000
Commercial paper payable	CHINA BILLS FINANCE CORPORATION	2.09%	50,000
Commercial paper payable	MEGA BILLS FINANCE CORPORATION	2.19%	50,000
Less: Discount on short-term notes and bills payable			(303)
Total			**$ 249,697**

Please refer to note 7 for joint guarantees provided by related parties for the Group.

(q) Short-term borrowings

	December 31, 2023	**December 31, 2022**
Unsecured bank loans	$ -	386,959
Secured bank loans	462,360	602,360
Total	**$ 462,360**	**989,319**
Unused short-term credit lines	**$ 840,000**	**840,175**
Range of interest rates	**2.11%-2.66%**	**2.09%~2.73%**

For the collateral for short-term borrowings, please refer to note 8.

(r) Long-term borrowings

	December 31, 2023			
	Currency	**Range of interest rates**	**Maturity year**	**Amount**
Unsecured bank loans	NTD	2.95%~3.10%	2024.03~2027.10	$ 1,311,167
Secured bank loans	NTD	2.08%~3.16%	2024.03~2038.10	11,087,582
				12,398,749
Less: Balance of unamortized transaction costs				(48,677)
Less: current portion				(8,622,606)
Total				**$ 3,727,466**
Unused long-term credit lines				**$ 6,820,706**

(Continued)

	December 31, 2022(Restated)			
	Currency	**Range of interest rates**	**Maturity year**	**Amount**
Unsecured bank loans	NTD	1.85%~2.98%	2023.06~2024.03	$ 820,050
Secured bank loans	NTD	1.41%~3.02%	2023.03~2037.03	4,289,410
				5,109,460
Less: Balance of unamortized transaction costs				(23,073)
Less: current portion				(1,079,418)
Total				**$ 4,006,969**
Unused long-term credit lines				**$ 7,801,380**

(i) Please refer to notes 7 and 8 for joint guarantees provided by related parties for the Group and assets pledged to secure bank loans.

(ii) Government credit guarantee loans

The Group obtained an interim working capital of $150,000 thousand for relief and economic stimulus package of COVID-19 from the Ministry of Economic Affairs in October 2020 for a period of five years, which is allocated in a split and is not revolving. As of December 31, 2023 and 2022, the balance of borrowing amounted to $70,862 thousand and $105,733 thousand, respectively, with the interest rates of 2.30% and 2.18%, respectively, and received an 80% guarantee from the Small and Medium Enterprise Credit Guarantee Fund of Taiwan.

(s) Bonds payable

The following table summarized the bonds payable information of the Group:

	December 31, 2023	**December 31, 2022**
Total convertible corporate bonds issued	$ 6,800	406,700
Total amount of ordinary corporate bonds issued	1,200,000	1,200,000
Unamortized discounted corporate bonds payable	(1,663)	(22,921)
Corporate bonds issued balance at year-end	**$ 1,205,137**	**1,583,779**
Less : current portion	(1,383)	-
Bonds payable-non-current	**$ 1,203,754**	**1,583,779**
Embedded derivative – redemption rights:		
included in financial assets at fair value through profit or loss	**$ -**	**216**
included in financial liabilities at fair value through profit or loss	**$ 143**	**210**
Equity component – conversion options, included in capital surplus– stock options	**$ 346**	**22,685**

(Continued)

The Group issue domestic private convertible corporate bond at par value, the issuing terms were as follows:

	For the Year Ended December 31, 2020 Domestic fifth secured convertible corporate bonds
Total issuance amount	600,000 thousand
Date of issuance	12.23.2020
Issue price	issued at 102% of the face value
Coupon rate	0%
Issuance Period	12.23.2020~ 12.23.2025
Trustee bank	TBC bank
Redemption right of convertible bonds	Within the period between three month after the issuance date (March 24, 2021) and 40 days (November 13, 2025) before the last convertible date, the redemption right to convert corporate bonds satisfies one of the following, and the Group reclaims its outstanding bonds in cash at the principal amount: (1) if the closing price of the Group’s common shares on the Taipei Exchange for a period of 30 consecutive trading days before redemption has been at least 30% of the conversion price in effect on each such trading day, the Group may redeem all bonds at par value by cash. (2) When the outstanding balance of the convertible bond is less than 10% of the total amount issued
Put option of convertible bond	The Group shall set the date after 3 years (December 23, 2023) and the date after 4 years (December 23, 2024) bondholders may request the Group to and redeem the exchange bonds held by it at principal amount in cash 30 days (November 23, 2023 and 2024) before the selling back date.
The conversion period	the bond holders may opt to have its bonds converted into the Group’s ordinary shares within the period between three months after the issuance date (March 24, 2021) and the maturity date (December 23, 2025) under the conversion method; Unredeemed and unconverted bond at maturity will be repaid with the principal in the lump sum of cash.

(Continued)

	For the Year Ended December 31, 2020 Domestic fifth secured convertible corporate bonds
conversion price of convertible bonds	The conversion price for convertible bonds is fixed at $18.18 per share at the time of issuance, when it comes to adjusting conversion price of the Group's common share, it should adhere to the conversion' s rules. The conversion price change with formula within issuance details. The conversion price changed to $14.05 dollars per share on December 31, 2023.

	For the Year Ended December 31, 2021 Domestic sixth unsecured convertible corporate bonds
Total issuance amount	300,000 thousand
Date of issuance	12.10.2021
Issue price	issued at face value
Coupon rate	0%
Issuance Period	12.10.2021~ 12.10.2024
Trustee bank	TBC bank
Redemption right of convertible bonds	Within the period between three month after the issuance date (March 11, 2022) and 40 days (October 31, 2024) At the end of forty days before the expiry (October 31, 2024), the subsidiary would repurchase the bond at the face value if the outstanding value of bonds was lower than 10% of the total issuance value.
Put option of convertible bond	The Group shall set the date after 2 years (December 10, 2023) and the bond holder may request the Group to redeem the private convertible bond at par value plus an an indemnity to cover interest, which amounted to 0.3002% of the par value 30 days prior to the Redemption Base Date (November 10, 2023).
The conversion period	the bond holders may opt to have its bonds converted into the Group's ordinary shares within the period between three months after the issuance date (March 11, 2022) and the maturity date (December 10, 2024) under the conversion method; Unredeemed and unconverted bond at maturity will be repaid with the principal in the lump sum of cash.

(Continued)

	For the Year Ended December 31, 2021 Domestic sixth unsecured convertible corporate bonds
conversion price of convertible bonds	The conversion price for convertible bonds is fixed at $35.50 per share at the time of issuance, when it comes to adjusting conversion price of the Group's common share, it should adhere to the conversion' s rules. The conversion price change with formula within issuance details. The conversion price changed to $27.82 dollars per share on December 31, 2023.

The Group issue domestic private convertible corporate bond at par value, the issuing terms were as follows:

	For the Year Ended December 31, 2022 Domestic 1st secured ordinary corporate bonds
Total issuance amount	500,000 thousand
Date of issuance	6.14.2022
Issue price	issued at face value
Coupon rate	1.95%
Issuance Period	6.14.2022~ 6.14.2027
Trustee Bank	JihSun International Commercial Bank Co., Ltd.
Interest calculation and payment method	interest is calculated and payable annually on a per transaction basis.
Method of repayment	it is repayable in one lump sum based on the principal amount of the bond via cash.

	For the Year Ended December 31, 2022 Domestic second secured ordinary corporate bonds
Total issuance amount	700,000 thousand
Date of issuance	09.22.2022
Issue price	issued at face value
Coupon rate	1.80%
Issuance Period	9.22.2022~ 9.22.2027
Trustee Bank	JihSun International Commercial Bank Co., Ltd.
Interest calculation and payment method	interest is calculated and payable annually on a per transaction basis.
Method of repayment	it is repayable in one lump sum based on the principal amount of the bond via cash.

The Group had pledged assets as collateral for bonds payable, please refer to Note 8.

(Continued)

(t) Lease liabilities

	December 31, 2023	December 31, 2022 (Restated)
Current	$ 207,564	191,308
Non-current	$ 2,689,156	2,808,277

For the maturity analysis, please refer to note 6(ab).

The amounts recognized in profit or loss was as follows:

	2023	2022 (Restated)
Interest on lease liabilities	$ 74,309	54,853
Variable lease payments not included in the measurement of lease liabilities	$ 8,851	892
Income from sub-leasing right-of-use assets	$ 1,352	9,588
Expenses relating to short-term leases	$ 4,067	4,370
Expenses relating to leases of low-value assets	$ 14	-

The amounts recognized in the statement of cash flows for the Group was as follows:

	2023	2022 (Restated)
Total cash outflow for leases	$ 327,957	231,813

(i) Real estate leases

The Group leased land, houses and structures as petrol stations, hotels, offices, solar farms, power storage sites, etc. The offices are normally leased for 3 years, and the lease terms for solar farms and power storage sites are normally 20 years and 10 years from the commencement of operation, respectively. Some leases include an option to extend the contract for a period of the same duration at the expiry of the lease terms.

Lease payments under some contracts are subject to movements in the local price index or calculated based on sales from the stores leased by the Group during the lease period. Some contracts also require the Group to pay related real estate taxes levied on the lessor and insurance payments made by the lessor; these expenses are generally paid annually.

Including options to extend or terminate the lease, the Group's lease contracts for some petrol stations are administered by their respective regions; therefore, the individual terms and conditions agreed upon vary among regions. The extension options held are exercisable only by the Group but not by the lessors.

(Continued)

(ii) Other leases

The lease terms of the Group's leased machinery, transportation equipment and advertising billboards are between 1 and 20 years.

(iii) Leases applicable to recognition exemption

The Group leases land, staff dormitories, and miscellaneous equipment for periods of 1 to 20 years, and the leases are shortterm or low-value. Electing to apply recognition exemption, the Group did not recognize right-of-use assets and lease liabilities.

(u) Employee benefits

The Company allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $23,268 thousand and $19,490 thousand for the years ended December 31, 2023 and 2022, respectively.

(v) Income tax

(i) Income tax expense

The components of income tax in the years 2023 and 2022 were as follows:

	2023	2022
Current tax expense	$ 51,969	18,915
Deferred tax expense	107	1,471
Tax expense	**$ 52,076**	**20,386**

There were no income tax recognized in equity or other comprehensive income for the years ended December 31, 2023. Income tax expense was recognized directly in equity for year ended December 31,2022, details are as follows:

	amount
Capital surplus - disgorgement	**$ 87**

(Continued)

Reconciliation of income tax and profit before tax for 2023 and 2022 is as follows:

	2023	2022 (Restated)
Profit excluding income tax	**$ 174,866**	**137,835**
Income tax using the Company's domestic tax rate	$ 34,973	27,567
Tax-exempt income	(23)	-
Income from domestic investment accounted for using equity method	(6,798)	(19,887)
Non-deductible expenses	119	-
Change in unrecognized temporary differences	281	-
Current-year losses for which no deferred tax asset was recognized	24,997	19,012
Recognition of previously unrecognized tax losses	(9,855)	-
Additional tax on undistributed earnings	627	13
Others	7,755	(6,319)
	$ 52,076	**20,386**

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2023	December 31, 2022
Tax effect of deductible temporary differences	$ 6,276	3,915
Tax loss	75,469	42,055
	$ 81,745	**45,970**

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

(Continued)

As of December 31, 2023, the information of the Group's unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss	Unused tax loss	Expiry year
2017(assessed)	$ 976	2027
2018(assessed)	551	2028
2019(assessed)	1,011	2029
2020(assessed)	39,794	2030
2021(assessed)	80,832	2031
2022(filed)	131,551	2032
2023(estimated)	122,632	2033
Total	**$ 377,347**	

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

Deferred tax assets (accounts of other non-current assets):

	Deferred revenue	Unrealized loss	Tax loss	Others	Total
Balance on January 1, 2023	$ 121	721	2,167	7,486	10,495
Recognized in profit or loss	1,880	(321)	-	(1,666)	(107)
Acquisition through business combinations	376	-	-	4,471	4,847
others	-	-	-	58	58
Balance on December 31, 2023	**$ 2,377**	**400**	**2,167**	**10,349**	**15,293**
Balance on January 1, 2022	$ 1,592	721	2,167	7,486	11,966
Recognized in profit or loss	(1,471)	-	-	-	(1,471)
Balance on December 31, 2022	**$ 121**	**721**	**2,167**	**7,486**	**10,495**

As of December 31, 2023, the information of the Group's unused tax losses for which deferred tax assets were recognized are as follows:

Deferred tax assets:

Group entity	Year of loss	Unused tax loss	Expiry year
ZHONGHUA PRINCE PETROL FILLING STATION	2019 (assessed)	**$ 10,834**	2029

Deferred tax liabilities:

As of December 31, 2020, the Group recognized land value-added tax provision amounting to $36,659 thousand due to the acquisition of YING GUANG ENTERPRISE CO., LTD., which deferred income tax liabilities were recognized as other non-current liabilities.

(Continued)

During 2023 and 2022, no income tax was recognized in other comprehensive income.

(iii) The Company's tax returns for the years through 2021 were assessed by the Taipei National Tax Administration.

(w) Capital and other equities

As of December 31, 2023, the number of authorized ordinary shares were both 880,000 shares with par value of $10 per share. The total value of authorized ordinary shares were both amounted to $$8,800,000 . As of that date, 326,441 and 278,930 thousend of ordinary shares were issued, respectively. All issued shares were paid up upon issuance.

Reconciliation of shares outstanding for 2023 and 2022 was as follows:

	Ordinary Shares	
(in thousands of shares)	**2023**	**2022**
Balance on January 1	278,930	246,249
Capital increase from capital surplus	28,035	21,526
Conversion of convertible bonds	19,476	11,155
Balance on December 31	**326,441**	**278,930**

(i) Ordinary shares

For the year ended December 31, 2023 and 2022, the convertible bondholders exercised their conversion rights and then the Company issued convertible bonds amounting to $194,762 thousand and $111,550 thousand were converted into 19,476 thousand and 11,155 thousand shares of common stock at face value. The related registration procedures were completed during the year for the 19,344 thousand shares and 7,259 thousand shares.

The Company issued 28,035 thousand ordinary shares, from a capital reserve of $280,350 thousand transfered to share capital with a face value of $10 per share, pursuant to a resolution of the general shareholders' meeting on June 21, 2023. On September 10, 2023, as the base

date for capital increase, 94.58 shares were allotted at nil per 1,000 shares.

The Company issued 21,526 thousand ordinary shares, from a capital reserve of $$215,264 thousand transfered to share capital with a face value of $10 per share, pursuant to a resolution of the general shareholders' meeting on June 23, 2022. On September 10, 2023, as the base date for capital increase, $85.43 shares were allotted at nil per 1,000 shares.

(Continued)

(ii) Capital surplus

The balances of capital surplus as of December 31, 2021 and 2020, were as follows:

	December 31, 2023	December 31, 2022
Share premium	235,545	600,000
Premium of convertible corporate bonds	325,314	105,019
Difference arising from subsidiary's share price and its carrying value	1,198,090	-
Movements in ownership interests in subsidiaries	15,136	8,175
Share-based payment	3,732	3,732
Employee share options-expired	5,792	5,792
Employee share options	346	22,685
Disgorgement	346	346
	$ 1,784,301	745,749

In addition to the above-mentioned conversion of capital reserve into share capital, the Company distributed the cash out of capital reserve of $84,105 thousand upon resolution of the general shareholders meeting on June 21, 2023, and the actual distribution of dividend per share was $0.28 in cash.

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long-term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. The Company could appropriate dividends by more 50% of appropriable earnings each year; the dividend could be distributed in the types of stock dividends or cash dividend and the cash dividends shall be greater than 20% of total dividends.

(Continued)

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Earnings distribution

The amounts of cash dividends on the appropriations of earnings for 2021 and 20202 had been approved during the shareholders meeting on June 23 2022 and August 4, 2021, respectively. The relevant dividend distributions to shareholders were as follows:

	2022		2021	
	Amount per share	**Amount**	**Amount per share**	**Amount**
Dividends distributed to ordinary shareholders:				
Cash	**$ 0.38**	**112,140**	**0.59**	**148,228**

(iv) Other comprehensive income accumulated in reserves, net of tax

	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income
Balance on January 1, 2023	$ (1,737)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(393)
Balance on December 31, 2023	**$ (2,130)**
Balance on January 1, 2022	$ (1,675)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(62)
Balance on December 31, 2022	**$ (1,737)**

(Continued)

(x) Earnings per share

		2023	2022 (Restated)
Basic earnings per share			
Profit attributable to ordinary shareholders of the Company	$	**112,660**	**131,468**
Weighted average number of ordinary shares on December 31 (thousand of share)		**318,409**	**300,001**
Basic earnings per share (dollar)	$	**0.35**	**0.44**
Diluted earnings per share			
Profit attributable to ordinary shareholders of the Company (basic)	$	112,660	131,468
Effect of dilutive potential ordinary shares		-	-
Interest expense on convertible bonds, net of tax		1,174	10,900
Profit attributable to ordinary shareholders of the Company (diluted)	$	**113,834**	**142,368**
Weighted average number of ordinary shares (thousand of share)		318,409	300,001
Effect of dilutive potential ordinary shares			
Effect of employee share bonus		28	50
Effect of convertible corporate bonds conversion		8,404	26,644
Weighted average number of ordinary shares (diluted) on December 31 (thousand of share)		**326,841**	**326,695**
Diluted earnings per share (dollar)	$	**0.35**	**0.44**

(y) Revenue from contracts with customers

(i) Disaggregation of revenue

		2023	2022
Primary geographical markets:			
Taiwan	$	**7,697,962**	**6,754,436**
Major products:			
Gasoline products	$	7,078,935	6,507,913
Other		619,027	246,523
Total	$	**7,697,962**	**6,754,436**

(Continued)

(ii) Contract balances

	December 31, 2023	December 31, 2022 (Restated)	January 1, 2022 (Restated)
Trade receivables	$ 89,860	56,716	37,643
Long-term accounts (accounts of other non-current assets)	$ 25,165	-	-
Contract assets	$ 350,425	-	-
Contract liabilities	$ 933,274	223,784	172,605

For details on trade receivables and allowance for impairment, please refer to note 6(d).

Contract assets were primarily revenues arising from selling electricity as the license of electricity provider had not been obtained and the customers had not been billed. The contract assets would be transferred to receivables when the rights to consideration become unconditional.

For details on onerous contracts as of December 31, 2023 and 2022, please refer to note 9(g).

The Group implemented a customer loyalty program to stimulate the sale of gasoline products. When a customer purchases a gasoline product, the Group gives him a credit that can be used in exchange for an advertisement gift.

As of December 31, 2023 and 2022, the deferred income of the Group was $4,981 thousand and $9,711 thousand, respectively, which are recognized under other current liabilities. Such amounts are allocated to the award points based on the relative stand-alone selling price of the products and award points.

(z) Employee compensation and directors' and supervisors' remuneration

In accordance with the articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation and less than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

(Continued)

The accrued amount of employee compensation and directors' and supervisors' remuneration of the Company in 2023 and 2022 were as follows:

	2023	2022
Employee remuneration	$ 1,449	1,447
Directors' and supervisors' remuneration	4,326	4,342
	$ 5,775	**5,789**

Remunerations to be distributed to employees, directors and supervisors were estimated based on the Company's pre-tax profits, multiplied by the percentages of remunerations for employees, directors and supervisors as specified in the Company's Articles of Incorporation. Recognized as operating expenses for 2023 and 2022, these remunerations were fully distributed in the form of cash. Related information is available on the Market Observation Post System website. The estimated remunerations for employees, directors and supervisors, as stated in the consolidated financial statements, were identical to those of the actual distributions resolved by the board of directors for 2023 and 2022.

(aa) Non-operating income and expenses

(i) Other income

The details of other income were as follows:

	2023	2022 (Restated)
Rent income	$ 18,113	14,820
Dividend income	117	96
Income arising from parking fees	6,421	5,834
Other income, others	47,588	40,801
Total Other income	**$ 72,239**	**61,551**

(Continued)

(ii) Other gains and losses

The details of other gains and losses were as follows:

	2023	2022 (Restated)
Gains (Losses) on disposals of property, plant and equipment	$ (468)	(97)
Income arising from epidemic prevention subsidy	-	14,530
Foreign exchange gains (losses)	(2,285)	2,084
Gains (Losses) on financial assets (liabilities) at fair value through profit or loss	14	(1,819)
Profits from lease modifications	11,454	10,555
Impairment loss	(24,049)	-
Others	(5,829)	(3,156)
Total other gains and losses, net	**$ (21,163)**	**22,097**

(iii) Finance costs

The details of finance costs were as follows:

	2023	2022 (Restated)
Interest expenses on bank loans	$ 222,968	76,774
Interest expenses on bonds payable	37,703	15,143
Interest expenses on lease liabilities	74,309	54,853
Other finance costs	476	109
Less :		
Capitalization of interest - bank loans	(114,057)	(33,076)
Capitalization of interest - lease liabilities	(38,765)	(23,653)
	$ 182,634	**90,150**

(Continued)

(ab) Financial instruments

(i) Type of financial instruments

1) Financial assets

	December 31, 2023	December 31, 2022 (Restated)
Financial assets at fair value through profit or loss	$ -	216
Financial assets at fair value through other comprehensive income	30,080	473
Financial assets measured at amortized cost		
Cash and cash equivalents	1,264,015	1,355,886
Notes and accounts receivable, net	89,860	56,716
Other receivables	585,559	78,640
Guarantee deposits paid	768,222	224,271
Other current financial assets (restricted deposits)	174,676	1,589
Other non-current financial assets (restricted deposits)	523,145	630,129
Total	**$ 3,435,557**	**2,347,920**

2) Financial liabilities

	December 31, 2023	December 31, 2022 (Restated)
Financial liabilities at fair value through profit or loss	$ 143	210
Financial liabilities measured at amortized cost:		
Short-term borrowings	462,360	989,319
Short-term notes and bills payable	420,408	249,697
Notes and trade payable	1,104,276	556,991
Other payables	1,076,379	319,785
Bonds payable (including current portion)	1,205,137	1,583,779
Long-term borrowings (including current portion)	12,350,072	5,086,387
Lease liabilities	2,896,720	2,999,585
Total	**$ 19,515,495**	**11,785,753**

(Continued)

(ii) Credit risk

1) Credit risk exposure

The carrying amount of financial assets except cash and cash equivalents represent the maximum amount exposed to credit risk. As of December 31, 2023 and 2022, the maximum amount exposed to credit risk amounted to $2,171,542 thousand, and $992,034 thousand, respectively.

2) Concentration of credit risk

As sales are made to customers worldwide, the Group’ s exposure to credit risk concentration is expected to be low. To reduce credit risk, the Group continuously assesses the financial position of its customers, normally without a request for collateral.

(iii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractua-l cash flows	Within 1 year	Over 1 year
December 31, 2023				
Non-derivative financial liabilities				
Short-term borrowings	$ 462,360	471,675	168,058	303,617
Short-term notes and bills payable	420,408	421,000	421,000	-
Notes and trade payable	1,104,276	1,104,276	1,104,276	-
Other payables	1,076,379	1,076,379	1,076,379	-
Long-term borrowings (including current portion)	12,350,072	12,659,311	8,855,620	3,803,691
Bonds payable (including current portion)	1,205,137	1,289,013	24,194	1,264,819
Lease liabilities	2,896,720	3,499,319	271,005	3,228,314
	$ 19,515,352	**20,520,973**	**11,920,532**	**8,600,441**
December 31, 2022(Restated)				
Non-derivative financial liabilities				
Short-term borrowings	$ 989,319	1,014,111	706,439	307,672
Short-term notes and bills payable	249,697	250,000	250,000	-
Notes and trade payable	556,991	556,991	556,991	-
Other payables	319,785	319,785	319,785	-
Long-term borrowings (including current portion)	5,086,387	5,338,711	1,196,653	4,142,058
Bonds payable	1,583,779	1,724,111	25,483	1,698,628
Lease liabilities	2,999,585	3,644,916	239,188	3,405,728
	$ 11,785,543	**12,848,625**	**3,294,539**	**9,554,086**

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(Continued)

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increase or decrease by 0.25%, when reporting to management internally, which also represents the assessment of the Group's management for the reasonably possible interval of interest rate change.

If the interest rate increases or decreases by 0.25% the Group's net income will decrease /increase by $32,031 thousand and $15,189 thousand for the years ended December 31, 2023 and 2022, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's variable rate bank borrowings.

(v) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through other comprehensive income are measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities were as follows:

	December 31, 2023				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Unquoted equity instruments measured at fair value	$ 30,080	-	-	30,080	30,080
Financial assets at fair value through profit or loss					
Convertible bond-embedded derivative	$ -	-	-	-	-
Financial liabilities at fair value through profit or loss					
Convertible bond-embedded derivative	$ 143	-	143	-	143

(Continued)

	December 31, 2022				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Unquoted equity instruments measured at fair value	$ 473	-	-	473	473
Financial assets at fair value through profit or loss					
Convertible bond-embedded derivative	$ 216	-	216	-	216
Financial liabilities at fair value through profit or loss					
Convertible bond-embedded derivative	$ 210	-	210	-	210

2) Valuation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

Measurements of fair value of financial instruments are based on a valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date. The categories and nature of the fair value for the Group’s financial instruments which without an active market are as below:

· The main assumption behind this is that the estimated pretax, pre-depreciation, and pre amortization earnings of the investee company is added to the earnings multiplier derived from the comparable quoted price of the listed company. The estimate of the fair value of equity instruments has been adjusted due to the effect of the discount arising from the lack of market liquidity of the equity security.

(Continued)

3) Reconciliation of Level 3 fair values

		Fair value through other comprehensive income
		Unquoted equity instruments
Opening balance, January 1, 2023	$	473
Total gains and losses recognized		
In profit or loss		-
In other comprehensive		(393)
Purchased		30,000
Ending Balance, December 31, 2023	**$**	**30,080**
Opening balance, January 1, 2022	$	535
Total gains and losses recognized		
In profit or loss		-
In other comprehensive		(62)
Ending Balance, December 31, 2022	**$**	**473**

The aforementioned total gains or losses were classified as "unrealized losses from financial assets at fair value through other comprehensive income". The information regarding assets held as of December 31, 2023 and 2022 was as follows:

		2023	**2022**
Total gains and losses recognized			
In other comprehensive income, and presented in "unrealized gains and losses on financial assets at fair value through other comprehensive income"	$	(393)	(62)

4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value was "fair value through other comprehensive income – equity investments".

Classified as Level 3, most of the fair values adopted by the Group had 1 single material unobservable input. Only equity investments without an active market have multiple material unobservable inputs. Significant unobservable inputs of the equity investments were independent of each other, hence no correlation between them.

(Continued)

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income -unquoted equity instruments	Comparable company analysis/Net asset value method	·Price-book ratio (2.20 and 1.45 respectively on December 31, 2023 and 2022) ·Lack of marketability discount rate (28.5% and 10% respectively on December 31, 2023 and 2022)	·The higher the ratio is, the higher the fair value will be. ·The higher the lack of marketability discount rate is, the lower the fair value will be.

(ac) Financial risk management

(i) Overview

The Group have exposures to the following risks from its financial instruments:

1) credit risk

2) liquidity risk

3) market risk

The following likewise discusses the Group's exposure information, objectives, policies and processes for measuring and managing the above-mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The Group's finance management department provides business services for the overall internal department. It sets the objectives, policies and processes for managing the risk and the methods used to measure the risk arising from both the domestic and international financial market operations. The Group minimizes the risk exposure through derivative financial instruments. The Board of Directors regulated the use of derivative financial instruments in accordance with the Company's policy about risks arising from financial instruments such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investments of excess liquidity. The internal auditors of the Group continue with the review of the amount of the risk exposure in accordance with the Group's policies and the risk management policies and procedures. The Group has no transactions in financial instruments (including derivative financial instruments) for the purpose of speculation.

(Continued)

(iii) Credit risk

Credit risk means the potential loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities.

1) Trade receivable and other receivables

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases, bank references. Purchase limits are established for each customer, and are reviewed periodically. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.
Trade receivable mainly relate to a wide range of customers from different industries and geographic regions. The Group constantly assesses the financial status of the customers and, if necessary, purchases credit guarantee insurance contracts.

The Group does not have significant credit risk exposure against any counterparty or group of counterparties with similar characteristics. Also, the Group mitigates its exposure by evaluating the customers' financial situation regularly.

2) Investments

The credit risks exposure in the bank deposits, investments with fixed income, and other financial instruments were measured and monitored by the Company's finance department. As the Group deals with the banks and other external parties with good credit standing and financial institutions, corporate organization and government agencies which are graded above investment level, management believes that the Group do not have compliance issues and no significant credit risk.

(iv) Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Group's management supervises the banking facilities and ensures in compliance with the terms of the loan agreements.

Bank borrowing is an essential liquidity source for the Group. Please refer to note 6(q) for the Group's unused credit line of short-term bank borrowing for the years ended December 31, 2023 and 2022.

(v) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices, will affect the Group income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(Continued)

1) Interest rate risk

The entity of the Group borrows funds on variable interest rates, which has a risk exposure to cash flow.

2) Other market price risks

The Group is exposed to equity price risk due to the investments in unlisted equity securities. The aforementioned equity investments are not held for trading but are strategic investments. The Group has not actively traded such investments, significant investments in the portfolio are managed individually, and the financial management department approves all trading decisions.

(ad) Capital management

The Board of Directors' policy is to maintain a strong capital base in order to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, capital surplus, and retained earnings of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary stockholders.

The Group sets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to stockholders, to safeguard the interest of related parties, and to maintain an optimal capital structure to reduce the cost of capital.

The Group uses the debt-to-equity ratio to manage capital. This ratio is using the total net debt divided by the total capital. The net debt from the balance sheet is the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity plus net debt. The Group's debt-to-equity ratios at the end of the reporting periods as of December 31, 2023 and 2022, is as follows:

	December 31, 2023	**December 31, 2022 (Restated)**
Total liabilities	$ 20,973,690	12,113,342
Less: cash and cash equivalents	(1,264,015)	(1,355,886)
Net debt	$ 19,709,675	10,757,456
Total equity	8,102,261	4,601,212
Total Capital	**27,811,936**	**15,358,668**
Debt-to-equity ratio at 31 December	**71 %**	**70 %**

(Continued)

(ae) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the years ended December 31, 2023 and 2022, were as follows:

(i) For right-of-use assets under leases, please refer to note 6(l).

(ii) Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes			
	January 1, 2023 (Restated)	**Cash flows**	**Acquisition**	**Conversion of convertible bonds**	**Other**	**December 31, 2023**
Short-term borrowings	$ 989,319	(526,959)	-	-	-	462,360
Short-term notes and bills payable	249,697	170,711	-	-	-	420,408
Long-term borrowings (including current portion)	5,086,387	5,174,650	-	-	2,089,035	12,350,072
Bonds payble (including current portion)	1,583,779	-	-	(392,881)	14,239	1,205,137
Lease liabilities	2,999,585	(240,716)	395,174	-	(257,323)	2,896,720
Total liabilities from financing activities	**$ 10,908,767**	**4,577,686**	**395,174**	**(392,881)**	**1,845,951**	**17,334,697**

			Non-cash changes			
	January 1, 2022 (Restated)	**Cash flows**	**Acquisition**	**Conversion of convertible bonds**	**Other**	**December 31, 2022 (Restated)**
Short-term borrowings	$ 233,400	755,919	-	-	-	989,319
Short-term notes and bills payable	49,841	199,856	-	-	-	249,697
Long-term borrowings (including current portion)	1,796,556	3,289,831	-	-	-	5,086,387
Bonds payble	619,143	1,184,333	-	(226,069)	6,372	1,583,779
Lease liabilities	2,615,280	(171,698)	727,926	-	(171,923)	2,999,585
Total liabilities from financing activities	**$ 5,314,220**	**5,258,241**	**727,926**	**(226,069)**	**(165,551)**	**10,908,767**

(7) Related-party transactions

(a) Parent company and ultimate controlling party

DONG JHENG INVESTMENT CO., LTD. is the Group's ultimate controlling party to which the Company belongs, and KAOHSIUNG TRANSPORTATION CO., LTD. held by it is the Company's parent that held 20.20% of the Company's outstanding ordinary shares and obtained the majority of the Company's board seats.

(Continued)

(b) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
DONG JHENG INVESTMENT CO., LTD.	Ultimate parent of the Group
KAOHSIUNG TRANSPORTATION CO.,LTD.	The parent company
FU CHENG TRANSPORTATION CO., LTD.	Substantive related party of the Group
NAN REN LAKE LEISURE	Substantive related party of the Group
SHINAGAWA INTERNATIONAL DEVELOPMENT CO., LTD	Substantive related party of the Group
SHANGFA CONSTRUCTION CO., LTD.	Substantive related party of the Group
SANDI DEVELOPMENT ENTERPRISE	Substantive related party of the Group
KUAI KUAI CO., LTD.	Substantive related party of the Group
PUYUMA TRANSPORTATION CO., LTD.	Substantive related party of the Group
KAMIYUTEI CO., LTD	Substantive related party of the Group
HI SCENE WORLD ENTERPRISE CO., LTD.	Substantive related party of the Group
GAO SHIH GOLF CO., LTD.	Substantive related party of the Group
HIGH-SPEED RAIL GOLF DRIVING RANGE	Substantive related party of the Group
DAPENG BAY SIGHTSEEING BOAT Co., LTD.	Substantive related party of the Group
KAO CHI DRIVING SCHOOL	Substantive related party of the Group
DA SIN DRIVING SCHOOL	Substantive related party of the Group
CHIAYI TRANSPORTATION CO., LTD.	Substantive related party of the Group
SANJIA DEVELOPMENT AND CONSTRUCTION CO., LTD	Substantive related party of the Group
SAN DI PROPERTIES CO.,LTD	Substantive related party of the Group
TRI-LAND CONSTRUCTION COMPANY LIMITED	Substantive related party of the Group
HEYI CONSTRUCTION CO., LTD.	Substantive related party of the Group
TONGFA ADVERTISING CO., LTD	Substantive related party of the Group
TAI JIA DEVELOPMENT CO.,LTD.	Substantive related party of the Group
SHANGJIA MARKETING CO., LTD	Substantive related party of the Group
LISHENG INVESTMENT CO., LTD	Substantive related party of the Group
YANG JI ENTERPRISE CO., LTD.	An associate
SOLAR MASTER ENERGY CO., LTD.	Director of HE FONG ENERGY CO., LTD.

(Continued)

Name of related party	Relationship with the Group
Chung, Chia-Tsun	Chairman of the Company
Chung, Yu-Lin	Director of the Company
Chung, Hsin-Bei	Director and general manager of SANTI ENERGY CO., LTD.
Tsai, Tsung-Jung	Corporate director of HE FONG ENERGY CO., LTD.
Lu, Chin-Fa	Chairman of Beiji International Development Co., Ltd.
Chen, Yu-Wen	Substantive related party of Beiji International Development Co., Ltd.

(c) Significant transactions with related parties

(i) Sales

The amounts of significant sales by the Group to related parties were as follows:

	2023	2022
Parent company	$ 34,521	-
Substantive related party	17,774	28,148
	$ 52,295	**28,148**

There is no significant difference between the sales price of the Group for other related parties and for third parties. The collection period is one to two months, and the general sales are received in the same month. Promissory notes are pledged as collateral for the receivables from related parties.

(ii) Receivables from related parties

Account	Relationship	December 31, 2023	December 31, 2022 (Restated)
Trade receivables	Parent company	$ 3,058	-
Other receivables	Parent company	150,579	-
Other receivables	Chung, Chia-Tsun	21,333	-
Trade receivable	Substantive related party	146	1,485
Other receivables	Substantive related party	42,547	72,570
		$ 217,663	**74,055**

(Continued)

(iii) Payables to related parties

Account	Relationship	Nature	December 31, 2023	December 31, 2022 (Restated)
Other payables	Parent company	Other	$ 51	1,087
Other payables	SHANGFA CONSTRUCTION CO., LTD.	Payments for equipment	205,199	511
Other payables	Substantive related party	Other	103,650	405
			$ 308,900	2,003

(iv) Advanced receipts from related parties

Account	Relationship	Nature	December 31, 2023	December 31, 2022 (Restated)
Contract liabilities	Parent company	Advances	$ 16,394	-
Contract liabilities	Substantive related party	Advances	9,378	17,745
			$ 25,772	17,745

The Group has entered into a contract with substantive related party in July 2019 to purchase a fleet card. The amount of the fleet card is deducted from the retail price of the respective petrol filling station at the time of filling when substantive related party fill at a mutually agreed location within the value limit of the fleet card. As of December 31, 2023 and 2022, the miscellaneous income amounted to $2,106 thousand and $2,472 thousand, respectively, recognized in other income.

The Group has entered into a contract with substantive related party in July 2018 to purchase a business refueling card. Within the value limit of the business refueling card, the substantive related party held the business refueling card to the mutually agreed place for refueling. The business refueling card amount is deducted from each filling station's retail price at the filling time. As of December 31, 2023 and 2022, the miscellaneous income amounted to $1,541 thousand and $1,540 thousand, respectively, recognized in other income.

(Continued)

(v) Other transactions with related parties

Other transactions with related parties of the Group were as follows:

Account	Relationship	December 31, 2023	December 31, 2022 (Restated)
Guarantee deposit paid	Parent company	$ **201,000**	**105,347**
Guarantee deposit paid	Chung, Chia-Tsun	$ **184,500**	**-**
Guarantee deposit paid	Lu, Chin-Fa	$ **184,500**	**-**
Guarantee deposit paid	Substantive related party	$ **616**	**540**
Other current assets-Incremental costs of obtaining a contract	Substantive related party	$ **68,951**	**-**

(vi) Leases

1) As a leassee

The subject and lease liabilities recognized by the Group for renting property, plant and equipment from related parties were as follows:

Relationship	Lease subject	Lease period	December 31, 2023	December 31, 2022 (Restated)
Ultimate parent	Office in Kaohsiung	2022.01~2027.06	$ 4,224	5,369
Parent company	Land of Lingya district in Kaohsiung	2022.09~2023.07	205	234,069
Parent company	Land of Luzhu district in Kaohsiung	2019.01~2033.12	19,308	21,126
Parent company	Kaochi station	2017.11~2032.10	28,054	28,054
Chung, Chia-Tsun	Land of Sisigu in Pingtung	2020.09~2040.08	252,173	244,326
Substantive related party	Kaohsiung office and charging equipment site	2022.04~2029.12	4,066	5,437
			$ **308,030**	**538,381**

(Continued)

Please refer to note 6(t) for interest on lease liabilities.

For operating requirement, the Group terminated the contract for the land that was leased from Kaosiung Bus and located at Niuchaopu, Kaohsiung for the purpose of its operation, resulting in profit of $11,114 thousand from lease modification.

Rent expenses recognized by the Group for offices leased from related parties were as follows:

Account	Relationship	2023	2022
Rent expense	Substantive related party	$ 2,772	-

Rent income arising from the subletting of the Group's right-of-use assets to substantive related parties was as follows:

	2023	2022
Substantive related party	$ 7,429	-

(vii) Guarantee

The amount of the Group provided guarantee for loans on business purpose were as follows:

	December 31, 2023	December 31, 2022 (Restated)
Substantive related party	$ 423,500	423,500

On December 31, 2023, the Group was granted a credit line by a financial institution under joint guarantees provided by Chung, Chia-Tsun and Tsai, Tsung-Jung.

(viii) Property transactions

1) Purchases of property, plant and equipment

Account	Relationship	2023	2022
Property, plant and equipment	SHANGFA CONSTRUCTION CO., LTD.	$ 2,470,434	1,986,416
Property, plant and equipment	Substantive related party	420,200	-
		$ 2,890,634	1,986,416

The prices and payment terms of the equipment purchased by the Group from related parties are mutually agreed upon. In accordance with the terms of the contract, the payment periods are not materially different from those for arm's length vendors.

(Continued)

2) Acquisitions of other assets

The acquisitions of other assets from related parties are summarized as follows:

Relationship	Account	2023	2022
Chung, Chia-Tsun	Construction in progress	$ 31,042	-
Chung, Chia-Tsun	Land held for construction site	330,958	-
Substantive related party	Construction in progress	185,183	144,944
		$ 547,183	**144,944**

(ix) Reorganization

The Group acquired equity interest in Neo Cathy Electric Power Corp. from Nanren Lake Company and Sea View World Enterprise. A total of 30,600 thousand shares, which represented 51% equity interest, were acquired at a total price of $$354,960 thousand divided into $11.6 per share.

(x) Other

1) The Group entered into land joint development agreements with substantive related party, HEYI CONSTRUCTION CO., LTD. Please refer to note 6(g) and 9(d) for details.

2) The Group contracted with Tai Jia Development, Top High Image and Kaosiung Bus for joint development of land; please refer to notes 6(g) and 9(e)f or details.

3) In January 2023, Hengfeng Energy increased its cash capital by issuing 105,058 thousand ordinary shares at a par value and subscription price of both $10 per share, after which its paid-in capital increased to $1,050,578 thousand. The Group subscribed for only 5,108 thousand shares, which was not in proportion to its shareholding that decreased from 100% to 51%. Besides, 99,950 thousand shares, amounting to $999,500 thousand, were subscribed for by NCIs. Of the 99,950 thousand shares, 20,000 thousand shares amounting to $200,000 thousand were subscribed by Kuai Kuai, a substantive associate and recognized in the line item of NCIs.

4) The Group acquired 50% equity interest in Baoshun Energy at a price of $10.23 per share from Chung, Chia-Tsun (the chairman of the Company) and Chung, Hsin-Bei (the director of Santi Energy Co., Ltd.). The equity interests were divided into 400 thousand ordinary shares, totaling $4,092 thousand. The record date of equity acquisition was September 28, 2023, and the equity interests were included in the line item of investments accounted for using the equity method.

(d) Key management personnel compensation

(i) Key management personnel compensation comprised

	2023	2022
Short-term employee benefits	$ 23,174	19,584
Post-employment benefits	642	242
Total	**$ 23,816**	**19,826**

(Continued)

(ii) Disgorgement

For the year ended December 31, 2022, the Group's exercise its disgorgement amounting to $346 thousand after tax, which is attributable to a key management officer. Then it is recognized under the capital surplus in accordance with the provisions of Article175 of the Securities and Exchange Act on short-term trading.

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2023	December 31, 2022
Property, plant and equipment, and prepayment for business facilities	Guarantee for gasoline purchase and long-term and short-term borrowings	$ 1,616,902	3,244,944
Inventories- construction in progress	Long-term and Short-term borrowings	789,989	318,347
Other non-current financial assets	The deposit of the bank issued a guarantee to Freeway Bureau for the operating rights of the petrol filling station	14,783	14,664
Other non-current financial assets	Long-term borrowings, corporate bonds and construction guarantees	483,762	595,465
Other current assets	Special account for payments for pre-sale house contracts	169,784	-
Other current assets	Guarantee for marketing activities	300	300
		$ 3,075,520	**4,173,720**

In 2023, the Group provided all equity interests in Neo Cathy Electric Power Corp. as collateral for a long-term loan, and $3,960,000 thousand of the proceeds from selling the equity interests shall 1st be used to repay the loan.

In 2023, the Group provided all equity interests in Sanlu Energy Storage Co., Ltd. as collateral for a long-term loan, and $5,700,000 thousand of the proceeds from selling the equity interests shall 1st be used to repay the loan.

In 2022, the Group provided all equity interests in Cathy Sunrise Electric Power One Co., Ltd. as collateral for a long-term loan, and $5,880,000 thousand of the proceeds from selling the equity interests shall 1st be used to repay the loan.

(Continued)

(9) Commitments and contingencies:

(a) The Group's unrecognized contractual commitments are as follows:

	December 31, 2023	December 31, 2022
Purchase of inventory	$ 557,709	555,354
Acquisition of property, plant and equipment	$ 6,782,632	5,654,736
Acquisition of intangible assets	$ 45	-

(b) As of December 31, 2023 and 2022, the Group's outstanding notes for leasing petrol filling stations and purchasing equipment were $115,170 thousand and $86,739 thousand, respectively.

(c) The performance guarantee secured through the bank amounted to $950,000 thousand and $660,000 thousand as of December 31, 2023 and 2022, respectively. The Group has pledged fixed assets as collateral for purchasing gasoline payable and long-term and short-term loans. Please refer to note 8 for details.

(d) The Group and HEYI Construction Co., Ltd. entered into a joint development project contract, whereby the latter will carry out the project and bear 50% of the expenses on the real estate development; please refer to notes 6(g) and 7 for details. In addition, both parties agreed that HEYI Construction Co., Ltd. shall be responsible for planning, designing, sub-contracting, progress tracking, and other project management matters related to real estate development. Furthermore, 3% of the total sales specified in the contract shall be the management fee of the subcontracted construction project. Both parties shall share the fee in proportion to contribution of capital and make payments according to the progress agreed by both parties. As of December 31, 2023, the management fee paid by the Group totaled $4,578 thousand, and the remaining portion was still outstanding.

(e) The Group entered into a land joint development arrangement with Tai Jia Development, Top High Image, and Kaohsiung Bus, under which each party shall bear expenditures on real estate development; please refer to notes 6(g) and 7 for details. The arrangement stipulates that Tai Jia Development shall be responsible for property development project management, including planning, designing, subcontracting, and progress tracking. In addition, 1% of the total sales specified in the contract shall be the management fee of the subcontracted construction project, and the fee shall be shared in proportion to contribution of capital. Amounting to $19,410 thousand, the management fees payable by the Group shall be paid in accordance with the progress agreed by both parties. As of December 31, 2023, the management fee paid by the Group totaled $2,289 thousand, and the remaining portion was still outstanding.

(f) The amount of endorsement guarantee provided by the Group due to business transaction is as follows:

	December 31, 2023	December 31, 2022
Substantive related party	$ 423,500	423,500

(Continued)

(g) As of December 31, 2023 and 2022, details of pre-sales before real estate complete and the advance receipts were as follows:

	December 31, 2023				
Name of case	Land under construction	Construction in progress	Buildings and land held for sale	Total	Contractual liabilities
AIMAY CITY	$ 151,212	300,706	-	451,918	110,628
BRIGHT AS STARS	203,616	326,990	-	530,606	151,832
ONE WORD WIDE	-	17,678	-	17,678	81,457
Construction project under planning	-	31,042	-	31,042	-
ARCHITECTURE	-	-	41,052	41,052	-
ARCHITECTURE	-	1,665,381	-	1,665,381	427,311
TUOZHEN	231,005	736,689	-	967,694	113,364
GUOAN 1731	240,636	60,370	-	301,006	-
	$ 826,469	**3,138,856**	**41,052**	**4,006,377**	**884,592**

	December 31, 2022				
Name of case	Land under construction	Construction in progress	Buildings and land held for sale	Total	Contractual liabilities
AIMAY CITY	$ 141,520	163,088	-	304,608	95,557
BRIGHT AS STARS	190,392	157,444	-	347,836	128,227
	$ 331,912	**320,532**	**-**	**652,444**	**223,784**

(h) The Group entered into a variable rental payment lease with RENDE PRINCE PETROL FILLING STATION CO., LTD. Both parties have agreed that the rental payment should be increased if the average quantity of petrol delivered on that day exceeds a certain base. In 2023 and 2022, the Group had an increased variable rental payment of $876 and $892 thousand.

(i) The Group and the other party entered into a contract for land lease management services to construct solar systems in the aquafarm zone. Both parties have agreed to pay the land rent starting from obtaining a construction permit approved by the Bureau of Energy or the completion of the site until the 20 years of commercial operation of solar systems.

(j) As of December 31, 2023, the unused letters of credit issued by the Group amounted to $539,297 thousand.

(Continued)

(k) The Group contracted with an unrelated party for distribution of electric buses, and the total contract price was $1,131,517 thousand. As of December 31, 2023, the total amount of unrecognized contractual commitments was $170,272 thousand.

(l) As of December 31, 2023, the Group registered trust for success in the construction and delivery of housing units for cases and projects, which were as follows:

Item	Trustee	Period of trust	Scope of trust
AIMAY CITY	AGRICULTURAL BANK OF TAIWAN	2021.09.27~2025.02.08	Real estate value trust
BRIGHT AS STARS	AGRICULTURAL BANK OF TAIWAN	2021.04.29~until the date of completion of trust purpose	Real estate development trust
ONE WORD WIDE	Chang Hwa Commercial Bank, Ltd.	2023.04.18~until the date of completion of trust purpose	Real estate development trust
RIVERINE LANDMARK	AGRICULTURAL BANK OF TAIWAN	2020.05.26~2024.05.19	Real estate development trust
TUOZHEN	Land Bank of Taiwan	2021.03.15~2026.02.28	Real estate development trust

(m) In 2018, the Group contracted with Xinxiang Investment Co., Ltd. (Xinxiang Investment) for a joint construction project at Land Lot No. 1731, Guoan Section, Tainan City. The Group and Xinxiang Investment contributed 85% and 15% of the capital, respectively. As of December 31, 2023, the Group incurred costs of buildings and land of $301,006 thousand.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events:

(a) In order to strengthen the Group’s capital structure, the Group resolved on March 8, 2024 by the Board of Directors to increase capital increase from capital surplus for issuing new shares, $326,442 thousand of capital surplus were transferred for capital increase and 32,644 thousand of registered ordinary shares were issued in addition of 100 bonus shares per thousand shares. This capital increase will be submitted to Competent Authority for approval after resolution of general shareholders’ meetings.

(b) On March 8, 2024, the Group’s board of directors proposed to distribute $0.60 of cash dividend per share to shareholders from the capital surplus amounting to $195,865 thousand to the shareholders of the Group. The said capital surplus is generated from premium of ordinary shares issued in excess of par value; the proposal is pending for resolution of the general shareholders' meeting.

(c) In order to develop construction business and increase operational achievements, the Company’s board of directors resolved on March 8, 2024 to launch a joint construction project with separate sale with Sandi International Property, using the Company’s land at Hogang East Section, Renwu District, Kaohsiung City. The Company and Sandi International Property were entitled to sell 35% and 65% of the construction, respectively. It was intended that the chairman would be authorized to deal with the entry of contract and other subsequent matters related to the project.

(Continued)

(d) On March 8, 2024, the Company acquired both the land at Chengdong Section, Sanmin District and the building thereon from an unrelated party pursuant to a board resolution, and the land will be held for construction site for its real estate business. The total purchase price was estimated at $530,390 thousand, and the Company intended to authorize the chairman to deal with subsequent land purchase matters.

(12) Other:

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By funtion / By item	For the year ended December 31					
	2023			2022		
	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	36,434	411,409	447,843	26,239	369,402	395,641
Labor and health insurance	3,653	47,403	51,056	2,539	39,579	42,118
Pension	1,843	21,425	23,268	1,359	18,131	19,490
Others	-	8,927	8,927	-	6,220	6,220
Depreciation	976	15,587	16,563	585	13,056	13,641
Depletion	223,349	216,165	439,514	60,931	189,227	250,158
Amortization	7,063	3,418	10,481	-	1,730	1,730

(b) On September 28, 2023, the Group acquired 51% equity interest in Neo Cathy Electric Power Corp. at a price of $354,960 thousand. In accordance with the discussion paper issued by the Accounting Research and Development Foundation (ARDF), the aforementioned transaction is a reorganization under joint control and should be accounted for as having been consolidated from the beginning. In addition, the Group should restate retroactively the comparative consolidated financial statements for the prior period.

After restatement, the effects of the consolidated balance sheet as of December 31, 2022 and the statement of comprehensive income for 2022 were as follows:

Consolidated Balance Sheets

Account name	December 31, 2022 As previously reported	Amount affected	As restated
Assets			
Current assets	$ 2,658,332	123,463	2,781,795
Non-current assets	12,318,991	1,613,767	13,932,758
Total assets	**$ 14,977,323**	**1,737,230**	**16,714,553**
Liabilities and equity			
Liabilities			
Current liabilities	$ 3,649,534	25,157	3,674,691
Non-current liabilities	7,307,458	1,131,192	8,438,650
Total liabilities	10,956,992	1,156,349	12,113,341

(Continued)

Account name	December 31, 2022 As previously reported	Amount affected	As restated
Equity			
Share capital	2,789,307	-	2,789,307
Capital surplus	745,749	-	745,749
Retained earnings	302,135	-	302,135
Other equity interest	(1,737)	-	(1,737)
Equity attributable to owners of parent	3,835,454	-	3,835,454
Equity attributable to former owner of business combination under common control	-	296,249	296,249
Non-controlling interests	184,877	284,632	469,509
Total equity	4,020,331	580,881	4,601,212
Total liabilities and equity	$ **14,977,323**	**1,737,230**	**16,714,553**

Consolidated Statements of Comprehensive Income

Account name	2022 As previously reported	Amount affected	As restated
Operating revenue	$ 6,754,436	-	6,754,436
Operating costs	5,896,714	18,872	5,915,586
Operating expenses	868,902	10,103	879,005
Non-operating income and expenses	173,877	4,113	177,990
Income tax expenses	20,386	-	20,386
Profit (Loss)	142,311	(24,862)	117,449
Other comprehensive income	(62)	-	(62)
Total comprehensive income	$ **142,249**	**(24,862)**	**117,387**

(Continued)

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations” for the Group:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	SANTI RENEWABLE ENERGY CO., LTD.	LYU YOU ENERGY CO., LTD.	None	Yes	50,000	-	-	2.628%	2	-	Operating capital	-	None	-	308,986	1,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	BILLION MEGA ENEGY STORSGE TECHNOLOGIES INC.	None	Yes	50,000	50,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	1,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	SANTI MONSTERS POWER CO., LTD.	None	Yes	15,000	15,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	1,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	EVTAIL CO.,LTD.	None	Yes	30,000	30,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	1,235,945

Note 1: The numbers denote the following:
1. The Company is represented by 0.
2. Investees are numbered starting from "1" .

Note 2: Financing purposes:
1. Business dealings: 1
2. Short term financing needs: 2

Note 3: Santi Renewable Energy CO., Ltd.: The total accumulated balance of the loan shall not exceed 40% of the net value of Santi Renewable Energy CO., Ltd.. The limits for individual credits are as follows:
1. does business in a company that may not lend more than 10% of the net value of the latest financial statements of the Company and may not exceed the maximum value between the parties Total amount of business transactions in the last year.
2. For those subsidiaries with short-term financing needs, the amount of each fund financing shall not exceed 10% of the Company’s net worth, which is based on the latest audited or reviewed parent company only financial statements. The accumulated balance of short-term financing shall not exceed 40% of the net value of the enterprises which as loaned to. The accumulated balance of short-term financing shall not exceed 40% of the net value of the enterprises which as loaned to.
3. Santi Renewable Energy CO., Ltd. is engaged in capital lending to foreign companies that directly and indirectly hold 100% of the voting shares, or when the Company holds 100% of direct and indirect voting shares of foreign companies which engage in capital loan to the Company, and the total amount of the capital loan shall not exceed 50% of the net value of the latest financial statements of the Company Individual loans and amounts shall be limited to not more than 50% of the net value of the latest financial statements of the Company.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note3)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period (Note4)	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note2)										
0	The Company	HEYI CONSTRUCTION CO., LTD	5	6,954,018	423,500	423,500	164,500	-	7.92 %	8,023,867	N	N	N
0	The Company	HUAN CHUANG ELECTRIC CO., LTD.	2	6,954,018	300,000	300,000	300,000	-	5.61 %	8,023,867	Y	N	N
1	SANTI RENEWABLE ENERGY CO., LTD.	CATHY SUNRISE ELECTRIC POWER ONE CO.,LTD	2	4,016,823	1,300,000	1,300,000	1,300,000	1,036,066	42.07 %	4,634,796	Y	N	N

(Continued)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note3)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period (Note4)	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note2)										
1	SANTI RENEWABLE ENERGY CO., LTD.	NEO CATHY ELECTRIC POWER CORP.	2	4,016,823	354,960	354,960	354,960	299,149	11.49 %	4,634,796	Y	N	N
1	SANTI RENEWABLE ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	2	4,016,823	2,767,008	691,752	691,752	-	89.55 %	4,634,796	Y	N	N
2	HENG FONG ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	2	2,642,556	1,057,078	1,057,078	1,057,078	2,032,411	52.00 %	3,049,104	Y	N	N

Note1: The numbers filled in as follows:
1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: The relationship between the endorser /guarantor and the endorsed guarantor has the following 7 types, just indicate the type:
1. Having business relationship.
2. The borrower has short term financial necessities.
3. The endorser /guarantor parent company directly and indirectly holds more than 50 % of voting shares of the endorser /guarantor subsidiary.
4. The endorser /guarantor company and the endorsed /guaranteed party both be held more than 90% by the parent company.
5. Company that is mutually protected under contractual requirements based on the needs of the contractor.
6. Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
7. Performance guarantees for pre sale contracts under the Consumer Protection Act.

Note3: The endorsement /guarantee provided by the Company to individual guarantee party shall not exceed 130% of the most recent audited net worth of the Company. The total endorsement /guarantee of the Company to others shall not exceed 150% of the most recent audited net worth of the Company. The endorsement /guarantee provided by the Group to individual guarantee party shall not exceed 150% of the most recent audited net worth of the Company. The total endorsement /guarantee of the Group to others shall not exceed 200% of the most recent audited net worth of the Company.

Note 4: Santi Renewable Energy CO., Ltd.:
1. The total amount of guarantee for external endorsement shall not exceed 150% of the net value of the Company. The limitation on amount of guarantees and endorsements for a specific enterprise shall not exceed 130% of the net value of the Company.
2. For endorsements/guarantees due to business transactions,the endorsement and guarantee amount for a single company shall not exceed the total purchases from, or sales to the Company in the most recent year Based on principles of risk considerations, the amount of the endorsement guarantee shall not exceed the limit of the endorsement guarantee for a single enterprise mentioned above. The amount of business transaction is the higher amount of the total purchase from or sales to Between both parties.
3. The total amount of guarantee for endorsement to parent company and subsidiaries shall not exceed 130% of the net value of the latest financial statements of the Company.
4. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares. The total amount of guarantee of such transactions shall not exceed 10% of the net value of the latest financial statements of the Company. For the guarantees between companies, whose voting shares are 100% owned, directly or indirectly, by the Company, Are not subject to the previous provision.
5. Company that is mutually protected under contractual requirements based on the needs of contractor, or An entity that is guaranteed and endorsed by each capital contributing shareholder in proportion to their shareholding percentages. Its total amount of guarantee shall not exceed 10% the net value of the Company disclosed in the latest financial statements.
6. The total amount of guarantee for external endorsement from the Company and its subsidiaries shall exceed 200% of the net value of the Company disclosed in the latest financial statements.In which, the amount of the guarantees and endorsements for a single entity company shall not exceed 150% of the net value of the Company disclosed in the latest financial statements.
7. The aggregate amount of the aggregate guaranteed by the Company and its subsidiaries amounted to more than 50% of the net value of the Company as disclosed in latest financial statements shall be explained At the shareholders' meeting on their necessity and reasonableness.

Note 5: HENG FONG ENERGY CO., LTD.
1. The total amount of guarantee for external endorsement shall not exceed 150% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD.. The total amount of guarantee for external endorsement shall not exceed 130% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD..
2. For endorsements/guarantees due to business transactions,the endorsement and guarantee amount for a single company shall not exceed the total purchases from, or sales to HENG FONG ENERGY CO., LTD.. in the most recent year. Based on principles of risk considerations, the amount of the endorsement guarantee shall not exceed the limit of the endorsement guarantee for a single enterprise mentioned above. The amount of business transaction is the higher amount of the total purchase from or sales to between both parties.
3. The total amount of guarantee for endorsement to parent company and subsidiaries shall not exceed 130% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD..
4. For companies in which HENG FONG ENERGY CO., LTD.. holds, directly or indirectly, 90% or more of the voting shares. The total amount of guarantee of such transactions shall not exceed 10% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD.. For endorsements / guaranteed between companies, whose voting shares are 100% directly or indirectly owned by HENG FONG ENERGY CO., LTD., such transaction are not subject to the previous provision.
5. Company that is mutually protected under contractual requirements based on the needs of contractor, or An entity that is guaranteed and endorsed by each capital contributing shareholder in proportion to their shareholding percentages. Its total amount of guarantee shall not exceed 10% the net value of the Company disclosed in the latest financial statements.
6. The total amount of guarantee for external endorsement from the Company and its subsidiaries shall exceed 200% of the net value of the Company disclosed in the latest financial statements.In which, the amount of the guarantees and endorsements for a single entity company shall not exceed 150% of the net value of the Company disclosed in the latest financial statements.
7. The aggregate amount of the aggregate guaranteed by the Company and its subsidiaries amounted to more than 50% of the net value of the Company as disclosed in latest financial statements shall be explained at the shareholders' meeting on their necessity and reasonableness.

Note 6: The Company has signed a joint development agreement with Cozzi Construction, the land ownership of which is shared, and each holds one-half of the rights due to the cancellation of the change of the bank financing trust to finance the land purchase, the land is guaranteed as a restricted collateral for the financing loan and thus act as a loan guarantor between both parties.

(Continued)

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Stock LANYANG ENERGY TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income	11	-	0.05 %	-	
The Company	Stock MA LI QIANG GREEN ENERGY CO., LTD.	None	Financial assets at fair value through other comprehensive income	41	-	5.50 %	-	
The Company	Stock ART SOURCE CORP.	None	Financial assets at fair value through other comprehensive income	5	-	0.06 %	-	
The Company	Stock TAIWAN TRUEWIN TECHNOLOGY CO., LTD	None	Financial assets at fair value through other comprehensive income	461	30,080	0.86 %	30,080	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance		Note
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount	
HENG FONG ENERGY CO., LTD	Stock SANLU ENERGY STORAGE CO., LTD.	Investments accounted for using equity method	SANLU ENERGY STORAGE CO., LTD.	Subsidiary	100,600	1,004,138	104,958	1,049,578	-	-	-	-	205,558	2,053,716	Note 1
SANTI RENEWABLE ENERGY CO., LTD.	Stock NEO CATHY ELECTRIC POWER CORP.	Investments accounted for using equity method	NAN REN LAKE LEISURE AMUSEMENT CO., LTD.	Substantive Related Parties	-	-	30,600	354,960	-	-	-	-	30,600	354,960	Note 2

Note 1: Hengfeng Energy increased the cash capital of Sanlu Energy Storage CO,. Ltd. in January 2023.
Note2: Santi Renewable Energy CO., Ltd. acquired 51% equity interest in Neo Cathy Electric Power Corp. in September 2023.
Note3: The transaction had been eliminated in the consolidated financial statements.

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Name of property	Transaction date	Transaction amount	Status of payment	Counter-party	Relationship with the Company	If the counter-party is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Others
							Owner	Relationship with the Company	Date of transfer	Amount			
The Company	Land and Buildings	2023.05.26	1,072,440	Payment according to contract conditions	SOUTHEAST CEMENT CORPORATION	Non-Related Parties	None	None	None	-	CHINA PROPERTY APPRAISING CENTER CO., LTD. and CityU Real Estate Appraisers Associates	As investment property	None
The Company	Land	2023.10.06	330,958	Payment according to contract conditions	Chung, Chia-Tsun	Related Parties	Luyang Construction Co., Ltd. and Lin, Zong-De	Non-Related Parties	2023.09.30	330,958	CHINA PROPERTY APPRAISING CENTER CO., LTD. and Top Standing CPA Firm.	As land held for constrcuction site	None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock: None

(Continued)

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
HUAN CHUANG ELECTRIC CO., LTD.	KAOHSIUNG TRANSPORTATIONCO.,LTD.	Parent company	138,047	-	-	None	39,085	-

(ix) Trading in derivative instruments:Please refer to notes 6(b).

(x) Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	SANTI RENEWABLE ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	1	Operating revenue	407,196	According to contract	5.29%

Note 1 : The numbers denote the following
1. 0 represents the Company.
2. The subsidiaries start with number 1.

Note 2 : Relationship with the listed companies.(If the same transaction is made between the parent and the subsidiary companies or between subsidiaries, the disclosure will not be repeated. If : The parent company's transactions with the subsidiary are not repeated if the parent company has disclosed them; the subsidiary's transactions with the subsidiary, if one subsidiary has disclosed it, are not repeated by the other subsidiary.)
1. Transactions from parent company to subsidiary
2. Transactions from subsidiary to parent company
3. Transactions between subsidiaries

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of ownership	Carrying value				
The Company	BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	Taiwan	Real estate trading	178,117	147,000	16,640	52.00 %	233,048	52.00 %	74,468	36,489	Note 1
The Company	NSTAR ENERGY CORPORATION	Taiwan	1.Petrol filling station 2.Retail of gasoline products	93,465	93,465	7,000	100.00 %	99,132	100.00 %	18,975	18,035	Subsidiary
The Company	ZHONGHUA PRINCE PETROL FILLING STATION CO., LTD.	Taiwan	1.Petrol filling station 2.Retail of gasoline products	275,393	275,393	26,000	100.00 %	171,280	100.00 %	(16,101)	(15,948)	Subsidiary
The Company	SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	Taiwan	Optoelectronics industry	2,208,400	3,208,400	221,000	68.25 %	2,108,832	100.00 %	29,367	28,634	Subsidiary
The Company	JIN SHI HU HOTEL CO., LTD.	Taiwan	Hotel	25,500	25,500	2,550	51.00 %	32,884	51.00 %	11,130	6,612	Subsidiary
The Company	YING GUANG ENTERPRISE CO., LTD.	Taiwan	1.Petrol filling station 2.Retail of gasoline products	188,000	188,000	3,000	100.00 %	203,488	100.00 %	13,330	14,738	Subsidiary
The Company	SANDI INTERNATIONAL PROPERTY CO. LTD,.	Taiwan	Real estate trading	50,000	-	5,000	100.00 %	49,985	100.00 %	(15)	(15)	Subsidiary
The Company	YANG JI ENTERPRISE CO., LTD.	Taiwan	Real estate trading	75,000	75,000	7,500	50.00 %	70,253	50.00 %	(4,720)	(2,360)	An associate
The Company	JIAYANG ENTERPRISE	Taiwan	Real estate trading	10,000	-	1,000	50.00 %	9,924	50.00 %	(153)	(76)	An associate
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HE FONG ENERGY CO., LTD.	Taiwan	Renewable energy	274,584	173,834	27,415	51.00 %	251,679	51.00 %	(3,648)	(1,860)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	JIAXIN ENERGY CO., LTD.	Taiwan	Energy storage and operation	186,000	186,000	18,600	100.00 %	201,592	100.00 %	16,941	16,941	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	YAOGU ENERGY CO., LTD.	Taiwan	Renewable energy	56,000	36,000	5,600	100.00 %	54,413	100.00 %	(624)	(624)	Subsidiary

(Continued)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount December 31, 2023	Original investment amount December 31, 2022	Balance as of December 31, 2023 Shares (thousands)	Balance as of December 31, 2023 Percentage of ownership	Balance as of December 31, 2023 Carrying value	Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SANTI MONSTERS POWER CO., LTD.	Taiwan	Electricity sales	1,000	1,000	100	100.00 %	746	100.00 %	(6)	(6)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	LYU YOU ENERGY CO., LTD.	Taiwan	Energy storage and operation	80,000	80,000	8,000	100.00 %	92,069	100.00 %	9,946	9,946	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CATHY SUNRISE ELECTRIC POWER ONE CO., LTD.	Taiwan	Renewable energy	1,056,499	1,056,499	102,585	100.00 %	1,036,066	100.00 %	41,386	40,241	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	EVTAIL CO.,LTD.	Taiwan	Charging piles	161,000	161,000	16,100	100.00 %	136,529	100.00 %	(17,737)	(17,737)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SHENG YANG ENGINEERING CO., LTD.	Taiwan	Engineering aquaculture	62,000	62,000	6,200	100.00 %	61,347	100.00 %	(502)	(502)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	JUNHE ENERGY CO., LTD.	Taiwan	Renewable energy	44,000	8,000	4,400	100.00 %	43,166	100.00 %	(724)	(724)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	MORE CONSULTING CO., LTD.	Taiwan	Energy technology Service	2,000	2,000	200	100.00 %	1,955	100.00 %	(7)	(7)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	WO YANG ENERGY CO., LTD.	Taiwan	Renewable energy	4,500	3,000	450	100.00 %	4,436	100.00 %	(20)	(20)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SENSI ENERGY CO., LTD.	Taiwan	Renewable energy	41,000	41,000	4,100	100.00 %	40,942	100.00 %	114	114	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA YUAN OPTRONIC CO., LTD.	Taiwan	Renewable energy	8,000	1,000	800	100.00 %	7,972	100.00 %	(4)	(4)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA RUI OPTRONIC CO., LTD.	Taiwan	s	13,000	13,000	1,300	100.00 %	10,864	100.00 %	(96)	(96)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HONG TU ENERGY CO., LTD.	Taiwan	Renewable energy	4,500	3,000	450	100.00 %	4,437	100.00 %	(19)	(19)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HENG FONG ENERGY CO., LTD.	Taiwan	Investment	1,055,216	1,004,138	105,050	51.00 %	629,500	100.00 %	(23,517)	(11,993)	Note 2

(Continued)

NORTH-STAR INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Highest Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of ownership	Carrying value				
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HUAN CHUANG ELECTRIC CO., LTD.	Taiwan	Automobile wholesaler	30,000	30,000	3,000	100.00 %	90,130	100.00 %	48,318	48,318	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	TESIN ENERGY CO., LTD.	Taiwan	Renewable energy	42,100	100	4,210	100.00 %	41,760	100.00 %	(339)	(339)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	GU NING ENERGY CO., LTD.	Taiwan	Energy technology Service	5,100	100	510	100.00 %	18,625	100.00 %	13,526	13,526	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SI CHENG ENERGY CO., LTD.	Taiwan	Renewable energy	100	100	10	100.00 %	72	100.00 %	(27)	(27)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHANG YONG ENGINEERING CO., LTD.	Taiwan	Energy technology Service	100	100	10	100.00 %	280	100.00 %	181	181	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	BILLION MEGA ENERGY STORSGE TECHNOLOGIES INC.	Taiwan	Energy storage	63,120	-	6,200	100.00 %	63,935	100.00 %	(1,183)	815	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	NEO CATHY ELECTRIC POWER CORP.	Taiwan	Renewable energy	354,960	-	30,600	51.00 %	299,149	51.00 %	6,447	2,901	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	BAOSHUN ENERGY CO., LTD.	Taiwan	Renewable energy	4,092	-	400	50.00 %	4,028	50.00 %	(277)	(64)	An associate
HENG FONG ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	Taiwan	Energy storage	2,053,716	1,004,138	205,558	100.00 %	2,032,411	100.00 %	(22,986)	(22,986)	Note 2

Note 1 : The Company acquired control over BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. by acquiring its shares on December 7, 2023,which made BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. a subsidiary of the Company.

Note 2 : Santi Renewable Energy has initiated the establishment of a subsidiary, HENGFENG ENERGY CO., LTD., through shares (100% shareholding of SANLU ENERGY STORAGE CO., LTD), so that SANLU ENERGY STORAGE CO., LTD become a subsidiary indirectly invested by the Santi Renewable Energy.

(c) Information on investment in mainland China: None

(Continued)

(d) Major shareholders:

(in shares)

Shareholding / Shareholder's Name	Shares	Percentage
KAOHSIUNG TRANSPORTATION CO., LTD.	65,962,218	20.20 %
Chung, Chia-Tsun	24,576,192	7.52 %
DONG JHENG INVESTMENT CO., LTD.	22,409,949	6.86 %
SHANGFA CONSTRUCTION CO., LTD.	20,741,758	6.35 %
Zhang, Rong-Hua	20,471,570	6.27 %

Note:(1)The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2)If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

(14) Segment information:

(a) General information

The Group has three reportable segments: gasoline sales, restaurant and travel service, and optoelectronics business. The gasoline sales segment is engaged in retailing petrol filling stations and gasoline products. The restaurant and travel service segment is engaged in the hotel and restaurant industry. The optoelectronics business segment is engaged in solar power generation, energy storage, and electricity sales.

The other operating segments of the Group are mainly engaged in constructing various real estate or petrol filling stations. For the years ended December 31, 2023 and 2022, the above segments do not meet the quantitative thresholds to be reportable.

(b) Information about reportable segments and their measurement and reconciliations

The Group uses the internal management report that the chief operating decision maker reviews as the basis to determine resource allocation and make a performance evaluation. The internal management report includes profit before taxation, but not including any extraordinary activity and foreign exchange gain or losses because taxation, extraordinary activity, and foreign exchange gain or losses are managed on a group basis, and hence they are not able to be allocated to each reportable segment. In addition, not all reportable segments include depreciation and amortization of significant non-cash items. The reportable amount is similar to that in the report used by the chief operating decision maker.

The Group treated intersegment sales and transfers as third-party transactions. They are measured at market price.

(Continued)

The Group's operating segment information and reconciliation are as follows:

	2023					
	Gasoline sales segment	**Restaurant and travel service segment**	**Optoelectronics business segment**	**Other**	**Reconciliation and elimination**	**Total**
Revenue						
Revenue from external customers	$ 7,078,935	75,988	543,039	-	-	7,697,962
Intersegment revenue	-	-	-	-	-	-
Interest revenue	6,349	395	7,374	25	-	14,143
Total revenue	**$ 7,085,284**	**76,383**	**550,413**	**25**	**-**	**7,712,105**
Interest expense	$ (105,445)	(4,024)	(73,165)	-	-	(182,634)
Depreciation and amortization	(211,280)	(16,147)	(223,191)	-	623	(449,995)
Share of profit (loss) of associates and joint ventures accounted for using equity method	69,284	-	(64)	-	(35,231)	33,989
Impairment of assets	-	-	(24,049)	-	-	(24,049)
Reportable segment profit or loss	**$ 138,426**	**13,913**	**48,761**	**(15)**	**(26,219)**	**174,866**
Investments accounted for using equity method	$ 2,504,925	-	4,028	-	(2,424,748)	84,205
Non-current capital expenditure	515,028	162	5,752,309	-	1,070,440	7,337,939
Reportable segment assets	**$ 12,203,758**	**308,243**	**15,356,100**	**3,905,086**	**(2,697,236)**	**29,075,951**
Reportable segment liabilities	**$ 6,950,698**	**243,765**	**10,740,967**	**3,406,932**	**(368,672)**	**20,973,690**

	2022					
	Gasoline sales segment	**Restaurant and travel service segment**	**Optoelectronics business segment**	**Other**	**Reconciliation and elimination**	**Total**
Revenue						
Revenue from external customers	$ 6,637,579	68,837	48,020	-	-	6,754,436
Intersegment revenue	133	36	3,790	-	(3,959)	-
Interest revenue	1,728	123	2,170	-	(107)	3,914
Total revenue	**$ 6,639,440**	**68,996**	**53,980**	**-**	**(4,066)**	**6,758,350**
Interest expense	$ (72,293)	(3,750)	(14,218)	-	111	(90,150)
Depreciation and amortization	(190,796)	(14,804)	(50,718)	-	4,430	(251,888)
Share of profit (loss) of associates and joint ventures accounted for using equity method	115,248	-	-	-	65,330	180,578
Reportable segment profit or loss(Restated)	**$ 213,430**	**28,533**	**(101,451)**	**(1,114)**	**(1,563)**	**137,835**
Investments accounted for using equity method	$ 3,415,306	-	-	-	(3,113,270)	302,036
Non-current capital expenditure	219,235	-	4,746,764	-	-	4,965,999
Reportable segment assets(Restated)	**$ 10,734,194**	**302,018**	**8,799,888**	**353,039**	**(3,474,586)**	**16,714,553**
Reportable segment liabilities(Restated)	**$ 6,655,687**	**244,304**	**4,998,573**	**243,701**	**(28,924)**	**12,113,341**

(Continued)

(c) Product and service information

Revenue from the external customers of the Group was as follows:

Product and services	**2023**	**2022**
Gasoline sales	$ 6,903,682	6,507,913
Revenue from selling electricity	347,537	151
Serving revenue	216,755	111,053
Hotel and restaurant serving revenue	75,987	68,837
Other operating revenue	154,001	66,482
	$ 7,697,962	**6,754,436**

(d) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Geographical information	**2023**	**2022**
Revenue from external:		
Taiwan	**$ 7,697,962**	**6,754,436**
	December 31, 2023	**December 31, 2022**
Non-current assets:		
Taiwan	**$ 21,350,220**	**13,932,758**

Non-current assets include property, plant and equipment, investment property, intangible assets, prepayment for business facilities, guarantee deposits pair and other assets, not including financial instruments, deferred tax assets, pension fund assets.

(e) Major customers

There were no customers representing greater than 10% of sales revenues in the consolidated statements of comprehensive income for the years ended December 31, 2023 and 2022.

5. The financial statements of the Company's individuals in the recent year and audited by the accountants, but excluding the detailed list of significant accounting items.

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Independent Auditors' Report

To the Board of Directors of NORTH-STAR INTERNATIONAL CO., LTD.:

Opinion

We have audited the financial statements of NORTH-STAR INTERNATIONAL CO., LTD.("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022 (Restated), the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 (Restated), and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 of our opinion.

Emphasis of Matter

As mentioned in notes 1 and 12(b) to the financial statements, a subsidiary, Santi Energy Co., Ltd.(Formerly known as SANLU DEVELOPMENT CO., LTD.) acquired 51% equity interests in Neo CathyElectric Power Corp. in September 2023 with cash of $354,960 thousand. In accordance with the IFRS discussion papers issued by the Accounting Research and Development Foundation (" ARDF"), the aforementioned transaction is a reorganization under common control and shall be accounted for as a combination from the beginning. In addition, the Company should restate retroactively the comparative financial statements for the year ended December 31, 2022. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of Beiji International Development Industries Corporation (Beiji International Development), an associate of the Company, which represented investment in another entity accounted for using the equity method.

Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Beiji International Development, is based solely on the report of another auditor. The investment in Beiji International Development accounted for using the equity method constituting 2% of total assets at December 31, 2023 and 2022 (Restated) respectively, and the related share of profit of associates and joint ventures accounted for using the equity method constituting 26% and 145% of total profit before tax for the years then ended, respectively.

We did not audit the financial statements of Yang Ji Enterprise Co., Ltd. (Yang Ji Enterprise), an associate of the Company, which represented investment in another entity accounted for using the equity method.

Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Yang Ji Enterprise, is based solely on the report of another auditor. The investment in Yang Ji Enterprise accounted for using the equity method constituting 1% of total assets at December 31, 2023 and 2022 (Restated), respectively, and the related share of profit of associates and joint ventures accounted for using the equity method constituting (2)% of total profit before tax for both the years then ended, respectively.

Key Audit Matters

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

1. Revenue recognition

   Refer to Note 4(p) “Revenue” and Note 6(u) “Revenue from contracts with customers” to the consolidated financial statements.

   Description of key audit matter:

   NORTH-STAR INTERNATIONAL CO., LTD. is principally engaged in the retail business of gasoline products, with petrol filling stations located throughout Taiwan. The operating income of each station is recorded through the Point-of-Sale Information System (POS) for each transaction in terms of the quantity, unit price and total price. After the daily checkout, sales are counted according to each station’s daily sales report and reviewed by the way of customer payment method (by cash, by credit cards, credit sales on account). Therefore, revenue recognition was the key audit matter in the audit of financial reports for the years ended December 31, 2023 and 2022 of the Company.

   How the matter was addressed in our audit:

   Our principal audit procedures to the above key audit matter included: understanding the Company’s accounting policies adopted for the revenue recognition and the procedures of transactions; sampling and testing effectiveness of the internal controls surrounding revenue recognition; testing selected sales samples and agreeing to daily sales report, bank deposit records, or credit card bill with related certificates, records on ledger, etc., testing sales cut-off, on a sampled basis, for transactions incurred within a certain period before or after the balance sheet date by evaluating whether the revenue was recorded in proper period.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 are responsible for overseeing the Company’s financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this 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.

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 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.

The engagement partners on the audit resulting in this independent auditors' report are Yu, Sheng-Ho and Chen, Kuo-Tsung.

KPMG

Taipei, Taiwan (Republic of China)
March 29, 2024

Notes to Readers

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

The auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2023 Amount	%	December 31, 2022 (Restated) Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 273,256	2	131,844	1
1170	Accounts receivable, net (note 6(d)(u) and 7)	36,446	-	27,939	-
1200	Other receivables, net (note 7)	112,799	1	37,429	-
130X	Inventories (note 6(e) and 8)	1,459,062	12	791,917	8
1470	Other current assets (note 6(k) and 8)	172,750	2	106,233	1
		2,054,313	17	1,095,362	10
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b)(o))	-	-	216	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	30,080	-	473	-
1550	Investments accounted for using equity method (note 6(f))	2,978,826	25	4,192,630	40
1600	Property, plant and equipment (note 6(h) and 8)	4,083,659	35	3,703,222	36
1755	Right-of-use assets (note 6(i))	706,141	6	676,932	6
1760	Investment property, net (note 6(j))	1,106,772	9	34,332	-
1780	Intangible assets	3,809	-	3,048	-
1915	Prepayments for business facilities	119,537	1	13,495	-
1920	Guarantee deposits paid	274,577	2	170,837	2
1980	Other non-current financial assets (note 8)	483,762	5	595,465	6
1990	Other non-current assets, others (note 6(r))	5,208	-	5,322	-
		9,792,371	83	9,395,972	90
	Total assets	$ 11,846,684	100	10,491,334	100

	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 (Restated) Amount	%
	Current liabilities:				
2100	Short-term borrowings (note 6(m) and 8)	$ 447,360	4	852,360	8
2110	Short-term notes and bills payable (note 6(l))	340,664	3	249,697	2
2130	Current contract liabilities (note 6(u))	369,440	3	223,784	2
2170	Trade payables	770,629	6	400,894	4
2200	Other payables (note 7)	148,285	1	136,210	1
2230	Current tax liabilities	16,467	-	-	-
2280	Current lease liabilities (note 6(p) and 7)	95,904	1	84,703	1
2320	Total long-term liabilities, current portion (note 6(n) and 8)	1,016,309	9	1,058,084	10
2300	Total other current liabilities (note 6(u) and 7)	16,240	-	41,453	-
		3,221,298	27	3,047,185	28
	Non-Current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (note 6(b)(o))	143	-	210	-
2530	Bonds payable (note 6(o) and 8)	1,203,754	10	1,583,779	15
2540	Long-term borrowings (note 6(n) and 8)	1,446,959	12	1,141,191	11
2580	Non-current lease liabilities (note 6(p) and 7)	607,069	5	585,955	6
2670	Other non-current liabilities	18,216	-	1,311	-
		3,276,141	27	3,312,446	32
	Total liabilities	6,497,439	54	6,359,631	60
	Equity attributable to owners of parent (note 6(o)(s)):				
3100	Share capital	3,264,419	28	2,789,307	27
3200	Capital surplus	1,784,301	15	745,749	7
3300	Retained earnings	302,655	3	302,135	3
3400	Other equity interest	(2,130)	-	(1,737)	-
	Total equity attributable to owners of parent:	5,349,245	46	3,835,454	37
35XX	Equity attributable to former owner of business combination under common control	-	-	296,249	3
	Total equity	5,349,245	46	4,131,703	40
	Total liabilities and equity	$ 11,846,684	100	10,491,334	100

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023			2022 (Restated)	
			Amount	%	Amount	%
4000	**Total operating revenue (note 6(u) and 7)**	$	5,746,181	100	5,372,833	100
5000	**Operating costs (note 6(e)(q))**		4,948,180	86	4,695,782	87
5900	**Gross profit from operations**		798,001	14	677,051	13
6000	**Operating expenses (note 6(h)(i)(j)(q)(v) and 7):**					
6100	Selling expenses		653,470	11	602,925	11
6200	Administrative expenses		109,737	2	88,383	2
6450	Expected credit impairment loss		77	-	-	-
	Total operating expenses		763,284	13	691,308	13
6900	**Net operating income (loss)**		34,717	1	(14,257)	-
7000	**Non-operating income and expenses:**					
7100	Interest income		5,378	-	1,337	-
7010	Other income (not 6(p) and 7)		116,240	2	97,895	2
7020	Other gains and losses, net (note 6(k)(o))		(4,520)	-	(4,618)	-
7050	Finance costs (note 6(o)(p))		(99,498)	(2)	(65,714)	(1)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (note 6(f))		86,109	1	111,616	2
	Total non-operating income and expenses		103,709	1	140,516	3
7900	**Profit from continuing operations before tax**		138,426	2	126,259	3
7951	**Less: Income tax expenses (note 6(r))**		18,533	-	7,471	-
	Profit		119,893	2	118,788	3
8300	**Other comprehensive income:**					
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**					
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income		(393)	-	(62)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss		-	-	-	-
8300	**Other comprehensive income**		(393)	-	(62)	-
	Total comprehensive income	**$**	**119,500**	**2**	**118,726**	**3**
	Profit (loss), attributable to:					
8610	Profit attributable to owners of parent	$	112,660	2	131,468	3
8615	Profit (loss), attributable to former owner of business combination under common control		7,233	-	(12,680)	-
		$	**119,893**	**2**	**118,788**	**3**
	Comprehensive income attributable to:					
8710	Comprehensive income, attributable to owners of parent	$	112,267	2	131,406	3
8715	Comprehensive income, attributable to former owner of business combination under common control		7,233	-	(12,680)	-
		$	**119,500**	**2**	**118,726**	**3**
	Earnings per share (NT dollars) (note 6(t))					
9750	**Basic earnings per share**	**$**		**0.35**		**0.44**
9850	**Diluted earnings per share**	**$**		**0.35**		**0.44**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Other equity interest		
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	to former owner of business combination under common control	Total equity
Balance on January 1, 2022	$ 2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	-	3,618,336
Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control	-	-	-	-	-	-	-	308,929	308,929
Equity at beginning of period after adjustments	2,462,493	838,381	114,765	1,693	202,679	319,137	(1,675)	308,929	3,927,265
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	14,002	-	(14,002)	-	-	-	-
Special reserve appropriated	-	-	-	(18)	18	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(148,228)	(148,228)	-	-	(148,228)
	-	-	14,002	(18)	(162,212)	(148,228)	-	-	(148,228)
Profit (Restated)	-	-	-	-	131,468	131,468	-	(12,680)	118,788
Other comprehensive income	-	-	-	-	-	-	(62)	-	(62)
Total comprehensive income	-	-	-	-	131,468	131,468	(62)	(12,680)	118,726
Conversion of convertible bonds	111,550	114,111	-	-	-	-	-	-	225,661
Stock dividends from capital surplus	215,264	(215,264)	-	-	-	-	-	-	-
Reorganization	-	-	-	-	(242)	(242)	-	-	(242)
Share-based payments	-	8,175	-	-	-	-	-	-	8,175
Exercise of disgorgement	-	346	-	-	-	-	-	-	346
Balance on December 31, 2022 (Restated)	2,789,307	745,749	128,767	1,675	171,693	302,135	(1,737)	296,249	4,131,703
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	14,161	-	(14,161)	-	-	-	-
Special reserve appropriated	-	-	-	62	(62)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(112,140)	(112,140)	-	-	(112,140)
	-	-	14,161	62	(126,363)	(112,140)	-	-	(112,140)
Profit	-	-	-	-	112,660	112,660	-	7,233	119,893
Other comprehensive income	-	-	-	-	-	-	(393)	-	(393)
Total comprehensive income	-	-	-	-	112,660	112,660	(393)	7,233	119,500
Conversion of convertible bonds	194,762	197,956	-	-	-	-	-	-	392,718
Stock dividends from capital surplus	280,350	(280,350)	-	-	-	-	-	-	-
Cash dividends from capital surplus	-	(84,105)	-	-	-	-	-	-	(84,105)
Reorganization	-	(35,134)	-	-	-	-	-	(303,482)	(338,616)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,233,224	-	-	-	-	-	-	1,233,224
Changes in ownership interests in subsidiaries	-	6,961	-	-	-	-	-	-	6,961
Balance on December 31, 2023	**$ 3,264,419**	**1,784,301**	**142,928**	**1,737**	**157,990**	**302,655**	**(2,130)**	**-**	**5,349,245**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		2023	2022 (Restated)
Cash flows from (used in) operating activities:			
Profit before tax	$	138,426	126,259
Adjustments:			
Adjustments to reconcile profit:			
Depreciation expense		147,401	128,413
Amortization expense		2,194	1,650
Eepected credit impairment loss		77	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss		(14)	1,819
Interest expense		99,498	65,714
Interest income		(5,378)	(1,337)
Dividend income		(117)	(96)
Share-based payments		1,141	1,092
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		(86,109)	(111,616)
Loss on disposal of property, plan and equipment		42	89
Loss on disposal of investments accounted for using equity method		1,651	-
Gain on lease modification		(340)	(459)
Total adjustments to reconcile profit		160,046	85,269
Changes in operating assets and liabilities:			
Notes receivable		(696)	(5)
Trade receivable		(7,888)	(2,726)
Other receivable		(13,381)	(1,740)
Inventories		(667,145)	(221,241)
Other current assets		(66,517)	(13,482)
Total changes in operating assets		(755,627)	(239,194)
Contract liabilities		145,656	51,179
Notes payable		310	(2,502)
Trade payable		369,425	174,344
Other payable		12,075	31,793
Other current liabilities		(25,213)	(7,727)
Total changes in operating liabilities		502,253	247,087
Total changes in operating assets and liabilities		(253,374)	7,893
Total adjustments		(93,328)	93,162
Cash inflow generated from operations		45,098	219,421
Interest received		5,378	1,337
Dividends received		37,479	197,999
Interest paid		(85,259)	(59,341)
Income taxes paid		(1,952)	(27,124)
Net cash flows from operating activities		744	332,292

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NORTH-STAR INTERNATIONAL CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Restated)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	-
Acquisition of investments accounted for using equity method	(94,403)	(2,475,750)
Acquisition of property, plant and equipment	(412,393)	(65,745)
Proceeds from disposal of property, plant and equipment	-	32,070
Increase in refundable deposits	(103,740)	(108,860)
Acquisition of intangible assets	(2,614)	(573)
Acquisition of right-of-use assets	(2,246)	-
Acquisition of investment properties	(1,072,440)	-
Increase (Decrease) in other financial assets	111,703	(339,467)
Decrease in other non-current assets	-	10
Increase in prepayments for business facilities	(118,981)	(15,667)
Net cash flows used in investing activities	(1,725,114)	(2,973,982)
Cash flows from (used in) financing activities:		
(Decrease) increase in short-term loans	(405,000)	633,960
Increase in short-term notes and bills payable	90,967	199,856
Proceeds from issuing bonds	-	1,184,333
Proceeds from long-term debt	1,458,000	1,001,239
Repayments of long-term debt	(1,195,390)	(245,720)
Increase in guarantee deposits received	16,905	20
Revenues from disgorgements	-	433
Payment of lease liabilities	(96,856)	(84,101)
Cash dividends paid	(196,245)	(148,228)
Disposal of ownership interests in subsidiaries (without losing control)	2,193,401	-
Net cash flows from financing activities	1,865,782	2,541,792
Net increase (decrease) in cash and cash equivalents	141,412	(99,898)
Cash and cash equivalents at beginning of period	131,844	231,742
Cash and cash equivalents at end of period	$ **273,256**	**131,844**

See accompanying notes to parent company only financial statements.

NORTH-STAR INTERNATIONAL CO., LTD.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

NORTH-STAR INTERNATIONAL CO., LTD. (the "Company") was legally established with the approval of the Ministry of Economic Affairs on December 16, 1988, with registered address at No. 137, Xinhai Rd., Banqiao Dist., New Taipei City 220, Taiwan (R.O.C.). The Company mainly engaged in petrol filling stations and the retail business of gasoline products.

The subsidiary, Santi Renewable Energy CO., Ltd.: (formerly known as Sanlu Development Co., Ltd.) acquired 51% of equity interest in NEO CATHAY ELECTRIC POWER CORP. in September 28, 2023 with cash of $354,960 thousand. Pursuant to Discussion Paper issued by Accounting Research and Development Foundation, the aforementioned transaction is an organizational reorganization under common control and regarded as a combination from the beginning. The Company restated the individual financial statements for the year ended December 31, 2022.

(2) Approval date and procedures of the financial statements:

These financial statements were authorized for issue by the Board of Directors on March 8, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2023:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The Company has initially adopted the new amendment, which do not have a significant impact on its financial statements, from May 23, 2023:

- Amendments to IAS 12 "International Tax Reform—Pillar Two Model Rules"

(b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"

(Continued)

- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	**Content of amendment**	**Effective date per IASB**
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	Effective date to be determined by IASB

The Company is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its financial position and financial performance. The results thereof will be disclosed when the Company completes its evaluation.

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements:

- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”
- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

(4) Summary of material accounting policies:

The material accounting policies presented in the parent company only financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the parent company only financial statements.

(a) Statement of compliance

The financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”).

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the parent company only financial statements have been prepared on a historical cost basis:

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value.

(ii) Functional and presentation currency

The functional currency of each Company entity is determined based on the primary economic environment in which the entity operates. The parent company only financial statements are presented in New Taiwan Dollar (NTD), which is the Company’ s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(c) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as noncurrent.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as noncurrent.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(Continued)

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(d) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(e) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost or fair value through other comprehensive income (FVOCI) – equity investment. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(Continued)

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

· its held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment' s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. Trade receivables that the Company intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the 'trade receivables' line item. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized costs, notes and trade receivables, other receivable, guarantee deposit paid and other financial assets) and contract assets.

(Continued)

The Company measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

· debt securities that are determined to have low credit risk at the reporting date; and

· other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company' s historical experience and informed credit assessment as well as forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 90 days past due or the debtor is unlikely to pay its credit obligations to the Company in full.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of ' investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

(Continued)

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

· significant financial difficulty of the borrower or issuer;

· a breach of contract such as a default or being more than 90 days past due;

· the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· it is probable that the borrower will enter bankruptcy or other financial reorganization; or

· the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

5) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(Continued)

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Compound financial instruments

Compound financial instruments issued by the Company comprise convertible bonds denominated in NTD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

4) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(Continued)

5) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(f) Inventories

(i) Trading

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to the location and condition. The calculation was based on the first-in-first-out method, and the weighted average method was adopted since April 1, 2022 and retroactive adjustments were made.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(ii) Construction

The cost of inventories includes all necessary expenditures and charges for bringing the inventory to an available to sale and construction condition and location. The real estate development costs include construction costs, land costs, borrowing costs, and project costs incurred during the development period. When completion, construction in progress is carried over to buildings and land held for sale. The real estate development costs proportionate to the sale are carried forward to the operating cost. When the cost of inventories is higher than the net realizable value, it should be offset against the cost to net realizable value, and the amount of inventory should be recognized as cost of goods sold in the current period. The methods of determining the net realizable value are as follows:

1) Land held for development: the net realizable value is the replacement cost or estimated price (based on the market condition), less, the estimated selling expenses at the end of the period.

2) Construction in progress: Net realizable value is the estimated selling price (based on current market condition) in the ordinary course of business, less the estimated costs of completion and selling expenses, or estimated by recent market value.

(Continued)

3) Buildings and land held for sale: the net realizable value is the estimated price (based on the market condition), less, the estimated selling expenses at the end of the period.

(g) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The financial statements include the Company's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of unrelated Company's interests in the associate.

When the Company's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

(h) Investment in subsidiaries

When preparing the parent company only financial statements, investment in subsidiaries which are controlled by the Company is accounted for using the equity method. Under the equity method, the net income, other comprehensive income and equity attributable to shareholders of the Company in the parent company only financial statements, are equal to those in the consolidated financial statements.

(i) Joint Arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. The IFRS classifies joint arrangements into two types — joint operations and joint ventures, which have the following characteristics: (a) the parties are bound by a contractual arrangement; and (b) the contractual arrangement gives two or more of those parties joint control of the arrangement. IFRS 11 "Joint Arrangements" defines joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (ie activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

(Continued)

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company accounts for the assets, liabilities, revenues and expenses in relation to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses. When assessing whether a joint arrangement is a joint operation or a joint venture, the Company considers the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances.

(j) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(k) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

(Continued)

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	buildings	1~60 years
2)	machinery and equipment	1~20 years
3)	other equipment	1~12 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.

(Continued)

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
- there is a change of its assessment on whether it will exercise a extension or termination option; or
- there is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

If an arrangement contains lease and non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(Continued)

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

(m) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including computer software, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1) Computer software 1~15 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(n) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories, contract assets, deferred tax assets and investment properties and biological assets, measured at fair value, less costs) to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

(Continued)

NORTH-STAR INTERNATIONAL CO., LTD.
Notes to the Financial Statements

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(o) Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

In accordance with the Group's environmental policy and applicable regulatory requirements, the provision for recovery liabilities is recognized when contaminated land satisfies the recognition criteria of the provision mentioned above, and the related costs are recognized.

(p) Revenue from contracts with customers

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

1) Sale of goods – gasoline products

The Company provides various gasoline products for sale in the retail market and recognizes revenue when the product is delivered to the customers. The price is paid immediately upon the customer's purchase of the product.

(Continued)

2) Customer loyalty program

The Company operates a customer loyalty program to its retail customers. Retail customers obtain points for purchases made, which entitle them to discount on future purchases. The Company considers that the points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the discount granted when the points are redeemed and on the basis of the likelihood of redemption, based on past experience. The stand-alone selling price of the product sold is estimated on the basis of the retail price. The Company has recognized contract liability at the time of sale on the basis of the principle mentioned above. Revenue from the award points is recognized when the points are redeemed or when they expire.

3) Land development and sale of real estate

The Company develops and sells residential properties and usually sales properties in advance during construction or before construction begins. Revenue is recognized when control over the properties has been transferred to the customer. The properties have generally no alternative use for the Company due to contractual restrictions. However, an enforceable right to payment does not arise until legal title of a property has passed to the customer. Therefore, revenue is recognized at a point in time when the legal title has passed to the customer.

The revenue is measured at the transaction price agreed under the contract. For sale of readily available house, in most cases, the consideration is due when legal title of a property has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component. For pre-selling properties, the consideration is usually received by installment during the period from contract inception until the transfer of properties to the customer. If the contract includes a significant financing component, the transaction price will be adjusted for the effects of the time value of money during the period, using the specific borrowing rate of the construction project. Receipt of a prepayment from a customer is recognized as contract liability. Interest expense and contract liability are recognized when adjusting the effects of the time value of money. Accumulated amount of contract liability is recognized as revenue when control over the property has been transferred to the customer.

Certain contracts include multiple deliverables, such as sale of residential properties and a decoration service. The Company accounts for the decoration service as a single performance obligation, and the transaction price is allocated to the decoration service on a relative standalone selling price basis. Revenue from providing the decoration service is recognized in the accounting period in which the services are rendered.

(Continued)

4) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Company applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify;

b) the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

c) the costs are expected to be recovered.

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Company cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations(or partially satisfied performance obligations), the Company recognizes these costs as expenses when incurred.

(Continued)

(q) Government grants and government assistance

Government assistance in the form of a guarantee from the government for loans from financial institutions is considered part of the unit of account in determining the fair value of the loan.

(r) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(s) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the board of directors authorized the price and number of a new award.

(Continued)

(t) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

(Continued)

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(u) Business combination

(i) acquisition method.

The Company accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Company recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Company measures any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interest’s proportionate share of the acquiree’s identifiable net assets, if the noncontrolling interests are present ownership interests and entitle their holders to a proportionate share of the Company’s net assets in the event of liquidation. Other components of noncontrolling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRS Accounting Standards endorsed by the FSC.

In a business combination achieved in stages, the Company remeasures its previously held equity interest in the acquiree at its acquisition-date fair value, and recognizes the resulting gain or loss, if any, in profit or loss. In prior reporting periods, the Company may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognized in other comprehensive income will be recognized on the same basis as would be required if the Company had disposed directly of the previously held equity interest. If the disposal of the equity interest required a reclassification to profit or loss, such an amount will be reclassified to profit or loss.

(ii) Business combination under common control

The Company did not use the acquisition method to deal with the business combination under the organizational restructuring, but adopted the book value method and regarded as acquisition from the beginning. The Company restated the financial statements for the year ended December 31, 2023; please refer to Note 12(b).

(Continued)

The Company' s acquisition of subsidiaries is a reorganization within the group due to economic substance and should be recognized in the carrying amounts of subsidiaries previously recognized by the sellers. Those subsidiaries should be regarded as having been acquired from the beginning.

(v) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as convertible bonds and employee compensation.

(w) Operating segments

The Company discloses its segment information in consolidated financial statements. Therefore, the Company need not disclose segment information in the parent-company-only financial statements.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the parent company only financial statements in conformity with the Regulations requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

(a) Judgment of whether the Company has substantive control over its investees

The Company holds 50% of the voting shares of Yang Ji, the remaining shares are held by another single shareholder, and the Company was unable to obtain more than half of the directors' seats or more than half of the voting rights at the general shareholders' meetings and therefore it has only significant influence on such associate.

Information about assumptions and estimation uncertainties does not have a significant risk of resulting in a material adjustment within the next financial year.

The Company's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss.

(Continued)

The Company's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value.

The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

(c) Level 3: inputs for the assets or liability that are not based on observable market data.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash	$ 27,678	21,161
Check and demand deposit	245,578	110,683
Cash and cash equivalents in the statement of cash flows	**$ 273,256**	**131,844**

Please refer to note 6(y) for the credit risk and interest risk of the financial assets and liabilities of the Company.

(b) Financial assets and liabilities at fair value through profit or loss

	December 31, 2023	December 31, 2022
Financial asset measured at fair value through profit or loss:		
Convertible bond-embedded derivative	**$ -**	**216**
Financial liability measured at fair value through profit or loss:		
Convertible bond-embedded derivative	**$ 143**	**210**

(Continued)

Please refer to note 6(p) for the convertible corporate bonds issue by the Company on December 10, 2021 and December 23, 2020. The call option and put option of convertible corporate bonds were mandatorily measured at fair value through profit or loss.

(c) Non-current financial assets at fair value through other comprehensive income

	December 31, 2023	December 31, 2022
Unlisted stocks		
MA LI QIANG GREEN ENERGY CO., LTD.	$ -	473
TAIWAN TRUEWIN TECHNOLOGY CO., LTD	30,080	-
	$ 30,080	**473**

(i) Equity investments at fair value through other comprehensive income

The Company designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Company intends to hold for long-term strategic purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of December 31, 2023 and 2022.

(ii) For credit risk and market risk, please refer to note 6(y).

(iii) As of December 31, 2023 and 2022, the financial assets at fair value through other comprehensive income of the Company had not been pledged as collateral.

(d) Trade receivables and notes receivable

	December 31, 2023	December 31, 2022
Notes receivables	$ 849	153
Trade receivables(including related parties)	35,674	27,786
Less: loss allowance	(77)	-
	$ 36,446	**27,939**

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including macroeconomic and relevant industry information. The loss allowance provisions were determined as follows:

(Continued)

	December 31, 2023		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 34,783	0%	-
1 to 30 days past due	879	0%	-
31 to 60 days past due	784	0%	-
61 to 90 days past due	-	0%	-
More than 91 days past due	77	100%	77
	$ 36,523		**77**

	December 31, 2022		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	26,636	0%	-
1 to 30 days past due	1,303	0%	-
31 to 60 days past due	-	0%	-
61 to 90 days past due	-	2.38%	-
More than 91 days past due	-	100%	-
	$ 27,939		**-**

The movement in the allowance for notes and trade receivables was as follows:

	2023	**2022**
Balance at January 1	$ -	-
Impairment losses recognized	77	-
Balance at December 31	**$ 77**	**-**

As of December 31, 2023 and 2022, the notes and trade receivables of the Company had not been pledged as collateral.

Please refer to Note 6(y) for other credit risk.

(Continued)

(e) Inventories

		December 31, 2023	December 31, 2022
Trading:			
Premium Diesel	$	22,013	30,979
Unleaded gasoline-98		11,905	14,851
Unleaded gasoline-95		34,066	60,318
Unleaded gasoline-92		25,974	32,012
Coproducts and others		1,102	1,313
Subtotal		95,060	139,473
Construction industry:			
Land held for construction site		332,758	-
Construction in progress		1,031,244	652,444
Subtotal		1,364,002	652,444
	$	**1,459,062**	**791,917**

The details of the cost of sales were as follows:

		2023	2022
Inventory that has been sold	$	4,940,971	4,677,975
Other operating costs		11,554	22,640
Gain on physical inventory		(4,345)	(4,833)
	$	**4,948,180**	**4,695,782**

Please refer to note 8 for detail of the Company provided inventories as collateral for short-term borrowings.

For the years ended December 31, 2023 and 2022, amount of capitalized interest were $7,522 thousand and $5,548 thousand, respectively. The interest rate for capitalization were 2.08%~2.93% and 1.75%~2.41%, respectively.

(f) Investments accounted for using equity method

A summary of the Company's financial information for investments accounted for using the equity method at the reporting date is as follows:

		December 31, 2023	December 31, 2022
Subsidiaries	$	2,898,649	3,890,594
Associates		80,177	302,036
	$	**2,978,826**	**4,192,630**

(Continued)

(i) Subsidiaries

For the related information, please refer to the consolidated financial statement for the year ended December 31, 2023.

(ii) Associates

Name of Associates	Nature of Relationship with the Group	Main operating location/ Registered Country	Proportion of shareholding December 31, 2023	Proportion of shareholding December 31, 2022
BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	The main businesses are interior decoration construction, wholesale building materials, and residential and building development and rental.	Taiwan	52 %	49 %
YANG JI ENTERPRISE CO., LTD.	Mainly engages in advertisement consignment.	Taiwan	50 %	50 %
JIAYANG ENTERPRISE CO., LTD.	Mainly engages in advertisement consignment and property sales.	Taiwan	50 %	- %

On September 21, 2023, the Company acquired 50% of ownership in JIAYANG ENTERPRISE CO., LTD. at a price of NT$ 10,000 thousand, thereby obtaining significant control over JIAYANG ENTERPRISE CO., LTD..

The Company participated in the cash capital increase to BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. on October 20, 2023, and invested $15,680 thousand in proportion to its shareholding, accumulating an investment of $162,680 thousand in BEIJI INTERNATIONAL DEVELOPMENT CO., LTD..

The Company acquired the control of BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. by acquiring 3% of its shares on December 7, 2023 and became a subsidiary. Please refer to the Consolidated Financial Report for the year of 2023.

The Company participated in the cash capital increase of YANG JI ENTERPRISE CO., LTD on December 9, 2022 and March 16, 2021, respectively. The Company invest $25,000 thousand in proportioned to its shareholding, respectively. The total investment in YANG JI ENTERPRISE CO., LTD accumulated to $75,000 thousand.

The Company has only significant influence over the associates above, taking into account the holdings of other investors, and the Company has determined that there is no control over the board of directors or shareholders' meetings of these associates.

The following is the aggregated financial information of the major associates, and necessary changes have already been made to the information therein concerning the associates' consolidated financial statements based on the IFRS as endorsed by FSC to reflect the fair value adjustments made at the time of acquisition and adjustment for accounting policy variations.

(Continued)

1) Financial information summary of BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. were as follows:

	December 31, 2022
Current assets	$ 2,578,999
Non-current assets	374,410
Current liabilities	(965,337)
Non-current liabilities	(1,519,860)
Net assets	**$ 468,212**

	2022
Operating revenue	$ 2,292,291
Profit for the year	373,352
Other comprehensive income	-
Total comprehensive income	**$ 373,352**

	2022
Share of net assets of associates as of January 1	$ 222,881
Comprehensive income attributable to the Company	182,942
Dividends paid to the Company	(176,400)
Share of net assets of associates as of December 31	**$ 229,423**

2) Financial information summary of YANG JI ENTERPRISE CO., LTD. were as follows:

	December 31, 2023	December 31, 2022
Current assets	$ 411,780	164,454
Non-current assets	766	89,990
Current liabilities	(43,445)	(2,401)
Non-current liabilities	(228,595)	(106,818)
Net assets	**$ 140,506**	**145,225**

	2023	2022
Operating revenue	$ -	-
Loss for the year	(4,720)	(4,729)
Other comprehensive income	-	-
Total comprehensive income	**$ (4,720)**	**(4,729)**

(Continued)

		2023	2022
Share of net assets of associates as of January 1	$	72,613	49,977
Capital increase during the period		-	25,000
Comprehensive income attributable to the Company		(2,360)	(2,364)
Share of net assets of associates as of December 31	$	**70,253**	**72,613**

The Company's financial information for investments accounted for using equity method that are individually insignificant were as follows:

		December 31, 2023	December 31, 2022
The carrying amount of individually insignificant associates equity	$	**9,924**	**-**

		2023	2022
Attributable to the Company:			
Loss for the year	$	(76)	-
Other comprehensive income		-	-
Total comprehensive income	$	**(76)**	**-**

(iii) Collateral

As of December 31, 2023 and 2022, the Company did not provide any investments accounted for using the equity method as collateral.

(g) Business combination

(i) Acquisition of the subsidiary

On December 7, 2023, the Company gained control over BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. by acquiring 3% of its shares. The Company’s interest in BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.N was therefore increased from 49% to 52%. The main businesses of BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. are interior decoration construction, wholesale building materials, and residential and building development and rental.

1) Consideration transferred

At the acquisition date, the fair value of each major class of consideration transferred aresummarized as below:

Cash	$	**15,437**

(Continued)

2) Identifiable assets acquired, and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the acquisition date.

Cash and cash equivalents	$	77,537
Notes and accounts receivable, net		79,659
Inventory		2,976,005
Property, plant and equipment		557
Deferred tax assets		4,847
Other current assets and non-current assets		716,455
Contract liabilities		(540,676)
Notes and accounts payable		(449,788)
long-term debt		(2,114,640)
Other current liabilities and non-current liabilities		(301,786)
Total identifiable net assets acquired	**$**	**448,170**

3) Goodwill

Goodwill arising from the acquisition was as follows:

Consideration transferred	$	15,437
Non-controlling interest in the acquiree, if any (proportionate share of the fair value of the identifiable net assets)		215,122
Fair value of pre-existing interest		217,952
Less: Fair value of identifiable net assets		(448,170)
Goodwill	**$**	**341**

The Company re-measured the fair value of its existing equity interest of 49% in BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. before the business combination, and the resulting gain or loss of $1,651 is recognized as “ gains or losses arising from disposal of investment” on the statement of comprehensive income.

The goodwill is attributable mainly to the skills and technical talent of BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. 's work force and the synergies expected to be achieved from integrating the company into the Group’s existing standard paper business. None of the goodwill recognized is expected to be deductible for tax purposes

(Continued)

(h) Joint operations

The Company entered into joint development agreements with HEYI CONSTRUCTION CO., LTD., which is not a separate entity, responsible for 50% of the real estate development expenses respectively. HEYI CONSTRUCTION CO., LTD. is the implementing company responsible for real estate development, such as planning and design, outsourcing, and progress tracking. The joint agreement between the Group and HEYI CONSTRUCTION CO., LTD. for participation in land development provides that each party uses its assets and assumes its liabilities in the performance of the contract. The Company and HEYI CONSTRUCTION CO., LTD. recognize revenue from the sale of the products as a 50% share each. The construction license for this case has been issued and started construction in March 2021.As of December 31, 2023 and 2022, the amount of the construction in progress held by the joint development amounted to $530,606 thousand and $347,836 thousand, respectively, which is recognized under inventories. Please refer to note 6(e) for details.

The Company signed a land joint development agreement with Taijia Development CO,.Ltd. (Taijia Development), Top High Image Corp. (Top High Image) and Kaohsiung Transportation Company Limited (Kaohsiung Transportation), which is not constructed as separate entity, and each shouldering development expenses; Taijia Development is the implementing company and is responsible of engineering management such as planning, design, project contractor and progress tracking and shared control.The joint agreement in which the Company participated in land development provided that each of the parties will use its own assets and assume its own liabilities during the contract performance, and that the revenue generated from the sale of the products will be recognized by each of the parties by the joint venture percentage.The construction license for this case has been issued and started construction in August 2023. As of December 31, 2023, the amount of the buildings under construction held by the joint development was $17,678 thousand, which is recognized under inventories. Please refer to note 6(e) for details.

(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 2023 and 2022, were as follows:

		Land	Buildings and construction	Machinery and equipment	Others	Total
Cost or deemed cost:						
Balance on January 1, 2023	$	3,379,455	431,674	289,382	111,772	4,212,283
Additions		383,556	8,333	12,237	8,267	412,393
Disposal		-	(22,300)	(30,537)	(28,338)	(81,175)
Transfer from premayments		-	1,267	6,708	2,464	10,439
Balance on December 31, 2023	**$**	**3,763,011**	**418,974**	**277,790**	**94,165**	**4,553,940**
Balance on January 1, 2022	$	3,379,455	411,528	267,161	97,302	4,155,446
Additions		-	3,723	49,766	12,256	65,745
Disposal		-	(1,519)	(43,452)	(1,650)	(46,621)
Transfer from prepayments		-	17,942	15,907	3,864	37,713
Balance on December 31, 2022	**$**	**3,379,455**	**431,674**	**289,382**	**111,772**	**4,212,283**

(Continued)

		Land	Buildings and construction	Machinery and equipment	Others	Total
Depreciation and impairments losses:						
Balance on January 1, 2023	$	-	195,641	223,934	89,486	509,061
Depreciation		-	16,841	17,691	7,821	42,353
Disposal		-	(22,300)	(30,516)	(28,317)	(81,133)
Balance on December 31, 2023	$	-	190,182	211,109	68,990	470,281
Balance on January 1, 2022	$	-	179,398	220,209	82,428	482,035
Depreciation		-	16,756	17,131	7,360	41,247
Transfer from premayments		-	(513)	(13,406)	(302)	(14,221)
Balance on December 31, 2022	$	-	195,641	223,934	89,486	509,061
Carrying amount:						
Balance on December 31, 2023	$	3,763,011	228,792	66,681	25,175	4,083,659
Balance on January 1, 2023	$	3,379,455	232,130	46,952	14,874	3,673,411
Balance on December 31, 2022	$	3,379,455	236,033	65,448	22,286	3,703,222

As of December 31, 2023 and 2022, there was agricultural land of $70,368 thousand and $39,417 thousand for use by the Company as petrol filling stations, respectively. The ownership of the land is temporarily registered in the trusted third party designated by the Company. The trustee either pledged the land as collateral for the Company or entered into a contractual agreement with the Company at a total price of $43,250 thousand to secure and pledge the land to the Company.

As of December 31, 2023 and 2022, the property, plant and equipment of the Company had been pledged as collateral for long-term and short-term borrowings; please refer to note 8.

(j) Right-of-use assets

The Company leases many assets including land and buildings, vehicles. Information about leases for which the Company is a lessee was presented below:

		Land and building	Transportation equipment	Total
Cost:				
Blance on January 1, 2023	$	936,909	8,873	945,782
Additions		131,823	7,649	139,472
Write-off		(56,379)	(10,997)	(67,376)
Blance on December 31, 2023	$	1,012,353	5,525	1,017,878

(Continued)

		Land and building	Transportation equipment	Total
Blance on January 1, 2022	$	623,975	9,745	633,720
Additions		331,081	-	331,081
Write-off		(18,147)	(872)	(19,019)
Blance on December 31, 2022	**$**	**936,909**	**8,873**	**945,782**
Accumulated depreciation:				
Blance on January 1, 2023	$	262,343	6,507	268,850
Depreciation for the year		100,869	4,179	105,048
Write-off		(56,386)	(5,775)	(62,161)
Blance on December 31, 2023	**$**	**306,826**	**4,911**	**311,737**
Blance on January 1, 2022	$	177,475	4,209	181,684
Depreciation for the year		84,868	2,298	87,166
Blance on December 31, 2022	**$**	**262,343**	**6,507**	**268,850**
Carrying value:				
Blance on December 31, 2023	**$**	**705,527**	**614**	**706,141**
Blance on January 1, 2022	**$**	**446,500**	**5,536**	**452,036**
Blance on December 31, 2022	**$**	**674,566**	**2,366**	**676,932**

(k) Investment property

The movements of investment property for the years Ended December 31, 2023 and 2022 were as follows:

		Owned property Land
Cost or deemed cost:		
Balance on January 1, 2023	$	83,125
Acquisitions		1,072,440
Balance on December 31, 2023	**$**	**1,155,565**
Balance on January 1, 2022	$	83,125
Balance on December 31, 2022	**$**	**83,125**
Depreciation and impairments losses:		
Balance on January 1, 2023	$	48,793
Depreciation for the year		-
Balance on December 31, 2023	**$**	**48,793**
Balance on January 1, 2022	$	48,793
Balance on December 31, 2022	**$**	**48,793**

(Continued)

		Owned property Land
Carrying amount:		
Balance on December 31, 2023	$	**1,106,772**
Balance on December 31, 2022	$	**34,332**
Balance on January 1, 2022	$	**34,332**
Fair value:		
Balance on December 31, 2023	$	**1,134,436**
Balance on December 31, 2022	$	**64,634**

The fair value of investment property is derived from the valuation report of real estate as of December 31, 2023, and the fair value of investment property as of December 31, 2022 is considered by the management of the Company.

As of December 31, 2023 and 2022, the investment property of the Company had been pledged as collateral for long-term borrowings; please refer to note 8.

(l) Other current asset

		December 31, 2023	December 31, 2022
Other current assets:			
Prepayments to suppliers	$	5,952	5,928
Prepaid rents		705	664
Prepaid expenses		30,340	18,415
Supplies inventories		15,342	9,194
Other current financial assets		300	300
Incremental costs of obtaining a contract		100,124	51,814
Others		19,987	19,918
	$	**172,750**	**106,233**

For the marketing activities information on other current assets provided as deposits, as of December 31, 2023 and 2022, please refer to Note 8.

(Continued)

(m) Short-term notes and bills payable

	December 31, 2023		
	Guarantee or acceptance institution	**Range of interest rates**	**Amount**
Commercial paper payable	DAH CHUNG BILLS FINANCE CORPORATION	2.12%	$ 50,000
Commercial paper payable	CHINA BILLS FINANCE CORPORATION	2.16%	141,000
Commercial paper payable	MEGA BILLS FINANCE CORPORATION	2.19%	50,000
Commercial paper payable	TAIWAN FINANCE CORPORATION	2.09%	50,000
Commercial paper payable	International Bills Finance Corporation	2.22%	50,000
Less: Discount on short-term notes and bills payable			(336)
Total			$ **340,664**

	December 31, 2022		
	Guarantee or acceptance institution	**Range of interest rates**	**Amount**
Commercial paper payable	DAH CHUNG BILLS FINANCE CORPORATION	2.08%~2.10%	$ 50,000
Commercial paper payable	CHINA BILLS FINANCE CORPORATION	2.09%	50,000
Commercial paper payable	MEGA BILLS FINANCE CORPORATION	2.19%	50,000
Commercial paper payable	TAIWAN FINANCE CORPORATION	2.06%	50,000
Commercial paper payable	International Bills Finance Corporation	2.33%	50,000
Less: Discount on short-term notes and bills payable			(303)
Total			$ **249,697**

(Continued)

(n) Short-term borrowings

	December 31, 2023	December 31, 2022
Unsecured bank loans	$ -	250,000
Secured bank loans	447,360	602,360
	$ 447,360	**852,360**
Unused short-term credit lines	**$ 710,000**	**711,240**
Range of interest rates	**2.11%-2.66%**	**2.09%~2.41%**

For the collateral for short-term borrowings, please refer to note 8.

(o) Long-term borrowings

	December 31, 2023			
	Currency	**Range of interest rates**	**Maturity year**	**Amount**
Secured bank loans	NTD	2.08%-2.35%	2022.02.10~ 2028.07.16	$ 2,461,885
Less: current portion				(1,014,926)
Total				**$ 1,446,959**
Unused long-term credit lines				**$ 240,000**

	December 31, 2022			
	Currency	**Range of interest rates**	**Maturity year**	**Amount**
Unsecured bank loans	NTD	1.85%	2023.06	$ 40,383
Secured bank loans	NTD	1.41%~2.23%	2023.03~2027.03	2,158,892
				2,199,275
Less: current portion				(1,058,084)
Total				**$ 1,141,191**
Unused long-term credit lines				**$ 210,000**

(i) For the collateral for long-term borrowings, please refer to note 8.

(ii) Government credit guarantee loans

The Company obtained an interim working capital of $150,000 thousand for relief and economic stimulus package of COVID-19 from the Ministry of Economic Affairs in October 2020 for a period of five years, which is allocated in a split and is not revolving. As of December 31, 2023 and 2022, the balance of borrowing amounted to $70,862 thousand and $105,733 thousand, respectively, with the interest rates of 2.3% and 2.18%, and received an 80% guarantee from the Small and Medium Enterprise Credit Guarantee Fund of Taiwan.

(Continued)

(p) Bonds payable

The following table summarized the secured convertible corporate bonds issued by the Company:

	December 31, 2023	December 31, 2022
Total convertible corporate bonds issued	$ 6,800	406,700
Total amount of ordinary corporate bonds issued	1,200,000	1,200,000
Unamortized discounted corporate bonds payable	(1,663)	(22,921)
Corporate bonds issued balance at year-end	**$ 1,205,137**	**1,583,779**
Embedded derivative – redemption rights:		
included in financial assets at fair value through profit or loss	**$ -**	**216**
included in financial liabilities at fair value through profit or loss	**$ 143**	**210**
Equity component – conversion options, included in capital surplus– stock options	**$ 346**	**22,685**

The Company issue domestic private convertible corporate bond at par value, the issuing terms were as follows:

	For the Year Ended December 31, 2020 Domestic fifth secured convertible corporate bonds
Total issuance amount	600,000 thousand
Date of issuance	12.23.2020
Issue price:	issued at 102% of the face value
Coupon rate	0%
Issuance Period	12.23.2020~ 12.23.2025
Trustee bank	TBC bank

(Continued)

	For the Year Ended December 31, 2020 Domestic fifth secured convertible corporate bonds
Redemption right of convertible bonds	Within the period between three month after the issuance date (March 24, 2021) and 40 days (November 13, 2025) before the last convertible date, the redemption right to convert corporate bonds satisfies one of the following, and the Company reclaims its outstanding bonds in cash at the principal amount: (1) if the closing price of the Company's common shares on the Taipei Exchange for a period of 30 consecutive trading days before redemption has been at least 30% of the conversion price in effect on each such trading day, the Company may redeem all bonds at par value by cash. (2) When the outstanding balance of the convertible bond is less than 10% of the total amount issued.
Put option of convertible bond	The Company shall set the date after 3 years (December 23, 2023) and the date after 4 years (December 23, 2024) bondholders may request the Group to and redeem the exchange bonds held by it at principal amount in cash 30 days (November 23, 2023 and 2024) before the selling back date.
The conversion period	the bond holders may opt to have its bonds converted into the Company' s ordinary shares within the period between three months after the issuance date (March 24, 2021) and the maturity date (December 23, 2025) under the conversion method; Unredeemed and unconverted bond at maturity will be repaid with the principal in the lump sum of cash.
conversion price of convertible bonds	The conversion price for convertible bonds is fixed at $18.18 per share at the time of issuance, when it comes to adjusting conversion price of the Group's common share, it should adhere to the conversion' s rules. The conversion price change with formula within issuance details. The conversion price changed to $14.05 dollars per share on December 31, 2023.

(Continued)

	For the Year Ended December 31, 2021 Domestic sixth unsecured convertible corporate bonds
Total issuance amount	300,000 thousand
Date of issuance	12.10.2021
Issue price	issued at face value
Coupon rate	0%
Issuance Period	12.10.2021~ 12.10.2024
Trustee bank	TBC bank
Redemption right of convertible bonds	Within the period between three month after the issuance date (March 11, 2022) and 40 days (October 31, 2024) At the end of forty days before the expiry (October 31, 2024), the subsidiary would repurchase the bond at the face value if the outstanding value of bonds was lower than 10% of the total issuance value.
Put option of convertible bond	The Company shall set the date after 2 years (December 10, 2023) and the bond holder may request the Company to redeem the private convertible bond at par value plus an an indemnity to cover interest, which amounted to 0.3002% of the par value 30 days prior to the Redemption Base Date (November 10, 2023).
The conversion period	the bond holders may opt to have its bonds converted into the Company’ s ordinary shares within the period between three months after the issuance date (March 11, 2022) and the maturity date (December 10, 2024) under the conversion method; Unredeemed and unconverted bond at maturity will be repaid with the principal in the lump sum of cash.
conversion price of convertible bonds	The conversion price for convertible bonds is fixed at $35.50 per share at the time of issuance, when it comes to adjusting conversion price of the Company’ s common share, it should adhere to the conversion’ s rules. The conversion price change with formula within issuance details. The conversion price changed to $27.82 dollars per share on December 31, 2023.

(Continued)

The Company issue domestic private convertible corporate bond at par value, the issuing terms were as follows:

	For the Year Ended December 31, 2022 **Domestic 1st secured ordinary corporate bonds**
Total issuance amount	500,000 thousand
Date of issuance	6.14.2022
Issue price	issued at face value
Coupon rate	1.95%
Issuance Period	6.14.2022~ 6.14.2027
Trustee Bank	JihSun International Commercial Bank Co., Ltd.
Interest calculation and payment method	interest is calculated and payable annually on a per transaction basis.
Method of repayment	it is repayable in one lump sum based on the principal amount of the bond via cash.

	For the Year Ended December 31, 2022 **Domestic second secured ordinary corporate bonds**
Total issuance amount	700,000 thousand
Date of issuance	09.22.2022
Issue price	issued at face value
Coupon rate	1.80%
Issuance Period	9.22.2022~ 9.22.2027
Trustee Bank	JihSun International Commercial Bank Co., Ltd.
Interest calculation and payment method	interest is calculated and payable annually on a per transaction basis.
Method of repayment	it is repayable in one lump sum based on the principal amount of the bond via cash.

The Company had pledged assets as collateral for bonds payable, please refer to Note 8. (q) Lease liabilities

(q) Lease liabilities

The carrying amount of lease liabilities of the Company was as follows:

	December 31, 2023	**December 31, 2022**
Current	$ **95,904**	**84,703**
Non-current	$ **607,069**	**585,955**

For the maturity analysis, please refer to note 6(y).

(Continued)

The amounts recognized in profit or loss was as follows:

	2023	2022
Interest on lease liabilities	$ 12,430	$ 9,496
Variable lease payments not included in the measurement of lease liabilities	$ 876	892
Income from sub-leasing right-of-use assets	$ 2,889	3,274
Expenses relating to short-term leases	$ 743	3,613

The amounts recognized in the statement of cash flows for the Company was as follows:

	2023	2022
Total cash outflow for leases	$ 110,905	98,102

(i) Real estate leases

The Company leases land and buildings for its petrol filling station. The leases typically run for 1 to 15 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Company makes at the leased store in the period. Some also require the Company to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

Some leases of petrol filling station contain extension or cancellation options exercisable by the Company up to one year before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Company and not by the lessors. In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Company also leases machineries and billboard with lease terms of one year. These leases are short-term or leases of low value items. The Company decided to apply recognition exemptions, and had elected not to recognize its right-of-use assets and lease liabilities for these leases.

(Continued)

(r) Employee benefits

Defined benefit plans

The Company allocates 6% of each employee' s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $20,089 thousand and $17,178 thousand for the years ended December 31, 2023 and 2022, respectively.

(s) Income tax

(i) Income tax expense

For the years ended December 31, 2023 and 2022, income tax expense of the Company were as follows:

	2023	2022
Current tax expense	$ 18,419	6,000
Deferred tax expense (profit)	114	1,471
Tax expense	**$ 18,533**	**7,471**

There were no income tax recognized in equity or other comprehensive income for the years ended December 31, 2023. Income tax expense was recognized directly in equity for year ended December 31, 2022, details are as follows:

	Amount
Capital surplus - disgorgement	**$ 87**

(ii) Reconciliation of income tax and profit before tax for 2023 and 2022 is as follows:

	2023	2022 (Restated)
Profit excluding income tax	**$ 138,426**	**126,259**
Income tax using the Company's domestic tax rate	27,685	25,252
Non-deductible expenses	28	-
Tax-exempt income	(17,245)	(22,323)
Change in provision in prior periods	-	(67)
Others	8,065	4,609
Tax expense	**$ 18,533**	**7,471**

(Continued)

(iii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

	December 31, 2023	December 31, 2022
Tax effect of deductible temporary differences	$ 3,915	3,915

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2023 and 2022 were as follows:

Deferred tax assets:

	Deferred revenue	Unrealized disposals and others loss	Others	Total
Balance on January 1, 2023	$ 119	721	4,482	5,322
Recognized in profit or loss	1,882	(321)	(1,675)	(114)
Balance on December 31, 2023	**$ 2,001**	**400**	**2,807**	**5,208**
Balance on January 1, 2022	$ 1,590	721	4,482	6,793
Recognized in profit or loss	(1,471)	-	-	(1,471)
Balance on December 31, 2022	**$ 119**	**721**	**4,482**	**5,322**

(iv) The Company's tax returns for the years through 2021 were assessed by the Taipei National Tax Administration.

(t) Capital and other equities

As of December 31, 2023, the number of authorized ordinary shares were both 880,000 shares with par value of $10 per share. The total value of authorized ordinary shares were both amounted to $8,800,000 . As of that date, 326,441 and 278,930 thousend of ordinary shares were issued, respectively. All issued shares were paid up upon issuance.

Reconciliation of shares outstanding for 2023 and 2022 was as follows:

	Ordinary share	
(in thousands of shares)	**2023**	**2022**
Balance on January 1	278,930	246,249
Transfer the Capital surplus to Share capital	28,035	21,526
Conversion of convertible bonds	19,476	11,155
Balance on December 31	**326,441**	**278,930**

(Continued)

(i) Ordinary shares

For the year ended December 31, 2023 and 2022, the convertible bondholders exercised their conversion rights and then the Company issued convertible bonds amounting to $194,762 thousand and $111,550 thousand were converted into 19,476 thousand and 11,155 thousand shares of common stock at face value. The related registration procedures were completed during the year for the 19,344 thousand shares and 7,259 thousand shares.

The Company issued 28,035 thousand ordinary shares, from a capital reserve of $280,350 thousand transfered to share capital with a face value of $10 per share, pursuant to a resolution of the general shareholders' meeting on June 21, 2023. On September 10, 2023, as the base date for capital increase, 94.58 shares were allotted at nil per 1,000 shares.

The Company issued 21,526 thousand ordinary shares, from a capital reserve of $215,264 thousand transfered to share capital with a face value of $10 per share, pursuant to a resolution of the general shareholders' meeting on June 23, 2022. On September 10, 2023, as the base date for capital increase, 85.43 shares were allotted at nil per 1,000 shares.

(ii) Capital surplus

The balances of capital surplus as of December 31, 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Share premium	$ 235,545	600,000
Premium of convertible corporate bonds	325,314	105,019
Difference arising from subsidiary's share price and its carrying value	1,198,090	-
Changes in ownership interests of subsidiaries are recognized	15,136	8,175
Share-based payment	3,732	3,732
Employee share options-expired	5,792	5,792
Employee share options	346	22,685
Disgorgement	346	346
	$ 1,784,301	**745,749**

In addition to the above-mentioned conversion of capital reserve into share capital, the Company distributed the cash out of capital reserve of $84,105 thousand upon resolution of the general shareholders meeting on June 21, 2023, and the actual distribution of dividend per share was $0.28 in cash.

(Continued)

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long-term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. The Company could appropriate dividends by more 50% of appropriable earnings each year; the dividend could be distributed in the types of stock dividends or cash dividend and the cash dividends shall be greater than 20% of total dividends.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Earnings distribution

The amounts of cash dividends on the appropriations of earnings for 2022 and 2021 had been approved during the shareholders meeting on June 21, 2023 and June 23, 2022, respectively. The relevant dividend distributions to shareholders were as follows:

	2022		2021	
	Amount per share	**Amount**	**Amount per share**	**Amount**
Dividends distributed to ordinary shareholders:				
Cash	**$ 0.38**	**112,140**	**0.59**	**148,228**

(Continued)

(iv) Other comprehensive income accumulated in reserves, net of tax

		Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income
Balance on January 1, 2023	$	(1,737)
Unrealized losses from financial assets measured at fair value through other comprehensive income		(393)
Balance on December 31, 2023	**$**	**(2,130)**
Balance on January 1, 2022	$	(1,675)
Unrealized losses from financial assets measured at fair value through other comprehensive income		(62)
Balance on December 31, 2022	**$**	**(1,737)**

(u) Earnings per share

The detail of basic earnings per share and diluted earnings per share in 2023 and 2022 were as follows:

		2023	2022
Basic earnings per share			
Profit of the Company for the year	**$**	**112,660**	**131,468**
Weighted average number of ordinary shares on December 31 (thousand of share)		**318,409**	**300,001**
Basic earnings per share (dollar)	**$**	**0.35**	**0.44**
Diluted earnings per share			
Profit of the Company for the year	$	112,660	131,468
Effect of dilutive potential ordinary shares			
Interest expense on convertible bonds, net of tax		1,174	10,900
Profit attributable to ordinary shareholders of the Company (diluted)	**$**	**113,834**	**142,368**
Weighted average number of ordinary shares (thousand of share)		318,409	300,001
Effect of dilutive potential ordinary shares			
Effect of employee share bonus		28	50
Effect of convertible corporate bonds conversion		8,404	26,644
Weighted average number of ordinary shares (diluted) on December 31 (thousand of share)		**326,841**	**326,695**
Diluted earnings per share (dollar)	**$**	**0.35**	**0.44**

(Continued)

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

		2023	2022
Primary geographical markets:			
Taiwan	$	**5,746,181**	**5,372,833**
Major products:			
Gasoline products	$	5,604,183	5,262,166
Other		141,998	110,667
Total	$	**5,746,181**	**5,372,833**

(ii) Contract balances

		December 31, 2023	December 31, 2022	January 1, 2020
Trade receivables	$	36,523	27,939	25,208
Less: loss allowance		(77)	-	-
Total:	$	**36,446**	**27,939**	**25,208**
Contract assets	$	**369,440**	**223,784**	**172,605**

For details on trade receivables and allowance for impairment, please refer to note 6(d).

For details on onerous contracts as of December 31, 2023 and 2022, please refer to note 9(e).

The Company implemented a customer loyalty program to stimulate the sale of gasoline products. When a customer purchases a gasoline product, the Company gives him a credit that can be used in exchange for an advertisement gift.

As of December 31, 2023 and 2022, the deferred income of the Company was $4,981 thousand and $9,665 thousand, respectively, which are recognized under other current liabilities. Such amounts are allocated to the award points based on the relative stand-alone selling price of the products and award points.

(w) Employee compensation and directors' and supervisors' remuneration

In accordance with the articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation and less than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

(Continued)

The accrued amount of employee compensation and directors' and supervisors' remuneration of the Company in 2023 and 2022 were as follows:

	2023	2022
Employee remuneration	$ 1,449	1,447
Directors' and supervisors' remuneration	4,326	4,342
	$ 5,775	**5,789**

The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2023 and 2022. The numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares one day before the date of the meeting of Board of Directors. Related information would be available at the Market Observation Post System website. The amounts, as stated in the financial statements, are identical to those of the actual distributions for 2023 and 2022.

(x) Non-operating income and expenses

(i) Other income

The details of other income were as follows:

	2023	2022
Rent income	$ 10,274	8,316
Dividend income	117	96
Packing fees income	6,395	5,806
service revenue	62,419	51,520
Other income, others	37,035	32,157
	$ 116,240	**97,895**

(ii) Other gains and losses

The details of other gains and losses were as follows:

	2023	2022
Losses on disposals of investments	$ (1,651)	-
Gains (Losses) on financial assets (liabilities) at fair value through profit or loss	14	(1,819)
Gains (Losses) on disposals of property, plant and equipment	(42)	(89)
Gain on lease modification	340	459
Others	(3,181)	(3,169)
	$ (4,520)	**(4,618)**

(Continued)

(y) Financial instruments

(i) Type of financial instruments

1) Financial assets

	December 31, 2023	December 31, 2022
Financial assets at fair value through profit or loss	$ -	216
Financial assets at fair value through other comprehensive income	30,080	473
Financial assets measured at amortized cost:		
Cash and cash equivalents	273,256	131,844
Notes and accounts receivable, net	36,446	27,939
Other receivable	112,799	37,429
Guarantee deposits paid	274,577	170,837
Other current financial assets (restricted deposits)	300	300
Other non-current financial assets (restricted deposits)	483,762	595,465
Total	**$ 1,211,220**	**964,503**

2) Financial liabilities

	December 31, 2023	December 31, 2022
Financial liabilities at fair value through profit or loss	$ 143	210
Financial liabilities measured at amortized cost:		
Short-term borrowings	447,360	852,360
Short-term notes and bills payable	340,664	249,697
Notes and trade payable	770,629	400,894
Other payable	148,285	136,210
Long-term borrowings (including current portion)	2,461,885	2,199,275
Bonds payable	1,205,137	1,583,779
Lease liabilities	702,973	670,658
Total	**$ 6,077,076**	**6,093,083**

(ii) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

(Continued)

2) Concentration of credit risk

As sales are made to customers worldwide, the Group' s exposure to credit risk concentration is expected to be low. To reduce credit risk, the Group continuously assesses the financial position of its customers, normally without a request for collateral.

(iii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within 1 year	Over 1 year
December 31, 2023				
Non-derivative financial liabilities				
Short-term borrowings	$ 447,360	456,664	153,047	303,617
Short-term notes and bills payable	340,664	341,000	341,000	-
Notes and trade payable	770,629	770,629	770,629	-
Other payable	148,285	148,285	148,285	-
Long-term borrowings (including current portion)	2,461,885	2,533,403	1,044,266	1,489,137
Bonds payable	1,205,137	1,289,013	24,194	1,264,819
Lease liabilities	702,973	763,232	107,372	655,860
	$ 6,076,933	6,302,226	2,588,793	3,713,433
December 31, 2022				
Non-derivative financial liabilities				
Short-term borrowings	$ 852,360	876,495	568,823	307,672
Short-term notes and bills payable	249,697	500,000	250,000	250,000
Notes and trade payable	400,894	400,894	400,894	-
Other payable	136,210	136,210	136,210	-
Long-term borrowings (including current portion)	2,199,275	2,290,305	1,091,163	1,199,142
Bonds payable	1,583,779	1,606,700	-	1,606,700
Lease liabilities	670,658	734,975	92,029	642,946
	$ 6,092,873	**6,545,579**	**2,539,119**	**4,006,460**

The Company is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(Continued)

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to the interest rates risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increase or decrease by 0.25%, when reporting to management internally, which also represents the assessment of the Group’s management for the reasonably possible interval of interest rate change.

If the interest rate increases or decreases by 0.25% the Group’s net income will decrease /increase by $7,273 thousand and $7,629 thousand for the years ended December 31, 2023 and 2022, respectively, assuming all other variable factors remain constant. This is mainly due to the Company's variable rate bank borrowings.

(v) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through other comprehensive income are measured on a recurring basis. The carrying amount and fair value of the Company’s financial assets and liabilities were as follows:

	December 31, 2023				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Unquoted equity instruments measured at fair value	$ 30,080	-	-	30,080	30,080
Financial liabilities at fair value through profit or loss					
Convertible bond-embedded derivative	$ 143	-	143	-	143

(Continued)

	December 31, 2022				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Unquoted equity instruments measured at fair value	$ 473	-	-	473	473
Financial liabilities at fair value through profit or loss					
Convertible bond-embedded derivative	$ 216	-	216	-	216
Convertible bond-embedded derivative	$ 210	-	210	-	210

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

Measurements of fair value of financial instruments are based on a valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date. (For example, Taipei Exchange refer to yield curve, the average price quoted by Reuters on commercial promissory notes).

The categories and nature of the fair value for the Company's financial instruments which without an active market are as below:

- Unquoted equity instruments：The main assumption behind this is that the estimated pretax, pre-depreciation, and pre amortization earnings of the investee company is added to the earnings multiplier derived from the comparable quoted price of the listed company. The estimate of the fair value of equity instruments has been adjusted due to the effect of the discount arising from the lack of market liquidity of the equity security.

3) Reconciliation of Level 3 fair values

	Fair value through other comprehensive income
	Unquoted equity instruments
Balance on January 1, 2023	$ 473
Total gains and losses recognized	
In profit or loss	-
In other comprehensive	(393)
Purchased	30,000
Balance on December 31,2023	$ 30,080

(Continued)

	Fair value through other comprehensive income
	Unquoted equity instruments
Balance on January 1, 2022	$ 535
Total gains and losses recognized	
In profit or loss	-
In other comprehensive	(62)
Balance on December 31, 2022	**$ 473**

The aforementioned total gains or losses were classified as "unrealized losses from financial assets at fair value through other comprehensive income". The information regarding assets held as of December 31, 2023 and 2022 was as follows:

	2023	2022
Total gains and losses recognized		
In other comprehensive income, and presented in "unrealized gains and losses from financial assets at fair value through other comprehensive income"	**$ (393)**	**(62)**

4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Company's financial instruments that use Level 3 inputs to measure fair value was "fair value through other comprehensive income – equity investments".

Most of the fair value measurements categorized within Level 3 use the single and significant unobservable input. Equity investments without an active market contains multiple significant unobservable inputs.

The significant unobservable inputs of equity investments without an active market are individually independent, and there is no correlation between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-unquoted equity instruments	Comparable company analysis/Net asset value method	· Price-book ratio (2.2 and 1.45 on both December 31, 2023 and 2022) · Lack of marketability discount rate (28.5% and 10% on both December 31, 2023 and 2022)	· The higher the ratio is, the higher the fair value will be. · The higher the lack of marketability discount rate is, the lower the fair value will be.

(Continued)

(z) Financial risk management

(i) Overview

The Company have exposures to the following risks from its financial instruments:

1) credit risk

2) liquidity risk

3) market risk

The following likewise discusses the Company’ s objectives, policies and processes for measuring and managing the above-mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The Company’ s finance management department provides business services for the overall internal department. It sets the objectives, policies and processes for managing the risk and the methods used to measure the risk arising from both the domestic and international financial market operations. The Company minimizes the risk exposure through derivative financial instruments. The Board of Directors regulated the use of derivative financial instruments in accordance with the Company’s policy about risks arising from financial instruments such as currency risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investments of excess liquidity. The internal auditors of the Company continue with the review of the amount of the risk exposure in accordance with the Company’s policies and the risk management policies and procedures. The Company has no transactions in financial instruments (including derivative financial instruments) for the purpose of speculation.

(iii) Credit risk

Credit risk means the potential loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities.

1) Trade receivable and other receivable

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases, bank references. Purchase limits are established for each customer, and are reviewed periodically. Customers that fail to meet the Company’ s benchmark creditworthiness may transact with the Company only on a prepayment basis.

Trade receivable mainly relate to a wide range of customers from different industries and geographic regions. The Company constantly assesses the financial status of the customers and, if necessary, purchases credit guarantee insurance contracts.

(Continued)

The Company does not have significant credit risk exposure against any counterparty or group of counterparties with similar characteristics. Also, the Company mitigates its exposure by evaluating the customers' financial situation regularly.

2) Investments

The credit risks exposure in the bank deposits, investments with fixed income, and other financial instruments were measured and monitored by the Company's finance department. As the Company deals with the banks and other external parties with good credit standing and financial institutions, corporate organization and government agencies which are graded above investment level, management believes that the Company do not have compliance issues and no significant credit risk.

(iv) Liquidity risk

The Company manages sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Company's management supervises the banking facilities and ensures compliance with the terms of loan agreements.

Loans and borrowings from the bank form an important source of liquidity for the Company. Please refer to note 6(m) for the Company's unused credit line of short-term bank borrowing for the years ended December 31, 2023 and 2022.

(v) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices, will affect the Company income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

1) Interest rate risk

The entity of the Company borrows funds on variable interest rates, which has a risk exposure to cash flow.

2) Other market price risks

The Company is exposed to equity price risk due to the investments in unlisted equity securities. The aforementioned equity investments are not held for trading but are strategic investments. The Company has not actively traded such investments, significant investments in the portfolio are managed individually, and the financial management department approves all trading decisions.

(aa) Capital management

The Board of Directors' policy is to maintain a strong capital base in order to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, capital surplus, and retained earnings of the Company. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary stockholders.

(Continued)

The Company sets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to stockholders, to safeguard the interest of related parties, and to maintain an optimal capital structure to reduce the cost of capital.

The Company uses the debt-to-equity ratio to manage capital. This ratio is using the total net debt divided by the total capital. The net debt from the balance sheet is the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, and other equity plus net debt.

The Company's debt-to-equity ratios at the end of the reporting periods were as follows:

	December 31, 2023	December 31, 2022
Total liabilities	$ 6,497,439	6,359,631
Less: cash and cash equivalents	(273,256)	(131,844)
Net debts	**$ 6,224,183**	**6,227,787**
Total equity	**$ 5,349,245**	**3,835,454**
Total equity	**$ 11,573,428**	**10,359,490**
Debt-to-equity ratio	**54 %**	**62 %**

(ab) Investing and financing activities not affecting current cash flow

The Company's investing and financing activities which did not affect the current cash flow in the years ended December 31, 2023 and 2022, were as follows:

(i) For right-of-use assets under leases, please refer to note 6(i).

(ii) Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes				
	January 1, 2023	**Cash flows**	**Acquisition**	**Foreign exchange movement**	**Conversion of convertible bonds**	**Other**	**December 31, 2023**
Short-term notes and bills payable	$ 249,697	90,967	-	-	-	-	340,664
Short-term borrowings	852,360	(405,000)	-	-	-	-	447,360
Long-term borrowings	2,199,275	262,610	-	-	-	-	2,461,885
Bonds payble	1,583,779	-	-	-	(392,881)	14,239	1,205,137
Lease liabilities	670,658	(96,856)	134,726	-	-	(5,555)	702,973
Total liabilities from financing activities	**$ 5,555,769**	**(148,279)**	**134,726**	**-**	**(392,881)**	**8,684**	**5,158,019**

(Continued)

	January 1, 2022	Cash flows	Non-cash changes: Acquisition	Non-cash changes: Foreign exchange movement	Non-cash changes: Conversion of convertible bonds	Non-cash changes: Other	December 31, 2022
Short-term notes and bills payable	$ 49,841	199,856	-	-	-	-	249,697
Short-term borrowings	218,400	633,960	-	-	-	-	852,360
Long-term borrowings	1,443,756	755,519	-	-	-	-	2,199,275
Bonds payble	619,143	1,184,333	-	-	(226,069)	6,372	1,583,779
Lease liabilities	443,156	(84,101)	331,081	-	-	(19,478)	670,658
Total liabilities from financing activities	**$ 2,774,296**	**2,689,567**	**331,081**	**-**	**(226,069)**	**(13,106)**	**5,555,769**

(7) Related-party transactions

(a) Parent company and ultimate controlling party

Dongzheng Investment Consulting is the ultimate controller of the Company to which the Company belongs. Kaohsiung Transportation Company Limited, the parent company of the Company, holds 20.20% of the outstanding common shares of the Company and Had acquired more than half of the board.

(b) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the parent company only financial statements consolidated financial statements.

Name of related party	Relationship with the Group
KAOHSIUNG TRANSPORTATION CO.,LTD.	The parent company
NSTAR ENERGY CORPORATION	Subsidiary
ZHONGHUA PRINCE PETROL FILLING STATION CO., LTD.	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	Subsidiary
JIN SHI H UHOTEL CO., LTD	Subsidiary
YING GUANG ENTERPRISE CO., LTD.	Subsidiary
BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	Subsidiary(Note)
SANDI INTERNATIONAL PROPERTY CO. LTD,	Subsidiary

(Continued)

Name of related party	Relationship with the Group
HE FONG ENERGY CO., LTD	Subsidiary
CHIA HSIN ENERGY CO., LTD.	Subsidiary
YAOGU ENERGY CO., LTD.	Subsidiary
SANTI MONSTERS ELECTRIC POWER CO., LTD.	Subsidiary
GREEN FREE ENERGY CO., LTD.	Subsidiary
CATHY SUNRISE ELECTRIC POWER ONE CO.,LTD	Subsidiary
EVTAIL CO., LTD..	Subsidiary
SHENG YANG ENGINEERING CO., LTD.	Subsidiary
JUNHE ENERGY CO., LTD.	Subsidiary
MORE CONSULTING CO., LTD.	Subsidiary
WO YANG ENERGY CO., LTD.	Subsidiary
SENSI ENERGY CO., LTD.	Subsidiary
CHIA YUAN OPTRONIC CO., LTD.	Subsidiary
CHIA RUI OPTRONIC CO., LTD.	Subsidiary
HONG TU ENERGY CO., LTD.	Subsidiary
HENG FONG ENERGY CO., LTD.	Subsidiary
HUAN CHUANG ELECTRIC CO., LTD.	Subsidiary
TESIN ENERGY CO., LTD.	Subsidiary
GU NING ENERGY CO., LTD.	Subsidiary
SI CHENG ENERGY CO., LTD.	Subsidiary
CHANG YONG ENGINEERING CO., LTD.	Subsidiary
BILLION MEGA ENEGY STORSGE TECHNOLOGIES INC.	Subsidiary
NEO CATHAY ELECTRIC POWER CORP.	Subsidiary
SANLU ENERGY STORAGE CO., LTD.	Subsidiary
Chung, Chia-Tsun	Chairman of the Company
SHANGFA CONSTRUCTION CO., LTD.	Substantive Related Parties
FU CHENG TRANSPORTATION CO.,LTD.	Substantive Related Parties
HEYI CONSTRUCTION CO., LTD	Substantive Related Parties
PUYUMA TRANSPORTATION CO., LTD	Substantive Related Parties
KUAI KUAI CO., LTD	Substantive Related Parties

(Continued)

Name of related party	Relationship with the Group
CHIAYI TRANSPORTATION CO., LTD.	Substantive Related Parties
DA SIN DRIVING SCHOOL	Substantive Related Parties
TRI-LAND CONSTRUCTION COMPANY LIMITED	Substantive Related Parties
SAN DI PROPERTIES CO.,LTD	Substantive Related Parties
NAN REN LAKE LEISURE AMUSEMENT CO., LTD.	Substantive Related Parties
GAO SHIH GOLF CO., LTD	Substantive Related Parties
HI SCENE WORLD ENTERPRISE CO.,LTD.	Substantive Related Parties
KAO CHI DRIVING SCHOOL	Substantive Related Parties
SANJIA DEVELOPMENT AND CONSTRUCTION CO., LTD	Substantive Related Parties
DAPENG BAY SIGHTSEEING BOAT Co.,LTD	Substantive Related Parties
HIGH SPEED RAIL GOLF DRIVING RANGE	Substantive Related Parties
YANG JI ENTERPRISE CO., LTD.	An associate

Note: The Company acquired control over BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. by acquiring its shares on December 7, 2023, which made BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. a subsidiary of the Company.

(c) Significant transactions with related parties

(i) Operating income

Significant sales to related parties of the Company were as follows:

	2023	2022
The parent company	$ 1,253	-
Subsidiary	421	27
Substantive Related Parties	3,884	11,785
	$ 5,558	**11,812**

There is no significant difference between the sales price of the Company for other related parties and for third parties. The collection period is one to two months, and the general sales are received in the same month. Promissory notes are pledged as collateral for the receivables from related parties.

(Continued)

(ii) Receivables from related parties

The details of receivable due from related parties were as follows:

Account	Relationship	December 31, 2023	December 31, 2022
Trade receivables	Parent company	$ 187	-
Trade receivable	Substantive Related Parties	113	1,005
Other receivable	KAOHSIUNG TRANSPORTATION CO.,LTD.	12,532	-
Other receivable	BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	61,989	-
Other receivable	Substantive Related Parties	5,972	28,128
Other receivable	Substantive Related Parties	-	19
		$ 80,793	**29,152**

(iii) Payables to related parties

The details of payable due to related parties were as follows:

Account	Relationship	December 31, 2023	December 31, 2022
Other payable	Subsidiaries	**$ 2,239**	**559**

(iv) Advance receipt of related party payments

The details of advance receipt from related parties were as follows:

Account	Relationship	Nature	December 31, 2023	December 31, 2022
Current contract liabilities	KAOHSIUNG TRANSPORTATION CO., LTD.	Advanced receipts	$ 6,200	-
Current contract liabilities	Substantive Related Parties	Advanced receipts	4,850	9,566
			$ 11,050	**9,566**

The Company has entered into a contract with other related parties in July 2019 to purchase a fleet card. The amount of the fleet card is deducted from the retail price of the respective petrol filling station at the time of filling when other related parties fill at a mutually agreed location within the value limit of the fleet card. As of December 31, 2023 and 2022, the miscellaneous income amounted to $2,106 thousand and $2,472 thousand, respectively, recognized in other income.

(Continued)

(v) Transactions with other related parties

Other transactions with related parties of the Group were as follows:

Account	Relationship	December 31, 2023	December 31, 2022
Payment on behalf of others	Subsidiary	$ 3,400	-
Refundable deposits	KAOHSIUNG TRANSPORTATION CO.,LTD.	200,900	-
Deferred revenue	SANLU ENERGY STORAGE CO., LTD.	5,089	-
Guarantee deposit received	SANLU ENERGY STORAGE CO., LTD.	5,344	-
Service revenue	ZHONGHUA PRINCE PETROL FILLING STATION CO., LTD.	41,623	36,759
Service revenue	Subsidiary	17,619	17,490
Other revenue	Subsidiary	3,155	-
Other revenue	Substantive Related Parties	-	331
		$ 277,130	**54,580**

(vi) Property transactions

1) Purchases of property, plant and equipment

The purchases price of property, plant and equipment purchased from related parties are summarized as follows:

	2023	2022
Subsidiary	**$ 4,542**	**-**

2) Acquisitions of other assets

he acquisitions of other assets from related parties are summarized as follows:

Account	Relationship	2023	2022
Land held for construction site	Chung, Chia-Tsun	330,958	-
Construction in progress	Chung, Chia-Tsun	31,042	-
Construction in progress	SHANGFA CONSTRUCTION CO., LTD.	159,304	108,462
Construction in progress	Substantive Related Parties	25,879	36,482
		$ 547,183	**144,944**

(Continued)

(vii) Guarantees

The amount of the Group provided guarantee for loans on business purpose were as follows:

	2023	2022
Other related parties	$ 423,500	423,500
Subsidiaries	300,000	300,000
	$ 723,500	**723,500**

As of December 31, 2023 and 2022, the Chairman of the Company, Chung, Chia-Tsun, was the guarantor for the Company to obtain the credit limit of the loan from financial institutions.

(viii) Leases

The subject and lease liabilities recognized by the Company for renting property, plant and equipment from related parties were as follows:

Relationship	Lease subject	Lease period	December 31, 2023	December 31, 2022
Subsidiary	Wudu station	2017.05~2022.04	$ -	2,286
Parent	Land of Luzhu district in Kaohsiung	2019.01~2033.12	13,922	15,233
Parent	Kaochi station	2017.11~2032.10	28,054	30,967

(ix) Business combination under common control

The Company obtained 51% of equity interest in NEO CATHAY ELECTRIC POWER CORP. at a price of $11.6 per share from NanRenHu Co. and HI SCENE WORLD ENTERPRISE CO., LTD. at 30,600 thousand ordinary shares and amounted to total of $354,960 thousand, the price of which has been fully paid. The effective date of merger was September 28, 2023, and the transaction was an organizational reorganization under common control.

(x) Others

1) The Company entered into land joint development agreements with HEYI CONSTRUCTION CO., LTD.. Please refer to note 6(g) and 9(d) for details.

2) The Company has signed a land joint development agreement with Taijia Development, Top High Image and Kaohsiung Transportation Company Limited. Please refer to note 6(h) and 9(e) for details.

(Continued)

3) BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. increased its cash capital by $320,000 thousand in October 5,2023. The Company recognized an investment of $15,680 thousand in proportion to its shareholding. Please refer to note 6(f) for details of such transactions.

4) YANG JI ENTERPRISE increased its cash capital by $50,000 thousand in September 2022. The Company recognized an investment of $25,000 thousand in proportion to its shareholding. Please refer to note 6(f) for details of such transactions.

(d) Key management personnel compensation

(i) Key management personnel compensation comprised:

	2023	2022
Short-term employee benefits	$ 10,938	11,829
Post-employment benefits	279	192
Total	$ 11,217	12,021

(ii) Disgorgement

For the year ended December 31, 2022, the Company’s exercise its disgorgement amounting to $346 thousand after tax, which is attributable to a key management officer. Then it is recognized under the capital surplus in accordance with the provisions of Article175 of the Securities and Exchange Act on short-term trading.

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Assets pledged as security	Object	December 31, 2023	December 31, 2022
Inventories- construction in progress and land held for construction site	Short-term borrowings	$ 982,523	318,347
Other current assets	Guarantee for marketing activities	300	300
Property, plant and equipment	Guarantee for gasoline purchase and long-term and short-term borrowings	3,640	2,888,437
Investment property, net	Long-term borrowings	1,072,440	-
Other non-current financial assets	Long-term borrowings, corporate bonds and construction guarantees	483,762	595,465
		$ 2,542,665	3,802,549

(Continued)

(9) Commitments and contingencies:

(a) The Company's unrecognized contractual commitments are as follows:

	December 31, 2023	December 31, 2022
Purchase of inventory	$ 557,709	555,354
Acquisition of property, plant and equipment	$ 32,814	19,814

(b) As of December 31, 2023 and 2022, the Company's outstanding notes for leasing petrol filling stations and purchasing equipment were $99,281 thousand and $71,511 thousand, respectively.

(c) The performance guarantee secured through the bank amounted to $850,000 thousand and $550,000 thousand as of December 31, 2023 and 2022, respectively. The Company has pledged fixed assets as collateral for purchasing gasoline payable and long-term and short-term loans. Please refer to note 8 for details.

(d) The Company signed a joint development agreement with HEYI CONSTRUCTION CO., LTD, and HEYI CONSTRUCTION CO., LTD acting as the implementing company, and shall bear 50% of the real estate development expenses respectively. The parties agreed that HEYI CONSTRUCTION CO., LTD would be responsible for the real estate development such as planning and design, outsourcing, and progress tracking. The Company contributes the management fee for construction at 3% of the total amount of expected sales as agreed and equally shared by both parties (1.5% each party). The total construction management fee payable by the Company is $47,459 thousand and has been paid according to the agreed schedule. As of December 31, 2023, the Company paid the management fee for construction amounting to $4,578 thousand; the rest has not yet been paid.

(e) The Company has signed a land joint development agreement with Taijia Development, Top High Image and Kaohsiung Transportation Company Limited (Kaohsiung Transportation). Please refer to note 6(h) and 7(g) for details of the relevant description; in addition, the joint venture such as planning and design, outsourcing, and progress tracking. The Company contributes the management fee for construction at 1% of the total amount of expected sales agreed by both parties, which shall be shared in proportion to the joint venture. The total construction management fee payable by the Company is $19,410 thousand The construction management fee amounted to $19,410 thousand has been paid in accordance with the agreed schedule. As of December 31, 2023, the Company paid the management fee for construction amounting to $1,941 thousand; the rest has not yet been paid.

(f) The amount of endorsement guarantee provided by the Company due to business transaction is as follows:

	December 31, 2023	December 31, 2022
Substantive Related Parties	$ 423,500	423,500
Subsidiary	300,000	300,000
	$ 723,500	723,500

(Continued)

(g) As of December 31, 2023 and 2022, details of pre-sales before real estate complete and the advance receipts were as follows:

	December 31, 2023				
Name of case	**Land under construction**	**Construction in progress**	**Buildings and land held for sale**	**Total**	**Contractual liabilities**
AIMAY CITY	$ 151,212	300,706	-	451,918	110,628
BRIGHT AS STARS	203,616	326,990	-	530,606	151,832
ONE WORD WIDE	-	17,678	-	17,678	81,457
Project under planning	-	31,042	-	31,042	-
	$ 354,828	**676,416**	**-**	**1,031,244**	**343,917**

	December 31, 2022				
Name of case	**Land under construction**	**Construction in progress**	**Buildings and land held for sale**	**Total**	**Contractual liabilities**
AIMAY CITY	$ 141,520	163,088	-	304,608	95,557
BRIGHT AS STARS	190,392	157,444	-	347,836	128,227
	$ 331,912	**320,532**	**-**	**652,444**	**223,784**

(h) The Company entered into a rental lease of variable lease payments with non-related party. Both parties have agreed that the lease payment should be increased if the average quantity of petrol delivered on that day exceeds a certain base. if the average quantity of petrol delivered on that day exceeds a certain base.In the years ended December 31, 2023 and 2022, the Company had an increased variable rental payments of $876 thousand and $892 thousand.

(i) As of December 31, 2023, the Company registered trust for success in the construction and delivery of housing units for cases and projects, which were as follows:

Item	**Trustee**	**Period of trust**	**Scope of trust**
AIMAY CITY	AGRICULTURAL BANK OF TAIWAN	2021.09.27~2025.02.08	Price Trust
BRIGHT AS STARS	AGRICULTURAL BANK OF TAIWAN	2021.04.29~until the date of completion of trust purpose	Real estate value trust
ONE WORD WIDE	CHANG HWA COMMERCIAL BANK, LTD.	2023.04.18~until the date of completion of trust purpose	Real estate value trust

(10) Losses Due to Major Disasters: None

(Continued)

(11) Subsequent Events:

(a) In order to strengthen the Company's capital structure, the Company resolved on March 8, 2024 by the Board of Directors to increase capital increase from capital surplus for issuing new shares, $326,442 thousand of capital surplus were transferred for capital increase and 32,644 thousand of registered ordinary shares were issued in addition of 100 bonus shares per thousand shares. This capital increase will be submitted to Competent Authority for approval after resolution of general shareholders' meetings.

(b) On March 8, 2024, the Company's board of directors proposed to distribute $0.6 of cash dividend per share to shareholders from the capital surplus amounting to $195,865 thousand to the shareholders of the Company. The said capital surplus is generated from premium of ordinary shares issued in excess of par value; the proposal is pending for resolution of the general shareholders' meeting.

(c) In order to develop construction business and increase operational achievements, the Company's board of directors resolved on March 8, 2024 to launch a joint construction project with separate sale with Sandi International Property, using the Company's land at Hogang East Section, Renwu District, Kaohsiung City. The Company and Sandi International Property were entitled to sell 35% and 65% of the construction, respectively. It was intended that the chairman would be authorized to deal with the entry of contract and other subsequent matters related to the project.

(d) On March 8, 2024, the Company acquired both the land at Chengdong Section, Sanmin District and the building thereon from an unrelated party pursuant to a board resolution, and the land will be held for construction site for its real estate business. The total purchase price was estimated at $530,390 thousand, and the Company intended to authorize the chairman to deal with subsequent land purchase matters.

(12) Other:

(a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	For the year ended December 31					
	2023			2022		
By funtion / By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	-	368,965	368,965	-	340,989	340,989
Labor and health insurance	-	44,580	44,580	-	37,617	37,617
Pension	-	20,089	20,089	-	17,178	17,178
Remuneration of directors	-	7,611	7,611	-	5,629	5,629
Others	-	14,548	14,548	-	12,487	12,487
Depreciation	-	147,401	147,401	-	128,413	128,413
Depletion	-	-	-	-	-	-
Amortization	-	2,194	2,194	-	1,650	1,650

(Continued)

For the years ended December 31, 2023 and 2022, additional information of number of employee and employee benefit were as follows:

	2023	2022
Number of employees	889	816
Number of directors who were not employees	8	8
The average employee benefit	$ 509	505
The average salaries and wages	$ 419	422
Adjustment of the average salaries and wages	(0.71)%	9.33 %
Salaries of supervisor	$ -	351

Details about the policy of salaries (including directors, supervisors, managers and employees)were as follows:

(i) Directors’ and supervisors’ salaries including:

1) In accordance with the articles of incorporation the Company should contribute less than 3% as directors' and supervisors' remuneration when there is profit for the year.

2) Allocated based on the degree of participation to the Company’ s operation and contribution of directors and supervisors.

3) Traveling expenses for directors and supervisors of attending Board’s meeting.

(ii) The General Manager, Deputy General Manager, Managers and employees’ salaries including wages, bonus and compensation:

1) Salaries for the General Manager, Deputy General Manager, Managers of the Company is based on the guidance, which was approved by the Compensation Committee and the Board of Directors, and contribution to the Company.

2) In accordance with the articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation when there is profit for the year.

3) Bonus is paid on the basis of personal performance and contribution to the Company.

(b) Santi Renewable Energy CO., Ltd.: acquired 51% of equity interest in Neo Cathy Electric Power Corp. in September 28, 2023 with cash of $354,960 thousand.Pursuant to Discussion Paper issued by Accounting Research and Development Foundation, the aforementioned transaction is an organizational reorganization under common control

(Continued)

The effect of the restated balance sheets as of December 31, 2022 and the restated comprehensive income for the year ended December 31, 2022 were as follows:

Balance Sheet

Item		December 31, 2022		
		Amount before restated	Impact amount	Amount after restated
Assets				
Current Assets	$	1,095,362	-	1,095,362
Non-Current Assets		9,099,723	296,249	9,395,972
Total Assets	$	**10,195,085**	**296,249**	**10,491,334**
Liabilities and Equity				
Liabilities				
Current Liabilities	$	3,047,185	-	3,047,185
Non-Current Liabilities		3,312,446	-	3,312,446
Total Liabilities		6,359,631	-	6,359,631
Equity				
Share Capital		2,789,307	-	2,789,307
Capital suplus		745,749	-	745,749
Return Earning		302,135	-	302,135
Other Equity		(1,737)	-	(1,737)
Equity attributable to owners of parent		3,835,454	-	3,835,454
Equity attributable to former owner of business combination under common control		-	296,249	296,249
Total Liabilities and Equity	$	**10,195,085**	**296,249**	**10,491,334**

Income Statement

Item		2022		
		Amount before restated	Impact amount	Amount after restated
operating revenue	$	5,372,833	-	5,372,833
Gross profit from operations		4,695,782	-	4,695,782
Operating expenses		691,308	-	691,308
Non-operating income and expenses		153,196	(12,680)	140,516
Net Income		131,468	(12,680)	118,788
Other comprehensive income		-	-	-
Total comprehensive income		131,406	(12,680)	118,726

(Continued)

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations” for the Company:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral Item	Collateral Value	Individual funding loan limits	Maximum limit of fund financing
1	SANTI RENEWABLE ENERGY CO., LTD.	GREEN FREE ENERGY CO., LTD.	None	Yes	50,000	-	-	2.628%	2	-	Operating capital	-	None	-	308,986	,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	BILLION MEGA ENEGY STORSGE TECHNOLOGIES INC.	None	Yes	50,000	50,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	SANTI MONSTERS ELECTRIC POWER CO., LTD.	None	Yes	15,000	15,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	,235,945
1	SANTI RENEWABLE ENERGY CO., LTD.	EVTAIL CO.,LTD.	None	Yes	30,000	30,000	-	2.628%	2	-	Operating capital	-	None	-	308,986	,235,945

Note 1: The numbers denote the following:
1. The Company is represented by 0.
2. Investees are numbered starting from "1" .

Note 2: Financing purposes:
1. Business dealings: 1
2. Short term financing needs: 2

Note 3: Santi Renewable Energy CO., Ltd.: The total accumulated balance of the loan shall not exceed 40% of the net value of Santi Renewable Energy CO., Ltd.. The limits for individual credits are as follows:
1. does business in a company that may not lend more than 10% of the net value of the latest financial statements of the Company and may not exceed the maximum value between the parties Total amount of business transactions in the last year.
2. For those subsidiaries with short-term financing needs, the amount of each fund financing shall not exceed 10% of the Company’s net worth, which is based on the latest audited or reviewed parent company only financial statements. The accumulated balance of short-term financing shall not exceed 40% of the net value of the enterprises which as loaned to. The accumulated balance of short-term financing shall not exceed 40% of the net value of the enterprises which as loaned to.
3. Santi Renewable Energy CO., Ltd. is engaged in capital lending to foreign companies that directly and indirectly hold 100% of the voting shares, or when the Company holds 100% of direct and indirect voting shares of foreign companies which engage in capital loan to the Company, and the total amount of the capital loan shall not exceed 50% of the net value of the latest financial statements of the Company Individual loans and amounts shall be limited to not more than 50% of the net value of the latest financial statements of the Company.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement: Name	Counter-party of guarantee and endorsement: Relationship with the Company	Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
0	The Company	HEYI CONSTRUCTION CO., LTD	5	6,954,018	423,500	423,500	164,500	-	7.92 %	8,023,867	N	N	N
0	The Company	HUAN CHUANG ELECTRIC CO., LTD.	2	6,954,018	300,000	300,000	300,000	-	5.61 %	8,023,867	Y	N	N
1	SANTI RENEWABLE ENERGY CO., LTD.	CATHY SUNRISE ELECTRIC POWER ONE CO.,LTD	2	4,016,823	1,300,000	1,300,000	1,300,000	1,036,066	42.07 %	4,634,796	Y	N	N
1	SANTI RENEWABLE ENERGY CO., LTD.	NEO CATHAY ELECTRIC POWER CORP.	2	4,016,823	354,960	354,960	354,960	299,149	11.49 %	4,634,796	Y	N	N

(Continued)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
1	SANTI RENEWABLE ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	2	4,016,823	2,767,008	691,752	691,752	-	89.55 %	4,634,796	Y	N	N
2	HENG FONG ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	2	2,642,556	1,057,078	1,057,078	1,057,078	2,032,411	52.00 %	3,049,104	Y	N	N

Note1: The numbers filled in as follows:
1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: The relationship between the endorser /guarantor and the endorsed guarantor has the following 7 types, just indicate the type:
1. Having business relationship.
2. The borrower has short term financial necessities.
3. The endorser /guarantor parent company directly and indirectly holds more than 50 % of voting shares of the endorser /guarantor subsidiary.
4. The endorser /guarantor company and the endorsed /guaranteed party both be held more than 90% by the parent company.
5. Company that is mutually protected under contractual requirements based on the needs of the contractor.
6. Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
7. Performance guarantees for pre sale contracts under the Consumer Protection Act.

Note3: The endorsement /guarantee provided by the Company to individual guarantee party shall not exceed 130% of the most recent audited net worth of the Company. The total endorsement /guarantee of the Company to others shall not exceed 150% of the most recent audited net worth of the Company. The endorsement /guarantee provided by the Group to individual guarantee party shall not exceed 150% of the most recent audited net worth of the Company. The total endorsement /guarantee of the Group to others shall not exceed 200% of the most recent audited net worth of the Company.

Note 4: Santi Renewable Energy CO., Ltd.:
1. The total amount of guarantee for external endorsement shall not exceed 150% of the net value of the Company. The limitation on amount of guarantees and endorsements for a specific enterprise shall not exceed 130% of the net value of the Company.
2. For endorsements/guarantees due to business transactions,the endorsement and guarantee amount for a single company shall not exceed the total purchases from, or sales to the Company in the most recent year Based on principles of risk considerations, the amount of the endorsement guarantee shall not exceed the limit of the endorsement guarantee for a single enterprise mentioned above. The amount of business transaction is the higher amount of the total purchase from or sales to Between both parties.
3. The total amount of guarantee for endorsement to parent company and subsidiaries shall not exceed 130% of the net value of the latest financial statements of the Company.
4. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares. The total amount of guarantee of such transactions shall not exceed 10% of the net value of the latest financial statements of the Company. For the guarantees between companies, whose voting shares are 100% owned, directly or indirectly, by the Company, Are not subject to the previous provision.
5. Company that is mutually protected under contractual requirements based on the needs of contractor, or An entity that is guaranteed and endorsed by each capital contributing shareholder in proportion to their shareholding percentages. Its total amount of guarantee shall not exceed 10% the net value of the Company disclosed in the latest financial statements.
6. The total amount of guarantee for external endorsement from the Company and its subsidiaries shall exceed 200% of the net value of the Company disclosed in the latest financial statements.In which, the amount of the guarantees and endorsements for a single entity company shall not exceed 150% of the net value of the Company disclosed in the latest financial statements.
7. The aggregate amount of the aggregate guaranteed by the Company and its subsidiaries amounted to more than 50% of the net value of the Company as disclosed in latest financial statements shall be explained At the shareholders' meeting on their necessity and reasonableness.

Note 5: HENG FONG ENERGY CO., LTD.
1. The total amount of guarantee for external endorsement shall not exceed 150% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD.. The total amount of guarantee for external endorsement shall not exceed 130% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD..
2. For endorsements/guarantees due to business transactions,the endorsement and guarantee amount for a single company shall not exceed the total purchases from, or sales to HENG FONG ENERGY CO., LTD.. in the most recent year. Based on principles of risk considerations, the amount of the endorsement guarantee shall not exceed the limit of the endorsement guarantee for a single enterprise mentioned above. The amount of business transaction is the higher amount of the total purchase from or sales to between both parties.
3. The total amount of guarantee for endorsement to parent company and subsidiaries shall not exceed 130% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD..
4. For companies in which HENG FONG ENERGY CO., LTD.. holds, directly or indirectly, 90% or more of the voting shares. The total amount of guarantee of such transactions shall not exceed 10% of the net value of the latest financial statements of HENG FONG ENERGY CO., LTD.. For endorsements / guaranteed between companies, whose voting shares are 100% directly or indirectly owned by HENG FONG ENERGY CO., LTD., such transaction are not subject to the previous provision.
5. Company that is mutually protected under contractual requirements based on the needs of contractor, or An entity that is guaranteed and endorsed by each capital contributing shareholder in proportion to their shareholding percentages. Its total amount of guarantee shall not exceed 10% the net value of the Company disclosed in the latest financial statements.
6. The total amount of guarantee for external endorsement from the Company and its subsidiaries shall exceed 200% of the net value of the Company disclosed in the latest financial statements.In which, the amount of the guarantees and endorsements for a single entity company shall not exceed 150% of the net value of the Company disclosed in the latest financial statements.
7. The aggregate amount of the aggregate guaranteed by the Company and its subsidiaries amounted to more than 50% of the net value of the Company as disclosed in latest financial statements shall be explained at the shareholders' meeting on their necessity and reasonableness.

Note 6: The Company has signed a joint development agreement with Cozzi Construction, the land ownership of which is shared, and each holds one-half of the rights due to the cancellation of the change of the bank financing trust to finance the land purchase, the land is guaranteed as a restricted collateral for the financing loan and thus act as a loan guarantor between both parties.

(Continued)

NORTH-STAR INTERNATIONAL CO., LTD.
Notes to the Financial Statements

(iii) Securities held as of December 31, 2023 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	Note
The Company	Stock LANYANG ENERGY TECHNOLOGY CO., LTD.	None	Financial assets at fair value through other comprehensive income	11	-	0.05 %	-	
The Company	Stock MA LI QIANG GREEN ENERGY CO., LTD.	None	Financial assets at fair value through other comprehensive income	41	-	5.50 %	-	
The Company	Stock ART SOURCE CORP.	None	Financial assets at fair value through other comprehensive income	5	-	0.06 %	-	
The Company	Stock TAIWAN TRUEWIN TECHNOLOGY CO., LTD	None	Financial assets at fair value through other comprehensive income	461	30,080	0.86 %	30,080	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance		Note
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount	
HENG FONG ENERGY CO., LTD.	Stock SANLU ENERGY STORAGE CO., LTD.	Investments accounted for using equity method	SANLU ENERGY STORAGE CO., LTD.	Subsidiary	100,600	1,004,138	104,958	1,049,578	-	-	-	-	205,558	2,053,716	Note 1
SANTI RENEWABLE ENERGY CO., LTD.	Stock NEO CATHAY ELECTRIC POWER CORP.	Investments accounted for using equity method	NAN REN LAKE LEISURE AMUSEMENT CO., LTD.	Substantive Related Parties	-	-	30,600	354,960	-	-	-	-	30,600	354,960	Note 2

Note 1: Hengfeng Energy increased the cash capital of Sanlu Energy Storage CO,. Ltd. in January 2023.
Note2: Santi Renewable Energy CO., Ltd. acquired 51% equity interest in Neo Cathy Electric Power Corp. in September 2023.

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Name of property	Transaction date	Transaction amount	Status of payment	Counter-party	Relationship with the Company	If the counter-party is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Others
							Owner	Relationship with the Company	Date of transfer	Amount			
The Company	Land and Buildings	2023.05.26	1,072,440	Payment according to contract conditions	SOUTHEAST CEMENT CORPORATION	Non-Related Parties	None	None	None	-	CHINA PROPERTY APPRAISING CENTER CO., LTD. andCityU Real Estate Appraisers Associates	As Investment property	None
The Company	Land	2023.10.06	330,958	Payment according to contract conditions	Chung, Chia-Tsun	Related Parties	Luyang Construction Co., Ltd and Lin Zong de	Non-Related Parties	2023.09.30	330,958	CHINA PROPERTY APPRAISING CENTER CO., LTD. and Top Standing CPA Firm.	As Land held for construction site	None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock: None

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None

(ix) Trading in derivative instruments: Please refer to notes 6(b).

(Continued)

NORTH-STAR INTERNATIONAL CO., LTD.
Notes to the Financial Statements

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2023 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Share of profits/losses of Investee	Share of profits/losses of Investee	Notes
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	BEIJI INTERNATIONAL DEVELOPMENT CO., LTD.	Taiwan	Real estate trading	178,117	147,000	16,640	52.00 %	233,048	74,468	36,489	Note 1
The Company	NSTAR ENERGY CORPORATION	Taiwan	1.Petrol filling station 2.Retail of gasoline products	93,465	93,465	7,000	100.00 %	99,132	18,975	18,035	Subsidiary
The Company	ZHONGHUA PRINCE PETROL FILLING STATION CO., LTD.	Taiwan	1.Petrol filling station 2.Retail of gasoline products	275,393	275,393	26,000	100.00 %	171,280	(16,101)	(15,948)	Subsidiary
The Company	SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	Taiwan	Optoelectronics industry	2,208,400	3,208,400	221,000	68.25 %	2,108,832	29,367	28,634	Subsidiary
The Company	JIN SHI HU HOTEL CO., LTD.	Taiwan	Hotel	25,500	25,500	2,550	51.00 %	32,884	11,130	6,612	Subsidiary
The Company	YING GUANG ENTERPRISE CO., LTD.	Taiwan	1.Petrol filling station 2.Retail of gasoline products	188,000	188,000	3,000	100.00 %	203,488	13,330	14,738	Subsidiary
The Company	SANDI INTERNATIONAL PROPERTY CO. LTD,.	Taiwan	Real estate trading	50,000	-	5,000	100.00 %	49,985	(15)	(15)	Subsidiary
The Company	YANG JI ENTERPRISE CO., LTD.	Taiwan	Real estate trading	75,000	75,000	7,500	50.00 %	70,253	(4,720)	(2,360)	An associate
The Company	JIAYANG ENTERPRISE CO., LTD.	Taiwan	Real estate trading	10,000	-	1,000	50.00 %	9,924	(153)	(76)	An associate
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HE FONG ENERGY CO., LTD.	Taiwan	Renewable energy	274,584	173,834	27,415	51.00 %	251,679	(3,648)	(1,860)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA HSIN ENERGY CO., LTD.	Taiwan	Energy storage and operation	186,000	186,000	18,600	100.00 %	201,592	16,941	16,941	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	YAOGU ENERGY CO., LTD.	Taiwan	Renewable energy	56,000	36,000	5,600	100.00 %	54,413	(624)	(624)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SANTI MONSTERS ELECTRIC POWER CO., LTD.	Taiwan	Electricity sales	1,000	1,000	100	100.00 %	746	(6)	(6)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	GREEN FREE ENERGY CO., LTD.	Taiwan	Energy storage and operation	80,000	80,000	8,000	100.00 %	92,069	9,946	9,946	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CATHY SUNRISE ELECTRIC POWER ONE CO., LTD	Taiwan	Renewable energy	1,056,499	1,056,499	102,585	100.00 %	1,036,066	41,386	40,241	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	EVTAIL CO.,LTD.	Taiwan	Charging piles	161,000	161,000	16,100	100.00 %	136,529	(17,737)	(17,737)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SHENG YANG ENGINEERING CO., LTD.	Taiwan	Engineering aquaculture	62,000	62,000	6,200	100.00 %	61,347	(502)	(502)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	JUNHE ENERGY CO., LTD.	Taiwan	Renewable energy	44,000	8,000	4,400	100.00 %	43,166	(724)	(724)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	MORE CONSULTING CO., LTD.	Taiwan	Energy technology Service	2,000	2,000	200	100.00 %	1,955	(7)	(7)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	WO YANG ENERGY CO., LTD.	Taiwan	Renewable energy	4,500	3,000	450	100.00 %	4,436	(20)	(20)	Subsidiary

(Continued)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2023			Share of profits/losses of Investee	Share of profits/losses of Investee	Notes
				December 31, 2023	December 31, 2022	Shares (thousands)	Percentage of ownership	Carrying value			
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SENSI ENERGY CO., LTD.	Taiwan	Renewable energy	41,000	41,000	4,100	100.00 %	40,942	114	114	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA YUAN OPTRONIC CO., LTD.	Taiwan	Renewable energy	8,000	1,000	800	100.00 %	7,972	(4)	(4)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHIA RUI OPTRONIC CO., LTD.	Taiwan	Renewable energy	13,000	13,000	1,300	100.00 %	10,864	(96)	(96)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HONG TU ENERGY CO., LTD.	Taiwan	Renewable energy	4,500	3,000	450	100.00 %	4,437	(19)	(19)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HENG FONG ENERGY CO., LTD.	Taiwan	Investment	1,055,216	1,004,138	105,050	51.00 %	629,500	(23,517)	(11,993)	Note 2
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	HUAN CHUANG ELECTRIC CO., LTD.	Taiwan	Automobile wholesaler	30,000	30,000	3,000	100.00 %	90,130	48,318	48,318	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	TESIN ENERGY CO., LTD.	Taiwan	Renewable energy	42,100	100	4,210	100.00 %	41,760	(339)	(339)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	GU NING ENERGY CO., LTD.	Taiwan	Energy technology Service	5,100	100	510	100.00 %	18,625	13,526	13,526	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	SI CHENG ENERGY CO., LTD.	Taiwan	Renewable energy	100	100	10	100.00 %	72	(27)	(27)	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	CHANG YONG ENGINEERING CO., LTD.	Taiwan	Energy technology Service	100	100	10	100.00 %	280	181	181	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	BILLION MEGA ENERGY STORSGE TECHNOLOGIES INC.	Taiwan	Energy storage	63,120	-	6,200	100.00 %	63,935	(1,183)	815	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	NEO CATHAY ELECTRIC POWER CORP.	Taiwan	Renewable energy	354,960	-	30,600	51.00 %	299,149	6,447	2,901	Subsidiary
SANTI RENEWABLE ENERGY CO., LTD.(Previous: SANLU DEVELOPMENT CO., LTD.)	BAOSHUN ENERGY CO., LTD	Taiwan	Renewable energy	4,092	-	400	50.00 %	4,028	(277)	(64)	An associate
HENG FONG ENERGY CO., LTD.	SANLU ENERGY STORAGE CO., LTD.	Taiwan	Energy storage	2,053,716	1,004,138	205,558	100.00 %	2,032,411	(22,986)	(22,986)	Note 2

Note 1: The Company acquired control over BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. by acquiring its shares on December 7, 2023, which made BEIJI INTERNATIONAL DEVELOPMENT CO., LTD. a subsidiary of the Company.

Note 2: Santi Renewable Energy has initiated the establishment of a subsidiary, HENGFENG ENERGY CO., LTD., through shares (100% shareholding of SANLU ENERGY STORAGE CO., LTD), so that SANLU ENERGY STORAGE CO., LTD become a subsidiary indirectly invested by the Santi Renewable Energy.

(c) Information on investment in mainland China: None

(Continued)

(d) Major shareholders: None

(in shares)

Shareholding / Shareholder's Name	Shares	Percentage
KAOHSIUNG TRANSPORTATION CO., LTD.	65,962,218	20.20 %
CHUNG, CHIA-TSUN	24,576,192	7.52 %
DONG JHENG INVESTMENT CO., LTD.	22,409,949	6.86 %
SHANGFA CONSTRUCTION CO., LTD.	20,741,758	6.35 %
ZHANG, RONG-HUA	20,471,570	6.27 %

Note: (1) The information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, showing who holds more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration. Due to different calculation bases, there may be differences between the share capital recorded in the company's financial report and the actual number.

(2) If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed by the special account opened by the trustee. As for the insider equity declaration of shareholders holding more than 10%, according to the Securities and Exchange Act, their shareholding includes the shares held by themselves plus the shares that they have delivered to the trust, having the right to exercise decision-making power over the trust property, etc., please refer to Public Information Observatory for the information on the declaration of insider equity.

(14) Segment information:

Please refer to the consolidated financial statement for the year ended December 31, 2022.

(C10-8-3)

Appendix 4

Declaration

It is hereby to declare that the Company's 2023 Affiliation Report (from January 1, 2023 to December 31, 2023) was prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and the disclosed information did not have any significant inconsistence with the related information disclosed in the notes to the financial reports during the aforementioned period.

Company: North-Star International Co., Ltd.

Representative: Chung, Jia-Cun

March 8, 2024

North-Star International Co., Ltd.
Accountants' Review Opinion on Relationship Report

Dear North-Star International Co., Ltd.,

North-Star International Co., Ltd. has prepared the 2023 Affiliation Report in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" (hereinafter referred to as "Preparation Criteria") and our accountant has issued our review opinion for the related financial information disclosed in the notes to the financial statements of the aforementioned period in accordance with the Preparation Criteria,

According to the opinion of our accountant, no material inconsistencies between the information disclosed in the 2023 Affiliation Report and the related information disclosed in the notes to the financial statements of the aforementioned period and no violations of the Preparation Criteria have been identified.

Attention to North-Star International Co., Ltd.

KPMG in Taiwan

Accountant:

May 13, 2024

Table 1

Relationship with Affiliated Company and Controlling Company

Units in share; %

Name of controlling company	Reasons of controlling	Shareholding and pledge of controlling company			Directors, supervisors or managers sent by the controlling company	
		Shares held	Shareholding ratio	No. of pledged shares	Job Title	Name
Kaohsiung Bus, Co., Ltd.	Appoint more than half of the directors of the affiliated company	65,962,218	20.20%	0	Vice Chairman Director Director Director Director Director	Vacant Hsieh An-Chi Chung Yu-Lin Liao Shun-Ching Lee Tsung-Xi Tseng I-Nan

Note: If the controlling company of an affiliated company is an affiliated company of another company, the relevant information of such other company shall be filled in, and the same applies if such company is an affiliated company of a further company, and so on so forth.

Table 2

Purchase and Sales Transaction

Unit in NT$1000; %

Trading with controlling company				Trading conditions with controlling company		General trading conditions		Reasons for difference	Account and note receivable (payable)		Overdue account receivable			Remarks
Purchase /Sales	Amount	% of total purchase /sales	Sales gross profit	Unit price ($)	Credit term	Unit price ($)	Credit term		Balance	% of total account and note receivables/ payable	Amount	Handling method	Allowance for bad debt	
Sales	(34,528)	(0.45%)	33,369	Note 1	Note 2	According to contract	Note 2	-	3,065	3.41%	-	-	-	-

Note 1: Sales are mainly the sales of gasoline and diesel fuel products and by-products and the distribution of electric buses and the provision of charging services, with no significant difference from the general sales prices and conditions.

Note 2: Credit term varies depending on the type of sales. The credit term for sales of gasoline and diesel products and by-products and charging services is 30 to 60 days and the distribution of electric buses is in accordance with the contract, with no significant difference from the general conditions.

Table 3

Property Transaction

Unit: NT$1000

Type of transaction (acquisition or disposal)	Name of property	Date of transaction or date of fact	Amount of transaction	Delivery or payment terms	Payment situation	Disposal profit and loss Note 1)	Reason for the trading object being controlling company	First-time transfer data (Note 2)				Transaction decision method (Note 3)	Reference basis for price decision	Purpose of acquisition or disposal and usage situation	Other agreed matters
								Owner	Relation with the Company	Transfer date	Amount				

Note 1: Those acquiring property are exempted.

Note 2: (1) For those who acquire property, the original acquisition information of the controlling company shall be listed; for those who dispose of property, the original acquisition information of the affiliated company should be listed.

(2) In the column of “Relationship with the Company”, the relationship of the owner with the affiliated company and with the controlling company shall be stated.

(3) If the counterparty of the previous transfer transaction is a related party, the previous transfer information of the related party shall be added and listed in the same column.

Note 3: The position of the decision maker of the transaction shall be stated.

Table 4

Financial Intermediation

Unit in NT$1000; %

Type of transaction (Lending or borrowing)	Maximum balance	End-of-term balance	Interest rate range	Total interest for the period	Financing term	Reason for financing	Obtaining (providing) guarantees		Transaction decision method (Note 1)	Allowance withheld for bad debt (Note 2)
							Name	Amount		

Note 1: The position of the decision maker of the transaction shall be stated.

Note 2: Those borrowing funds are exempted.

Table 5

Asset Leasing

Unit in NT$1000

Type of Transaction (Rent or Lease)	Subject Matter		Renting term	Name of the rental (Note 1)	Basis for deciding the rent	Collection (payment) method	Compared with general rent standard	Total rent of this term	Collection/ payment situation of this term	Other agreed matter (Note 2)
	Name	Location								
Rent	Land and building of Kaochi station	No. 92, Fengren Rd., Fengshan Dist. Kaohsiung City	2017/11-2032/10	Business rental	General rent standard	Paid monthly	No major difference	3,429	Normal	None
Rent	Land in Luzhu District	Land No 64-3. Shengmu Sec., Luzhu Dist.	2018/09-2033/08	Business rental	General rent standard	Paid monthly	No major difference	2,171	Normal	None
Rent	Land in Niuchaopu section of Fengshan District, Kaohsiung City	Niuchaopu section of Fengshan District, Kaohsiung City	From the switchover of the self -regulation reserve energy storage system manufacturer to upstream to July 2023	Business rental	General rent standard	Paid monthly	No major difference	7,245	Normal	None
Rent	Land in Fengshan Dist., Kaohsiung City	No. 50, Weixin Bridge, Fengshan Dist., Kaohsiung City	2022.12~2027.09	Business rental	General rent standard	Paid monthly	No major difference	57	Normal	None

Note 1: The nature of the rental shall be stated as a capital rental or a business rental.

Note 2: The creation of other rights such as the rights of superficies, dians, easements, etc. shall be specified.

Table 6

Endorsement and Guarantee

Unit in NT$1000; %

Maximum balance	End-of-term balance		Reason for endorsement and guarantee	Provide collateral as guarantee			Condition or date of release of guarantee or recovery of collateral	Amount recognized in financial statement of loss	Violation of relevant codes of practice
	Amount	% of net value of financial statement		Name	Quantity	Value			

Table 7

Other Major Transaction

Unit in NT$1000

Transaction with controlling company			Transaction conditions compared to the general transaction with controlling company
Subject	Amount	Outstanding amount accounted for other receivables	
Other receivables	150,559		No significant difference
Refundable deposits	201,000		No significant difference
Contract liabilities	16,394		No significant difference
Other payables	50		No significant difference
Other operating costs	317		No significant difference
Rent expense	50		No significant difference
other fee	89		No significant difference
interest income	39		No significant difference
Other income	2,254	20	No significant difference
Financial costs	874		

6. If the Company and its affiliates have experienced financial difficulties in the recent years and as of the publication date of the annual report, the impacts on the Company’s financial position shall be stated: None.

VII. Review Analysis and Risk Management of Financial Conditions and Performance

1. Financial Conditions

Unit: NT$ in thousands

Item \ Year	2023	2022 (after recompiled)	Difference	
			Amount	%
Current assets	7,725,731	2,781,795	4,943,936	177.72%
Long-term investments (excluding other financial assets - non-current)	84,205	302,036	(217,831)	-72.12%
Fixed assets	13,597,502	6,773,085	6,824,417	100.76%
Intangible assets	291,875	281,820	10,055	3.57%
Other assets (including other financial assets-current)	7,376,638	6,575,817	800,821	12.18%
Total assets	29,075,951	16,714,553	12,361,398	73.96%
Current liabilities	13,201,243	3,674,691	9,526,552	259.25%
Long-term liabilities	3,727,466	4,006,969	(279,503)	-6.98%
Other liabilities	4,044,981	4,431,681	(386,700)	-8.73%
Total liabilities	20,973,690	12,113,341	8,860,349	73.15%
Share capital	3,264,419	2,789,307	475,112	17.03%
Capital surplus	1,784,301	745,749	1,038,552	139.26%
Retained earnings	302,655	302,135	520	0.17%
Total shareholders' equity	8,102,261	4,601,212	3,501,049	76.09%

<Description of major changes>

1. Increase in current assets: Due to the increase in inventory in 2013.
2. Decrease in long-term investment: Due to the increase in the shareholding in Beiji International Development Co., Ltd. in 2023 and the adoption of consolidated statements in accordance with regulations.
3. Increase in fixed assets: Due to the increase in newly purchased real estate, factories and equipment in 2023.
4. Increase in intangible assets: Due to the increase in the shareholding in Beiji International Development Co., Ltd. in 2023 and the adoption of consolidated statements in accordance with regulations.
5. Increase in other assets: Mainly due to the increase in the shareholding in Beiji International Development Co., Ltd. in 2023 and the adoption of consolidated statements in accordance with regulations.
6. Increase in total assets: Due to the increase in inventories and real estate plants in 2023.
7. Increase in current liabilities: Due to the increase in contract liabilities - current and long-term liabilities due within one year in 2023.
8. Decrease in long-term liabilities: Due to the decrease in long-term borrowings in 2023.
9. Decrease in other liabilities: Due to the decrease in convertible corporate bonds in 2023.
10. Increase in total liabilities: Due to the increase in contract liabilities - current and long-term liabilities due within one year in in 2023.
11. Increase in capital reserve: Due to the increase in capital reserve from selling stocks at a premium in 2023.
12. Increase in retained earnings: Due to the increase in net profit for the current period in 2023.
13. Increase in total shareholders’ equity: Due to increase in non-controlling interests

2. Financial performance analysis

(1) Comparative analysis of operating results

Unit: NT$ in thousands

Item \ Year	2023		2022		2023	Change ratio
	Subtotal	Total	Subtotal	Total	Increase (Decrease) amount	Increase (Decrease) (%)
Net operating income	7,697,962		6,754,436		943,526	13.97%
Operating cost		-6,469,510		-5,915,586	553,924	9.36%
Gross profit		1,228,452		838,850	389,602	46.44%
Operating expense		-970,160		-879,005	91,155	10.37%
Business interest		258,292		(40,155)	298,447	843.24%
Non-operating income		120,371		268,140	(147,769)	-55.11%
Non-operating expense		-203,797		-90,150	113,647	126.06%
Current net profit before tax		174,866		137,835	37,031	26.87%
Income tax expense		52,076		20,386	31,690	155.45%
Current net profit		122,790		117,449	5,341	4.55%

<Description of increase and decrease ratio analysis>

1. Increase in net operating income: Mainly due to the increase in oil consumption in 2023 compared with 2022 and the gradual transfer of revenue from the subsidiaries.
2. Increase in operating costs: Same as above.
3. Increase in non-operating income: Mainly due to the increase in the shareholding of Beiji International Development Industrial Co., Ltd. in 2023 and the adoption of consolidated statements in accordance with regulations.
4. Decrease in non-operating expenses: Mainly due to the increase in financial costs in 2023.
5. Increase in income tax expenses: Mainly due to better pre-tax profits in 2023.

(2) Analysis of changes in operating gross profit

Mainly due to the increase in oil consumption and oil prices and the gradual transfer of profits and increase of operating profits from subsidiaries in 2023, the overall operating gross profit has increased.

(3) Expected sales volume and its basis, possible impact on the company's future financial business and response plans: None

3. Cash flow analysis

(1) Analysis of cash flow changes in the recent year

Item \ Year	2023	2022	Increase (Decrease) %
Cash flow ratio	0.051	8.88	-8.829
Cash Flow Allowance Ratio	7.63	19.30	-11.67
Cash reinvestment ratio	-1.48	1.81	-3.29

(1) Both the cash flow ratio and the cash flow allowable ratio have decreased in 2023, due to the increase in current liabilities and capital expenditures in 2023.
(2) The ratio of cash invested in 2023 decreased, due to the increase in working capital in 2023.

(2) Improvement plan for insufficient liquidity: None

(3) Cash liquidity analysis for the coming year Unit: NT$ in thousands

Opening cash balance	Annual net cash flow from operating activities	Annual cash outflow	Cash balance (Insufficient) amount	Remedial measures for cash insufficiency	
				Investment plan	Financial plan
273,256	45,193	82,472	235,977	None	None

4. Impact of major capital expenditures on financial business in the recent year

(1) The use of major capital expenditures and sources of funds: None
(2) Estimated possible benefits: None

5. Reinvestment policy in the recent year, main reasons for its profit or loss, improvement plan and investment plan for the coming year

Item \ Description	Reinvestment policy	Main reason of profit or loss	Improvement plan	Investment plan for the coming year
Yankee Co., Ltd.	Diversified business strategy	In 2023, an investment loss of NT$2,360,000 was recognized, due to the Company's operating losses in 2023.	None	Gradual adjustment will be made based on future operating needs.

6. Risk Analysis and Evaluation

(1) The impact of interest rate, changes of exchange rate, and inflation on the company's profit and loss and future countermeasures:

1. Impact on the company's profit and loss:

Item	2023 (NT$ in thousands; %)
Net interest income and expenses	-146,676
Net exchange gain or loss	-2,285
Ratio of net interest income to operating income	-1.9
Ratio of net interest income to net profit before tax	-83.87
Ratio of net exchange gain or loss to operating income	-0.0296
Ratio of net exchange gain and loss to net profit before tax	-1.31

(1) Change of interest rate

The Company has sufficient working capital and maintains a good relationship with its banks. The Company has sound finances and good credit. It is expected that future change of interest rate will not have a significant impact on the Company's profit and loss. Since the Company borrows funds at floating rates, there is a risk on cash flow.

(2) Change of exchange rates

The Company buys and sells goods and labor services in Taiwan, and the revenue and expenditure are all priced in NT dollars, so the changes of exchange rate has no effect on the Company's profit and loss.

(3) Inflation

In recent years, Taiwan's inflation rate has been between 2% and 3%. The inflation caused by the rise in international oil prices will affect the increase in oil purchase costs of the Company. However, the Company has signed a seven-year oil supply contract with the major oil supplier, CPC Corporation in Taiwan, and maintained a certain profit margin, the Company can pass on the increased cost to consumers at the same time, so inflation will not have a big impact on the Company's profit and loss, and its purchase cost will be fluctuated with the CPC's wholesale price.

2. Future countermeasures

(1) The Company's interest expense as a percentage of revenue for the recent year was only 1.60%, indicating that changes in interest rates have a minimal impact on revenue. The Company regularly reviews bank borrowing rates and works closely with banks to obtain a more favorable borrowing rate.

(2) Countermeasures for change of exchange rates

The Company's Finance Department is responsible for the fluctuation of exchange rates, and selects the better exchange point to change the loan or buy the loan to avoid the risk of exchange rate fluctuations.

(3) The main reasons for profit or loss when engaging in high-risk, high-leverage investments, capital lending to others, endorsement guarantee and derivative commodity trading policies in the recent year, and their future countermeasures:

① The Company does not engage in high-risk and highly leveraged investments, and does not engage in capital lending to others and derivative transactions.

No.	Funds lending company	Funds receiving company	Current account	Stakeholder?	Max. Amount this period	Ending balance	Actual use of funds	Interest rate range	Fund loan nature	Business transaction amount	Reason of Necessary short-term Loan	Amount prepared for offset of bad debts	Collateral		Fund loan limits for individual objects	Fund loan and total limi
													Name	Value		
1	Santi Renewable Energy	Green Free	Not used yet	Yes	50,000	-	-	No less than 2.628%	2	-	Operating turnover	-	None	-	308,986	1,235,94
1	Santi Renewable Energy	Billion Mega Energy Storage	Not used yet	Yes	50,000	50,000	-	No less than 2.628%	2	-	Operating turnover	-	None	-	308,986	1,235,94
1	Santi Renewable Energy	Santi Monster	Not used yet	Yes	15,000	15,000	-	No less than 2.628%	2	-	Operating turnover	-	None	-	308,986	1,235,94
1	Santi Renewable Energy	Tail Electric Power	Not used yet	Yes	30,000	30,000	-	No less than 2.628%	2	-	Operating turnover	-	None	-	308,986	1,235,94

② Endorsement for others:

Serial No. (Note 1)	Name of endorser or guarantor	Object to be endorsed or guaranteed		Guarantee limit for endorsement of a single enterprise (Note 3)	The maximum endorsement guarantee balance in the current period	Endorsement guarantee balance at the end of the period	Actual spending amount (Note 4)	Amount of endorsement guaranteed by property	The ratio of the accumulated endorsement guarantee amount to the net value of the latest financial statement	Endorsement guarantee maximum limit	Parent company's endorsement guarantee to Subsidiary	Subsidiary's endorsement guarantee to the parent company	Subsidiary's endorsement guarantee for mainland China
		Company Name	Relation (Note 2)										
0	The Company	Wo Yi Construction Co., Ltd.	5	6,954,018	423,500	423,500	164,500	-	7.92%	8,023,867	N	N	N
0	The Company	Huan Chuang Electric Co., Ltd.	2	6,954,018	300,000	300,000	300,000	-	5.61%	8,023,867	Y	N	N
1	Santi Renewable Energy Co., Ltd.	Cathy Sunrise Electric Power One Co., Ltd.	2	4,016,823	1,300,000	1,300,000	1,300,000	1,300,000	42.07%	4,634,796	Y	N	N
1	Santi Renewable Energy Co., Ltd.	Xinrita Electric Power Co., Ltd.	2	4,016,823	354,960	354,960	354,960	-	11.49%	4,634,796	Y	N	N
1	Santi	Sanlu Energy	2	4,016,823	2,767,008	691,752	691,752	-	89.55%	4,634,796	Y	N	N

	Renewable Energy Co., Ltd.	Storage Co., Ltd.											
2	Heng Feng Energy.	Sanlu Energy Storage Co., Ltd..	2	2,642,556	1,057,078	1,057,078	1,057,078	1,057,078	52.00%	3,049,104	Y	N	N

(3) Future R&D plans and estimated R&D expenses: No R&D plan.

(4) The impact of significant domestic and foreign policy and legal changes on the Company's financial operations and the corresponding countermeasures: Based on the changes in domestic policies and laws, the Company has sought advice from relevant legal and accounting authorities and taken appropriate measures to meet the requirements of the laws and regulations, which have not yet had a significant impact on the Company's financial and business affairs.

(5) The impact of technological changes (including information and communications security risks) and industry changes on the Company's financial operations and the countermeasures taken to address them: The Company has not been affected by changes in technology in the recent year.

(6) The impact of corporate image change on corporate crisis management and its countermeasures: The Company's corporate image has not changed in the recent year, and it still upholds the management philosophy of serving customers and putting customers in first priority to reduce the number of customer complaints.

(7) Expected benefits, possible risks and contingencies of the merger and acquisition: No merger and acquisition plan.

(8) Expected benefits possible risks and countermeasures of plant expansion: No plant expansion plan.

(9) Risks associated with the concentration of inbound or outbound shipments and their countermeasures: The Company has signed a long-term supply contract with CPC, and thus the above-mentioned risks will not affect the Company.

(10) The impacts and risks of a significant transfer or change of shareholding of directors, supervisors or major shareholders holding more than 10% of the shares, on the Company, and their countermeasures: None.

(11) The impacts, risks and of the change in operating rights on the Company and their countermeasures: No change in operating right.

(12) For litigation or non-litigation events, the Company and its directors, supervisors, president, beneficial owners, major shareholders holding more than 10% of the shares, and affiliated companies with significant litigation, non-litigation or administrative disputes, the outcome of which may have a significant impact on shareholders' equity or the price of securities, shall be disclosed. If the outcome of the litigation is likely to have a significant impact on shareholders' equity or the price of securities, the facts of the dispute, the amount of the subject matters, the date of commencement of the litigation, the principal parties involved and the status as of the publication date of the annual report shall be disclosed: None

(13) Other important risks and countermeasures: Information security risk assessment analysis and countermeasures

In recent years, ransomware virus and black door malicious modification and destruction have emerged. For colleagues, Internet security is enhanced through black list filtering and white list establishment, through the enterprise VPN to block the data flow between the branch and the head office, and the installation of malicious programs online monitoring and detection of suspicious files or network components, so as to enhance the security and stability of computer use. For DDOS attack, a large number of packet attacks or connections can be controlled and blocked to prevent the host from being paralyzed by the attack, while monitoring traffic and actively or passively performing online kick-off actions to ensure the safety of network behavior.

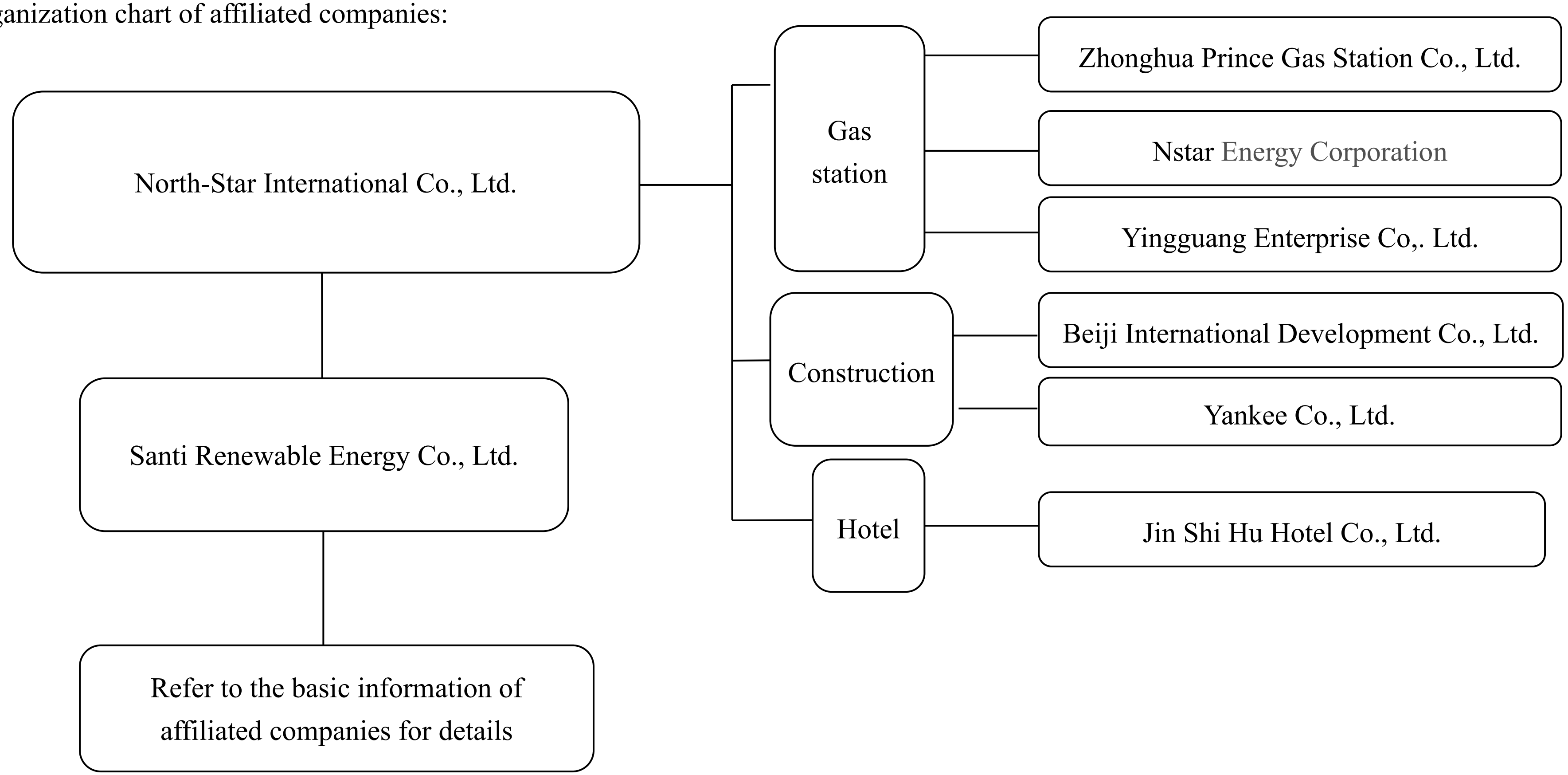
7.Other important matters: None.

VIII Special Disclosures

1. Related Information of Affiliated Companies:

(1) Consolidated operating reports of affiliated companies

1. Organization chart of affiliated companies:



2. Basic Information of Affiliated Companies (Data Date 2023.12.31) Unit: NT$ in thousands

Company Name	Date of Establishment	Address	Paid-in Capital	Main Business Items or Production Items
Yingguang Enterprise Co., Ltd.	1989.02.27	No. 99, Tianxiang 1st Rd., Sanmin Dist., Kaohsiung City	30,000	Gas station and wholesale of petroleum products
Nstar Energy Corporation	1998.09.10	No. 137, Xinhai Rd., Banqiao Dist., New Taipei City	70,000	Petroleum products and wholesale of batteries
Zhonghua Prince gas station Co., Ltd.	2002.05.08	No. 91, Sec. 1, Zhonghua W. Rd., South Dist., Tainan City	260,000	Gas stations and car repair
Santi Renewable Energy Co., Ltd. (Former San Lu Development Co., Ltd.)	2004.03.03	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	3,238,000	Gas stations and convenience stores
Beiji International Development Co., Ltd.	2013.04.25	20F, No. 315, Minghua Rd., Gushan Dist., Kaohsiung City	320,000	Interior decoration and wholesale of construction materials
Jin Shi Hu Hotel Co., Ltd.	2019.08.15	No. 118, Jinding Rd., Sanmin Dist., Kaohsiung City	50,000	Restaurants and hotels
Yankee Co., Ltd.	2020 04.07	5F, No. 150, Bo'ai 2nd Rd., Zuoying Dist., Kaohsiung City	150,000	Real estate brokerage and real estate trading
Jia Yang Enterprise, Co., Ltd.	2023.09.21	20F-1, No. 251, Minquan 1st Rd., Xinxing Dist., Kaohsiung City	100,000	
San Di Properties, Co., Ltd.	2023.11.22	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	70,000	
Santi Monster Electric Power Co., Ltd.	2021.02.01	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	10,000	Electrical installation and electrical installation
Huan Chuang Electric Co., Ltd.	2022.08.10	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	30,000	Manufacture of batteries and automobiles and parts
Tail Electric Power Co., Ltd.	2021.09.24	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	161,000	Interior decoration and international trading
More Consulting Co., Ltd.	2022.05.10	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	2,000	Crop cultivation and aquaculture
Green Free Energy Co., Ltd.	2021.06.08	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	80,000	Crop cultivation and cogeneration
Hengfeng Energy Co., Ltd.	2022.07.11	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	2,050,000	General investment and renewable energy self-powered equipment
Sanlu Energy Storage Co., Ltd.	2021.06.09	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	2,055,578	Crop cultivation and cogeneration
Billion Mega Energy Storage Technologies Inc.	2022.07.25	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	62,000	
Chia Hsin Energy Co., Ltd.	2020.12.16	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	186,000	Crop cultivation and cogeneration
Guning Energy Co., Ltd.	2022.11.11	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	30,100	Crop cultivation and aquaculture
Xicheng Energy Co., Ltd.	2022.11.14	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	100	Power generation, transmission, distribution machinery manufacturing and renewable energy self-powered equipment
Sheng Yang Engineering Co., Ltd.	2021.12.21	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	32,000	Cogeneration and renewable energy self-powered equipment
Chang Yong Engineering Co., Ltd.	2022.11.23	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	100	Aquaculture and Recreational Fishing
Jia Yuan Optoelectronics Co., Ltd.	2022.07.07	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	8,000	Crop cultivation and aquaculture
Woyang Energy Co., Ltd.	2022 07.06	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	4,500	Crop cultivation and aquaculture
Hong Tu Energy Co., Ltd.	2022.07.07	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	4,500	Crop cultivation and aquaculture
Tesin Energy Co., Ltd.	2022.11.11	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	42,100	Crop cultivation and aquaculture
Jia Rui Optoelectronics Co., Ltd.	2022.07.07	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	13,000	Crop cultivation and aquaculture

Yao Gu Energy Co., Ltd.	2020.12.28	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	56,000	Crop cultivation and cogeneration
He Fong Energy Co., Ltd.	2016.11.03	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	537,549	Crop cultivation and non-public power generation
Junhe Energy Co., Ltd.	2022.05.10	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	44,000	Aquaculture and recreational fishing
Sensi Energy Co., Ltd.	2022.07.07	15F-3, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	31,000	Crop cultivation and aquaculture
Cathy Sunrise Electric Power One Co., Ltd.	2018.05.28	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	1,025,850	Power generation, transmission, distribution machinery manufacturing and energy technology services
Xin Ri Tai Electric Power Co., Ltd.	2028.06.22	15F-2, No. 175, Zhongzheng 2nd Rd., Lingya Dist., Kaohsiung City	600,000	

3. Information of the same shareholder presumed to be having a controlling and subordinate relationship: Not applicable.
4. Industries covered by the overall business of the affiliatd companies mainly include:
   1. This industry: Gas station industry
   2. Operating carwash, parking lots, etc.
   3. Power generation industry, and renewable energy industry

The main business or production items of each affiliated company are shown in details in the list of basic information of each affiliated company described in the preceding paragraph.

5. Information of Directors, Supervisors and President of Affiliated Companies
   (Data Date: 2022.12.31)

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Yingguang Enterprise Co., Ltd	Chairman	North-Star International Co., Ltd. Representative: Chung Jia-Cun	3,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Lee Tsung-Xi	3,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Han Jia-Xian	3,000,000	100.00%
	Supervisor	North-Star International Co., Ltd. Representative: Chung Yu-Lin	3,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Nstar Energy Corporation	Chairman	North-Star International Co., Ltd. Representative: Chung Jia-Cun	7,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Tseng I-Nan	7,000,000	100.00%

	Director	North-Star International Co., Ltd. Representative: Chung Hsin-Pei	7,000,000	100.00%
	Supervisor	North-Star International Co., Ltd. Representative: Tsai Yuh-Min	7,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Zhonghua Prince gas station Co., Ltd.	Chairman	North-Star International Co., Ltd. Representative: Chung Jia-Cun	26,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Chen Ke-Pei	26,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Chung Hsin-Pei	26,000,000	100.00%
	Supervisor	North-Star International Co., Ltd. Representative: Tseng I-Nan	26,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Santi Renewable Energy Co., Ltd. (Former San Lu Development Co., Ltd.)	Chairman	North-Star International Co., Ltd. Representative: Chung Jia-Cun	241,000,000	100.00%
	Vice Chairman	North-Star International Co., Ltd. Representative: Chung Yu-Lin	241,000,000	100.00%
	Director	North-Star International Co., Ltd. Representative: Chung Hsin-Pei	241,000,000	100.00%
	Director	Wu Jia-Wei	0	0.00%
	Director	Chang Shi-Jia	0	0.00%
	Director	Chou You-Shi	0	0.00%
	Director	Chen Qun-Chi	0	0.00%
	Supervisor	Wu, Hong-Yi	0	0.00%
	Supervisor	Lin Jin-Hua	0	0.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Beiji International Development Co., Ltd.	Chairman	Tai Jia Development Co., Ltd. Representative: Lu Jin-Fa	15,360,000	48.00%
	Director	North-Star International Co., Ltd. Representative: Lee Tsung-Xi	16,640,000	52.00%
	Director	North-Star International Co., Ltd. Representative: Chung Yu-Lin	16,640,000	52.00%
	Supervisor	Tseng Ying-Jun	0	0.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Jin Shi Hu Hotel Co., Ltd.	Chairman	North-Star International Co., Ltd. Representative: Chung Jia-Cun	2,550,000	51.00%
	Director	North-Star International Co., Ltd. Representative: Lee Tsung-Xi	2,550,000	51.00%
	Director	Yuan Ding Investment Consulting Co., Ltd. Representative: Chuang Mao-Jin	2,450,000	49.00%
	Supervisor	Tsai Yuh-Min	0	0.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Yankee Co., Ltd.	Director	Shang Wei Investment Consulting Co., Ltd. Representative: Lin Cong-Lin	75,000,000	50%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Jia Yang Enterprise, Co., Ltd.	Director	Shang Ning Investment Consulting Co., Ltd. Representative: Shiao Yi-Fan	1,000,000	50%

	Supervisor	Shang Cen Investment Consulting Co., Ltd. Representative: Lin Fang-Cen	1,000,000	50%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Santi Monster Electric Power Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	1,000,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	1,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Huan Chuang Electric Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	3,000,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	3,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Tail Electric Power Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	16,100,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	16,100,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: More Consulting Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	200,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	200,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Green Free Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	8,000,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	8,000,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Hengfeng Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	105,050,000	51.24%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	105,050,000	51.24%
	Director	He Jun Energy Co., Ltd. Representative: Liu Yuan-Sen	41,000,000	2.00%
	Supervisor	Kuai Kuai Co., Ltd. Representative: Tsai Yuh-Min	20,000,000	0.98%

Company Name	Title	Name or representative	No. of shared held	
			Shares	Shareholding %
Subsidiary: Sanlu Energy Storage Co., Ltd.	Chairman	Hengfeng Energy Co., Ltd. Representative: Chung Jia-Cun	205,557,800	100.00%
	Supervisor	Hengfeng Energy Co., Ltd. Representative: Chung Yu-Lin	205,557,800	100.00%

Company Name	Title	Name or representative	No. of shared held	
			Shares	Shareholding %
Subsidiary: Billion Mega Energy Storage Technologies Inc.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Jia-Cun	6,200,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	6,200,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Chia Hsin Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	18,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Hsin-Pei	18,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Lee Tsung-Xi	18,600,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	18,600,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Guning Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	3,010,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	3,010,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Xicheng Energy Co., Ltd	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	10,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	10,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Sheng Yang Engineering Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	3,200,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	3,200,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Chang Yong Engineering Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	10,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	10,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Jia Yuan Optoelectronics Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	800,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	800,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Woyang Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	450,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	450,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Hong Tu Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	450,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	450,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Tesin Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	4,210,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	4,210,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Jia Rui Optoelectronics Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	1,300,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	1,300,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Yao Gu Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	5,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Hsin-Pei	5,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Lee Tsung-Xi	5,600,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	5,600,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: He Fong Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	27,415,000	51.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	27,415,000	51.00%
	Director	Power Master Co., Ltd. Representative: Tsai Tsung-Jung	26,339,900	49.00%
	Supervisor	Lu Ding-Jun	0	0%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Junhe Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	4,400,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	4,400,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Sensi Energy Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	3,100,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	3,100,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Cathy Sunrise Electric Power One Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	102,585,000	100.00%
	Supervisor	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	102,585,000	100.00%

Company Name	Title	Name or representative	Shareholding	
			Shares	Shareholding %
Subsidiary: Xin Ri Tai Electric Power Co., Ltd.	Chairman	Santi Renewable Energy Co., Ltd. Representative: Chung Jia-Cun	30,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Yu-Lin	30,600,000	100.00%
	Director	Santi Renewable Energy Co., Ltd. Representative: Chung Hsin-Pei	30,600,000	100.00%
	Supervisor	Hi Scene World Enterprise Co., Ltd. Representative: He Shiao-Guang	29,400,000	100.00%

6. Operating overview of each affiliated company (as of December 31, 2023) NT$ in thousands

Company Name	Capital	Total asset	Total liabilities	Net value	Operating income	Profit	Current profit and loss (after tax)	Earnings per share
Yingguang Enterprise Co., Ltd.	30,000	186,442	64,305	122,137	207,022	32,737	10,235	3.41
Nstar Energy Corporation	70,000	155,348	62,669	92,679	455,131	49,595	15,958	2.28
Zhonghua Prince Gas Station Co., Ltd.	260,000	566,736	395,807	170,929	602,726	71,428	-18,473	-0.71
Santi Renewable Energy Co., Ltd. (Former San Lu Development Co., Ltd.)	3,210,000	7,062,658	3,842,224	3,220,434	53,810	-76,302	-80,703	-0.35
Beiji International Development Co., Ltd.	300,000	2,953,408	2,472,842	480,566	2,272,604	445,102	366,335	12.21
Jin Shi Hu Hotel Co., Ltd.	50,000	302,071	222,522	79,549	68,873	17,631	27,467	5.49
Yankee Co., Ltd.	150,000	254,444	109,219	145,225	0	-4,742	-4,729	-0.32
Jia Yang Enterprise, Co., Ltd.	20,000	27,054	7,211	19,843	0	0	-156	-0.08
San Di Properties, Co., Ltd.	50,000	50,026	42	49,984	0	0	-15	-0.01
Santi Monster Electric Power Co., Ltd.	1,000	767	15	751	0	0	-87	-0.87
Huan Chuang Electric Co., Ltd.	30,000	120,870	79,058	41,812	15,309	14,732	11,812	3.94
Tail Electric Power Co., Ltd.	161,000	189,552	35,286	154,266	2,701	-6,846	-6,713	-0.42
More Consulting Co., Ltd.	2,000	1,978	16	1,962	0	0	-38	-0.19
Green Free Energy Co., Ltd.	80,000	209,423	127,300	82,123	7,855	3,343	2,304	0.29
Hengfeng Energy Co.,	999,422	1,005,831	155	1,005,675	0	-156	1,537	0.02

Ltd.								
Sanlu Energy Storage Co., Ltd.	1,006,000	1,251,241	245,422	1,005,819	0	-1,870	1,003	0.01
Billion Mega Energy Storage Technologies Inc.	62,000	143,436	82,781	60,655	0	-4	-1,184	-0.19
Chia Hsin Energy Co., Ltd.	186,000	316,811	132,160	184,651	17,084	1,538	-103	-0.01
Guning Energy Co., Ltd.	100	100	1	99	0	0	-1	-0.12
Xicheng Energy Co., Ltd.	100	100	1	99	0	0	-1	-0.12
Sheng Yang Engineering Co., Ltd.	62,000	61,979	130	61,849	0	-230	-151	-0.02
Chang Yong Engineering Co., Ltd.	100	100	1	99	0	0	-1	-0.12
Jia Yuan Optoelectronics Co., Ltd.	1,000	976	0	976	0	0	-24	-0.24
Woyang Energy Co., Ltd.	3,000	5,475	2,519	2,956	0	0	-44	-0.15
. Hong Tu Energy Co., Ltd.	3,000	5,476	2,520	2,956	0	0	-44	-0.15
Tesin Energy Co., Ltd	100	116	17	99	0	0	-1	-0.12
Jia Rui Optoelectronics Co., Ltd.	13,000	106,836	95,875	10,961	0	0	-2,040	-1.57
Yao Gu Energy Co., Ltd.	36,000	35,133	96	35,037	0	-124	-82	-0.02
He Fong Energy Co., Ltd.	340,000	1,331,408	1,031,821	299,587	0	-6,825	-3,511	-1.03
Junhe Energy Co., Ltd.	8,000	117,876	109,986	7,890	0	0	-110	-0.13
Sensi Energy Co., Ltd.	41,000	40,936	108	40,828	0	-203	-172	-0.04
Cathy Sunrise Electric Power One Co., Ltd.	1,025,850	2,920,349	1,970,298	950,051	0	-34,015	-38,936	-0.38
Xin Ri Tai Electric Power Co., Ltd.	600,000	2,990,875	2,433,850	557,025	107,320	35,823	6,447	0.11

(1) Consolidated Financial Statements of Affiliated Companies:

In 2023 (from January 1, 2023 to December 31, 2023), the Company should prepare the consolidated financial statements of affiliated companies in accordance with the “Regulations Governing the Preparation of Consolidated Financial Statements and Related Party Reports of Affiliated Companies” the same as those companies that should prepare the consolidated financial statements of the parent company and affiliated companies in accordance with Bulletin of Financial Accounting Standards No. 7. The information required to be disclosed in the consolidated financial statements of affiliated companies has already been disclosed in the former consolidated financial statements of affiliated companies, so the Company is not necessary to prepare separate consolidated financial statements of affiliated companies.

(2) Affiliation report

The Company is not an affiliated company of any other company, therefore no preparation of the affiliation report is required.

The Company’s affiliated companies are not public companies, therefore no preparation of the affiliation report is required in accordance with relevant regulations .

2. Private placement of marketable securities in the recent year and as of the publication date of the annual report: None
3. Subsidiaries hold or dispose of the Company’s stock in the recent year and as of the publication date of the annual report; None
4. Other necessary supplementary notes: None.
5. For the recent year and as of the publication date of the annual report, any of the events specified in Article 36(3)(2) of the Securities and Exchange Act occurred had a material effect on shareholders’ equity or the price of securities: None