Stock Code: 8926

TAIWAN COGENERATION CORP.

Annual Report 2023

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Market Observation Post System Website: https://mops.twse.com.tw

I. Spokesperson

Name: Yi-Tong Chen
Tel: (02) 8798-2000 ext:502
E-mail: u064244@cogen.com.tw

II. Deputy Spokesperson

Name: Shang-Heng Chou
Tel: (02) 8798-2000 ext:620
E-mail: sam@cogen.com.tw

III. Contact information of the head office and plant

Head office
Add.: 6F., No. 392, Ruiguang Rd., Neihu Dist., Taipei City 114753, Taiwan (R.O.C.)
Tel: (02) 8798-2000

Plant
Add.: No. 28, Gongye W. Rd., Erzhen Vil., Guantian Dist., Tainan City 720008, Taiwan (R.O.C.)
Tel: (06) 698-9014

IV. Share Transfer Agency

Name: KGI Securities
Add.: 5F., No. 2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City 100502, Taiwan (R.O.C.)
Tel: (02) 2389-2999
Website: https://www.kgi.com.tw/zh-tw/

V. Contact information of the certified public accountants for the most recent financial statements

CPA Firm: Deloitte & Touche
Name: Chao-Mei Chen and Cheng-Qun Yu
Add.: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City 110421, Taiwan (R.O.C.)
Tel: (02) 2725-9988
Website: https://www2.deloitte.com/tw/tc.html

VI. Overseas Listings and Access to the Listing Information: None.

VII. Company Website: https://www.cogen.com.tw

Contents

I. Letter to Shareholders

Dear Shareholders:

Thanks for your support over the years, the assistance of directors, and the concerted effort of all employees, Taiwan Cogeneration Corporation can maintain steady growth and development. Please accept our deepest gratitude for your support and assistance on behalf of Taiwan Cogeneration Corporation.

1. 2023 Business Report

(1) Results of implementation of the business plan

The 2023 consolidated net profit was NT$1,242,385 thousand, increased NT$325,370 thousand, compared with NT$917,015 thousand in 2022. Profit from operations decreases mainly because of the profit reduction from renewable retailing as a result of the maintenance and repair of generation sets and poor wind condition of Miaoli Wind and the heat source reduction of Chingshuei Geothermal Power, in 2023 the increased expenses on employee stock subscription for capital increase, as well as the net influence from the increased profit of Guan tian Plant due to the lower coal price. Profit from investments increases mainly because of the favorable natural gas price increases for the 4 IPPs; the increased dispatch volume of Taiwan Power Company (TPC), and the recognition of the income from Sun Ba Power Corporation income from forward exchange extension. Additionally, the loss on the 2022 administrative fine (none in 2023) from the Fair Trade Commission. In terms of the weighted average number of ordinary shares at 687,268 thousand shares, the EPS for 2023 was NT$1.82.

The table below shows the operating performance in the past two years.

Unit: NT$1,000

Item	2023	2022
Operating revenues	5,348,402	4,668,881
Profit(Loss) from operations	(16,381)	235,865
Non-operating income	1,319,599	770,013
Profit before income tax	1,303,218	1,005,878
Income tax expense	60,833	88,863
Net profit	1,242,385	917,015
Net profit attributable to owners of the corporation	1,252,275	906,774
EPS	1.82	1.44

(2) Financial structure and profitability analysis

The following table shows the analysis for consolidated financial structure, solvency and profitability:

Item		2023	2022
Financial structure analysis	Debt to total assets (%)	40	53
	Long-term capital to property, plant and equipment (%)	479	565
Solvency analysis	Current ratio (%)	104	99
	Quick ratio (%)	63	67
Profitability analysis	Return on assets (%)	5	4
	Return on equity (%)	9	8
	Profit margin (%)	23	20

(3) Research and development:

The research focus in this year includes:

A. Policy and business operation research for independent power producer, cogeneration and renewable energy.

B. Improvement for operation/maintenance and equipment of power plant/cogeneration power plant.

C. Relevant technology and investment research for the markets of renewable energy (photovoltaics, onshore wind power, offshore wind power, geothermal energy, biomass energy, etc.), Joint Booster Station, storing energy and ancillary service.

2. 2024 Business Plan Overview

(1) 2024 business policy

The 2024 business plan below has been established in accordance with the present macro environment and conditions.

A. In coordination with the government's net-zero emission policy and renewable energy installation targets. We are actively expanding the investment in onshore wind farms and PV plants, increasing the sales of renewable energy, optimizing the overall added value of renewable energy, and progressively accumulating engineering experience and performance. Major targets of development include:

a. Onshore wind power: Apart from developing onshore wind farms in the Yongxing and Hanbao areas of Fangyuan Township, Changhua County and making preparation for power plant operations including environmental impact assessment (EIA) and processing construction permit applications for electrical industry installations will follow suit. Furthermore, EIA and power plant establishment planning will also be conducted for the preliminary work on the system upgrade and expansion of Miaoli Wind. Overall, the following projects will be made in this year (2024): EIA approval of the onshore wind farm in Fangyuan and Yongxing (currently under EIA, and the application installed capacity is 42MW); obtain construction permit for Hanbao Onshore Wind Farm (currently, the planned approved installed capacity is 33.6MW); apply establishment of Zhunan Wind Farm under Miaoli Wind Farm Co., Ltd. (installed capacity is 16.8MW); and pass the review by the EIA Committee for Dapeng Wind Farm under Miaoli Wind Farm Co., Ltd. (application for EIA in progress, and the application installed capacity is 84MW). We will continue to enhance the onshore wind power investment and development, which will drive subsequent EPC projects, operations and maintenance, and renewable-energy-based electricity retailing business.

b. PV systems: Constantly develop rooftop PV, floating PV, and surface PV sites; draw up development strategies for capturing investment opportunities from grid connection feeder capacity, shared booster stations, and large EPC projects. In the Yongxing, Fangyuan Township, Changhua, we are cooperating with the government's vigorous promotion of the fishery-electricity symbiosis policy. Apart from obtaining the permit for the establishment and construction of the fishery and electricity symbiosis farm in Yongxing with a minimum of 32.7MW, we also obtain the approval for the establishment of the Wushantou PV Site Phase II (estimated capacity 13.4MW) and strive for the PV site lease (including fishery and electricity symbiosis, as well as the agrivoltaic farm) in Yunlin and Tainan.

c. Renewal energy retailing: Due to the weather condition, precipitation, and generation set availability, the actual 2023 green power wheeling volume already 137GWh. In 2024, we will continue to develop both internal and external power generation projects and green electricity user. It is expected that the actual total electricity sold for retailing in 2024 will exceed 190GWh.

B. Expanding the investment in and construction of domestic IPPs

a. The construction permit for Sun Ba phase II was granted in 2022. The construction will be on schedule. The commercial operation date (COD) of generation sets will be June 30, 2024.

b. Apart from continuously keeping track of the EIA schedule and development and planning of the Kuo Kuang Power Plant Phase II, we will adjust the project schedule based on TPC's tendering project notice and assist Kuo Kuang Power with the subsequently application for establishment.

C. We will withdraw from the RP Energy (RPE) project through divestment or claim of liquidation.

D. Ancillary service trade: We will consult and strive for resources and energy storage systems within and outside the group to participate in the Energy Trading Platform (ETP). Expand auxiliary service operations through traditional agency operation mode or energy storage equipment leasing mode.

E. Providing various technical support and labor services for three IPP investees: Star Energy Power Corporation, Sun Ba Power Corporation, and Star Buck Power Corporation.

F. Supervising investee Star Energy Corporation and TCC Green Energy Corporation to actively expand the business scale.

G. Optimizing corporate financial structure and credit.

H. In response to the changing trends in international energy prices, timely adjustments to the operational mode of Guan-tian Cogeneration Plant and the cultivation of more new energy subscribers aim to improve overall operational performance.

(2) Business objectives

A. Projected 2024 production and sales

Major Project \ Year			2024 (projected)
Electricity	(1,000kWh)	Production	234,065
		Sales	199,881
Steam	Tonne	Production	327,792
		Sales	327,792

Note: Production and sales volumes include electricity from ancillary services.

B. Basis of 2024 production and sales prediction

The annual production and sales of electricity and steam have been estimated based on the status of operations over the years, the assessment of subscriber energy demand, and consideration of the sale of surplus electricity to Taiwan Power Company.

(3) Important production and marketing policies

A. Marketing strategies

a. Providing integrated services, including full service of fund arrangements, technical support, plant construction, and operation and maintenance, guided by investments and supported with engineering in order to demonstrate the expertise and strengths of TCC and ensure long-term benefits of TCC.

b. Searching for and carefully selecting energy subscribers with the appeal to provision of reliable and stable electricity and energy in order to strive for cooperation partners with a win-win strategy between TCC and subscribers.

c. Offering flexible options for cooperation (e.g. BOT, BOO, and JV) to meet the needs of individual customers.

d. Continuously expanding the scale of IPPs and the scope of business with reference to the government’s power industry liberalization policy.

e. Developing renewable energy markets.

f. Developing related energy technologies and services including energy conservation, energy storage, and ancillary services.

g. Keeping track on the power plant construction projects in emerging countries to cultivate the overseas electricity market.

B. Production strategies

a. Optimizing steady operation of generation sets, improving the response ability of on-duty staff, and reducing failure frequency to ensure good production and sales performance.

b. Based on the principle of keeping steady operation of generation sets, reducing operating cost with economical operation, participating in the “Trading Platform of Ancillary Services” to increase revenues. including SRF in the circular economy to assist the government in achieving the goal of waste reduction.

c. Cultivating cogeneration customers and promoting cogeneration technical service solutions to increase income.

d. By complying with environmental and OH&S regulatory requirements, in 2019, we implemented ISO 45001 to establish a well-planned occupational health and safety management system (OH&SMS) to reduce operational risk and enhance corporate image. By combining with the ISO 14001 environmental management system (EMS), we revised the environmental policy into the HSE policy, with the chairman signing and announcing the HSE policy and implementing external verification of ISO 45001 and ISO 14001 every year to maintain certificate validity. We also constantly implemented activities relating to the healthy workplace to build a friendly workplace environment.

e. Diversifying unimpeded grievance channels, enhancing customer service efficiency and improving customer satisfaction to fulfill customer demands in all aspects.

f. Accumulating and collating maintenance and repair data over the years and promoting domestic production of key equipment and parts to lower purchasing cost and control supply delay time; planning improvement measures based on the plant use and maintenance and repair experience to ensure smooth operation and extend the lifespan of equipment and parts.

g. The Tainan City Government (TNCG) actively promotes the establishment of the OH&S family to optimize occupational safety management with the coattail effect. The cogeneration plant OH&S family was established in 2019 with our Guan-tian Plant as the core business to provide periodic OH&S education/training and onsite guidance for family members.

C. Future Development Strategy

a. Enhancing operational performance: Supervise and assist investees in optimizing management systems to lower the operational risk of investee power plants; reduce the operating cost, increase the operating gross profit, and enhance the equipment efficiency of Guan-tian Power Plant; enhance the risk control and assessment and cost control of project undertaking to enhance the operational performance of the project undertaking service.

b. Proactive business expansion: Combining the technical capacity of all subsidiaries to actively expand the scope of services, including developing cogeneration plants and gas-fired power plants, and renewable projects, booster stations, energy storage and ancillary services market to help the government supplement the supply insufficiency based on energy policies; and provide multifaceted technical service including investment and development, project undertaking, operation and maintenance, and electricity retailing.

c. Innovating business model: Actively participating in the business model emerging electricity markets in response to energy transformation and business model diversification of the power market, including entering the ancillary service market, participating in the energy storage market, and increase green power sales to raise the market share in green power wheeling.

d. Implementing digital transformation: Empower human resources, promote digital talents management, and apply statistics and data analysis to different aspects of operations and management; promote procurement optimization and the document management system; and digitize operation and management to progressively promote digital transformation.

e. Furthering sustainable operations: Enhancing corporate governance, optimize customer relationship management and HR management, enhance data disclosure and stakeholder communication, establish the net-zero emissions response plan and Guan-tian Plant’s energy conservation and carbon reduction measures, and practice environmental sustainability and promote sustainable development.

D. Influences of Market Competitions, Legal environment, and Macro Environment

a. Market competitions: The government engages in energy transformation to increase the proportion of renewables and opens renewables retailing to increase green energy business opportunities. As both domestic and overseas businesses strive for the market, market competitions become keener.

With an excellent and professional management team, we offer high-quality electricity-related technical services and constantly expand the scope of services to enhance corporate value and competitiveness.

b. Legal environment: The government announces the "Taiwan Net Zero 2050" national goal. In energy transformation, renewables maximization and zero-carbon thermal power generation are emphasized to achieve the goal of building a net-zero energy system. In response to the massive renewables grid connection, energy storage systems are built to enhance grid resilience for the continual improvement of energy system resilience. Additionally, the Greenhouse Gas Reduction and Management Act was amended into the "Climate Change Response Act and promulgated in February 2023 to institutionalize the net-zero emission target, stipulate the roles and responsibilities of the competent authorities, and add special chapters on the carbon fee mechanism and climate change adaptation. The Taiwan Carbon Solution Exchange (TCX) was established in August 2023 to match the supply and demand and create incentives for enterprises to reduce carbon emissions through platform exchange so as to promote low-emission and negative-emission technologies and innovative industry development. In response to EU's trial of the Carbon Border Adjustment Mechanism (CBAM), domestic industries will face up at net-zero emissions and actively implement carbon reduction policies for net-zero emissions while facing the overseas demands for carbon tax and green supply chains, thus pushing the increased demand for green power. After TCC Green Energy Corporation, our subsidiary, acquired the license for renewable-energy-based electricity retailing enterprise in October 2019, we have proactively expanded the electricity retailing business. Currently, we are the largest supplier of green energy operation and supply in Taiwan. In addition, we will continue to keep track on the impacts on business operations as a result of amendments to related bylaws and timely adjust the directions and strategies of business development to protect the rights and interests of TCC and shareholders and make sure for electricity market competitions in the future.

c. Macro environment: In response to the global climate change, we proactively implement energy transformation. As the government has planned net zero emissions by 2050, and renewable energy, energy conservation, energy storage, and green power planning will be the mainstreamed energy services in the future, the government's promotion of the electricity market trading platform will encourage us to implement new business models such as ancillary service and demand response service. We will continue to invest in the development of cogeneration plants and IPPs, proactively develop various types of renewables, expand the scale of green power retailing, build a steady, innovative, and competitive electricity business engaging in multifaceted services.

Please comment and looking forward to your continuous support.

Chairman: Shun-I Huang President: Yi-Tong Chen CAO: Ming-Yeh Lee

II. Company Profile

1. Date of Establishment: May 7, 1992
2. Corporate History

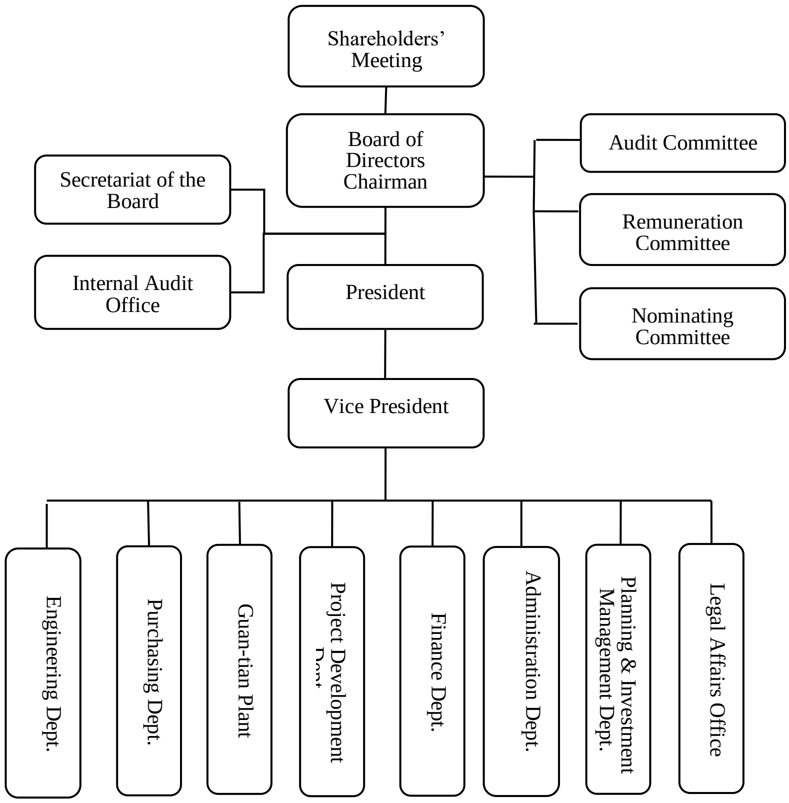
1992	Established as a professional cogeneration power plant by Taiwan Power Company, Mega Bank, China Development Industrial Bank, and a number of domestic E&M manufacturers with NT$1 billion under the direction of the Ministry of Economic Affairs.
1996	Commercial operation of Ta-Yuan Cogeneration Plant I of joint-venture Ta-Yuan Cogeneration Corporation Invested in Star Energy Corporation
1997	Commercial operation Imei Cogeneration Plant I in Nankang and President Cogeneration Plant in Yangmei on a BOT basis. Public offering and capital increase with cash by issuing new shares at NT$263 million on April 24. Authorized capital increased to NT$1.263 billion after capital increase.
1998	Commercial operation of Achem Technology Cogeneration Plant in Yangmei and Universal Textile Cogeneration Plant on a BOT basis. Independent investments in Guan-tian Cogeneration Plant.
1999	Commercial operation Imei Cogeneration Plant II in Nankang on a BOT basis. Capital increase with earnings at NT$63 million. Authorized capital to NT$1.326 billion after capital increase.
2000	Commercial operation of Ta-Yuan Cogeneration Plant II built through joint venture in January. IPO on the OTC market on May 8, the first IPP to go public in Taiwan. Approved to establish Fong Der Gas-Fired Power Plant of Sun Ba Power Corporation and Chang Bin Gas-Fired Power Plant of Star Energy Power Corporation on July 5 to officially enter the electricity market. Capital increase with earnings at NT$55 million in October. Authorized capital increased to NT$1.381 billion after capital increase. Completion of Guan-tian Cogeneration Plant in December.
2001	Capital increase with cash at NT$900 million in April. Authorized capital increased to NT$2.281 billion after capital increase. Capital increase with earnings at NT$256 million in October. Authorized capital increased to NT$2.537 billion after capital increase. Established Taiwan Cogeneration International Corporation through investments.
2002	Issued convertible corporate bonds at NT$900 million in July. Capital increase with earnings at NT$313 million in August. Authorized capital increased to NT$2.85 billion after capital increase. Capital increase with cash from issuing new shares at NT$300 million in September. Authorized capital increased to NT$3.15 billion after capital increase.
2003	Listed on Taiwan Stock Exchange on August 25.
2004	Commercial operation of Fong Der Gas-Fired Power Plant of Sun Ba Power Corporation and Chang Bin Gas-Fired Power Plant of Star Energy Power Corporation Converted corporate bonds to equity at NT$70 million. Capital increase with earnings at NT$262 million in October. Authorized capital increased to NT$3.481 billion after capital increase.
2005	Established Sun Ba International Power Corporation through investments. Converted corporate bonds to equity at NT$507 million.
2006	Invested in Star Buck Power Corporation. Converted corporate bonds to equity at NT$87 million.
2007	Maturity of convertible corporate bonds at NT$900 million in July. Converted corporate bonds to equity at NT$209 million.

	Capital increase with earnings at NT$225 million in September. Authorized capital increased to NT$4.509 billion after capital increase.
2008	Established Redondo Peninsula Energy, Inc. in the Philippines through Taiwan Cogeneration International Corporation under joint venture. Capital increase with earnings and capital surplus at NT$284 million in July. Authorized capital increased to NT$4.793 billion after capital increase. Capital increase with cash from issuing new shares at NT$500 million in September. Authorized capital increased to NT$5.293 billion after capital increase.
2009	Commercial operation of Star Buck Gas-Fired Power Plant invested and built on an EPC contract by Taiwan Cogeneration Corporation at the end of June as scheduled. Taiwan Cogeneration Corporation became Taiwan's only company with an EPC record for building gas-fired power plants.
2010	Capital increase with earnings at NT$212 million in September. Authorized capital increased to NT$5.505 billion after capital increase.
2011	Acquired 35% of stake of Kuo Kuang Power Co., Ltd. in January. MPGC, a wholly-owned subsidiary of the largest power distribution company Meralco in the Philippines, invested in July; 50% of stake held by Redondo Peninsula Energy, Inc. Invested by Taiwan Cogeneration Corporation. The stake of original shareholders Taiwan Cogeneration Corporation and Therma Power Inc. reduced from 50% to 25%. Capital increase with earnings at NT$385 million in September. Authorized capital increased to NT$5.89 billion after capital increase.
2013	Four IPPs Invested by Taiwan Cogeneration Corporation amended the electrical sales agreement with Taiwan Power Company. Star Energy, Sun Ba, and Kuo Kuang Power Corp. completed the amendment procedure in January, and Star Buck completed the procedure in March.
2014	Increased Acquisition5.5% of stake of Sun Ba Power Corporation, 5.5% of stake of Star Energy Power Corporation, and 4.6% of stake of Star Buck Power Corporation in March. Increased Acquisition3% of stake of Star Buck Power Corporation in August. Increased Acquired 5% of stake of Sun Ba Power Corporation in October.
2017	Established Yi Yuan Corporation in June, 2017 through investment.
2018	Established TCC Green Energy Corporation in November, 2018 through investment.
2020	Acquired 100% of Miaoli Wind Co., Ltd. in June 2020.
2021	Acquired 100% of Hamaguri Co., Ltd. in March 2021. Investee Sun Ba Power Corporation acquired the permit for establishment of the phase II gas-fired combined cycle power plant on May 24, 2021.
2022	Invested in Sun Ba Power Corporation through capitalization of statutory surplus reserves and capital increase out of earnings to meet the need for the combined-cycle gas turbine (CCGT) power plant project. The authorized capital after capitalization is NT$10 billion, with TCC holding 43% of the shares.
2023	Capital increase with cash from issuing new shares at NT$1 billion in June. Authorized capital increased to NT$6.89 billion after capital increase. Capital increase with earnings at NT$412 million in August. Authorized capital increased to NT$7.3 billion after capital increase. Invested in Sun Ba Power Corporation through capitalization of capital surplus and capital increase out of earnings to meet the need for the combined-cycle gas turbine (CCGT) power plant project. The authorized capital after capitalization is NT$12 billion, with TCC holding 43% of the shares.

III. Governance

1. Organization

(1) Organization chart



(2) Functions and duties of departments

Department	Functions and Duties
Secretariat of the Board	1. Affairs of meetings of shareholders: (1) Affairs relating to the meetings of shareholders. (2) Production of the annual report and AGM handbook. 2. BOD affairs: (1) Affairs relating to the BOD and functional committees. (2) Assistance for directors in affairs relating to continuing education and legal compliance. (3) Provision of the data required for business operations for directors and affairs relating to communication and contact. 3. Establishment and amendment of stock-related regulations and affairs relating to stock, such as stock reporting by law and application for the company license (changes). 4. Governance-related affairs: (1) Affairs relating to the "Corporate Governance Evaluation". (2) Establishment and amendment of the "Corporate Governance Best Practice Principles" and "Ethical Corporate Management Best Practice Principles".
Internal Audit Office	1. Assist the Board of Directors and management to inspect and review defects in the internal control system and measure the effectiveness and efficiency of operations. 2. Make timely recommendations for improvement to ensure the internal control system is continuing effective and for the reference of reviewing and correcting the internal control system.
Planning & Investment Management Department	1. Business planning: (1) Drawing up short-term, medium-term, and long-term business development plans and directions. (2) Planning the overall operation system, operation organization, and operation improvements. (3) Promoting sustainable development-related work and producing the Sustainability report. (4) Establishing and amending risk management policies, Procedures, and Frameworks, and promoting the risk management plan. 2. Investment management: (1) Supervising the routine operations of investees. (2) Establishing/amending relevant regulations associated with management of investees. (3) Establishing/amending of the performance evaluation system and following up and reviewing the performance of investees. (4) Assisting investees in establishing various regulations and systems.
Engineering Department	1. Project undertaking: (1) Cultivating project undertaking business. (2) Analyzing project costs and writing service proposals. (3) Tendering and signing contracts of projects. (4) Implementing projects. 2. Engineering technology support: (1) Engineering technology support for projects invested by the Company. (2) Engineering technology support for investees. (3) Engineering technology support for Guan-tian Plant. 3. Workforce services such as technical consultation or consulting services.

Department	Functions and Duties
Purchasing Department	1. Duty: Professional service, procurement of related equipment and instruments, engineering design, project construction, labor (service), and other items relating to procurement and construction for companies within the group. 2. Optimization and management of the e-procurement management system. 3. Scope of procurement and contracting: (1) Setting the base price. (2) Price and contract negotiations. (3) Contract signed. (4) Supplier/contractor management and evaluation. (5) Market information gathering.
Project Development Department	1. Development of investment projects: (1) Cogeneration investment projects. (2) IPP investment projects. (3) Renewable energy and new energy investment projects. (4) Other investment projects. 2. Feasibility study of investment projects and drafting investment projects. 3. Execution of joint-venture agreements and investment-related contracts. 4. Development and implementation of renewable energy retailing.
Administration Department	1. General affairs: (1) Management and maintenance of organizational property, equipment, and offices, including property insurance. Dispatch and maintenance of company cars. (2) Procurement, management, and registration of OA items and gifts, operator service, and access management. (3) Management of documents and contracts by DCC, mail room management, company seal management. (4) Office revolving capital management; organization of the family day, year-end party, and New Year reunion, and other general affairs. 2. Human resources management: Human resources planning, recruitment and hiring, wage management, training and development, performance management, benefit plans, employee relationship management, and establishment of related regulations and systems. 3. Information: Construction and maintenance of IT systems, construction of network and telecommunication infrastructures, protection of information security and system management, and provision of IT services and equipment.
Guan-tian Plant	1. Operation: Routine plant operation, equipment trouble shooting, improvement and assessment of equipment operation, performance of cogeneration subscriber agreement, settlement of customer grievances and assistance for customer service, visits on new subscribers, and cultivation of new business. 2. Maintenance: Periodic and non-periodic maintenance, preventive maintenance, and planning and implementation of equipment process improvement of the plant. 3. Overhaul: Purchase requisition of parts for the annual overhaul, project

Department	Functions and Duties
	contracting, and implementation of the plant. 4. ESH: Gathering of information on cases regarding environmental protection, occupational safety, and fire; control and implementation of countermeasures, preventive measures, reporting, and improvement assessment; and coordination with the audits by industrial safety and environmental authorities.
Finance Department	1. Financing and fund-raising: Planning financing and raising funds for projects; execution and management of financing agreements; planning and placement of capital increase; planning and placement of capital increase with earnings and issuing corporate bonds; and project financial assessment. 2. Capital dispatch and cashier: Capital dispatch and control; principal repayment and interest payment, transactions with banks, planning capital collection and payment; and custody of cash and securities. 3. Risk control: Planning and implementing hedging for foreign exchange rates and interest rates; L/C issuance and redemption; and gathering and analysis of forex and interest rates and financial market information. 4. Budget and account review: Planning and supervision of budget, review and approval of certificates of payment; analysis and assessment of operational performance; and establishment of related systems. 5. Accounting and taxation: Preparation of financial statements and statement of accounts; declaration of business tax and income tax; planning and management of accounting and taxation; management of contracts in progress; and disclosure and reporting of organizational information.
Legal Affairs Office	1. Legal consultation for the board of directors and the general meeting of shareholders. 2. Consultation for the establishment and amendment of the articles of incorporation. 3. Reviewing and expressing opinions for contracts of the company and settling disputes. 4. Other affairs relating to the research of legal and regulatory requirements.

2. Profile of directors, president, vice presidents, assistant managers, department heads, and branch heads

(1) Profiles of directors

Profiles of Directors (1)

April 2, 2024

Title[1]	Nationality/ Registration	Name	Gender and age[2]	Elected (inaugurated) date	Tenure	Date of initial elected office[3]	Shareholdings at the time of elected office		Current shareholdings		Current shareholdings of spouse/minor children		Shareholdings in the name of a third party		Education and experience[4]	Concurrent positions in this and other companies	Other officers, directors, or supervisors of the company who is a spouse or relative within the 2nd degree under the Civil Code		
							Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship
Directors	ROC	Taiwan Power Company	–	2023.6.30	3 years	1992.4.14	162,954,279	27.66%	200,918,361	27.51%	–	–	–	–	–	–	–	–	–
	ROC	Representative: Shun-I Huang (chairman)	Male 61-70 years	2023.6.30	3 years	2021.4.1	–	–	–	–	–	–	–	–	MS, Electrical Engineering, Cornell University, New York, USA. Director, Sales Department, Taiwan Power Company Chairman, Taiwan Electric Research & Testing Center	–	–	–	–
	ROC	Representative: Jenn-Yeong Wang	Male 51-60	2023.6.30	3 years	2012.7.30	-	-	-	-	-	-	-	-	EMBA, Accounting and Management Decision Group, National Taiwan University MS, Department of Civil Engineering, National Chiao Tung University Chief Engineer, Taiwan Power Company Chairman, Star Energy Power Corporation Vice President, Taiwan Power Company	President of Taiwan Power Company	-	-	-
	ROC	Representative: Sheng-Jen Hsiao	Male 61-70 years	2023.6.30	3 years	2016.1.15	–	–	–	–	–	–	–	–	PhD, Department of Electrical Engineering, National Kaohsiung University of Applied Sciences Chief Engineer, Taiwan Power Company Chairman, Star Energy Power Corporation Vice President, Taiwan Power Company	Vice President of Taiwan Power Company & CEO of Division	–	–	–
	ROC	Representative: Ming-Teh Chiang	Male 61-70 years	2023.6.30	3 years	2020.6.30	–	–	–	–	–	–	–	–	MS, Department of Refrigeration and Air Conditioning Engineering National Taipei University Director, Department of Nuclear and Fossil Power Projects, Taiwan Power Company Vice President, Taiwan Power Company Senior Research Officer, Taiwan Power Company	Senior Research Officer of Taiwan Power Company	–	–	–
	ROC	Representative: Tien-Ho Kuo	Male 61-70 years	2023.6.30	3 years	2021.9.2	–	–	–	–	–	–	–	–	MS, Department of Electrical Engineering National Cheng Kung University, Taiwan Director, Datan and Talin Thermal Power Plant, Power Generation, Taiwan Power Company Vice President, Taiwan Power Company	Vice President and Director & CEO of Division	–	–	–
	ROC	Representative: Ching-Hung Cheng	Male 41-50 years	2023.6.30	3 years	2023.6.30	–	–	–	–	–	–	–	–	MS, Department of Civil Engineering, National Taiwan University Director, Department of Corporate Planning, Taiwan Power Company Chief Administrator, Taiwan Power Company Vice President, Taiwan Power Company	Vice President of Taiwan Power Company	–	–	–

Title[1]	Nationality/ Registration	Name	Gender and age[2]	Elected (inaugurated) date	Tenure	Date of initial elected office[3]	Shareholdings at the time of elected office		Current shareholdings		Current shareholdings of spouse/minor children		Shareholdings in the name of a third party		Education and experience[4]	Concurrent positions in this and other companies	Other officers, directors, or supervisors of the company who is a spouse or relative within the 2nd degree under the Civil Code		
							Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship
Director	ROC	Jiansheng Investment Co., Ltd.	–	2023.6.30	3 years	2020.6.30	15,719,000	2.67%	19,141,591	2.62%	–	–	–	–	–	–	–	–	–
	ROC	Representative: Kuo-Hsiang Chao	Male 61-70 year	2023.6.30	3 years	2023.6.30	–	–	–	–	49,066	0.01%	–	–	BS, Department of Architecture, TungHai University. President, Tungwei Construction Company Director, Taiyen Biotech Company	President, Tungwei Construction Company Director, Taiyen Biotech Company	–	–	–
Director	ROC	Yuanjun Investment Limited	–	2023.6.30	3 years	2017.6.30	345,000	0.06%	415,304	0.06%	–	–	–	–	–	–	–	–	–
	ROC	Representative: Sheng-Chun Wang	Male 31-40 years	2023.6.30	3 years	2017.6.30	–	–	2,909,942	0.4%	22,000	–	–	–	MA, Department of Management, Boston University, USA Responsible Person, Yuanjun Investment Limited	Responsible Person, Yuanjun Investment Limited Director, Hunya Food Company	–	–	–
Director	ROC	TECO Electric & Machinery Co., Ltd.	–	2023.6.30	3 years	1992.4.14	11,527,432	1.96%	12,217,245	1.67%	–	–	–	–	–	–	–	–	–
	ROC	Representative: Sung-Pin Chang	Male 51-60 years	2023.6.30	3 years	2012.11.1	–	–	–	–	2,786	–	–	–	MS, Department of Chemical Engineering, National Tsing Hua University. President, Intelligence BU, TECO Electric & Machinery Company	President, Intelligence BU, TECO Electric & Machinery Company	–	–	–
Director	ROC	Formosa Heavy Industries Co., Ltd.	–	2023.6.30	3 years	1992.4.14	9,060,384	1.54%	9,602,567	1.31%	–	–	–	–	–	–	–	–	–
	ROC	Representative: Hsien-Hui Huang	Male 51-60 years	2023.6.30	3 years	2023.6.30[6]	–	–	–	–	–	–	–	–	EMBA, National Sun Yat-sen University Senior Vice President, Formosa Heavy Industries Company Director, Cogeneration Plant, Formosa Heavy Industries Company	Senior Vice President, Formosa Heavy Industries Company	–	–	
Independent director	ROC	Han-Shen Li	Male 71-80 years	2023.6.30	3 years	2020.6.30	–	–	–	–	–	–	–	–	BA, Department of Business Administration, Tamkang University. President, Taiwan Power Company	Convener of Audit Committee	–	–	–
Independent director	ROC	Ji-Sheng Ye	Male 51-60 years	2023.6.30	3 years	2020.6.30	–	–	–	–	–	–	–	–	LLB, Department of Law, National Taiwan University Responsible Person, JSY Law Firm. Independent Director, Taiwan Tobacco & Liquor Corporation.	Responsible Person, JSY Law Firm. Independent Director, Taiwan Tobacco & Liquor Corporation.	–	–	–
Independent director	ROC	Jiann-Fuh Chen	Male 61-70 years	2023.6.30	3 years	2023.6.30	–	–	–	–	–	–	–	–	PhD, Department of Electrical Engineering National Cheng Kung University Associate Dean, College of Electrical Engineering & Computer Science National Cheng Kung University Distinguished Professor, Department of Electrical Engineering National Cheng Kung University Director, Power Master International Investment Holdings	Director, Power Master International Investment Holdings Distinguished Professor, Department of Electrical Engineering National Cheng Kung University	–	–	–

[1]The name and representative(s) of institutional shareholders shall be listed individually (the name of institutional shareholders shall be indicated for representatives of institutional shareholders). Information shall be disclosed in Table 1 below.
[2]List the actual age in ranges, such as 41-50 years or 51-60 years.
[3]Indicate the first time of being a director or supervisor and specify disruptions, if any.
[4]Experience relating to current positions, such as a position in the CPA firm or its affiliates certifying this report in the said period. Specify both the title and duties.
[5]If the chairman and the president or equivalent role is the same person, its spouse, or the kindred at the first tier, state related information, including reasons, reasonability, necessity, and countermeasures (e.g., increase the number of independent directors, and at least half of them must not be the company's employees or managers).
[6]On January 1st, 113, Formosa Heavy Industries Co., Ltd. changed its corporate Representative to Hsien-Hui Huang.
[7]Our company has no supervisors.

Table 1 Major Shareholders of Institutional shareholders

April 2, 2024

Institutional shareholder[1]	Major Shareholders of Institutional shareholder[2]
Taiwan Power Company	Ministry of Economic Affairs 95.9% Bank of Taiwan Co., Ltd. Co., Ltd. 1.80% First Commercial Bank, Ltd. 0.57% Chang Hwa Commercial Bank, Ltd. 0.49% Hua Nan Commercial Bank, Ltd. 0.31% Taiwan Cooperative Bank Co., Ltd. 0.16% Land Bank of Taiwan Co., Ltd. 0.11% Taiwan Provincial Education Association 0.07% Taipei City Government 0.07% TRA Employee Welfare Committee 0.05%
Jian Sheng Investment Co., Ltd.	Zi-Rong Chen 31% Zi-Lin Chen 31% Guan-Tao Chen 31% Xiu-Lan Yan 2% Cheng-Xing Xiao 2% Jian-Cheng Yan 2% Ji-Fei Wu 1%
Yuan Jun Investment Ltd.	Sheng-Chun Wang 90% Wen-Rong Liu 10%
TECO Electric and Machinery Co., Ltd.	PJ Asset Management Co., Ltd. 17.45% Walsin Lihwa Corp. 10.81% Jar Yuan Investment Ltd. 5.29% Capital Tip Customized Taiwan Select High Dividend Exchange Traded Fund 2.69% Ho Yuan International Investment Ltd. 2.36% Creative Sensor Co., Ltd. 2.20% Tung Kuang Investment Co., Ltd. 1.50% Kuan Yuan Industrial Co., Ltd. 1.25% Ying Yi International Investment Co., Ltd. 1.05% Yu Wan International Investment Co., Ltd. 0.98%
Formosa Heavy Industries Corp.	Formosa Plastics Corp. 32.92% Formosa Chemicals and Fibre Corp. 32.91% Nan Ya Plastics Corp. 32.91% Formosa Petrochemical Corp. 1.26%

[1]When a major shareholder in Table 1 is an institutional shareholder, specify the name of such institutional shareholders.

[2]Fill in the name of the major shareholders (top ten shareholdings) and their shareholdings of such institutional shareholders

[3]The name and stake of non-company institutional shareholders shall be stated as mentioned above, i.e., the name and investment amount/donation ratio of investors or donors (please refer to the announcement of the Judicial Yuan) and indicate "deceased" for those who passed away.

Table 2 Major Shareholders of Institutional shareholders in Table 1

April 2, 2024

Institutional shareholder[1]	Major Shareholders of Institutional shareholder[2]
Bank of Taiwan Co., Ltd.	Taiwan Financial Holdings Co., Ltd. 100%
First Commercial Bank, Ltd.	First Financial Holding Co., Ltd. 100%
Chang Hwa Commercial Bank, Ltd.	Ministry of Finance 12.19% Tai Shin Financial Holding Co., Ltd. 10.35% Chunghwa Post Co., Ltd. 7.5% National Development Fund, Executive Yuan 5.42% First Commercial Bank, Ltd. 4.99% Excel Chemical Corporation 2.54% Taiwan Cooperative Bank Co., Ltd. 2.39% Hua Nan Commercial Bank, Ltd. 2.23% Bank of Taiwan Co., Ltd. 1.81% Land Bank of Taiwan Co., Ltd. 1.8%
Hua Nan Commercial Bank, Ltd.	Hua Nan Financial Holdings Co., Ltd. 100%
Taiwan Cooperative Bank Co., Ltd.	Taiwan Cooperative Financial Holding Co., Ltd. 100%
Land Bank of Taiwan Co., Ltd.	Ministry of Finance 100%
PJ Asset Management Co., Ltd.	Ho Yuan International Investment Co., Ltd. 100%
Walsin Lihwa Corp.	Chin-Xin Investment Co., Ltd 6.15% Winbond Electronics Corporation 6.14% TECO Electric and Machinery Co., Ltd. 5.22% LGT Bank (Singapore) Investment Fund under the custody of Business Department, Standard Chartered Bank (Taiwan) Ltd. 4.54% Rong Jiang Co., Ltd. 4.27% Fund Account of Yuan Ta Taiwan High Dividend ETF 3.31% Patricia Chiao 2.71% Hua Li Investment Corp. 2.65% Chunghwa Post Co., Ltd. 1.89% Yu-Heng Chiao 1.62%
Jar Yuan Investment Ltd.	Ho Yuan International Investment Ltd. 99.89% Chang Wei Management Consultants Ltd. 0.11%
Ho Yuan International Investment Ltd.	Shu-Chiung Tseng 98% Shu-Chen Pai 2%
Creative Sensor Co., Ltd.	TECO Image Systems Co., Ltd. 19.39% Universal Cement Corp. 8.83% Tien Da Investment Co., Ltd.8.26% Yu Rui Co., Ltd. 6.05% Universal Cement Investment Co., Ltd. 6.04% Tong-An Investment Co., Ltd. 5.31% Creative Sensor Inc. 4.08% Koryo Electronics Co., Ltd.3.82% TECO International Investment Co., Ltd. 3.56% TECO Electric & Machinery Co., Ltd. 1.43%

Institutional shareholder[1]	Major Shareholders of Institutional shareholder[2]
Tung Kuang Investment Co., Ltd.	Kuan Yuan Industrial Co., Ltd. 39.27% Lin-He-Huei Huang 35.01% Ming Ye Investment (HK) Ltd. 12.73% Tung Ho International Investment Co., Ltd. 6.00% Others 6.99%
Kuan Yuan Industrial Co., Ltd.	Tung Kuang Investment Co., Ltd. 34.46% Lin-He-Huei Huang 51.58% Ming Ye Investment (HK) Ltd. 10.0% Tung Ho International Investment Co., Ltd. 0.74% Others 3.22%
Ying Yi International Investment Co., Ltd.	Po-Chih Huang 99.28% Feng-Mei Hsu 0.72%
Yu Wan International Investment Co., Ltd.	Kuan Yuan Industrial Co., Ltd. 39.40% Tung Kuang Investment Co., Ltd. 30.41% Others 30.19%
Formosa Plastics Corp.	Chang Gung Medical Foundation 9.44% Formosa Chemicals & Fibre Corp. 7.65% Credit Suisse AG- Credit Suisse Singapore Branch 6.26% Nan Ya Plastics Corp. 4.63% Chindwell International Investment Corp. 4.16% Vanson International Investment Co., Ltd. 3.05% Formosa Petrochemical Corp. 2.07% Government of Singapore 1.78% Ming Chi University of Technology 1.43% Old Labor Pension Fund 1.29%
Formosa Chemicals and Fibre Corp.	Chang Gung Medical Foundation 18.58% Chindwell International Investment Corp. 6.35% Vanson International Investment Co., Ltd. 3.8% Formosa Plastics Corp. 3.39% Nan Ya Plastics Corp. 2.4% Wen-Yuan Wong 2.2% Fubon Life Insurance Co., Ltd. 2.1% Consolidated Power Development Corp. 1.63% Standard Chartered Bank (Taiwan) Ltd. 1.51% HSBC Bank (Taiwan) Limited In Custody for Consolidated Power Development Corp. 1.45%
Nan Ya Plastics Corp.	Chang Gung Medical Foundation 11.05% Formosa Plastics Corp. 9.88% Formosa Chemicals & Fibre Corp. 5.21% Chang Gung University 4% Vanson International Investment Co., Ltd. 2.39% Formosa Petrochemical Corp. 2.26% Chindwell International Investment Corp. 1.86% Standard Chartered International Bank in Custody for LGT Bank (Singapore) Ltd. 1.5% Citibank Taiwan in custody for Macro system Corp. 1.45% Standard Chartered Merchant Bank in Custody for Credit Suisse Singapore Branch 1.2%
Formosa Petrochemical Corp.	Formosa Plastics Corp. 28.56% Formosa Chemicals & Fibre Corp. 24.15% Nan Ya Plastics Corp. 23.11% Chang Gung Medical Foundation 5.79%

Institutional shareholder[1]	Major Shareholders of Institutional shareholder[2]
	Formosa Taffeta Co., Ltd 3.83% Standard Chartered Bank (Taiwan) Ltd. In Custody for Genesis Equity Group Inc. 0.6% HSBC Bank (Taiwan) Limited In Custody for Power Unlimited Corp. 0.51% Standard Chartered Bank (Taiwan) Ltd. In Custody for Central Capital Management Inc. 0.49% New Labor Pension Fund 0.49% HSBC Bank (Taiwan) Limited In Custody for Pacific Light and Power Corp. 0.48%

Profiles of Directors (2)

A. Professional Qualifications of Directors and Independency of Independent Directors

The Board shall be formed with members of different expertise. The current Board (12th) has 13 directors (including 3 independent directors, accounting for 23%; two of them are in their second term, while one is in the first term), and each has expertise to help operating TCC. Directors specializing in operational management or leadership decision include Shun-I Huang, Jenn-Yeong Wang, Sheng-Jen Hsiao, Ming-Teh Chiang, Tien-Ho Kuo, Ching-Hung Cheng, Kuo-Hsiang Chao, Sheng-Chun Wang, Sung-Pin Chang, and Hsien-Hui Huang; and independent directors Han-Shen Li and Jiann-Fuh Chen. Directors specializing in industry knowledge include Shun-I Huang, Jenn-Yeong Wang, Sheng-Jen Hsiao, Ming-Teh Chiang, Tien-Ho Kuo, Ching-Hung Cheng, Sheng-Chun Wang, Sung-Pin Chang and Hsien-Hui Huang; and independent directors Han-Shen Li, Ji-Sheng Ye and Jiann-Fuh Chen. Directors specializing in finance and accounting include Jenn-Yeong Wang; and independent director Han-Shen Li. Independent Director Ji-Sheng Ye specializes in legal affairs. Members of the current Board have different expertise to meet the corporate goal of board diversity. None of the three independent directors is also a director or employee of TCC or affiliates. They all comply with the Article 3, paragraph 1, subparagraphs 5-8, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, thus fulfilling the requirement for independency.

Condition / Name	Professional Qualifications and Experience[1]	Under any of the categories stated in Article 30 of the Company Act	Fulfillment of Independence[2]	Number of public companies holding independent directorship concurrently.
Shun-I Huang	Chairman, Board Meeting Chairman Director, Sales Department, Taiwan Power Company; Chairman, Taiwan Electric Research & Testing Center; MS, Electrical Engineering, Cornell University, New York, USA. Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Jenn-Yeong Wang	Vice President, Taiwan Power Company Chief Engineer, Taiwan Power Company; Chairman, Star Energy Power Corporation; EMBA, Accounting and Management Decision Group, National Taiwan University; MS, Department of Civil Engineering, National Chiao Tung University Expertise: Operations and management, leadership and decision-making, industrial knowledge, accounting	Yes	-	No

Condition / Name	Professional Qualifications and Experience[1]	Under any of the categories stated in Article 30 of the Company Act	Fulfillment of Independence[2]	Number of public companies holding independent directorship concurrently.
Sheng-Jen Hsiao	Vice President & CEO of Division, Taiwan Power Company Chief Engineer, Taiwan Power Company; Chairman, Star Energy Power Corporation; PhD, Department of Electrical Engineering, National Kaohsiung University of Applied Sciences Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Ming-Teh Chiang	Senior Research Officer, Taiwan Power Company Vice President, Taiwan Power Company; Director, Department of Nuclear and Fossil Power Projects, Taiwan Power Company; MS, Department of Refrigeration and Air Conditioning Engineering National Taipei University Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Tien-Ho Kuo	Vice President & CEO of Division, Taiwan Power Company Director, Datan and Talin Thermal Power Plant, Power Generation, Taiwan Power Company; MS, Department of Electrical Engineering National Cheng Kung University, Taiwan Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Ching-Hung Cheng	Vice President, Taiwan Power Company Chief Administrator, Taiwan Power Company; Director, Department of Corporate Planning, Taiwan Power Company; MS, Department of Civil Engineering, National Taiwan University Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Kuo-Hsiang Chao	President, Tungwei Construction Company; Director, Taiyen Biotech Company; BS, Department of Architecture, TungHai University. Expertise: Operations and management, leadership and decision-making	Yes	-	No
Sheng-Chun Wang	Responsible Person, Yuanjun Investment Ltd.; Director, Hunya Foods Co., Ltd. MBA, Boston University, USA Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No
Sung-Pin Chang	President, Intelligence BU, TECO Electric & Machinery Company MS, Department of Chemical Engineering, National Tsing Hua University. Expertise: Operations and management, leadership and decision-making, industrial knowledge	Yes	-	No

Condition / Name	Professional Qualifications and Experience[1]	Under any of the categories stated in Article 30 of the Company Act	Fulfillment of Independence[2]	Number of public companies holding independent directorship concurrently.
Hsien-Hui Huang	Senior Vice President, Formosa Heavy Industries Company Director, Cogeneration Plant, Formosa Heavy Industries Company EMBA, National Sun Yat-sen University Expertise: Operations and management, industrial knowledge	Yes	-	No
Han-Shen Li (independent director)	Convener of Audit Committee President, Taiwan Power Company. BA, Department of Business Administration, Tamkang University. Expertise: Operations and management, leadership and decision-making, industrial knowledge, finance and accounting	Yes	The three independent directors listed on the left have met the qualifications in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act, during the two years before the election and during their tenure and all independent directors have been given the power to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities Exchange Act, and as the basis of performing relevant powers independently.	No
Ji-Sheng Ye (independent director)	LLB, Department of Law, National Taiwan University; Independent Director, Taiwan Tobacco & Liquor Corporation. Responsible Person, JSY Law Firm. Expertise: Legal affairs, industrial knowledge	Yes		No
Jiann-Fuh Chen (independent director)	Director, Power Master International Investment Holdings; Distinguished Professor, Department of Electrical Engineering National Cheng Kung University Associate Dean, College of Electrical Engineering & Computer Science National Cheng Kung University; PhD, Department of Electrical Engineering National Cheng Kung University Expertise: Operations and management, industrial knowledge	Yes		No

B. Board diversity and independency

a. Board diversity: Policies, goals, and achievements of board diversity. The diversity policy includes, but not limited to, the criteria for director selection and the special qualifications, experience, gender, age, nationality, culture, and proportion of directors. The specific goals and achievements of the said policies are as follows:

The board diversity policy has been established in the Corporate Governance Best Practice Principles, stipulating that board member diversity should be considered, and diversification policies shall be established appropriate to the operations, business model, and development needs of TCC. Diversity shall include two aspects: (a) diversification of fundamental conditions and (b) professional knowledge and skills.

Management targets and achievements of the board diversity policy: Board composition shall conform to gender and age diversities, with members including different genders to lower the proportion of gender difference. The current Board has 13 members. The percentage is low because we are an energy and power business with lesser female employees in the related fields. In the future, we will continue to lower the gender difference of board members by recruiting one more female director. In age diversity, one member of the current Board is aged 31-40 years, one member is aged 41-50 years, four members are aged 51-60 years, seven over 60 years.

b. Board independency: Number, proportion, and fulfillment of independence of independent directors, and noncompliance with Article 26-3, paragraphs 3 and 4, Securities and Exchange Act, including a spousal relationship or relative within the second degree of kinship between directors, between supervisors, and between directors and supervisor:

   The Board fulfills independency because no noncompliance with Article 26-3, paragraphs 3 and 4, Securities and Exchange Act, was reported.

[1]Professional qualifications and experience: State the professional qualifications and experience of individual directors and supervisors. State the accounting and financial background and work experience of members of the audit committee specializing in accounting or finance. Also state if there is noncompliance with Article 30 of the Company Act.

[2]Fulfillment of independence of independent directors: Including, but not limited to the person, spouse, relatives within the second degree of kinship, whether or not they are a director, supervisor, or employee of the company or its affiliates; the number and proportion of shares held by person, spouse, relatives within the second degree of kinship (or in the name of others); whether or not they are a director, supervisor, or employee of companies having a specific relationship with the company (cf. Article 3, paragraph 1, subparagraphs 5-8, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); the amount of remuneration for providing business, legal, financial, accounting services for the company or its affiliates in the last two years.

[3]Please refer to the Codes of Corporate Governance Best-Practice section of the Corporate Governance Center website of the Taiwan Stock Exchange for disclosure methods.

(2) Profiles of president, vice presidents, assistant managers, department and branch heads

April 2, 2024

Title[1]	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings of spouse and minor children		Shareholdings in the name of a third party		Education and experience[2]	Positions in other Company	Manager who is a spouse or relative at the 2nd degree under the Civil Code			Remarks (Note 3)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
President & Vice President	ROC	Yi-Tong Chen	Male	2023.01	-	-	-	-	-	-	MA, Energy Planning and Economics, Asian Institute of Technology BS, Mechanical Engineering, National Taiwan Institute of Technology Chief, Planning Section, New Business Development Office, Taiwan Power Company. Vice President, Taiwan Cogeneration Corporation	Director, Taiwan Cogeneration International Corporation Chairman, Miaoli Wind Co., Ltd. Director, Ta-Yuan Cogen Co., Ltd.	N/A	N/A	N/A	N/A
Vice President	ROC	Shu-Shen Lin	Male	2016.06	-	-	178,864	0.002%	-	-	PhD, Mechanical Engineering, Technische Universität München, Deutschland TA of Thermal Power Equipment Seminar, Mechanical Engineering, Technische Universität München, Deutschland	Director, Chingshuei Geothermal Power Corporation President, Star Energy Power Corporation Director, Yi Yuan Corporation	N/A	N/A	N/A	N/A
Manager, Business Development Department	ROC	Shi-Yi Ho	Male	2022.01	130,360	0.002%	-	-	-	-	MS, Civil Engineering BS, Civil Engineering, National Taiwan University. Deputy Manager, Business Development Department, Chief, Planning & Investment Management Department Taiwan Cogeneration	Director, Star Energy Power Corporation Chairman and CEO, TCC Green Energy Corporation Director, Synergy Co., Ltd. Director, RP Energy	N/A	N/A	N/A	N/A
Manager, Purchasing Department	ROC	Yi-Liang Ou	Male	2016.08	-	-	-	-	-	-	BS, Department of Industrial Engineering, Tung Hai University	Director, Kuo Kuang Power Corporation	N/A	N/A	N/A	N/A
Manager, Planning & Investment Management Department	ROC	Shih-Yang Hsu	Male	2023.01	-	-	-	-	-	-	BS, Department of Mechanical Engineering, National Taiwan University of Science and Technology. Deputy Manager, Planning and Investment Management Department	Director, Kuo Kuang Power Co., Ltd. Director, Ta-Yuan Cogen Co., Ltd. Director, Chingshuei Geothermal Power Corporation Director, Yi-Yuan Co., Ltd. Director, RP ENERGY	N/A	N/A	N/A	N/A
Manager, Administration Department. Director, Office of Legal Affairs	ROC	Chia-Pin Chang	Male	2020.08	-	-	-	-	-	-	LLB, Soochow University Lawyer, K&L Gates LLP Director, Legal Office, Taiwan Cogeneration	Director, Star Buck Power Corporation Chairman, Yi Yuan Corporation Chairman, Chingshuei Geothermal	N/A	N/A	N/A	N/A
Manager, Finance Department	ROC	Shang-Heng Chou	Male	2023.12	-	-	-	-	-	-	BBA, Department of Banking, National Chengchi University Manager, Finance Department, Star Energy Corporation	Director, Miaoli Wind Co., Ltd.	N/A	N/A	N/A	N/A
Manager, Engineering Department	ROC	Te-Sheng Hsu	Male	2022.07	115,713	0.002%	-	-	-	-	Department of Mechanical Engineering, Lee-Ming College of Technology. Chief Engineer, Star Energy Corporation.	Chief Engineer & Manager, Department of Mechanical Engineering, Star Energy Corporation. Director, Miaoli Wind Co., Ltd. Chairman, Hamaguri Co., Ltd. Director, Star Wind Co., Ltd.	N/A	N/A	N/A	N/A
Plant Manager, Guan-tian Plant	ROC	Guo-Liang Hsu	Male	2020.07	-	-	-	-	-	-	BS, Department of Mechanical Engineering, Oriental Institute of Technology	Director, KHH Arena Corporation	N/A	N/A	N/A	N/A
Chief Governance Officer	ROC	Yen-Ling Chen	Female	2023.11	-	-	-	-	-	-	BS, Department of Business Mathematics, Soochow University Deputy Manager, Finance Department, Taiwan Cogeneration Corporation	Supervisor, Kuo Kuang Power Co., Ltd.	N/A	N/A	N/A	N/A
Director, Audit Office	ROC	Chia-Ling Tsai	Female	2023.12	-	-	-	-	-	-	MS, Materials Science, University of California, Los Angeles Director, Secretariat of the Board, Taiwan Cogeneration Corporation	-	N/A	N/A	N/A	N/A

[1]Data shall include president, vice presidents, assistant managers, and department and branch heads and those, regardless of titles, in a position equivalent to president, vice presidents, or assistant managers.

[2]Experience relating to the current position(s), such as a position in the CPA firm or its affiliates certifying the financial statements of the company, shall be specified, including title(s) and duties.

[3]If the president or equivalent role (CEO) and the chairman is the same person, its spouse, or the kindred at the first tier, state related information, including reasons, reasonability, necessity, and countermeasures (such as increasing the number of independent directors, and over one-half of non-staff directors or manager).

3. Remuneration for directors (including independent directors), president, and vice presidents in last year

(1) Remuneration for directors (including independent directors)

Remuneration for ordinary and independent directors (expressed in NT$ thousand)
(disclose the name and form of remuneration individually)

Title	Name (*1)	Director Remuneration								Total Compensation (A+B+C+D) and Ratio of Total Compensation to net profit after tax (*8)		Pay for director who is concurrently an employee								Total Compensation (A+B+C+D+E+F+G) and Ratio of Total Compensation to net profit after tax (*8)		Related remuneration from investees or the parent other than the subsidiaries (*9)
		Remuneration (A) (*2)		Retirement Allowance (B)		Remuneration for directors (*3)		Business execution expenses (D) (*4)				Salaries, bonuses, and special expenses, etc. (E) (*5)		Retirement Allowance (F)		Employee compensation (G) (*6)						
																The Company		All companies in the financial statement (*7)				
		The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	Cash	Stock	Cash	Stock	The Company	All companies in the financial statement (*7)	
Corporate Director	Taiwan Power Company	2,732	2,732	-	-	6,061	6,061	825	825	9,618/0.77%	9,618/0.77%	-	-	-	-	-	-	-	-	9,618/0.77%	9,618/0.77%	-
Chairman	Representative: Shun-I Huang	2,912	2,912	-	-	-	-	55	55	2,967/0.24%	2,967/0.24%	-	-	-	-	-	-	-	-	2,967/0.24%	2,967/0.24%	-
Director	Representative: Jenn-Yeong Wang	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Director	Representative: Tien-Ho Kuo	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Director	Representative: Ming-Teh Chiang	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Former Director	Representative: Jao-Hua Hsu	-	-	-	-	-	-	51	51	51/0.004%	51/0.004%	-	-	-	-	-	-	-	-	51/0.004%	51/0.004%	-
Director	Representative: Sheng-Jen Hsiao	-	-	-	-	-	-	52	52	52/0.004%	52/0.004%	-	-	-	-	-	-	-	-	52/0.004%	52/0.004%	-
Director	Representative: Ching-Hung Cheng	-	-	-	-	-	-	52	52	52/0.004%	52/0.004%	-	-	-	-	-	-	-	-	52/0.004%	52/0.004%	-
Former Director	Representative: Yuh-Ming Li	-	-	-	-	-	-	129	129	129/0.01%	129/0.01%	-	-	-	-	-	-	-	-	129/0.01%	129/0.01%	-
Corporate Director	Yuanjun Investment Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director	Representative: Sheng-Chun Wang	-	-	-	-	1,010	1,010	280	280	1,290/0.10%	1,290/0.10%	-	-	-	-	-	-	-	-	1,290/0.10%	1,290/0.10%	-
Corporate Director	Jiansheng Investment Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Former Director	Representative: Fu-Cin Hong	-	-	-	-	498	498	129	129	627/0.05%	627/0.05%	-	-	-	-	-	-	-	-	627/0.05%	627/0.05%	-
Director	Representative: Kuo-Hsiang Chao	-	-	-	-	512	512	151	151	663/0.05%	663/0.05%	-	-	-	-	-	-	-	-	663/0.05%	663/0.05%	-
Former Corporate Director	Ta Ya Electric Wire and Cable Co., Ltd.	-	-	-	-	498	498	-	-	498/0.04%	498/0.04%	-	-	-	-	-	-	-	-	498/0.04%	498/0.04%	-
Former Director	Representative: Wen-Bin Li	-	-	-	-	-	-	129	129	129/0.01%	129/0.01%	-	-	-	-	-	-	-	-	129/0.01%	129/0.01%	120
Former Corporate Director	Bohan Investment Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Former Director	Representative: Yi-Sian Chen	-	-	-	-	498	498	129	129	627/0.05%	627/0.05%	-	-	-	-	-	-	-	-	627/0.05%	627/0.05%	-
Corporate Director	TECO Electric & Machinery Co., Ltd.	-	-	-	-	512	512	-	-	512/0.04%	512/0.04%	-	-	-	-	-	-	--	-	512/0.04%	512/0.04%	-
Director	Representative: Sung-Pin Chang	-	-	-	-	-	-	151	151	151/0.01%	151/0.01%	-	-	-	-	-	-	--	-	151/0.01%	151/0.01%	-
Corporate Director	Formosa Heavy Industries Co., Ltd.	-	-	-	-	512	512	-	-	512/0.04%	512/0.04%	-	-	-	-	-	-	--	-	512/0.04%	512/0.04%	-
Director	Representative: Gu-Chuan Tsiou	-	-	-	-	-	-	151	151	151/0.01%	151/0.01%	-	-	-	-	-	-	--	-	151/0.01%	151/0.01%	-

Title	Name (*1)	Director Remuneration								Total Compensation (A+B+C+D) and Ratio of Total Compensation to net profit after tax (*8)		Pay for director who is concurrently an employee								Total Compensation (A+B+C+D+E+F+G) and Ratio of Total Compensation to net profit after tax (*8)		Related remuneration from investees or the parent other than the subsidiaries (*9)
		Remuneration (A) (*2)		Retirement Allowance (B)		Remuneration for directors (*3)		Business execution expenses (D) (*4)				Salaries, bonuses, and special expenses, etc. (E) (*5)		Retirement Allowance (F)		Employee compensation (G) (*6)						
		The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company	All companies in the financial statement (*7)	The Company		All companies in the financial statement (*7)		The Company	All companies in the financial statement (*7)	
																Cash	Stock	Cash	Stock			
Former Independent Director	Yao-Wen Lin	179	179	-	-	498	498	169	169	846/0.07%	846/0.07%	-	-	-	-	-	-	-	-	846/0.07%	846/0.07%	-
Independent Director	Han-Shen Li	360	360	-	-	1,010	1,010	365	365	1,735/0.14%	1,735/0.14%	-	-	-	-	-	-	-	-	1,735/0.14%	1,735/0.14%	-
Independent Director	Ji-Sheng Ye	360	360	-	-	1,010	1,010	365	365	1,735/0.14%	1,735/0.14%	-	-	-	-	-	-	-	-	1,735/0.14%	1,735/0.14%	-
Independent Director	Jiann-Fuh Chen	181	181	-	-	512	512	196	196	889/0.07%	889/0.07%	-	-	-	-	-	-	-	-	889/0.07%	889/0.07%	-

1.State the policy, system, standard, and structure of remuneration for independent directors and the relevance to the amount of remuneration in terms of their duty, risk, and time of involvement: The payments to the directors of the Company include remuneration, rewards, travel expenses, and attendance allowance. With respect to the Company’s Articles of Incorporation, if there is profit in the year, not more than 1% will be appropriated as the profit sharing (remuneration) for directors, and this rate shall not be higher than that of the profit sharing for employees. If there is accumulated deficit, however, the amount for compensation shall be retained before calculating the profit sharing for directors and employees based on the balance. With respect to Articles of Incorporation, the BOD is authorized to determine the reward for directors with respect to their involvement in and contribution to the corporate operations and in consideration with the general standards in the industry. Directors may claim the travel expense at an amount approved by the BOD. For ordinary directors, only the fixed rewards including travel expense and attendance allowance will be distributed, and no variable rewards are distributed. In addition, as independent directors are concurrently members of the remuneration, audit, nomination, and other functional committees with higher workload, more risk, and longer working hours, it is approved by the board of directors on April 1, 2021 that they are salaried (rewarded) and adjusted from NT$21,000 each month to NT$30,000 per month, while ordinary directors are unsalaried. Directors are remunerated in accordance with the company’s financial performance and director performance (covering six aspects: alignment with the corporate goals and missions, awareness of directorial duties, involvement in corporate organization, internal relationship maintenance and communication, expertise and continuing education, and internal control). Compared to the salary for independent directors of other listed companies, this amount is fair and reasonable.

2.Pay for services (such as non-employee consultant of the parent/all companies listed in the financial statements/investees) specified in the financial statements provided by directors in the previous year not specified above: 0.

*List the related information of directors (ordinary directors who are not independent directors) and independent directors individually.

Note 1: Fill in the name of each director individually (the name of institutional shareholders and their representatives shall also be listed individually), and ordinary directors and independent directors shall be listed separately to disclose the amount of remuneration to each in aggregate. A director who is concurrently the president or a vice president of the company shall be stated in this table and the tables below (3-1) or (3-2-1) and (3-2-2). (Data as of December 31, 2023)

Note 2: Refer to the remuneration (including salary, duty allowances, redundancy pay, bonuses, awards, etc.) of directors in the previous year.

Note 3: Fill in the amount of remuneration for directors approved by the board of directors in the latest fiscal year.

Note 4: Refer to the remuneration for related Business execution expenses (including attendance fee, special disbursement, all types of allowances, accommodation, company car, and other subsidies in kind). If the company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature and the cost of the asset, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. When drivers are assigned to directors, please specify the pay of such drivers. Such pay shall not be included in the remuneration to directors.

Note 5: When a director is concurrently an employee (including serving as the president, vice president, other managers, and regular employees) of the company, this refers to the salaries, duty allowances, pensions, bonuses, awards, attendance fee, special disbursements, all types of allowances, housing, company car, and other subsidies in kind. If the company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature and the cost of the asset, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. When drivers are assigned to directors, please specify the pay of such drivers. Such pay shall not be included in the remuneration to directors. In addition, the salary payment adopted under IFRS 2 “Share-based Payment” includes employee stock option certificates, restricted stock awards, and subscription of common stocks issued for cash. They shall be included in the remuneration for directors.

Note 6: When a director is concurrently an employee (including serving as the manager, vice presidents, other managers, and regular employees) and receive employee compensation (including stock and cash) in the previous year, the company shall disclose the amount of employee compensation approved by the board of directors in the previous year. If the compensation cannot be estimated, the company shall calculate the proposed distribution balance this year based on the amount of actual distribution in the previous year. The company shall also fill in Schedule 1-3.

Note 7: The company shall disclose the total amount of all types of remunerations paid to directors by all firms (including the company) in the consolidated financial statements.

Note 8: "Net earnings after tax" refers to the net profit after tax in the previous year. When IFRS is applied, this shall refer to the net profit after tax in the individual financial statement or consolidated financial statement of the previous year.

Note 9: a. The amount of remuneration a director receives from investees other than subsidiaries or the parent shall be specified in this column (fill in "N/A" for none).

b. When a director receives remunerations from an investee other than a subsidiary or the parent, the amount of such remunerations shall be combined in column I of the Increments of Remuneration table, and the column shall be renamed "Parent and All Investees".

c. Remuneration here refers to the remuneration and pay (including the pay for an employee, a director, and a supervisor) and pay for professional practice that a director receives from an investee other than a subsidiary or the parent as its director, supervisor, or manager.

*The concept of remuneration disclosed in the above table is different from that of the Income Tax Act. All information disclosed is informative and does not serve as evidence for taxation.

(2) Remuneration for the president and vice presidents

Remuneration for the President and Vice Presidents (expressed in NT$ thousand)
(disclose the name and form of remuneration individually)

Title	Name	Salary (A) (*2)		Severance Pay/ Retirement Allowance (B)		Bonuses & Special expenses (C) (*3)		Amount of Employee profit sharing from earnings distribution (D) (*4)				Total Compensation (A+B+C+D) and Ratio of Total Compensation to net profit after tax (*6)		Related remuneration from investees other than the subsidiaries or the parent (*7)
		The Company	All companies in the financial statement (*5)	The Company	All companies in the financial statement (*5)	The Company	All companies in the financial statement (*5)	The Company		All companies in the financial statement (*5)		The Company	All companies in the financial statement (*5)	
								Cash	Stock	Cash	Stock			
President & Vice President	Yi-Tong Chen	3,029	3,029	0	0	1,272	1,272	678	0	678	0	4,979 0.40%	4,979 0.40%	0
Vice President	Shu-Shen Lin	2,628	2,628	0	0	1,092	1,092	573	0	573	0	4,293 0.34%	4,293 0.34%	0

*Regardless of titles, positions equivalent to a president or a vice president (e.g., general manager, CEO, director, etc.) shall all be disclosed.

Note 1: Fill in the name of each president or vice president individually (the name of institutional shareholders and their representatives shall also be listed individually) and the amount of remuneration to each shall be disclosed in aggregate. A director who is concurrently the president or a vice president of the company shall be stated in this table and the above table below (1-1).

Note 2: Refer to the salary, duty allowances, and severance pay of presidents and vice presidents in the previous year.

Note 3: Refer to the amount of bonuses, awards, attendance fees, special disbursements, duty allowances, housing, company car, other subsidies in kind, and other remunerations paid to a president or vice president in the previous year. If the company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature and the cost of the asset, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. When drivers are assigned to supervisors, please specify the pay of such drivers. Such pay shall not be included in the remuneration to supervisors. In addition, the salary payment adopted under IFRS 2 “Share-based Payment” includes employee stock option certificates, restricted stock awards, and subscription of common stocks issued for cash. They shall be included in the remuneration for presidents and vice presidents.

Note 4: Refers to the compensation for employees (including stock and cash) distributed to presidents and vice presidents approved by the board of directors in the previous year. If the compensation cannot be estimated, the company shall calculate the proposed distribution balance this year based on the amount of actual distribution in the previous year. The company shall also fill in Schedule 1-3. Where IFRS is applied, “net earnings after tax” refers to the net profit after tax in the previous year. When IFRS is applied, this shall refer to the net profit after tax in the individual financial statement or consolidated financial statement of the previous year.

Note 5: The total amount of all types of remunerations paid to each president and vice president by all firms (including the company) disclosed in the consolidated financial statement.

Note 6: “Net earnings after tax” refers to the net profit after tax in the previous year. When IFRS is applied, this shall refer to the net profit after tax in the individual financial statement or consolidated financial statement of the previous year.

Note 7: a. The amount of remunerations the president and vice presidents receive from investees other than subsidiaries or the parent shall be specified in this column (fill in “NA” for none).

b. When the president and vice presidents receive remunerations from an investee other than a subsidiary or the parent, the amount of such remunerations shall be combined in column I of the Increments of Remuneration table, and the column shall be renamed “Parent and All Investees”.

c. Remuneration here refers to the remuneration and pay (including the pay for an employee, a director, and a supervisor) and pay for professional practice that a director receives from an investee other than a subsidiary or the parent as its director, supervisor, or manager.

*The concept of remuneration disclosed in the above table is different from that of the Income Tax Act. All information disclosed is informative and does not serve as evidence for taxation.

(3) Compensation for Managers (expressed in NT$1,000)

December 31, 2023

	Title (Note 1)	Name (Note 1)	Stock	Cash	Total	Ratio in net earnings after tax (%)
Managers	President & Vice President	Yi-Tong Chen	0	1,295	1,295	0.10%
	Vice President	Shu-Shen Lin				
	Former Finance/ Accounting officer	Chih-Jie Shiu				
	Finance officer	Shang-Heng Chou				
	Accounting officer	Ming-Yeh Lee				

Note 1: The name and title of managers shall be disclosed individually. However, the distribution of profit can be disclosed in aggregate.

Note 2: Refers to the compensation for employees (including stock and cash) approved by the board of directors in the previous year. If the compensation cannot be estimated, the company shall calculate the proposed distribution balance this year based on the amount of actual distribution in the previous year. The company shall also fill in Schedule 1-3. Where IFRS is applied, "net earnings after tax" refers to the net profit after tax in the previous year. When IFRS is applied, this shall refer to the net profit after tax in the individual financial statement or consolidated financial statement of the previous year.

Note 3: Referring to Letter Tai-Cai-Zheng-San-Zi No. 0920001301 (Taiwan-Finance-Securities-III-0920001301) of the Financial Supervisory Commission dated 27 March 2003, the scope of managers is as follows:
(1) President and equivalent level;
(2) Vice president and equivalent level;
(3) Assistant manager and equivalent level;
(4) Financial officer;
(5) Accounting officer;
(6) Other managers and authorized personnel.

Note 4: In addition to Table 1-2, directors, presidents, and vice presidents receiving compensation for employees (including stock and cash) shall be disclosed in this table.

(4) A comparative description with analysis on the ratio taken by the gross total of remuneration paid by the company and all firms disclosed in the consolidated financial statements to the directors, presidents and vice presidents of the company to the net earnings after tax over the past two years.

Title	The ratio taken by the gross total of remuneration paid by the company to the directors, presidents and vice presidents of the company to the net earnings after tax		The ratio taken by the gross total of remuneration paid by all firms disclosed in the consolidated financial statements to the directors, presidents and vice presidents of the company to the net earnings after tax	
	2022	2023	2022	2023
Directors	2.18%	1.88%	2.18%	1.88%
Presidents and Vice Presidents	1.20%	0.75%	1.49%	0.75%

Note 1:The payment policy to directors, standards, compositions, procedure, relation to operation performance: The payments to the directors of TCC include remuneration, rewards, travel expenses, and attendance allowance. With respect to TCC's Articles of Incorporation, if there is profit in the year, not more than 1% will be appropriated as the profit sharing (remuneration) for directors, and this rate shall not be higher than that of the profit sharing for employees. With respect to Articles of Incorporation, the BOD is authorized to determine the reward for directors with respect to their involvement in and contribution to the corporate operations and in consideration with the general standards in the industry. Directors may claim the travel expense at an amount approved by the BOD. Only the fixed rewards including travel expense and attendance fee allowance will be distributed, and no variable rewards are distributed. In addition, as independent directors are concurrently members of the remuneration, audit, nomination, and other functional committees with higher workload, more risk, and longer working hours, it is approved by the board of directors on April 1, 2021 that they are salaried (rewarded) and adjusted from NT$21,000 each month (adjusted to NT$30,000 per month), while ordinary directors are unsalaried. Directors are remunerated in accordance with TCC's financial performance and director performance (covering six aspects: alignment with the corporate goals and missions, awareness of directorial duties, involvement in corporate organization, internal relationship maintenance and communication, expertise and continuing education, and internal control).

Note 2:The payment policy to Presidents and vice Presidents, standards, compositions, procedure, relation to operation performance: The composition of the salary of presidents and vice presidents includes base salary, duty allowances, and food allowance. A president or vice president is salaried based on his/her educational attainments, work experience, work performance, and service length. We have established the performance evaluation regulations and employee remuneration system (including managers). According to Article 36 of TCC charter, if there is profit in the year, a minimum of 0.5% should be appropriated as remuneration for employees and a maximum of 1% as remuneration for directors, and the latter must not be higher than the former. In addition, the "Bonus Distribution Regulations" stipulate that the performance bonus in the employee's pay includes profit sharing and performance evaluation. Every year, we include corporate governance, operational performance, energy conservation & carbon reduction, renewable energy development, and ESG-related items in TCC's general goal and KPIs. The performance of officers and employees are evaluated based on the achievement of the departmental KPIs, and bonuses are calculated according to the formulas to link the results of performance evaluation and the performance bonus and employee pay.

Note 3:Interrelationship with future risks: None.

4. Implementation of Corporate Governance

(1) The operation of the board of director (BOD)

A. Nine (A) Board meetings were held in the most recent fiscal year (January 1, 2023 to April 2, 2024)

a. The 11th Board of Directors consisted of thirteen directors, with a tenure from June 30, 2020 to June 29, 2023. Two (A) board meetings were held in the most recent fiscal year.

b. The 12th Board of Directors consisted of thirteen directors, with a tenure from June 30, 2023 to June 29, 2026. Seven (A) board meetings were held in the most recent fiscal year.

c. The attendance of directors at meetings is as follows:

Title	Name (Note 1)	Attendance in person (B)	Attendances through proxy	Actual attendance rate (%) [B/A] (Note 2)	Remarks
Chairman (TPC)	Shun-I Huang	9	0	100%	Office re-elected in June 30, 2023
Director (TPC)	Jenn-Yeong Wang	7	2	78%	Office re-elected in June 30, 2023
Director (TPC)	Sheng-Jen Hsiao	5	2	71%	Inaugurated June 30, 2023
Director (TPC)	Ming-Teh Chiang	5	3	56%	Office re-elected in June 30, 2023
Director (TPC)	Tien-Ho Kuo	7	2	78%	Office re-elected in June 30, 2023
Director (TPC)	Ching-Hung Cheng	6	1	86%	Inaugurated June 30, 2023
Director (Jiansheng Investment)	Kuo-Hsiang Chao	6	1	86%	Inaugurated June 30, 2023
Director (Yuanjun Investment)	Sheng-Chun Wang	9	0	100%	Office re-elected in June 30, 2023
Director (TECO Corporation)	Sung-Pin Chang	6	1	86%	Inaugurated June 30, 2023
Director (Formosa Heavy Industries)	Hsien-Hui Huang	1	0	100%	Inaugurated January 1,2024
Independent Director	Han-Shen Li	9	0	100%	Office re-elected in June 30, 2023
Independent Director	Ji-Sheng Ye	9	0	100%	Office re-elected in June 30, 2023
Independent Director	Jiann-Fuh Chen	7	0	100%	Inaugurated June 30, 2023
Former Director (TPC)	Jao-Hua Hsu	2	0	100%	Office relieved on June 30, 2023
Former Director (TPC)	Yuh-Ming Li	2	0	100%	Office relieved on June 30, 2023
Former Director (Ta Ya)	Wen-Bin Li	2	0	100%	Office relieved on June 30, 2023
Former Director (Jiansheng Investment)	Fu-Cin Hong	2	0	100%	Office relieved on June 30, 2023
Former Director (Bohan Investment)	Yi-Hsien Chen	2	0	100%	Office relieved on June 30, 2023
Former Director (Formosa Heavy Industries)	Gu-Chuan Tsiou	4	2	67%	Inaugurated June 30, 2023 Office relieved on January 1,2024
Former Independent Director	Yao-Wen Lin	2	0	100%	Office relieved on June 30, 2023

Note 1: For corporate directors and supervisors, disclose their names and the name of their representatives.

Note 2: (1) If a director or supervisor resigns before the end of a fiscal year, the service termination date should be stated in the remarks section. The actual attendance rate (%) is calculated with the number of BOT meetings when they are on BOD and the actual number of BOT meetings attended by a member (including as a guest).

(2) When there is a BOD re-election before the end of a fiscal year, the name of former and current BOD members should both be listed, including the status of a director: former, new, or re-elected, and the re-election date. The actual attendance rate (%) is calculated with the number of BOT meetings in the term and the actual number of BOT meetings attended by a member (including as a guest).

B. Any other matters that need to be specified:

a. The date, session, proposal content, and resolution specified and the opinion expressed by independent directors shall be specified under any one of the following circumstances:

(a) Matters specified in Article 14-3 of the Securities and Exchange Act.

(b) Other board resolutions to which objections or qualified opinions for the record or in writing are expressed by independent directors.

b. When there is avoidance of conflicts of interest by a director, specify the name of that director, the involved proposal(s), the cause(s) of the avoidance of conflicts of interest, and the participation in voting of that director: Chairman Shun-I Huang avoided from the Proposal of Salary for the Chairman, 2024 Chairman Evaluation and Salary Raise and Full-scale Salary Raise and Proposal of 2022 and 2023 Chairman Operations and Performance Bonuses without voting.

c. Listed companies shall disclose the information regarding the cycle and duration, scope, method, and contents of self-assessment (peer assessment) of the board of directors and fill in board performance evaluation. Please refer to 4-(2).

d. Assessment of goals for enhancing the functions of the board of directors in the current and recent fiscal years (e.g., establishment of an audit committee, enhancing information transparency, etc.) and the execution status:

(a) TCC have established the Rules of Procedure for Board Meetings in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. 【After the meeting, directors present in the meeting disclosed the director attendance on MOPS after the meeting accordingly.】

(b) In 2015, TCC already established the Corporate Governance Best Practice Principles, Insider Trading Prevention Regulations, Code of Ethics, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Corporate Sustainability Best Practice Principles to strengthen BOD competency, and the implementation outcomes are reported to BOD for recordation. These regulations, guidelines and principles are established to provide a dependable reference for BOD to determine the strategy for business operations, practice CSR, supervise organizational operations and management in order to pursue sustainable development and increase long-term value for shareholders.

(c) The Remuneration Committee was established by TCC in December 2011. The operation and oversight of this committee include periodically reviewing the annual and long-term performance indicators, as well as the policy, system, standard, and structure of salaries/remuneration for directors. The Remuneration Committee held four meetings in the most recent fiscal year (January 1, 2023 to April 2, 2024). Please refer to the Operation of Remuneration Committee section for details of the proposals passed.

(d)The Audit Committee was established by TCC in July 2017. The operation and oversight of this committee include the fair expression of financial statements; CPA appointment (dismissal), independence, and performance; the effectiveness of implementation of the internal control system; compliance performance; and the control of inherent or potential risks. A total of eight committee meetings were held in the most recent fiscal year (January 1, 2023 to April 2,2024). Please refer to the Operation of Audit Committee for section for the details of the proposal passed.

(e)The Nomination Committee was established by TCC in December 2019. The operation and oversight of this committee aim to enhance the functionality of the board of directors and strengthen management mechanisms. During the most recent fiscal year (January 1, 2023 to April 2, 2024), the Nomination Committee convened four meetings, and details of the proposals passed can be found in the Operation of Nomination Committee section.

(2) Board Evaluation

To realize corporate governance and enhance the board's functions, TCC already established the "Regulations for Board Performance Assessment" in November 2016. Apart from the internal assessment of the board's performance according to the assessment procedures and assessment indicators each year, the Regulations also stipulate the external board performance assessment by external institutions or scholars/experts teams at least once every three years. The results of the internal and external assessments of board performance should be completed by Q1 of the coming fiscal year. The performance evaluation of the board of directors is as follows:

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Scope of evaluation (Note 3)	Evaluation method (Note 4)	Evaluation items (Note 5)
The internal assessment of the board's performance each year	January 1, 2023-December 31, 2023	The performance assessment of the entire board of directors and individual directors	Internal self-evaluation by the Board of Directors, self-assessment by directors	The overall board performance evaluation encompasses five major aspect: (1) participation in the company's operations;(2) improvement of the decision quality of the board of directors;(3) composition and structure of the board of directors;(4) selection and continuing education of directors; and (5) internal control. In addition, directors are requested to evaluate their performance in terms of six aspects: (1) understanding of corporate goals and missions;(2) understanding of their duties and responsibilities;(3) participation in the company's operations;(4) internal relation maintenance and communication; (5) expertise and continuing education; and (6) internal control. The results of the 2023 overall BOD evaluation and director self-evaluation are over 80 marks, suggesting the performance was "good." These results were reported to BOD for recordation on March 13, 2024.
	January 1, 2023-December 31, 2023	The performance evaluation of functional committees	Internal self-evaluation by committee members	The performance evaluation of functional committees covers five aspects: (1) participation in the company's operations;(2) understanding of the duties and responsibilities of the functional committee;(3) improvement of the decision-making quality of the functional committee;(4) composition and member selection of the functional committee; and (5) internal control. The results of the 2023 overall evaluation of the Audit Committee, Remuneration Committee, and Nomination Committee are over 80 marks, suggesting the performance was "good." These results were reported to BOD for recordation on March 13, 2024.
External board performance assessment by external institutions or scholars/experts teams at least once every three years.	September 1, 2021-August 31, 2022	Entire board of directors	TCC commissioned the external board performance evaluation for 2021 from the Taiwan Corporate Governance Association (TCGA) and completed the assessment, issuing the evaluation report on October 5, 2022.	(1) Composition of the board of directors, (2) Guidance of the board of directors, (3) Authorization of the board of directors, (4) Supervision by the board of directors, (5) Communication of the board of directors, (6) Internal control and risk management, (7) Self-discipline of the board of directors, (8) Others (such as board meetings, support systems, etc.). TCC had reported to the Board of directors on December 5, 2022.The report result has been disclosed on official website.

Note 1: Refers to the cycle of Board evaluations.

Note 2: Refers to the period covered by the Board evaluation.

Note 3: The scope of performance evaluations includes the Board of Directors, individual directors, and functional committees.

Note 4: The evaluation method includes internal self-evaluation by the Board of Directors, self-assessment by directors, peer evaluation, and entrusting external professional institutions and experts or using other appropriate methods for performance evaluation.

Note 5: According to the scope of evaluation, evaluation items must at least include the following items:

(1)Board performance evaluation: At least includes level of participation in company operations, the quality of Board decisions, Board composition and structure, appointment of directors and their continued development, and internal controls.

(2)Individual director performance evaluation: At least includes grasp of company targets and missions, understanding of the director's responsibilities, level of participation in company operations, internal relationship management and communication, director's specialty and continued development, and internal controls.

(3)Functional committee performance evaluation: Participation in company operations, understanding of the responsibilities of functional committees, improvement of the decision-making quality of functional committees, composition of functional committees, and member selection and internal control.

(3) The Operation of Audit Committee

A. The Audit Committee is composed of three independent directors. It aims to assist the BOD in supervising TCC's accounting, audit, and financial reporting processes and the quality and integrity in financial control. The Audit Committee held eight committee meetings in the most recent fiscal year (January 1, 2023 to April 2, 2024) to audit the following matters:

a. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.

b. Assessment of the effectiveness of the internal control system.

c. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.

d. A matter bearing on the personal interest of a director.

e. A material asset or derivatives transaction.

f. A material monetary loan, endorsement, or provision of guarantee.

g. The offering, issuance, or private placement of any equity-type securities.

h. The hiring or dismissal of an attesting CPA, or the compensation given thereto.

i. The appointment or discharge of a financial, accounting, or internal auditing officer.

j. Annual financial statements and second-quarter financial statements that must be audited and certified by a CPA.

k. Other material matters as required by TCC or the competent authority.

(a) Review of financial statements

The Board of Directors has prepared the business report, financial statements and proposal for profit distribution of 2023. After auditing the financial statements, Deloitte Taiwan has issued an audit report. After reviewing the business report, financial statements and proposal for profit distribution, this Audit Committee found no nonconformity.

(b) Assessment of the effectiveness of the internal control system.

The Audit Committee assesses the effectiveness of the policies and procedures (including the measures for controlling finance, operations, risk management, information security, outsourcing, and legal compliance) of the internal control, and reviews TCC's audit department and CPAs, and the management's periodic reports, including risk assessment and legal compliance. With respect to the Internal Control—Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the Audit Committee found that the design and implementation of TCC's internal control is effective.

(c) Appointment of CPA

The Audit Committee is assigned to supervise the independence of CPA firms to ensure the impartiality of financial statements. In general, a CPA firm shall not provide other services than tax-related services or specifically approved items. All services provided by a CPA firm shall be approved by the Audit Committee. To ensure the independency of a CPA firm, with respect to the independency assessment sheet designed according to Article 47 of the Certified Public Accountant Act and CPA Code of Professional Ethics Bulletin 10 “Audit and Review Independency”, the Audit Committee assesses the expertise and independence of and suitability of remuneration for CPAs; and if the CPAs are related parties or having business or financial interests with TCC. At the 5th meeting of the 3nd Audit Committee on December 20, 2023 and the 6th meeting of the 12th Board of Directors on December 22, 2023, the Audit Committee and Board reviewed and approved that CPAs Chao-Mei Chen and Cheng-Qun Yu of Deloitte Taiwan pass the independence assessment and are thus qualified for being the CPAs of TCC’s financial and tax affairs.

B. We established the Audit Committee on July 27, 2017. Eight (A) Audit Committee meetings were held in the most recent fiscal year (January 1, 2023 to April 2 2024).

a. The 2th Audit Committee consisted of three independent directors, with a tenure from June 30, 2020 to June 29, 2023. Two (A) Audit Committee meetings were held in the most recent fiscal year..

b. The 3th Audit Committee consisted of three independent directors, with a tenure from June 30, 2023 to June 29, 2026. Six (A) Audit Committee meetings were held in the most recent fiscal year.

c. The attendance record of independent directors is tabulated below:

Title	Name	Attendance in Person (B)	Attendance through Proxy	Attendance Rate in Person (B/A) (%)[1,2]	Note
Independent Director	Han-Shen Li	8	0	100%	Office re-elected in June 30, 2023
Independent Director	Ji-Sheng Ye	8	0	100%	Office re-elected in June 30, 2023
Independent Director	Jiann-Fuh Chen	6	0	100%	Inaugurated June 30, 2023
Former Independent Director	Yao-Wen Lin	2	0	100%	Office relieved on June 30, 2023

[1] When independent directors retire before the last day of a fiscal year, remark the retirement date on the note and calculate the actual attendance rate (%) according to the number of committee meetings held and their attendances during the tenure.

[2] When independent directors are re-elected before the last day of a fiscal year, list the names of both the former and current independent directors and remark their status and the date of re-election in the note. Calculate the actual attendance rate (%) according to the number of committee meetings held and their attendances during the tenure.

C. Any other matters that need to be specified:

a. In the event that any of the following situations occur in the operation of the Audit Committee, shall be specified, including the date and session of the Audit Committee meeting, the proposal content, the opinion of independent directors with objections, reservations, or material recommendations. Furthermore, the decisions made by the Audit Committee and TCC's response to the opinions of the Audit Committee should be outlined.

(a) Matters specified in Article 14-5 of the Securities and Exchange Act

Audit Committee Meeting Date/Session	Proposal Contents and Resolutions	Opinion & Qualified Opinion or Important Recommendations of Independent Directors	The Company's Response to the Opinion of Audit Committee
2023.3.10 2nd Term, 21th meeting	1. 2022 business report and financial statements. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and referred it to the 2023 AGM for ratification.
	2. 2022 profit distribution. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and referred it to the 2023 AGM for ratification.
	3. The new shares through capitalization of earnings. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and referred it to the 2023 AGM for ratification.
	4. Intend to amend to part of the articles of the "Loaning of Funds and Making of Endorsements/Guarantees Operating Procedure". Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Audit Committee and referred it to the 2023 AGM for ratification.
	5. 2022 internal control system self-assessment report and Statement of Internal Control System on December 31, 2022. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and issued the Statement of Internal Control System of December 31, 2022.
2023.5.10 2nd Term, 22th meeting	1. Consolidated financial statement of 2023Q1. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	2. Control table of the internal control follow-up report. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
2023.8.9 3nd Term, 2th meeting	1. Consolidated financial statement of 2023Q2. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	2. Amendment to part of the content and item of the Internal Control System. Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Audit Committee.

Audit Committee Meeting Date/Session	Proposal Contents and Resolutions	Opinion & Qualified Opinion or Important Recommendations of Independent Directors	The Company's Response to the Opinion of Audit Committee
2023.10.5 3rd Term, 3th meeting	1. Intend to request for Approval of Further Investment in Star Wind Corporation for the 'Star Power Hanbao Area Onshore Wind Power Development Project' Investment Proposal. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
2023.11.9 3rd Term, 4th meeting	1. Consolidated financial statement of 2023Q3. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	2. Proposed amendment to change the title of our company's "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises" to "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties," and to amend certain articles accordingly. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	3. Control table of the internal control follow-up report. Resolution: Passed after revision.	Recommend revisions to certain content.	The Internal Audit Office has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
2023.12.20 3rd Term, 5th meeting	1. 2024 Sales Plan and Budget. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	2. 2024 Assessment and appointment of CPAs and auditing fee of the "Audit and Certification of Financial Statements and Tax". Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee.
	3. 2024 Periodic Audit Program. Resolution: Passed after revision.	Recommend revisions to certain content.	The Internal Audit Office has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Audit Committee.
2024.3.13 3rd Term, 6th meeting	1. 2023 business report and financial statements. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and referred it to the 2024 AGM for ratification.
	2. 2023 profit distribution. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation result of the Audit Committee and referred it to the 2024 AGM for ratification.

Audit Committee Meeting Date/Session	Proposal Contents and Resolutions	Opinion & Qualified Opinion or Important Recommendations of Independent Directors	The Company's Response to the Opinion of Audit Committee
	3. 2023 internal control system self-assessment report and Statement of Internal Control System on December 31, 2023. Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Audit Committee and issued the Statement of Internal Control System of December 31, 2023.
	4. Amend to part of the content and item of the Rules Governing Financial and Business Matters Between this Corporation and its Related Parties. Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Audit Committee.

(b) Other matters unapproved by the Audit Committee but resolved by over two thirds of all directors: None.

b. When there is avoidance of conflicts of interest by an independent director, the name of that independent director, the involved proposal(s), the cause(s) of the avoidance of conflicts of interest, and the participation in voting of that independent director shall be specified: None.

c. Communication between independent directors and the internal chief auditor and accountant (shall include communication on TCC's material financial and sales affairs, including the topics, methods, and results of communication):

(a) Method(s) of communication between independent directors and the internal chief auditor and accountant

(a).1 Apart from submitting to independent directors for review each month an audit report covering the status of the annual audit program and the follow-up of recommended improvements, the chief auditor will also report to independent directors the amendments to the annual internal controls and review the results of self-assessment of the internal controls.

(a).2 The CPA of TCC shall attend as a guest the audit committee meeting or other communication meetings at least once half-yearly to report the status and outcomes of review or audit of the financial statements and present or discuss the impacts, if any, on the presentation of financial statements of the latest amendments of laws.

(b) Summary of past communication between independent directors and the chief internal auditor

Our independent directors maintain good communication with the internal chief auditor, and the material issues communicated in the most recent year are tabulated below:

Date/Session	Focus of Communication	Result of Communication
2023.12.18 Independent report meeting of internal audit	Discussion and communication of 2024 audit business.	1. According to independent directors, the Audit Office should increase the frequency of audit on TCC's general goals and discern how CK-102 (individual assessment) in the supervision of internal control system is audited in the sector.
2024.3.18 Independent report meeting of internal audit	The execution status of Internal Control Self-Assessment (including subsidiaries and their subsidiaries).	1. According to independent directors, TCC's internal audit was exact. 2. The independent directors propose that the internal audit tracking items in the internal control report should be uniformly filled out according to the schedule, and any inaccuracies should be corrected.

(c) Summary of past communication between independent directors and the CPA

Our independent directors maintain good communication with the CPA, and the material issues communicated in recent year are tabulated below:

Date/Session	Focus of Communication	Result of Communication
2023.3.9 Individual communication meeting between the governance body and CPA	Report, discussion, and communication of the audit results and key audit matters of the 2022 annual consolidated and separate financial statement.	1. In the 2022 financial audit report, CPAs expressed "unqualified opinion" in accordance with TWSA700 and found no significant defect relating to the 2022 financial report. 2. Impairments of assets as per the CPA report: (1) The book value of goodwill of business combinations was about NT$140 million. This is mainly because Hamaguri Co., Ltd. and Miaoli Wind Co., Ltd. already implemented the goodwill impairment assessment according to the relevant procedures, and no threat related impairments was found. (2) Each year CPAs continuously communicate with TCC on every detail of RPE's capitalization. TCC has recognized the impairment and loss of assets at equivalent amounts over the years. As the conclusion is inconsistent with the spirit of "impairment of assets" as in IAS 36, CPAs suggested TCC measure the value of use of every detail more precisely to enable the fairer presentation of financial status.
2023.5.9 Individual communication meeting between the governance body and CPA	Report, discussion, and communication of the review results of the 2023Q1 consolidated financial statement.	CPA's review conclusion of TCC's 2023Q1 Financial Statement: "Unqualified conclusion with emphasis of matter paragraph". No significant defect relating to the 2023Q1 Financial Statement was found.

Date/Session	Focus of Communication	Result of Communication
2023.8.7 Individual communication meeting between the governance body and CPA	Report, discussion, and communication of the review results of the 2023Q2 consolidated financial statement.	1. CPA's review conclusion of TCC's 2023Q2 Financial Statement: "Unqualified conclusion with emphasis of matter paragraph". No significant defect relating to the 2023Q2 Financial Statement was found. 2. Communication report: (1) According to CPAs, although TCC's management is already capable of producing financial statements, as its subsidiary Star Energy is a contractor with a rather complex service portfolio, further review of the recognition and maintenance of accounting titles are required. Currently, some titles and balances are pending for discussion and adjustment. CPAs will hold communication meetings with Star Energy in the future to further improve the group's quality in financial report production. (2) According to the chairperson, the management of subsidiaries or investees should voluntarily consult CPAs on unfamiliar accounting matters and disclosures when producing own financial reports to avoid unnecessary adjustments. Additionally, CPAs should give professional advice on complex accounting titles, which were concurred by CPAs.
2023.11.7 Individual communication meeting between the governance body and CPA	Report, discussion, and communication of the review results of the 2023Q3 consolidated financial statement.	1. CPA's review conclusion of TCC's 2023Q3 Financial Statement: "Unqualified conclusion with emphasis of matter paragraph". No significant defect relating to the 2023Q3 Financial Statement was found. 2. Communication report: According to CPAs, RPE has not been audited for 3-4 years due to the pandemic, and onsite audit in the Philippines will be arranged in December 2023 to verify the status of local assets and evaluate the impairment of local assets.
2023.12.20 CPAs reported to the 3rd Term, 5th meeting Audit Committee meeting	CPA reported audit planning of the 2023 annual consolidated and separate financial statement.	Acknowledgement of all attending members.

Date/Session	Focus of Communication	Result of Communication
2024.3.11 Individual communication meeting between the governance body and CPA	Report, discussion, and communication of the audit results and key audit matters of the 2023 annual consolidated and separate financial statement.	1. In the 2023 financial audit report, CPAs expressed "unqualified opinion" in accordance with TWSA700 and found no significant defect relating to the 2023 financial report. 2. Opinion of Independent Director Han-Shen LI: Regarding the "Draft of the Regulations for Charging Carbon Fee" proposed by CPAs, as the carbon emissions of fuel coal from Guan-tian Plant exceeded 25,000 tonnes, both the plant's profitability and operations will be affected. Li also requested the management to report solutions to the Board.

(4) The operation of the Remuneration Committee

A. Information on the Members of the Remuneration Committee

April 2, 2024

Status[1] \ Condition / Name		Professional Qualifications and Experience[2]	Fulfillment of Independence[3]	Number of public companies holding independent directorship concurrently.
Independent Director & Convener	Ji-sheng Ye	Cf. 2-(1) Profile of Directors	Independent	N/A
Independent Director	Han-Shen Li	Cf. 2-(1) Profile of Directors	Independent	N/A
Independent Director	Jiann-Fuh Chen	Cf. 2-(1) Profile of Directors	Independent	N/A
Other	Fan-Jou Hsu	MA, Public Administration, University of Southern California, USA. MA, Public Administration, National Chengchi University Executive Secretary, Taiwan Electrical Contractors Association Director, Human Resource Department, Taiwan Power Company	Independent	N/A

[1]State in the table the seniority, professional qualifications, and fulfillment of independence of individual members of the remuneration committee. If they are independent directors, remark the reference to Table 1 Profiles of Directors and Supervisors (1). State if they are independent directors or others (e.g., remark the convener) in the status.

[2]Professional qualifications and experience: State the professional qualifications and experience of individual members of the remuneration committee.

[3]Fulfillment of independence: State the fulfillment of independent directors, including, but not limited to the person, spouse, relatives within the second degree of kinship, whether or not they are a director, supervisor, or employee of the company or its affiliates; the number and proportion of shares held by person, spouse, relatives within the second degree of kinship (or in the name of others); whether or not they are a director, supervisor, or employee of companies having a specific relationship with the company (cf. Article 6, paragraph 1, subparagraphs 5-8, Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount of remuneration for providing business, legal, financial, accounting services for the company or its affiliates in the last two years.

[4]Please refer to the Codes of Corporate Governance Best-Practice section of the Corporate Governance Center website of the Taiwan Stock Exchange for disclosure methods.

B. Information on the Operation of the Remuneration Committee

a. The Remuneration Committee is composed of four members. The Remuneration Committee held four (A) committee meetings in the most recent fiscal year (January 1, 2023 to April 2,2024).

b. The 4th Remuneration Committee of members consisted of four members, with a tenure from June 30, 2020 to June 29, 2023. Two (A) Remuneration Committee meetings were held in the most recent fiscal year.

c. The 5th Remuneration Committee of members consisted of four members, with a tenure from June 30, 2023 to June 29, 2026. Two (A) Remuneration Committee meetings were held in the most recent fiscal year.

d. The qualification and the attendance record of members is tabulated below:

Title	Name	Attendance in Person (B)	Attendance Through Proxy	Actual Attendance Rate (%) (B/A) (Note)	Note
Convener	Ji-Sheng Ye	4	0	100%	Office re-elected in 2023/6/30
Member	Han-Shen Li	4	0	100%	Office re-elected in 2023/6/30
Member	Jiann-Fuh Chen	2	0	100%	Inaugurated 2023/6/30
Member	Fan-Jou Hsu	3	1	75%	Office re-elected in 2023/6/30
Former Convener	Yao-Wen Lin	2	0	100%	Office relieved on 2023/6/30
Former Member	Su-Chin Chuang	2	0	100%	Office relieved on 2023/6/30

Any other matters that need to be specified:

1. When BOD ignores or modifies recommendations made by the Remuneration Committee, the date and session of the BOD meeting, the proposal contents, BOD resolutions, and response to the recommendations of the Remuneration Committee (e.g. the compensation approved by BOD is higher than that recommended by the Remuneration Committee, the difference and reasons shall be specified): None.
2. When members object to or hold opinions against a committee resolution for the record or in writing, the date and session of the committee meeting, the proposal content, the opinions of all members, and the response to such opinions shall be specified: None.

Note 1:Should a member resign before the end of an accounting year, the service termination date should be stated in the remarks section. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings held in that year and the actual number of meetings attended.

Note 2:Should a re-election of committee members be held before the end of an accounting year, the name of the new and current members should both be listed in the remarks section and their status: current, new, or re-elected, and the date of re-election shall be specified. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings held in that year and the actual number of meetings attended.

C. Composition, responsibility, and operation of the Remuneration Committee: The 5th Remuneration Committee is composed of four members, including three independent directors and one external members, approved by BOD on June 30, 2023. Its responsibility is to review the annual and long-term performance indicators, and the policy, system, standard, and structure of remuneration for directors and executives according to the Remuneration Committee Charter; and review the salary for directors and executives.

D. Dates, sessions, proposals, and resolutions of the Remuneration Committee meetings in the most recent year and TCC’s treatment of the opinions of Remuneration Committee member.

Remuneration Committee Meeting Date/Session	Proposal Contents and Resolutions	Opinion of the Remuneration Committee	The Company's Response to the Opinion of Remuneration Committee
2023.3.9 4th Term, 15th meeting	1. Distribution plan for the total employees' compensation and directors' remuneration for 2022. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation results of the Remuneration Committee and referred it to the 2023 AGM for report.
2023.5.9 4th Term, 16th meeting	1. Distribution of directors' remuneration for 2022. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation results of the Remuneration Committee and referred it to the 2023 AGM for report.
	2. Distribution of employees' compensation to officers for 2022. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as per the deliberation results of the Remuneration Committee.
2023.12.20 5th Term, 1th meeting	1. "2023 General Targets and Performance" and "2024 General Targets (draft)". Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Remuneration Committee.
	2. Intend to amend certain articles of TCC's "Employee Bonus Disbursement Regulations". Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Remuneration Committee.
	3. The Performance Bonus for the Chairman, Managers, and Employees in 2023. Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Remuneration Committee.
2024.3.11 5th Term, 2th meeting	2. Distribution plan for the total employees' compensation and directors' remuneration for 2023. Resolution: Passed after revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Remuneration Committee and referred it to the 2024 AGM for report.

(5) Information on the members and operation of the Nomination Committee

A. State the qualifications and duties of members of the nomination committee

To strengthen the functions of BOD and enhance the management mechanism, BOD approved the establishment of the Nomination Committee and its charter on December 20, 2019 with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies promulgated by the competent authorities. The Committee is chaired by Chairman Shun-I Huang (also the convener), with members including three independent directors Han-Shen Li, Ji-Sheng Ye, and Jiann-Fuh Chen and Director Jenn-Yeong Wang, five members in total. Each member specializes in operations, management, leadership, decision-making, or finance. TCC is an organization specializing in cogeneration, electricity enterprise investment, and engineering services related to electricity generation. Three members of the current Committee (third) are experts in corporate governance and electricity business with the expertise to nominate talents required by electricity business. The Committee can help find eligible directorial candidates to improve corporate governance and BOD operations. Besides carrying the duties below, the Committee also make recommendations to BOD for discussion.

(a) Set standards for the professional knowledge, skills, experience, gender diversity, expertise diversity, and independence required BOD for the reference to seek, review, and nominate directorial candidates.

(b) Establish and develop the organizational framework of BOD and various functional committees and evaluate the performance of BOD and various functional committees.

(c) Establish and periodically review directorial continuing education plans.

(d) Periodically assess and review the Corporate Governance Best Practice Principles of the Company.

B. Professional qualifications and experience of members and status of Nomination committee operations

a. The Nomination Committee is composed of five members. The Nomination Committee held four (A) committee meetings in the most recent fiscal year (January 1, 2023 to April 2, 2024).

b. The 2th Nomination Committee of members consisted of five members, with a tenure from June 30, 2020 to June 29, 2023. Two (A) Nomination Committee meetings were held in the most recent fiscal year. Two (A) Nomination Committee meetings were held in the most recent fiscal year.

c. The 3th Nomination Committee of members consisted of five members, with a tenure from June 30, 2023 to 29 June 2026. two (A) Nomination Committee meetings were held in the most recent fiscal year. Two (A) Nomination Committee meetings were held in the most recent fiscal year.

d. The professional qualifications and experience, meeting attendances, and proposal discussions of members are as follows:

Title	Name	Professional qualifications and experience	Attendance in Person (B)	Attendance Through Proxy	Actual Attendance Rate (%) (B/A) (Note)	Note
Convener	Shun-I Huang	Cf. 2-(1) Profiles of Directors	4	0	100%	Office re-elected in June 30, 2023
Member	Han-Shen Li	Cf. 2-(1) Profiles of Directors	4	0	100%	Office re-elected in June 30, 2023
Member	Ji-Sheng Ye	Cf. 2-(1) Profiles of Directors	4	0	100%	Office re-elected in June 30, 2023
Member	Jiann-Fuh Chen	Cf. 2-(1) Profiles of Directors	2	0	100%	Inaugurated June 30, 2023
Member	Jenn-Yeong Wang	Cf. 2-(1) Profiles of Directors	2	0	100%	Inaugurated June 30, 2023
Former Member	Yao-Wen Lin	Chairman, New Culture Foundation. Director, Kaohsiung Organizing Committee Chairperson, New Galaxy Investment Co., Ltd. MA, Executive Master of Public Policy Program, National Sun Yat-sen University Research Fellow, Public Policy Management, Harvard Kennedy School, Harvard University Expertise: Operations and management, industrial knowledge	2	0	100%	Office relieved on June 30, 2023
Former Member	Jao-Hua Hsu	Vice President of Taiwan Power Company Special Assistant to Chairman and Chief Secretary of Board of Directors, Director, Department of Corporate Planning, Chief Administrator, Taiwan Power Company PhD in Civil Engineering, National Chung Hsing University Expertise: Operations and management, industrial knowledge	2	0	100%	Office relieved on June 30, 2023
Any other matters that need to be specified: State the date, session, and proposal content discussed at major Nomination Committee meetings, recommendations and objections made by Nomination Committee members, resolutions of the Nomination Committee meeting, and the company's response to the opinions of members: Please refer to next page.						

Note 1:When Nomination Committee members resign before the end of a fiscal year, remark the retirement date on the note and calculate the actual attendance rate (%) according to the number of committee meetings held and their attendances during the tenure.

Note 2:When Nomination Committee members are re-elected before the end of a fiscal year, list the names of both the former and current independent directors and remark their status and the date of re-election in the note. Calculate the actual attendance rate (%) according to the number of committee meetings held and their attendances during the tenure.

C. Date, session, and proposal content discussed at major Nomination Committee meetings, recommendations and objections made by Nomination Committee members, resolutions of the Nomination Committee meeting, and the company's response to the opinions of Nomination Committee member.

Nomination Committee Meeting Date/Session	Proposal Contents and Resolutions	Recommendations or Objections of Members	The Company's Response to the Opinion of Nomination Committee
2023.03.10 2nd Term, 5rd meeting	1. 2022 Board Performance Evaluation Report. Resolution: Agreed for future reference.	None	All directors present in the meeting agreed for future reference as per the deliberation results of the Nomination Committee.
	2. 2022 Functional Committee Performance Evaluation Report. Resolution: Agreed for future reference.	None	All directors present in the meeting agreed for future reference as per the deliberation results of the Nomination Committee.
2023.5.10 2nd Term, 6th meeting	1. Nomination and deliberation of director and independent director candidates. Resolution: Passed as proposed.	None	All directors present in the meeting passed the proposal as proposed as per the deliberation results of the Nomination Committee.
2023.11.9 3nd Term, 1th meeting	1. Intend to amend certain articles of TCC's "Corporate Governance Best Practice Principles". Resolution: Passed after the revision.	Recommend revisions to certain content.	The management department has already revised the relevant content. All directors present in the meeting passed the proposal as per the deliberation opinion of the Nomination Committee.
2024.3.13 3nd Term, 2th meeting	1. 2023 Board Performance Evaluation Report. Resolution: Agreed for future reference.	None	All directors present in the meeting agreed for future reference as per the deliberation results of the Nomination Committee.
	2. 2023 Functional Committee Performance Evaluation Report. Resolution: Agreed for future reference.	None	All directors present in the meeting agreed for future reference as per the deliberation results of the Nomination Committee.

(6) The operation of corporate governance, variations from the best practice principles for TWSE/TPEx listed companies, and the causes of these variations:

Indicator	Status (Note)			Differences and the cause(s) of differences from the Corporate Governance Best Practice Best Practice Principles for TWSE/TPEx Listed Companies (Corporate Governance Best Practice)
	Yes	No	Summary Description	
1. Has the company defined and disclosed its governance best practice principles in accordance with the "Governance Best Practice"?	V		TCC established the Governance Best Practice Principles on August 11, 2015 and amended related articles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The new version was passed by BOD on November 10, 2022 and disclosed on MOPS and the corporate website.	No significant difference from the Corporate Governance Best Practice
2. Structure of shareholdings and shareholder's equity (1) Does the company establish and implement internal procedures for handling shareholder suggestions, questions, disputes and litigation? (2) Does the company keep an up-to-date list of its dominant shareholders and the parties with ultimate control over its dominant shareholders? (3) Does the company establish and implement a risk control mechanism and firewall between its affiliates? (4) Does the Company establish internal rules to prevent insider trading?	 V V V V		(1) TCC has established and implemented the spokesperson mechanism and procedures for handling stakeholder opinions. (2) TCC reports the shareholding of major shareholders every month and lists all important institutional shareholders of major shareholders in the annual report. (3) TCC and its affiliates operate independently and abide by the internal control system. TCC has also established the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties" and the "Investee Management Regulations" to exert investee management in order to achieve risk management between TCC and its affiliates. (4) Besides establishing the "Insider Trading Prevention Regulations" and "Code of Ethics", TCC prohibits insiders such as directors, officers, and employees to make profit with information inaccessible in the market by requesting them to sign a non-disclosure agreement (NDA) according to the "Material Information Processing Procedure"; and education, training, and publicity of these Regulations and related laws and regulations are arranged for these roles at least once a year. In addition, material information is processed and disclosed according to TCC's "Material Information Processing SOP".	No significant difference from the Corporate Governance Best Practice
3. Organization and functions of the board of director (1) Does the company establish and implement a policy and defined objectives to diversify board membership?	 V		(1) The board member diversification policy is defined in TCC's "Corporate Governance Best Practice Principles" to ensure the diversity of board members. Diversified policies are established appropriately with respect to the board operation and TCC's operational style and development needs, including (1) the diversity of the basic conditions and (2) the diversity of professional knowledge and skills. Management goals and achievements of board member diversification:	No significant difference from the Corporate Governance Best Practice

Indicator	Status (Note)			Differences and the cause(s) of differences from the Corporate Governance Best Practice Best Practice Principles for TWSE/TPEx Listed Companies (Corporate Governance Best Practice)
	Yes	No	Summary Description	
			A. Diversity of the basic conditions includes gender and age diversification. The Board is formed with members of different genders to reduce the proportion of gender difference, including at least one female member. The present Board has 13 members. As we are a power company, most employees in the industry are male. In the future, we will endeavor to reduce the difference in the number of seats between male and female directors by appointed at least one female director. In age distribution, one member of the present Board is aged 31-40 years, one aged 41-50 years, four aged 51-60 years, and seven aged over 61. B. Diversity of professional knowledge and skills: The Board should be formed with members of different expertise. The present (12th) Board is formed with 13 members (including 3 independent directors, accounting for 23%; two of them are in their second term, while one is in the first term). All directors have expertise benefiting corporate operations. Directors Shun-I Huang, Jenn-Yeong Wang, Sheng-Jen Hsiao, Ming-Teh Chiang, Tien-He Kuo, Ching-Hung Cheng, Kuo-Hsiang Chao, Sheng-Chun Wang, Sung-Pin Chang, Hsien-Hui Huang and independent directors Han-shen Li and Jiann-Fuh Chen are specialized in operational management or leadership decision; directors Shun-I Huang, Jenn-Yeong Wang, Sheng-Jen Hsiao, Ming-Teh Chiang, Tien-He Kuo, Ching-Hung Cheng, Sheng-Chun Wang, Sung-Pin Chang, Hsien-Hui Huang and independent directors Han-shen Li, Ji-Sheng Ye and Jiann-Fuh Chen are equipped with industry-specific special knowledge; directors Jenn-Yeong Wang and independent director Han-shen Li are specialized in finance and accounting; independent director Ji-Sheng Ye is specialized in legal affairs. Each member of the present Board has different special skills, meeting the goal of board member diversification. Related information is disclosed on the corporate website.	
(2) In addition to a compensation committee and an audit committee required by law, does the company voluntarily establish other functional committees?	V		(2) We established the compensation committee and audit committee by law. On December 20, 2019, we set up the nominating committee, with Chairman Shun-I Huang as the chair and convener, and members including three independent directors: Han-Shen Li, Ji-Sheng Ye, and Jiann-Fuh Chen, and Director Jenn-Yeong Wang, totaling five seats. Each member is equipped with own specialty, including electricity business, operational management and leadership decision, finance, and accounting.	

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(3) Does the company establish a method to evaluate BOD performance and evaluate BOD performance every year?	V		(3) We have established the Board (including functional committees) Performance Assessment Regulations. The latest version approved by Board on June 28, 2022 stipulates: External assessment shall be carried out every three years, and the performance of individual directors will be the reference of his/her salary and remuneration. The scope of board performance evaluation covers the following five aspects: (1) participation in the company's operations; (2) improvement of the decision quality of the board of directors; (3) composition and structure of the board of directors; (4) selection and continuing education of directors; and (5) internal control. In addition, the scope of board member self-assessment covers the following six aspects: (1) understanding of corporate goals and missions; (2) understanding of their duties and responsibilities; (3) participation in the company's operations; (4) internal relation maintenance and communication; (5) expertise and continuing education; and (6) internal control. The scope of performance self-assessment of functional committees includes the following five aspects: (1) participation in the company's operations; (2) understanding of committee duties and responsibilities; (3) enhancement of the committee's decision-making quality; (4) composition and member selection of the functional committee; and (5) internal control. The assessment is implemented by the Secretariat of the Board with the internal questionnaire every January to assess board operation, the director's participation, and the director's self-assessment. The results are reported to the Board. Directors can make recommendations for improvement. Related assessment results also serve as a reference for the salary, remuneration, and selection or nomination of directors. In 2023, the score of both overall Board performance and board member performance self-assessment was over 80 marks, i.e., "good", and the results were reported to and approved by the Board on March 13, 2024. The performance of the Audit Committee, Remuneration Committee, and Nominating Committee was also assessed in 2023, with a score of over 80 marks, i.e., "good", and the result was reported to Board on March 13, 2024. The relevant information was disclosed in the corporate website. Additionally, the first triennial external board performance evaluation was completed on October 5, 2022. Please refer to (II) Board Performance Evaluation and our corporate website for details.	

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(4) Does the company regularly evaluate the independence of certified public accountants?	V		(4) We assess the independence and suitability of CPAs each year in accordance with the "Statement of Compliance with Audit Independence" issued by CPAs and the "Audit Quality Indicators (AQIs). It is confirmed that except for the certification fee and audit fees for tax services, there is no other financial interest and business relationship, and the family of CPAs also do not violate the independence requirement. It is proven in accordance with the AQIs that the audit experience and training hours of CPAs and their firm are equivalent to others in the industry, and they will continue to introduce new audit and innovative tools to improve audit quality. The assessment results in the most recent year was discussed and passed by the Audit Committee on December 20, 2023 before referring to the Board for resolution on December 22, 2023 before appointment.	
4. Does a public company establish or assign a dedicated (concurrent) governance unit or individual to take charge of company's governance affairs (including but not limited to providing directors and supervisors with the data required for business operations, handling affairs relating to holding a BOT meeting or a general meeting of shareholders, processing company registration and change registration, and producing minutes for BOT meetings and general meetings of shareholders)?	V		TCC has established the "Corporate Governance Best Practice Principles". Based on TCC's scale, status of operations, and management needs, in August 2020, we established the Secretariat of the Board with competent and a suitable number of governance personnel to take charge of TCC's corporate governance. On November 11, 2023 we also designated Ms. Yen-Ling Chen, the head of the Secretariat of the Board, as the chief governance officer (CGO) to supervise TCC's governance-related affairs. Tsai complies with the related CGO requirements: at least 3 years of experience in governance-related work. The duties of a CGO include: (1) handling affairs in relation to holding a board meeting or a general meeting of shareholders, (2) producing the minutes for board meetings and general meetings of shareholders, (3) assisting with the inauguration and continuing education of directors; (4) providing directors with the data required for business operations, (5) assisting directors with legal compliance, and (6) other matters specified in the company charter or contracts. The 2023 performance included: (1) assistance with the procedures of the board meetings and meetings of shareholders and resolution of compliance matters; (2) provision of the meeting notice, meeting agenda, and minutes of meeting to the Board as scheduled; and reminding directors of proposals requiring avoidance of the conflict of interest; (3) implementation of the rules of procedures and announcements of the meeting of shareholders by law, and (4) promotion of matters related to corporate governance in coordination with the Company's corporate governance policy. Additionally, the CGO received 6 hours of continuing education in 2023, including insider stock trading regulations to ensure that participants have sufficient knowledge of relevant regulations (3 hours); Hold on to your faith	No significant difference from the Corporate Governance Best Practice

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	Yes	No	Summary Description	
			and things will go your way: Discussing the Ethical Management of Publicly Listed Companies (3 hours), and so on.	
5. Does the company establish channels for communication with stakeholder (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section in the corporate website, and respond appropriately to important CSR issues and concerns raised by shareholders?	V		The identified stakeholders in 2023 included government agencies, shareholders, customers /electricity users, employees, and suppliers/contractors/external providers. To enhance stakeholder communication, we have established the spokesperson system and set up a stakeholder section on the corporate website (https://www.cogen.com.tw/csr/Stakeholder). The material topics that concern stakeholders include: electricity policy evaluation and response, corporate governance and sustainability strategy, economic performance, risk management/control, supply stability and reliability, renewable energy development, legal compliance and ethical corporate management, occupational safety and health, talent management and development, and energy management and circular economy. Communication and response channels for stakeholders include: meetings of shareholders (at least once a year), investor conferences (quarterly) and participation in the seminars of related industries, periodic customer satisfaction surveys, labor-management meetings, and education and training, provision of the contact and grievance hotlines and emails for different stakeholder groups, and proper responses to the topics that concern stakeholders. Report communication with stakeholders to the Board periodically (at least once a year). This year, the report was made to the Board at the 6nd meeting of the 12th Board on December 22, 2023.	No significant difference from the Corporate Governance Best Practice
6. Does the company appoint a transfer agency to organize meetings of shareholder?	V		We have assigned KGI Securities Co., Ltd. to organize meetings of shareholders.	No significant difference from the Corporate Governance Best Practice
7. Information disclosure				No significant difference from the Corporate Governance Best Practice
(1) Does the company set up a website to disclose its financial and governance information?	V		(1) We disclose our financial, business, and corporation governance information on the corporate website at https://www.cogen.com.tw.	
(2) Does the company try other means to disclose information (such as setting up an English website, designating personnel to gather and disclose organizational information, effectively implementing the spokesperson system, and posting investor conferences on the corporate website)?	V		(2) We have established the spokesperson system to disclose material information in both Chinese and English versions according to the regulations of the competent authority. Each year we hold investor conferences to report the status of operations to stakeholders from time to time. In 2023 we held 4 investor conferences. We also post the summary of investor conferences on the Chinese and English corporate website for retrieval by stakeholders.	
(3) Does the company announce and report its annual financial statements within two months after the end of a fiscal year, and announce and report in advance the		V	(3) We announce and report the annual financial statements and the financial statements of Q1, Q2, and Q3 and status of monthly operations by the respective time-limits and disclose them on the MOPS.	

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	Yes	No	Summary Description	
financial statements of Q1, Q2, and Q3 and status of monthly operations?				
8. Is there any other material information that will help stakeholders to understand governance practices at the company (including but not limited to employee rights, employee care, supplier relations, stakeholder rights, further education for directors and supervisors, the status of implementation of the risk management policy and risk measurement measures, the status of implementation of the customer policy, and the purchase of liability insurance for directors and supervisors)?	V		(1) Every year we arrange further education courses for directors, officers, and employees. In 2023, we arranged courses including “ (2) Legal - Life Law Series: Issues related to sexual autonomy”, “Exploration of Legal Issues Related to Insider Trading” and “Hold on to your faith and things will go your way: Discussing the Ethical Management of Publicly Listed Companies”. In 2023, all independent directors and directors completed training for the length stated in the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies”. (3) We hold labor-management meetings to maintain the rights and interests of employees and establish an employee welfare committee to care for employees in various aspects, including arranging health checkups to take care of the physical and mental health of employees and organizing employee travels for employees to relieve work stress. In 2023, we continued to provide an online digital learning platform, allowing employees to have channels for learning both in action and at home. By setting learning goals for colleagues, we enhance the competencies needed to achieve work objectives. In addition, to strengthen the competitiveness of employees and TCC, the focus for the year shifted towards enhancing colleagues' practical communication skills. We invited foreign instructors to conduct physical English conversation classes, thereby improving employees English speaking abilities. (4) We have established a stakeholder section on the corporate website for stakeholders to express their opinions and make recommendations. We also have established a contact email and service line to keep the links of communication open. (5) We have established the Board-approved risk management policy and procedures to define the scope, organizational framework, operating mechanism and procedures for risk management. We have also established the risk management implementation plan to implement risk management to prevent risks from impacting business operations. A risk management committee is also established to perform rolling review and update the risk management plan each year. In 2023, the review of the risk control measures of 2022 was completed in 2023Q1, and the 2023 risk management plan was established. Besides reviewing the performance of		No significant difference from the Corporate Governance Best Practice

Indicator	Status (Note)			Differences and the cause(s) of differences from the Corporate Governance Best Practice Best Practice Principles for TWSE/TPEx Listed Companies (Corporate Governance Best Practice)
	Yes	No	Summary Description	
			risk control measures, the effectiveness of the risk control mechanism, difficulties, and countermeasures, the status of risk management was reported to the Audit Committee and Board meeting on March 10, 2023. (6) We conduct the customer satisfaction survey each year to respond to and handle their opinions properly. (7) TCC took out 2023 liability insurance for all Board members. and reported it at the 24th meeting of the 11th Board on May 10, 2023.	
9. Please specify the status of improvements and the prioritized improvements with reference to the Corporate Governance Evaluation results announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the previous year. (Not listed on the evaluated companies, thus no need to answer this item.)	V		In the most recent (2022) Corporate Governance Evaluation, we were ranked among the top 6-20% of evaluated listed enterprises, suggesting that our governance was outstanding. In addition to setting up a corporate website in Chinese and English versions and enhancing information disclosures on governance, finance, sales, and sustainability, we publish the Sustainability report and acquire external assurance every year to make continual improvement of governance.	No significant difference from the Corporate Governance Best Practice

Note: Please answer to all items in each indicator, regardless of a “yes” or “no” answer.

(7) Status of sustainable development promotion and status and causes of inconsistency with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

<table>
<tr><th rowspan="2">Indicator</th><th colspan="3">Implementation (Note 1)</th><th rowspan="2">Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td>1. Did the company implement a governance framework and establish a full- (part-) time unit for sustainable development, with senior management authorized by the Board to handle the related matters, and what is the status of Board supervision?</td><td>V</td><td></td><td>1.
(1)To uphold sustainable operations, TCC establishes the Board of Directors as its highest decision-making body to ensure the inclusion of sustainable development in its operations and development. The Board is the top governing body that promotes TCC's sustainable development. The "Sustainable Development Best-Practice Principles" was established and approved by the 14th Meeting of the 11th Board on December 23, 2021 for the Board to delegate senior management to handle economic, environmental, and social issues relating to operations. To optimize the management of sustainable development and ensure the inclusion of sustainable development in the operational activities and development, we have also established the "ESG Committee" to establish the strategy and objectives for sustainable development and set up the working groups to implement relevant work.
(2)Performance in sustainable development
A.On December 16, 2021, we renamed the "Corporate Social Responsibility Improvement Committee" established on August 2, 2017 the "ESG Committee", with the chairman being the committee chair, the president being the deputy chair, and management including the VPs and the chairman of subsidiary Star Energy being the member. Working groups were established under the committee. The Planning and Investment Management Department promotes sustainable development and assists the committee in administering the relevant work on a part-time basis.
B.Under the ESG Committee there are the corporate governance, environmental sustainability, social engagement working groups. Based on the duties of respective groups, group members implement sustainable development in terms of the environmental, social, and governance (ESG) aspects. Apart from assisting the committee in administering the establishment and review of TCC's policies, systems, and management approaches related to sustainable development; planning promoting, and implementing the annual tasks, the planning and reinvestment management department also prepares the Chinese and English sustainability</td><td>No significant difference from the Sustainable Development Best Practice</td></tr>
</table>

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	Yes	No	Description	
			report every year, ensures the timeliness and accuracy of the relevant information disclosed. TCC has established the 'Procedures for Production and Verification of ESG Reports' in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies of TWSE and TCC’s 'Sustainable Development Best Practice Principles.' The Procedures were approved and announced by the chairperson on November 29, 2023 to enhance stakeholder communication and promote TCC’s sustainable development. Assurance Review of the 2022 ESG Report was completed in May 2023, and the report was published and posted on MOPS on June 30, 2023. The 2024 ESG Planning Committee held the ESG Promotion Working Meeting on November 29, 2023 to discuss the ESG progress in the year. On December 28, 2023, the ESG Sustainable Development Committee held its inaugural meeting to initiate the sustainability report project, outlining strategies and specific plans for the next fiscal year's sustainable development. Key performance indicators (KPIs) for ESG were established across various departments to facilitate the implementation of TCC's sustainability initiatives. C.The ESG Committee reports annual execution status to the Board of Directors at least once year. The execution status of ESG work in 2023, ESG plans for 2024, and the results of stakeholder engagement and communication on relevant issues were presented to the 12th Board of Directors during its 6th meeting on December 22, 2023. (3)By incorporating sustainable development into future operational strategies, we are committed to practicing and realizing four practical projects: ensuring ESG implementation, promoting social inclusion, optimizing corporate governance, and enhancing information disclosure. These initiatives facilitate the implementation of our sustainable development strategy, with rolling reviews and updates conducted annually. The operational strategies for 2024-2028 were presented for future reference in the 5th meeting of the 12th Board of Directors on November 9, 2023. Upholding the concept of steady management and proactive innovation, our company addresses significant sustainable development issues such as electricity policy evaluation and response, renewable energy development, greenhouse gas reduction	

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			and management, and human rights risk management. We formulate management approaches, implementation strategies, targets, and related counteractions, and review their effectiveness and implementation strategies. The ESG Committee, formed by TCC's management, oversees the implementation and operation of these strategies and reports the results to the board. The framework and material issues of the 2023 Sustainability Report will be reported for discussion to the 8th meeting of the 12th Board of Directors on May 9, 2024.	
2. Did the company assess by materiality the risks of environmental, social, and governance issues relating to corporate operations and establish related policies or strategies for risk management?[2]	V		2. (1)The risk management policy and procedures were passed by the Board on December 23, 2022. Each year, apart from identifying by materiality the issues related to business operations and concern the stakeholders, we measure the significance of the internal and external impacts of these issues on TCC, perform risk assessment, and establish the relevant risk management policies and strategies, with the boundaries of risk assessment covering TCC, subsidiaries, and investees. In consideration of the changes in the internal and external environments and identifying stakeholder concerns based on significant principles; identify, analyze, and assess the significance of the internal and external impacts of each issue; and propose their risk profiles for the reference of establishing risk control measures and responsive strategies. (2)Our risk scope covers investment risk, operational risk, management risk, climate change risk, and unethical behavior risk. Each year we identify and assess risks in ESG aspects. The execution status of the 2022 risk management and the 2023 risk management plan were reviewed and discussed at the risk management working meeting on January 17, 2023. Revisions were made based on the review and discussion results and reported to the Risk Management Committee for review on February 2, 2023. The 2023 risk management plan was established on March 1, 2023. TCC conducts reviews of risk management performance every six months to ensure that all management measures are effectively implemented and effectiveness is enhanced. The assessment results of material ESG issues and risk management strategies are as follows:	No significant difference from the Sustainable Development Best Practice

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	Yes	No	Description	
			(see nested table below)	

Material Topic	Risk Management Strategy
Environmental	
(1)Renewable development	We identify climate-related risks and opportunities and are committed to mitigation strategies, including energy conservation, carbon reduction and environmental protection. We also develop renewables, including solar PV, wind power, and geothermal generation, in alignment with government policies on energy transition and achieving net-zero emissions. Additionally, we plan and implement adaptation actions to address the risks related to extreme weather events to enforce environmental protection and corporate sustainable development.
(2)Energy conservation and carbon reduction	We continuously enhance efficiency of generator, replace environmental protection equipment, recycle energy and resource, and manage GHGs to mitigate the effect of climate change.
Social	
(1)OH&S	We have established the ESH policy, the OH&S Committee, OH&S management measures and policy, including workplace safety maintenance, construction and operation safety occupational accident risk management, employee health management plan and health checkup. We also enhance OH&S education and training, hold periodic occupational safety management meeting, and continuously improve workplace OH&S management. We have passed the certification of the ISO 45001 OH&S management systems.
(2)HRM	Apart from establishing management mechanisms for the recruitment, development, and performance evaluation of talents, we also actively develop various recruitment channels, arrange periodic education and training, implement new employee training and care,

<table>
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<tr><td></td><td></td><td></td><td><table>
<tr><td></td><td>encourage employees to take internal and external training courses, assist employees in career development, optimize the talents management system, and implement organizational technology and experience sharing.</td></tr>
<tr><td>Governance
(1)Optimizing governance

(2)Enhancing operational performance

(3)Stabilizing reliable supply

(4)Building sustainable supply chain</td><td>We actively engage in governance optimization, improve Board competencies, and enhance information disclosures and stakeholder communication.
We engage in enhancing operational performance of existing power plants, actively expand our business, carry out steady operation and maintain long-term steady profit.
We offer high-efficiency, low-emission energy services, continuously improve equipment, and enhance generation efficiency and operation reliability to provide customers with stable steam and electricity supply.
We also actively engage in green procurement, establish the supplier management system, request suppliers to sign the CSR Commitment, and conduct onsite audit on the sustainability performance of suppliers to establish a sustainable supply chain.</td></tr>
</table></td><td></td></tr>
<tr><td>3. Environmental
(1) Did the company establish environmental management systems appropriate to the characteristics of its industry?</td><td>V</td><td></td><td>3.
(1)
A.The Guan-tian Cogeneration Plant mainly supplies electricity and steam for users. It is operated in compliance with the related laws and regulations, such as the “Energy Administration Act” and the “Regulations for Co-generation System”. Our industry-specific HSE policies include: (1) compliance with related environmental protection laws and regulations and respect for international convention; (2) pollution prevention for reducing the environmental impacts of pollutants; (3) implementation of environmental protection in day-to-day operations through total employee participation; and (4) continual improvement for</td><td>No significant difference from the Sustainable Development Best Practice</td></tr>
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	Yes	No	Description	
			sustainable development. B.Apart from passing ISO 14001 EMS certification (validity September 19, 2023 to September 19, 2026), Guan-tian Plant is committed to enhancing production efficiency and reducing environmental impacts to enforce environmental sustainability. Additionally, subsidiary Star Energy has also passed ISO 14001 EMS certification (validity June 29, 2023 to June 29, 2026)	
(2) Did the company make efforts to enhance energy efficiency and use recycled materials to lower the impact on environmental load?	V		(2)As an electricity supplier, Guan-tian Plant is operated to provide users with high-efficiency, low-pollution steam and electricity and engages in regional energy and resource integration services in Guan-tian Industrial Park. The plant is equipped with the circulating fluidized bed (CFB) boiler that can use different types of auxiliary fuels, such as scrap tire chips and scrap plastic, and solid recovered fuels (SRF) from scrap textiles and scrap wood, to reduce coal consumption, achieve resource reuse, and lower environmental impact. In response to the government's coal reduction policy, Guan-tian Plant has increased SRF uses on the boiler and obtained the burning permit in 2023. In 2023, we consumed 24,614 tonnes of scrap tire chips and 3,620 tonnes of SRF (obtained the approval for change on March 31, 2023) to replace coal by 25.74%. The replacement rate is expected to be up to 30% from 2024. Additionally, Guan-tian Plant has applied for resource reuse in collaboration with contractors to produce the controlled low-strength material (CLSM) for construction backfilling material by adding co-fired fly ash (CFFA) to cement. In 2023, we output 22,465 tonnes of coal ash, and all were recycled for reuse to realize the goal of the circular economy, in order to reduce environmental impacts, enforce environmental protection, and fulfill CSR.	
(3) Did the company assess the present and future potential risks and opportunities from climate change and take the relevant countermeasures?	V		(3)In response to the deteriorating global warming, the government amended the "Greenhouse Gas Reduction and Management Act "into the "Climate Change Response Act" and promulgated it in 2023 to institutionalize the net-zero emission by 2050 for implementing sustainable development and net-zero emissions. Apart from keeping close track on the climate change trend and capturing the market movement, we identify potential climate-related risks and opportunities, plan counteractions, and propose the relevant responsive policies in accordance with the four core elements: governance, strategy, risk management, and metrics and	

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			targets recommended for climate-related financial disclosures by the Task Force on Climate-related Financial Disclosures (TCFD) and the 11 items required for disclosure so as to mitigate the direct and indirect impacts of climate change and respond to the government policies, laws, and regulations. A.Governance a. The Board is the highest governance body of risk management, supervising the operation of the risk management mechanism and ensuring the effectiveness of risk management. b. The Risk Management Committee with the chairman, president, and vice presidents to review TCC's annual risk management plan and the performance in risk management to ensure that the risk management mechanism can fully manage the risk faced by TCC and incorporate it into the routine operating procedures. The Committee also reports the operation and performance of the plan in the Board meeting and Audit Committee meeting each year. B.Strategy a. Gather information regarding the global trends, policies, and regulations and plan short-, medium-, and long-term climate change countermeasures to lower operational impact and timely seize the relevant opportunities. b. Reduce GHG emissions through "mitigation" to lessen the potential impacts of climate change; adapt and adjust to the effects of climate change through "adaptation"; assess potential climate-related risks and opportunities; and take appropriate counteractions. C.Risk Management a. After collecting issues, gather those that have impacts on TCC and plan corresponding counterstrategies for management. b. Continuously review the environmental impact and GHG emissions of TCC's operations every year; implement systemic management based on the ISO 14001 and ISO 14064 standards; and plan reduction measures. c. Implement transition risk management in suppliers and lower the influence and impact of climate change on the supply chain through the supplier evaluation mechanism, supplier corporate sustainable development commitment, and onsite audit of sustainability performance. d. Include climate-related risks and opportunities in the risk	

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			management policy and risk management plan, make rolling reviews and updates, and hold working meetings and Risk Management Committee meetings to discuss and identify the relevant risks across department. D.Metrics and Targets a. Set relevant energy conservation and carbon reduction KPIs and , alternative fuel rate, and water management short-, medium-, and long-term targets to reduce the impacts of climate change. b. Regularly inventory and disclose emissions data for Scopes 1 and 2 GHGs, assess relevant transition risks and mitigation measures, and gradually advance the group's GHGs inventory and verification program. c. Continue to advance energy conservation and carbon reduction measures, including process improvement, electricity consumption reduction, and so on to improve operational performance and reduce energy consumption. The identified climate-related risks and opportunities in 2023 included: A.Climate-Related Risk—Transition Risk	

Category	Item	Operational and Financial Impacts on TCC	Response Strategy
Policy and Legal	• Renewable Energy, Fuel/Energy Tax and Regulations Electricity-related regulations	• Loss of investment due to changes in policies or regulations. • Change of regulations leads to increased operation costs of existing power plants.	• Promptly gather information on government policies and legislation implementation schedules, and carry out assessment on impact and scheme measures in advance. • Provide suggestions to official authorities in a timely manner, and carry out external engagement.
	• Climate Change	• The cap on total greenhouse gas	• Reduce internal energy consumption and

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	Yes	No	Description	
			(nested table below)	

	Response Act • Cap and Trade • Carbon Tax/Fee	emissions and tightening air pollution standards will increase equipment upgrade costs and operational costs. • Governmental regulations on carbon pricing leads to increased operational.	carbon emissions. • Greenhouse gas inventory management and power plant energy audit system. • Conduct maintenance regularly, replace old equipment to reduce energy consumption and carbon emissions. • Increase the ratio of alternative fuel used in cogeneration plants to reduce fossil fuel consumption. • Keeping track on the amendments to carbon fee related regulations.
Technology	• Low-carbon transition	• Increased operating costs from assessment of upgrading traditional coal-firing/ co-generation plants in response to the net-zero emission trend.	• Promote equipment upgrading, assess the possibility of hydrogen or ammonia co-firing. • Evaluate the introduction of CCUS (Carbon Capture, Utilization, and Storage) technology.
Market	• Energy supply and demand	• Increased operating costs from new business models for market entry due to changes in the energy market structure.	• Assess the possibility of upgrading or replacement of existing generation sets in response to energy transition. • Expand renewable-related services to enhance green power capacity.
Reputation	• Corporate reputation	• The impact of climate issues on the energy industry is significant, with risks to corporate reputation stemming from factors such as power plant	• Enhance the operational management of power plants to reduce the probability of accidents. • Establish mechanisms for GHG management, promote periodic

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	

		accidents and carbon emissions.	greenhouse gas inventory and verification, and set carbon reduction strategies and targets.

B.Climate-Related Risk—Physical Risk

Category	Item	Operational and Financial Impacts on TCC	Response Strategy
Acute	• Extreme Weather Events	• The occurrence of extreme weather events such as typhoons, rainfall, flooding, heatwaves, and droughts has increased, which may result in project delays or operational losses.	• Purchase relevant insurance to avoid huge losses from natural disaster. • Review the project schedules weekly, and provide immediate responses to emergencies. • Establish an emergency response system for disasters and conduct drills periodically. • Develop management plans and response measures for risks related to extreme weather events.
Chronic	• Changes of Climate Patterns	• Long-term changes in rainfall patterns may lead to an increase in drought periods, which would affect operations and reduce revenue.	

C.Climate-related Opportunity

Category	Item	Challenge and Opportunity	Response Strategy
Markets	• Domestic and International Trends	• The rise of international environmental initiatives such as RE100, SBTi and green supply chain promote trades in the green energy market. • The regulations for energy-heavy industries have increased the demands for renewable energy	• Actively expand renewable energy retailing business. • Seek collaboration with renewable energy power plants outside of the Group.

Indicator	Implementation (Note 1) Yes	No	Description	Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
			(table continued below)	
(4) Did the company produce statistics on GHG emissions, water consumption, and the total weight of waste and establish policies to reduce GHG emissions and water consumption or other waste management policies in the last two years?	V		(4) A. Guan-tian Cogeneration Plant, our operational location, inventories and registers GHG every year, with accuracy verified by third-party assurance (with respect to ISO 14064-1 and ISO 14064-3) to capture the status of GHG emissions, set effective reduction targets, and constantly implement controls based on the inventory results. At the same time, we also implement improvement measures such as wastewater recycling and water usage reduction. Additionally, we implement waste management plan execution. We conduct internal and external audits annually and obtain ISO 14001 environmental management system certification. The emission levels and targets for the main production site (Guan-tian Plant) over past two years are as follows: a. The 2022 Scopes 1 and 2 emissions were 326,786 tCO_2e and 6,181 tCO_2e respectively; and the 2023 Scopes 1 and 2 emissions were	

		purchase and installation.	
Resource Efficiency	• Energy and Resource Integration	• Expand regional energy integration, improve energy efficiency, and reduce environmental impact.	• Consolidate electricity and steam demand in the region to improve energy and resource efficiency.
Products and Services	• Development of Renewable Energy	• In response to the renewable energy promotion policies, domestic demand for applications related to renewable energy has emerged.	• Expand the development of renewable energy and energy storage business. • Undertake domestic, large-scale renewable energy projects. • Establish various renewable energy O&M teams.

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			337,192 tCO_2e and 3,821 tCO_2e respectively (The data for the year 2023 serves as preliminary internal data for inventory purposes). Target: Guan-tian Plant has established the energy-conservation plan, with a target to reduce total electricity consumption by 5% in 5 years from 2015. The accumulated conservation rate during 2015-2019 was 5.52%, with an annual average of 1.1% and achieving 5% within 5 years. In response to the energy conservation target announced by the Bureau of Energy on October 30, 2019, which is extended to 2024 at a minimum of 1% each year on average, our verified 2022 conservation rate was 0.85%, and the estimated 2023 conservation rate was 1.18%, making the annual average during 2015-2023 to 1.34%. A target is set for a fuel replacement rate of ≥30%, utilizing scrap tire rubber and SRF co-combustion to reduce coal usage. The fuel replacement rate was 27.08% in 2022 and 25.74% in 2023, resulting in a reduction of 41,422 tonnes of coal usage, equivalent to 81,850tCO_2e of carbon dioxide emissions, and yielding a reduction benefit of 1,830tCO_2e of carbon dioxide emissions. b. Water: The 2022 and 2023 consumptions were 811,448m^3 and 854,310m^3 respectively (limited assurance was already implemented on the intake water, water discharge and water consumption of Guan-tian Plant in 2022). Target: Since 2023, we have established the water management policy and set targets for water conservation in 2024, which will be implemented accordingly. In 2023, the water consumption was 701,892m^3, which is 46,775m^3 less than the average annual water consumption of the preceding three years. The wastewater discharge in 2023 was 50,498m^3, accounting for 6.63% of the water intake. c. Waste: Production in 2022 and 2023 was 21,577 tonnes and 22,493 tonnes respectively. (Limited assurance was already implemented on waste production by category at the Guan-tian Plant in 2022). Target: The annual recycling rate exceeded 98% for the entire year. In both 2022 and 2023, the recycling rate surpassed 99.8%. Note: The "t" in "tCO_2e" stands for tonne. B. In addition to the GHG management plan, the Guan-tian Plant also established the water management policy in 2022 as TCC's guiding principle for water management. The plant also sets the	

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			replacement fuel rate, electricity, and water conservation KPIs every year to enforce energy conservation and carbon reduction. Purchased electricity is the main source of energy consumption at TCC headquarters. In 2024, we will continue the energy conservation program at TCC headquarters and the Guan-tian Plant to achieve the goals of energy conservation and carbon reduction. In the water management of the Guan-tian Plant, as 99% of the steam generated by the cogeneration system can all be recycled through condensation, there is no waste of water. In addition, by reclaiming the condensate from steam consumed by users in the process to the cooling tower. Each year, it is estimated that we can also reduce raw water usage. In 2023, recycling exceeded 80,000 tonnes, demonstrating efficient utilization and circulation of water resources. No waste from Guan-tian Plant is hazardous, including coal ash, domestic waste, inorganic sludge, wasted thermal insulation materials and wasted refractory materials. We recycle 100% of the ash as materials for making backfilling materials for construction (CLSM). Non-recyclable waste is disposed of according to the Waste Disposal Act by qualified waste disposal contractors, with a recycling rate over 99.8%. We have also established policies for energy conservation, carbon reduction, and waste management to constantly enforce TCC's energy conservation, carbon reduction, and environmental sustainability goals.	
4. Social (1) Did the company establish management policies and procedures in accordance with relevant laws and International Bill of Human Rights?	V		(1)We have established the "Human Rights Policy and Management Regulations" and specific management plans for matters related to human rights, including human rights risk mitigation measures and the relevant effectiveness assessment and education and training. Apart from developing various management systems in accordance with the labor laws and regulations, we are committed to complying with international human rights conventions, such as the "Universal Declaration of Human Rights", "UN Guiding Principles on Business and Human Rights", "International Covenant on Civil and Political Rights", and "International Covenant on Economic Social and Cultural Rights", to protect the rights and interests of employees and eliminate differential treatment in employment. Apart from integrating the human right policy into various	No significant difference from the Sustainable Development Best Practice

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			management systems, we have also established the “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment” and the “Personnel Review Committee Regulations”, as well as mechanisms and channels for employee grievances, including the human rights protection hotline and email and unethical behavior reporting hotline and email to protect human right. Please refer to V. Business Activities-5	
(2) Did the company establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflect business performance and achievements in the remuneration for employees?	V		(2) A.We have established and implemented reasonable employee benefits, including the menstrual leave, maternity leave, paternity leave, and parental leave as stipulated by law. We have also established a pension system better than that of the *Labor Standards Act* and offer health checkup funding, baby bonus, and marriage allowance and announced that couples of same-sex marriage are also entitled to such benefits to promote workplace diversity and quality. By the end of 2023, TCC had 42 female employees and 84 male employees. There were 11 department heads, including 2 females and 9 males, accounting for about 18.2% of all employees. In 2023, three sessions of workplace misconduct prevention education training were conducted, including both online and in-person components. A total of 106 participants attended, accumulating 119.5 hours of learning time. B.We have established the performance evaluation regulations and employee compensation system (including managers). In accordance with Article 36 of TCC charter, if there is profit in the year, a minimum of 0.5% should be appropriated as compensation for employees and a maximum of 1% as remuneration for directors, and the latter must not be higher than the former. Additionally, the “Bonus Distribution Regulations” stipulates that the performance bonus in the employee’s renumeration includes profit sharing and performance evaluation. Every year, we include ESG-related items, such as corporate governance, operational performance, energy conservation & carbon reduction, renewables development, and others in TCC’s general goal. The performance of officers and employees are evaluated based on the achievement of the departmental KPIs, and bonuses are calculated according to the formulas to link the results of performance evaluation and the performance bonus and employee salary. The outstanding or	

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			improper performance of employees will be administered in accordance with the "Reward and Punishment Regulations". Please refer to section (V) in V. Business Activities for details.	
(3) Did the company provide employees with a safe and healthy work environment and arrange regular safety and health education for employees?	V		(3) A. We provide employees with a safe and healthy workplace environment and periodically arrange education and training relating to OH&S and employee health. Additionally, we established that there are regulations such as "Work Safety Management Procedures," "Health Check Management Procedures," and "Periodic Inspection Management Procedures for Hazardous Equipment and Machinery." We care about the health and safety protection of the workplace environment through the following specific measures: a. Taipei Office: (a) 24-hour access control and security service, and CCTV surveillance in common area such as stairs and parking in the building. (b) Public safety check by professional public safety contractors two times a year. Environmental monitoring is conducted twice a year. Fire safety inspections, fire drills, fire equipment checks, and environmental safety inspections are carried out annually. Additionally, self-inspections of fire equipment, certified and reported by professional fire protection engineers, are performed every quarter. (c) Building carpet cleaning and building disinfection two times a year, and actual frequency will increase according to actual needs. (d) General OH&S education and training for new employees during pre-service training. In addition, OH&S in-service awareness education once a year. (e) Health checkups for employees each year, factory nurses at the health center. In 2023, contracts were signed for on-site nursing and medical services, providing health service plan drafting and consultation services. As of the end of 2023, a total of 29 employees were provided with individual consultations and health education guidance. (f) Cleaning and waste sorting on each floor and in common areas. (g) Irregularly improves the office environment as needed, such as increasing the frequency of environmental inspections,	

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			enhancing environmental cleanliness, and installing carbon filter screens, among other measures. (h) Installation of additional air filters in all areas to maintain employee health. (i) Environmental monitoring by external monitoring units every six months. b. Guan-tian Plant (a) Workplace environment monitoring by external monitoring units every six months, including sulfuric acid tank area, dust, noise dose, and ammonia tank area tests. (b) Building safety inspection and report by professional institutions every year; fire and related disaster drills and education and training two times a year; self-inspection of public hazardous substances safety and monitoring every month; and report the results to local fire authorities for reference. (c) Continuous review and improvement of the onsite environment and periodically industrial safety meetings and the relevant OH&S education and training to ensure labor safety. (d) Epidemic control measures and full-scale environmental disinfection in the plant. (e) Signing contract for on-site nursing services; Irregular provision of health care information, development of health service plans; graded health management for employees with abnormal health checkup results, and factory physician health education and job accommodation assessment as necessary. In 2023, a total of 12 sessions of health and health education services were arranged. B.Status and scope of OH&S verification a. Guan-tian Plant passed the certification of the ISO 45001 OH&S management systems in 2019 and completed certificate renewal verification in 2022 (validity October 28, 2022 to October 27, 2025), and the certificate renewal verification of the ISO 14001 environmental management system in 2023 (validity September 19, 2023 to September 19, 2026). b. Subsidiary Star Energy has established the OH&S Committee and ESH Management Office; implemented zero industrial accident management; and passed the certification of the ISO 14001 environmental management system (June 29, 2023 to June 29, 2026). In 2023 it also passed the version change verification from the OHSAS 18001 into the ISO 45001 OH&S management systems (validity June 29, 2023 to June 29, 2026).	

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	Yes	No	Description	
			C.The 2023 rate of fatalities as a result of work-related injury, rate of high-consequence work-related injuries, and rate of recordable work-related injuries were all zero. In the future, we will continue to work for the goal of zero occupational accident. D.In 2023, there were 0 fire incidents and 0 casualties. We arrange fire safety inspections and drills every year and implement fire equipment self-inspection quarterly. Guan-tian Plant performs the security supervision and self-inspection on public hazards monthly to ensure to workplace environment safety and employee safety.	
(4) Did the company establish effective career development and training plans for employees?	V		(4)We established the "Talents Cultivation and Development Steering Committee" in 2022 to implement the "Core Workforce Training Program", "Intermediate and Senior Officers Cultivation Program", and internal competency training supported with various e-learning courses over e-learning platforms. The Committee also holds committee meetings periodically to review the training programs and assess their efficacy and plans diversified training methods to meet the career development needs of employees to create the value of talents. A.Improving English proficiency for core personnel: Due to the success of the previous 3-year TOEIC plan, we hired foreign teachers to give two half-year physical English Conversation classes in 2023 to improve the English listening and speaking capabilities of employees. Small classes were arranged in every two weeks to sharpen the spoken English of employees. In 2023 a total of 282 hours of training were organized in 36 physical classes for 188 participants. B.Continuous cultivation of intermediate and senior supervisors: In 2023, we collaborated with numbers of e-learning platforms to offer e-learning courses integrating business thinking and leadership management for competency diversity development to enhance the management competency training for chiefs and higher-ranking officers. We further introduced the course designation system to enhance the arrangement of topic-specific courses. Physical courses were also arranged afterwards to improve learning efficacy through the e-learning-and-classroom leaning model. In 2023, there were 35 participants, with the average hours of training of 26.1 hours per officer. We also organized the Advanced Business English Conservation class to improve the	

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			business English communication capability of officers. Professional courses on financial report review, business finance analysis, and decision-making were also arranged for directors and supervisors without financial backgrounds to improve the related competencies of senior officers and directors/supervisors of TCC and subsidiaries. C.E-Learning program: We continuously collaborate with e-learning platforms and adopt the e-learning-classroom dual-track leaning model. By setting the learning targets for employees, we help employees to acquire the competencies required for achieving the job targets. In 2023, the average hours of learning, including e-learning and classroom courses, were 51.8 hours per employees. D.New-employee care program: A questionnaire survey was conducted on new employees who had been with TCC for less than six months to gather their feedback and suggestions regarding the workplace environment, work and learning, life adaptation, and coworker relationships, aiming to understand their work and learning status. Individual interviews were arranged once a month by HR as necessary to provide them with resources to integrate into TCC. E.We have established the senior management succession program. Apart from the professional competencies required for succession, successor candidates should comply with TCC's integrity culture in the value. We also timely promote excellent talents for succession. F.The senior management succession program includes professionals from fields including management, engineering, and finance to achieve the corporate goals and maximize value for TCC by abundant management know-how. G.The current president and vice president of TCC have passed different levels of training before being promoted to the present positions. In the future, job rotation will be applied to develop the senior management competencies and experience required for operational management in different areas, such as project planning, engineering management, maintenance and operations, and financial analysis. In addition to competence training, we send officers to participate intermediate and senior officer development program to provide them with physical and e-learning education	

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			and training and encourage them to engage in self-learning and self-growth in areas including forward-looking trends, leadership strategies, and communication and coordination skills to support the constant enrichment of professional competencies, operational management, cultural nurturing, and volunteer services of officers so as to build an excellent succession team and develop candidates for the Board and senior management. In 2022, we established the Talents Cultivation and Development Advisory Committee to discuss the key talents required for future organizational development and propose talents cultivation and development planning and detailed training plans based on the future organizational development strategies and goals to cultivate and share with TCC's future outstanding management team. In 2023, a total of 156 mid to senior-level management personnel participated in the training program, accumulating a total of 1,013.5 training hours. H. The "Regulations for Funding In-Service Domestic Postgraduate Programs" was established in 2023 to develop intermediate and senior talents so as to improve the core academic and professional competencies of employees.	
(5) Did the company handle customer health and safety, customer privacy, marketing and labeling issues relating to products and services in compliance with the relevant laws and regulations and international standards and establish policies and grievance procedures to protect the rights and interests of consumers or customers?	V		(5) We uphold the quality policy of "diligence, devotion, professional team, and enthusiastic service", apart from passing the certification of the ISO 9001:2015 quality management system, we practice the plan-do-check-act (PCDA) operating procedures on steam and electricity, electricity development and investments, and electricity-related construction services provided. To ensure legal compliance regarding customer health, safety, and privacy, as well as the non-disclosure obligations of employees, we have established the "Procedures for Handling Customer Complaints" and set up a grievance hotline and email for open communication and addressing customer grievances. In 2023, customer satisfaction reached 95.6%, with no reported instances of infringement upon customer rights, interests, or complaints related to customer data loss.	

Indicator	Implementation (Note 1)			Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
(6) Did the company establish a supplier management policy to request suppliers to comply with the relevant standards in environmental protection, occupational safety and health, and labor human rights? And what is the status of policy implementation?	V		(6) A. We have established the supplier management policy, implemented procurements in accordance with the ISO 9001:2015 standard, and the supplier management and evaluation mechanisms to request suppliers to comply with related laws and regulations in environmental protection, OH&S, or labor human rights. In the contracts, we request suppliers to abide by the "Labor Standards Act", "Occupational Safety and Health Act", "Labor Inspection Act", "Hazardous Workplace Review and Inspection Regulations", and their enforcement rules. In equipment procurement and project outsourcing, we carefully select suppliers complying with laws and regulations in the social aspects, such as integrity and ethics, product quality, supply cooperation, environmental protection, and occupational safety. We also request suppliers having contracts with us to sign the "Supplier Corporate Social Responsibility Commitment Statement" to ensure their compliance with requirements covering service responsibility, human rights maintenance, integrity and ethics, and environmental protection. We will terminate contracts of suppliers breaching CSR-related requirements. By the end of 2023, up to 95% of suppliers have signed the "Supplier CSR Commitment". B. Committed to increasing the sustainable value of the overall supply chain, we began to organize ethnical management courses for suppliers in 2018, introduced email publicity at the inquiry stage and reporting channels in 2023 to achieve total outreach of our "Ethical Corporate Management Best Practice Principles". Additionally, apart from implementing the supplier CSR self-assessment for the reference of supplier management improvement in the future, we have also established a supplier evaluation mechanism to evaluate suppliers in terms of four aspects: reliability, price, quality, and delivery. Based on the evaluation results, suppliers are divided into 5 grades: A, B, C, D, and E. Suppliers with grades D and E are unqualified. For significant suppliers, we will further arrange onsite inspection periodically to verify their CSR performance. Suppliers unqualified by the said evaluation will be requested to make immediate improvement and submit a solution. In 2023, there were 418 qualified suppliers, and 11 unqualified suppliers were disqualified. Aiming to further	

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	Yes	No	Description	
			discern the performance in economic, social, human rights, and environmental commitments of suppliers, we promote the sustainability performance self-assessment questionnaire and onsite inspection to proactively practice CSR with suppliers. In 2023 the questionnaire response rate was 91.3%, and onsite inspection was conducted on 7 suppliers. All complied with the Supplier CSR Commitment.	
5. Did the company prepare and publish such reports as the sustainability report in accordance with the internationally accepted reporting standards or guidelines to disclose the company's non-financial information? Did the company apply for third-party verification and assurance to a third-party certification body for the above report?	V		5. (1)The 2022 Sustainability Report published in 2023 was prepared in accordance with the Core disclosure principle of the GRI Standards. (2)The above report has undergone third-party assurance (Limited Assurance), conducted by Ernst & Young Certified Public Accountants in accordance with Assurance Standard 3000 issued by the Accounting Research and Development Foundation, which pertains to 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information' (based on the International Standard on Assurance Engagements (ISAE) 3000). It confirms compliance with GRI Standards disclosure principles and issues a limited assurance report by the accountant.	
6. If the company has established its own Sustainable Development Best Practice Principles with reference to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please state the differences from the CSR best-practice principles it establishes and operates: We have established and implemented our own "Sustainable Development Best Practice Principles" without no variation from the "Sustainable Development Best Practice Principles for TWSE/TPEx-Listed Companies".				

7. Other important information that helps understand the promotion of sustainable development:

(1)Each year we publish the Sustainability Report and fully disclose related information in the report available for downloading from MOPS or our corporate website (https://www.cogen.com.tw/csr/csr_report).

(2)In both the Chinese and English corporate website, we have established the Sustainable Development section to disclose information relating to the issues that concern or interest stakeholders, ESG performance, and employee benefits. We also provide the sustainability (ESG) reports published over the years for reference.

(3)The 2023 ESG foci included: a. the operation of the ESG and the working groups; b. awards for constant participation in enterprise and environmental sustainability awards; c. engagement in employee care, culture and education cooperation, sports promotion, and social participation. The 2023 ESG performance is as follows:

A.Governance (G): Ranked the top 6-20% of listed companies at the 9th (2022) Corporate Governance Evaluation; won the "Top 100 Sustainability Exemplary Awards" and Gold Award for "Corporate Sustainability Report Awards" of Taiwan Corporate Social Responsibility Awards (TCSA); ranked the 9th in the Medium-sized Enterprises category of the "2023 Excellence in Corporate Social Responsibility Award" by CommonWealth Magazine, established the "Procedures for Preparation and Validation of Sustainability Report" and included report production in the internal control procedure to realize legal compliance; established the Digital Transformation Promotion Project Team to optimize processes and enhance operational efficiency; and strengthened information security protection and completed the information security management report.

B.Environmental (E): Utilized scrap tire rubber and SRF as alternative fuels at Guan-tian Plant to reduce coal consumption and thereby promote the circular economy; actively developed renewable services, such as solar PV, wind power, and geothermal generation, to accumulate green power retailing of over 400GWh; the 2023 green procurement amount reached the award criteria of the Ministry of Environment; introduced the GHG inventory information system and established the GHG management mechanism.

C.Social (S): Continuously sponsored the "Power School" and local charity road-running events; purchased products from local smallholders; organized the one-day vegan diet; and planned the Hope Reading Volunteerism Program for schools in remote townships.

(4)ESG tasks for 2024:

A.Complete the 2023 Sustainability Report and pass third-party assurance by June 2024; and publish the English Sustainability Report to enhance information disclosure and stakeholder communication; and continuously plan participation in sustainability-related awards.

B.Meet the ESG-related KPIs, including energy conservation performance, circular economy, green procurement performance, GHG management, solar PV development, onshore wind power development, renewables operation and maintenance, renewable retailing, ancillary services, customer satisfaction, promote human rights policy, governance optimization, and HRM and cybersecurity management enhancement.

C.Continuously practice electricity talents cultivation and sports promotion and plan medium- and long-term charitable activities covering local participation and care for the vulnerable.

D.Formed the Digital Transformation Promotion Team in 2023 to plan the implementation strategies and action plans for TCC's digital transformation to realize sustainable corporate development.

E.Continuing to operate the ESG Sustainable Development Committee and working groups and rolling review and planning of ESG implementation tasks.

Note 1:If "yes" is selected for the performance, please state the important policies, strategies, and measures adopted and their effectiveness. If "no" is selected, state the differences and causes of differences and the future plans to adopt related policies, strategies, and measures in the Differences and the cause(s) of differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies column.

Note 2:The Materiality Principles refer to the ESG issues with significant impacts on the company's investors and other stakeholders.

Note 3:Please refer to the Codes of Corporate Governance Best-Practice section of the Corporate Governance Center website of the Taiwan Stock Exchange for disclosure methods.

Climate-Related Information of Listed Companies

A. Climate-related Performance

Item	Performance
1. Describe the Board and management's oversight and governance of climate-related risks and opportunities.	1. As the highest governance body of risk management, the Board supervises the operation of the risk management mechanism and ensures the effectiveness of risk management. The Risk Management Committee include the chairman, president, and vice presidents. They review TCC's annual risk management plan and risk management performance and report the operation and performance to the Board and the Audit Committee periodically each year.
2. Describe the impact of identified climate-related risks and opportunities on the organization's businesses, strategy, and finance over the short, medium, and long term.	2. Short-term: Although the increased frequency of legal changes and climate disasters may increase operating costs, delay project schedules, and cause investment losses, as the government has announced the target of "Net-Zero Emissions 2050" and amended the "Greenhouse Gas Reduction and Management Act" into the "Climate Change Response Act" and promulgated it in February 2023, the related implementation policies and carbon reduction trend at home and abroad will favor TCC's development of renewable services. Medium- and long-term: The increased probability of extreme weather events and changes in the weather patterns will increase the operational risks of businesses. Hence, we will disclose climate-related financial impacts based on the framework recommended by the TCFD and set metrics and targets based on our governance, strategy, and risk management for the effective management of climate-related risks and opportunities. We will also establish responsive strategies and counteractions and keep close track on policy and legal changes to timely adjust TCC's operational strategies and development directions to ensure sustainable corporate development.
3. Describe the financial impact of extreme weather events and transition actions.	3. Extreme weather events (typhoons, floods, droughts) may delay project schedules or cause losses on power plant operations. In policy and legal terms, limiting total GHG emissions, tightening air pollution standards, and coal reduction policies will increase equipment upgrading costs and operating costs. Additionally, the legislation of carbon tax collection may also lead to transition risks such as increased the operating cost and customer churns of cogeneration plants.

Item	Performance
4. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	4. In our "Risk Management Policy and Procedures", we include the risks from investment, operations, management, climate change, and unethical behavior in the scope of risk management. We also include the identification, assessment, and management of climate-related risks and opportunities in the annual risk management plan. The Risk Management Committee review and supervise plan implementation and report the performance to the Board and Audit Committee periodically each year.
5. When accessing the resilience against climate risk through scenario analysis, state the scenario, parameter, assumption, analysis factors, and major financial impacts.	5. To progressively disclose sustainability-related financial information and practice climate-related disclosures in accordance with IFRS S1 and IFRS S2, we advanced the financial materiality analysis in 2023 based on the framework of IFRS S1 and identified 22 sustainability issues in accordance with the procedures for identifying the materiality of sustainable impacts. We also made reference to the scenarios in the IPCC reports, the TCCIP analysis reports, and various metrics of SASB for the Electric Utilities & Power Generators Industry and identified 9 material financial issues. Through qualitative research, we analyzed the value chain location of financial impacts, timing of impact, potential financial risks and opportunities, and financial impact factors of various sustainability issues and disclosed the relevance between sustainability and financial information in 2023. In the future we will develop quantitative approaches based on the IFRS S2 to disclose the financial impact of climate-related risks and opportunities.
6. When transition plans relating to management of climate-related risks are in place, state their contents and the metrics and targets used for identifying and management physical risks and transition risks.	6. We are committed to developing high-efficiency, low-emission generation models, expanding the scope of renewable services, and setting the short-, medium-, and long-term goals of investments in renewable installed capacity and the relevant KPIs for energy conservation and carbon reduction. In the future, we will also establish counteractions relating to environmental sustainability, including developing the GHG management mechanism, reducing coal consumption by mixing SFR in fuels, implementing periodic maintenance and repair of existing equipment, and assessing the retirement and replacement of generation sets, in the operating strategies to enhance energy efficiency and reduce GHG emissions. Additionally, we will also draw up management plans and

Item	Performance
	counteractions against climate-related risks and manage climate-related physical and transition risks to reduce their influences and impacts on business operations.
7. When internal carbon pricing is used as the planning tool, state the basis of pricing.	7. We primarily engage in power plant operation and electricity-related services. In recent years we have been actively investing in and cultivating renewable-related services and developing low- and zero-emission generation. Therefore, we are currently not conducting internal carbon pricing.
8. If climate-related metrics are in place, state the activities, the scopes of GHG emissions, planning schedule, and the annual targets. When carbon offset or renewable energy certificates (RECs) are used to achieve the relevant targets, state the sources of carbon credit for offset or the quantity of RECs.	8. Based on the 9 material financial issues, we establish climate adaptation and mitigation approaches and set the relevant KPIs that cover all activities relating to operations, including energy conservation performance, water conservation performance, fuel replacement rate, GHG management, and renewables. We also plan and implement programs for net-zero and low-emission transformation, air pollution control, waste management, and energy supply stabilization. Please refer to Table 1-2 below for the details regarding the scopes of GHG emissions, planning schedules, and target setting. Apart from developing renewables, we have also established TCC Green Energy Corporation to retail green electricity to provide wheeling service and REC exchange services for businesses.
9. GHG inventory and verification.	9. We have hired third-party certification body to verify the TCC GHG inventory results of Guan-tian Plant in accordance with the ISO14064-1 standard. We plan complete the GHG inventory and verification planning of TCC Taipei Office and subsidiaries listed in the consolidated financial statement in accordance with the “Sustainable Development Roadmap for Listed Companies”. TCC Taipei Office will implement GHG inventory in 2024 and complete the inventory report and verification of the inventory results of the previous year in 2025.Subsidiaries will follow suit in 2025 and 2026 respectively.

A.1Greenhouse gas inventory and assurance status of the company for the past two years

A.1.1 Greenhouse gas inventory information

State the emissions in tCO_2e, intensity (tCO_2e/NT$ million), and the scope of data in the past two years.

The table below shows the GHG inventory results of TCC Guan-tian Plant. The assurance of TCC Taipei Office and subsidiaries listed in the consolidated financial statement will be completed as scheduled in the “Sustainable Development Roadmap for Listed Companies”.

Region	Scope	2022	2023
TCC Guan-tian Plant	Scope 1(tCO_2e)	326,786	337,192
	Scope1 2(tCO_2e)	6,181	3,821
	Emission intensity (steam) (tCO_2e /t)	0.362	0.342
	Emission intensity (electricity) (tCO_2e/kWh)	0.001050	0.000992

[1]The data for 2023 were based on preliminary internal inventory data. The electricity emission factor for 2022 was 0.495 $kgCO_2e$/kWh.

[2]Scopes 1 and 2 GHGs include: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3.

Note 1:Direct emissions (Scope 1, which are emissions directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, which are emissions from the consumption of purchased electricity, heat, or steam), and other indirect emissions (Scope 3, which are emissions from activities of the company but occur from sources not owned or controlled by the company).

Note 2:The scope of direct emissions and energy indirect emissions shall be reported as scheduled in Article 10, paragraph 2, Regulations Governing Information to be Published in Annual Reports of Public Companies. Other indirect emissions may be disclosed voluntarily.

Note 3:GHG Inventory Standards: Greenhouse Gas Protocol, GHG Protocol or the ISO14064-1 published by the International Organization for Standardization (ISO).

Note 4:The intensity of GHG emissions may be calculated by per unit product/service or sales turnover, provided that the data for calculation by sales turnover (NT$ million) shall be stated.

Note 5:The "t" in "tCO_2e" stands for tonne.

A.1.2 Greenhouse gas assurance information

<table>
<tr><td colspan="5">State the status of assurance, including the scope, assurance body, standards, and opinion of assurance in the past two years until the date of report publication.</td></tr>
<tr><td colspan="5">The table below shows the verification status of TCC Guan-tian Plant. The assurance of TCC Taipei Office and subsidiaries listed in the consolidated financial statement will be completed as scheduled in the “Sustainable Development Roadmap for Listed Companies”.</td></tr>
<tr><th>Year</th><th>Scope of Verification</th><th>Certification Body</th><th>Verification Standard</th><th>Greenhouse Gas Verification Statement</th></tr>
<tr><td>2022</td><td rowspan="2">TCC
Guan-tian Plant</td><td>SGS Taiwan</td><td>The inventory of greenhouse gas emissions of TCC Guan-tian Plant has been verified in accordance with:
● The inventory of greenhouse gas emissions of TCC Guan-tian Plant has been verified in accordance with:
● ISO 14064-1:2006 Greenhouse gases Part 1: Specification with Guidelines for the quantification and reporting of organizational-level greenhouse gas emissions and removal.
● Regulations Governing GHG Inventory and Registration Management (2016/1/5), Environmental Protection Administration, Executive Yuan
● Directions for Inventory of GHG Emissions (2022/5)
● Directions for GHG Verification (2010/12) Environmental Protection Administration, Executive Yuan
● Related regulations of the Mandatory Greenhouse Gas Reporting System</td><td>
聲明書編號 TW23/00070GG
溫室氣體查驗聲明書
2022 年溫室氣體排放資訊
台灣汽電共生股份有限公司官田廠
台南市官田區二鎮里工業西路 28 號
經本公司依據 ISO 14064-3:2006 完成查驗並符合下列標準要求
ISO 14064-1:2006
直接溫室氣體排放量
326,785.9976 公噸二氧化碳當量
能源間接溫室氣體排放量
6,181.2960 公噸二氧化碳當量
直接與能源間接溫室氣體排放量
332,967.294 公噸二氧化碳當量
簽署人
日期: 2023年04月10日
版次:1
Validation and Verification
VB002</td></tr>
<tr><td>2023</td><td colspan="3">The Greenhouse Gas Verification Statement has not been obtained by the date of report publication. Full verification information will be disclosed in the Sustainability Report.</td></tr>
</table>

Note 1:Information shall be reported as scheduled in Article 10, paragraph 2, “Regulations Governing Information to be Published in Annual Reports of Public Companies”. Companies unable to obtained full GHG verification opinions by the date of annual report publication shall state “full verification information will be disclosed in the ESG report”. Companies without publishing the ESG report shall state “full verification information will be published on the MOPS” and disclose such information in the annual report of the next year.

Note 2:Assurance bodies shall comply with the requirements for assurance bodies of ESG reports established by the Taiwan Stock Exchange Corporation and Taipei Stock Exchange.

Note 3:3Companies may refer to the best-practice samples published on the TWSE Corporate Governance Center for the content of discloses.

A.2 Targets, Strategies, and Action Plans for GHG Reduction

State the base year and data, targets, strategies, and action plans of GHG reduction and the reduction targets achieved.
(1) Base year of GHG reduction We will complete the GHG inventory of the parent company and subsidiaries listed in the consolidated financial statements and set the base yea as scheduled by law. (2) Targets, strategies, and action plans of GHG reduction and reduction targets achieved We keep close track on climate change issues and the energy trends at home and abroad. To mitigate the direct and indirect impacts on TCC's operations and support government policies, laws, and regulations, we identify the potential climate-related risks and opportunities and plan responsive strategies in accordance with the framework and four core elements recommended by the TCFD. In GHG management, we inventory GHGs and plan verification as scheduled by the competent authorities to discern GHG emissions at TCC to facilitate long-term carbon reduction planning, pursue sustainable development, and achieve net-zero emissions. Apart from completing GHG inventory and inventory verification as scheduled by the competent authorities, we will produce the standalone 2024 GHG inventory report and complete third-party verification of TCC in 2025. The reports and third-party verification of TCC and subsidiaries listed in the consolidated financial statements will be produced and completed in 2026. By discerning the GHG emissions at TCC facilitates long-term carbon reduction planning, pursue sustainable development, and achieve net-zero emissions. The table below shows the targets achieved and annual targets for GHG reduction:

Targets for 2023	Achievement of Targets for 2023	Targets for 2024
1. Establish an internal greenhouse gas inventory mechanism and introduce a greenhouse gas management information system. 2. Fuel replacement rate (SRF and scrap tire rubber) ≥ 30%. 3. Average electricity savings rate from 2015 to 2023 ≥ 1%.	1. Completion of establishing an internal greenhouse gas inventory mechanism and introducing a greenhouse gas management information system. 2. Fuel replacement rate of 25.74%, it can reduce coal consumption by 41,422 tonnes, equivalent to 81,850 tCO_2e, resulting in a reduction benefit of 1,830 tCO_2e. 3. Average electricity savings rate from 2015 to 2023 is 1.34% (Estimated annual electricity savings rate for 2023 is 1.18%).	1. Fuel replacement rate (SRF and scrap tire rubber) ≥ 30%. 2. Average electricity savings rate from 2015 to 2024 ≥ 1%.

Note 1:The provisions of Article 10, paragraph 2 of these guidelines, "Regulations Governing Information to be Published in Annual Reports of Public Companies," shall be implemented according to the prescribed schedule.

Note 2:The base year shall be the year in which the inventory of the boundaries in the consolidated financial statements is completed. As stipulated in Article 10, paragraph 2, Regulations Governing Information to be Published in Annual Reports of Public Companies, companies with an authorized capital of over NT$10 billion shall complete the inventory of the 2024 consolidated financial report in 2025, and the base year is thus 2024. Companies completing the inventory of the consolidated financial reports in advance may set the year of completion as the base year. Additionally, data of the base year may be extracted from a single year or the average value of multiple years.

Note 3:Companies may refer to the best-practice samples published on the TWSE Corporate Governance Center for the content of discloses.

Note 4:The "t" in "tCO_2e" stands for tonne.

(8) Performance of ethical corporate management and the differences and cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies (Ethical Corporate Management Best Practice):

Indicator	Operation (Note 1)			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
1. Establishment of ethical management policies and plans			1.	No significant difference from the Ethical Corporate Management Best Practice
(1) Does the company establish policies for ethical corporate management approved by the board of directors and state such policies and practices in its regulations and external documents and in the commitment made by the board of directors and senior management to actively implement such policies?	V		(1) After the partial amendment made with respect to the amendment to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" promulgated by the TWSE on May 23, 2019, the amendment to Company's "Ethical Corporate Management Best Practice Principles" were approved by the 14th meeting of the 10th Board on August 12, 2019. In addition, we have established, and review and amend regularly, the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct" to state our strategy and practice of ethical corporate management. Related regulations stipulate that employees shall not offer or accept undue advantage of any type in any form when conducting business in related laws and regulations; and directors, officers, and employees shall comply with TCC's ethical corporate management policy to enforce our commitment on ethical corporate management. Related information is disclosed on our corporate website and in our sustainability report.	
(2) Does the company establish an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in Article 7, paragraph 2, the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies"?	V		(2) Every year we assess the risk of unethical behavior, analyze and assess business activities of higher risk of involvement in unethical behavior, and draw up audit programs for the reference of unethical behavior audit. The scope of audit covers the precautionary actions of various unethical behaviors stated in Article 7 of the "Ethical Corporate Management Best Practice Principles". We have also established the "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct", "Unethical Behavior Reporting Regulations", "Internal Material Information Handing SOP", and "Personnel Management Rules" for preventing unethical behavior.	

Indicator	Operation (Note 1)			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
(3) Does the company establish in the preventive programs the operating procedures to prevent unethical behavior, penalties and grievance systems of breaching the guidelines for conduct, and implement and periodically review and revise them?	V		(3) In our "Ethical Corporate Management Best Practice Principles", we have stated TCC's ethical corporate management policy and practices. Apart from establishing the "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct", and "Internal Material Information Handing SOP", we arrange related education and training for directors, officers, and employees regularly. In addition, we have established the "Unethical Behavior Reporting Regulations" to provide a mechanism and channel for reporting unethical behavior anonymously. Those who violate related regulations will be punished with reference to the "Reward and Punishment Regulations". We periodically review the programs and SOPs for preventing unethical behavior and amend them in response to the amendment to related laws and regulations.	
2. Implementation of ethical management (1) Does the company evaluate the ethical record of its transaction parties and explicitly include clauses on ethical conduct in contracts?	V		2. (1) We have established a well-planned Supplier Management and Evaluation Mechanism. We have also specified in the contracts signed with suppliers that we may terminate the contract with any suppliers involved with unethical behaviors at any time. Any commissions, kickbacks, or other undue advantages received should be reported immediately, related evidence should be provided, and investigations should be cooperated. We have also set up reporting mechanisms and channels.	No significant difference from the Ethical Corporate Management Best Practice
(2) Does the company establish a unit specializing in implementing ethical corporate management under the Board of Directors and report regularly (at least once a year) to the board of directors the status of implementation and supervision of the ethical corporate management policy and preventive programs of unethical behavior?	V		(2) We have established the "Ethical Corporate Management Best Practice Principles" approved by the Board. Accordingly, the legal affairs office is the unit specializing in implementing ethical corporate management with sufficient resources and competent personnel. At least once a year it reports to the Board the status of implementation and supervision of the ethical corporate management policy and programs for preventing unethical behavior. At the 7rd meeting of the 12th Board on March 13, 2024, the legal affairs office reported that 2023 ethical corporate management was implemented in compliance with the "Ethical Corporate Management Best Practice Principles". The status of implementation of ethical corporate management in 2023 is as follows:	

Indicator	Operation (Note 1)			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			A. Education and training: Cf. 2-(5). B. Compliance communication: To communicate ethical corporate management, at the executive meetings, we regularly request department heads to communicate to employees related laws and regulations, such as the “Ethical Corporate Management Best Practice Principles”, “Code of Ethical Conduct”, and “Insider Trading Prevention Regulations”. Department heads also verify if employees understand related regulations through the departmental meetings. All directors and officers of TCC have made the Statement of Compliance with Ethical Corporate Management. When new directors or officers report to duty, we will provide them with the “Insider Regulations Handbook”, with information including the reporting duty and no insider trading of insiders. We also email legal compliance materials to them every month. In our employment contract, employees are requested to abide by the ethical corporate management policy. We also include regulations and standards relating to ethnical corporate management in the education and training for new employees and the relevant statements to require new employees to read and understand these instructions. In the employment requirements, we request employees to uphold the ethical corporate management policy and include rules and regulations relating to ethical corporate management in the education and training for new employees and the statement required for reading and acknowledgment by new employees. C. Periodic check: Every year we assess the internal control system to assess the risk of involvement in unethical behavior in business activities. The audit unit shall conduct independent audits and report the results to the BOD to ensure the effective operation of the overall mechanism. D. Whistleblower system: We have established the reporting (whistleblower) regulations of unethical behavior. This substantial whistleblower system includes channels like hotlines and emails, acceptance	

Indicator	Operation (Note 1)			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			of anonymous reports, protection of whistleblower identity, and proper handling of reports to realize ethical corporate management within the organization. In 2023 no unethical behavior was reported.	
(3) Does the company establish and implement a policy to prevent conflicts of interest and provide suitable channels for reporting such conflicts?	V		(3) Apart from establishing the policy to prevent the conflict of interest, we state the regulations for avoidance and prevention of the conflict of interest in the "Ethical Corporate Management Best Practice Principles", "Regulations Governing the Procedure for BOD Meetings", and "Personnel management Rules". We also establish the reporting (whistleblower) regulations, designate the units and personnel specializing in accepting related reports, provide reporting channels like hotlines and emails, and accept anonymous reporting for the reference of implementation.	
(4) Does the company establish an effective accounting system and an internal control system for the internal audit unit to establish related audit programs based on the results of risk assessment of involvement in unethical behavior to audit and prevent the compliance with the preventive programs of unethical behavior or hire a CPA to perform the audit?	V		(4) We have established an effective accounting system and internal control system. Based on the results of unethical behavior risk assessment, the internal audit unit draws up the audit programs every year for departments to identify the impact of risk according to work items of the internal controls and implement self-assessment of internal controls, and then the audit unit conducts the audit and reports to the BOD. The results of the ethics and integrity audit in 2023 were reported to the 7th meeting of the 12th BOD on March 13, 2024.	
(5) Does the company regularly organize internal and external education and training activities for ethical management?	V		(5) We organized education and training on ethical corporate management periodically. In 2023, we arranged courses including "Legal - Life Law Series: Issues related to sexual autonomy", "Exploration of Legal Issues Related to Insider Trading" and "Hold on to your faith and things will go your way: Discussing the Ethical Management of Publicly Listed Companies". We also invited experts, lawyers, etc. (both external and internal instructors) to provide a total of 10 hours of education, training, and publicity on insider trading prevention, legal compliance, and Code of Conduct for a total of 98 directors, officers, and employees.	

Indicator	Operation (Note 1)			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
3. Operation of the corporate whistleblower system (1) Does the company establish an explicit whistleblower and incentive scheme and convenient reporting channels, and assign appropriate personnel to investigate the target of the whistleblower complaint? (2) Does the company establish a standard operating procedure to investigate whistleblower complaints and related mechanisms to ensure confidentiality? (3) Does the company establish measures to protect whistleblowers against retaliation?	V V V		(1) We have established reporting regulations, a report box, a report hotline, and stakeholder grievance box, and will assign special staff to handle all whistleblower complaints. (2) We have established the reporting (whistleblower) regulations, investigation SOPs, and related non-disclosure mechanism; and accept anonymous reporting. After acceptance, reports are handled according to related regulations. In 2023, no report was received. (3) We have established reporting regulations and measures to protect whistleblowers against retaliation and accept anonymous reporting.	No significant difference from the Ethical Corporate Management Best Practice
4. Reinforcing information disclosure Does the company disclose its ethical management principles and effectiveness on the corporate website and the Market Observation Post System website?	V		We have established the “Ethical Corporate Management Best Practice Principles” and have disclosed them on the corporate website and Market Observation Post System.	No significant difference from the Ethical Corporate Management Best Practice
5. If the company has established own ethical management principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies,” please specify the status of operation and variations: We have stablished and implemented the “Ethical Corporate Management Best Practice Principles”, and no noncompliance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies” is found.				
6. Other material information that helps to understand the operation of the company’s ethical management (such as the company review of the of its ethical management principles): (1) On March 13, 2024, the Legal Affairs Office reported to the Board of Directors on the promotion of Ethical Corporate Management, including the implementation of policies, establishment of systems, training activities, and whistleblower channels, all in accordance with the "Ethical Corporate Management Best Practice Principles", with no deviations observed. (2) We reviewed and amended the Procedures for Ethical Management and Guidelines for Conduct in response to the amendment to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies by the competent authorities. The amendment was approved by BOD at the 14^{th} meeting of the 11^{th} BOD on December 13, 2021. In accordance with Article 8 of the Ethical Corporate Management Best Practice Principles, directors and officers have submitted the Statement of Compliance with the Ethical Corporate Management Policy. (3) In June 2023, we published our eighth CSR report to disclose/publicize our ethnical corporate management policy and related reporting channels. We also established the Ethical Management section on the corporate website and sound communication channels with stakeholders. Related achievements also won external recognition. (4) Since 2016, we have been rated among the top 20% of the more than 900 listed companies evaluated at the Corporate Governance Evaluation. In 2017, 2019, 2020, and 2021, we were even ranked among the top 5% and in 2022 the top 6-20% of listed companies. We also won the “Top 100 Sustainability Exemplary Awards” and Gold Award for “Corporate Sustainability Report Awards” of Taiwan Corporate Social Responsibility Awards (TCSA); ranked the 9^{th} in the Medium-sized Enterprises category of the “CommonWealth Sustainable Citizen Award 2023” by “CommonWealth Magazine”, and the 2023 green procurement amount reached the award criteria of the Ministry of Environment. We strive to become a benchmark enterprise for corporate governance and integrity management.				

Note 1: Please answer to all items in each indicator, regardless of a “yes” or “no” answer.

(9) Should the corporate governance best practice principles and related regulations be established, disclose their access: Please visit related section (Governance/Corporate Regulations) on our corporate website at https://www.cogen.com.tw/eng/manages/.

(10) Other material information that is helpful for understanding the status of implementation of governance may be disclosed together:

A. Performance in Intellectual Property Management

a. By integrating the goals and style of operations, we have established the “Intellectual Property Management Regulations” relating to trade secrets and other intellectual property rights. The regulation was approved by the BOD on December 22, 2020. From 2021, the status of intellectual property management shall be reported to the BOD at least once a year.

b. Trade secret management has been implemented in accordance with the Intellectual Property Management Regulations and stipulated in the employment contracts. Matters related to intellectual property management was reported to BOD on December 22, 2023.

(11) Information to be disclosed to support the status of implementation of the internal control system:

A. Internal Control System Statement

Taiwan Cogeneration Corporation
Statement of Internal Control System

Date: March 13, 2024

With regards to the results of the 2023 self-evaluation on the internal control system, we hereby declare as follows:

1. We acknowledge and understand that it is the responsibility of our BOD and executives to establish, implement, and maintain an internal control system, and we have established such a system. Its purpose is to fairly ensure the effectiveness and efficiency of operations (including profitability, performance and security of assets); the reliability, timeliness, and transparency of financial reporting; and the achievement of legal compliance.
2. There is limitation inherent to each internal control system, however perfect the design is. As such, an effective internal control system can only fairly ensure the achievement of the aforementioned goals. Furthermore, the effectiveness of an internal control system may variate as the macro environment and situation change. By equipping our internal control system with a self-monitoring mechanism, we can take immediate corrective actions against any defects once identified.
3. Referring to the criteria for determining the effectiveness of an internal control system as specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (the "Criteria"), we judge the effectiveness of design and implementation of our internal audit system. With regard to the management control process, the Criteria divided an internal control system into five elements: a) control environment, b) risk evaluation, c) control operation, d) information and communication, and e) monitoring. Each element in turn contains certain audit items and shall be referred to the Criteria for details.
4. We have evaluated the effectiveness of design and implementation of our internal control system with such criteria.
5. In respect of the findings from the above evaluation, we hold that the design and implementation of our internal control system (including the supervision and management of subsidiaries) by December 31, 2023 were effective to achieve the above goals in terms of the effect and efficiency of operations; the reliability, timeliness, and transparency of financial reporting; and the achievement of legal compliance.
6. This statement shall form an integral part of the annual report and the prospectus on the company and will be disclosed to the public. If there is any fraud, concealment and unlawful practice found in the above contents, we shall be liable to the legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
7. This statement of declaration was approved unanimously by the BOD meeting held on March 13, 2024 with the presence of all directors attended the meeting.

Taiwan Cogeneration Corporation

Signature of Chairman: Shun-I Huang

Signature of President: Yi-Tong Chen

B. The company auditing its internal control system by a CPA shall disclose the CPA audit report: None.

(12) Punishments, major defects, and improvements in the previous year and by the date of report publication of the company or its personnel by the law or for violation of the regulations of the internal control system: None.

(13) Important resolutions made by the general meeting of shareholders and BOD in the previous year and by the date of report publication:

Date	Meeting	Resolution
2023.3.10	Board	1. Passed the 2022 business report and financial statements. 2. Passed the 2022 profit distribution proposal: Shareholder dividend-cash NT$0.8976/share, stock NT$0.5984/share. 3. Passed the new shares through capitalization of earnings. 4. Passed the amendment to part of the articles of the "Loaning of Funds and Making of Endorsements/Guarantees Operating Procedure". 5. Passed the "Statement of Internal Control System" on December 31, 2022. 6. Passed amendment to part of the articles of the "Rules of Procedure for Shareholders Meetings". 7. Passed the directorial election proposal. 8. Passed the abolition of the non-compete restriction on new directors. 9. Passed the date of the Annual General Meeting of Shareholders for the year 2023.passage of the time of acceptance of shareholder proposals and director nomination. 10. Passed the Distribution of Remuneration for Directors and Employees in 2022.
2023.5.10	Board	1. Passed the consolidated financial statement of 2023Q1. 2. Passed the control table of the internal control follow-up report. 3. Passed amendment to part of the articles of the "Articles of Incorporation". 4. Passed amendment to part of the articles of the " Rules of Procedure for Shareholders Meetings ". 5. Passed the nomination and review of the candidates for directors and independent directors. 6. Passed the distribution of the 2022 remuneration for directors. 7. Passed the allocation of remuneration for employees to officers for 2022.
2023.6.26	AGM	1. Ratified the 2022 Business report and financial statements. Implementation: Execution of profit distribution acknowledgment. 2. Ratified the 2022 profit distribution Implementation: Due to the cash capital increase on June 6, 2023, resulting in an increase in outstanding shares, the stock dividend and dividend payout ratio have been adjusted. The Board set July 9, 2023 as the base day of distribution and August 25, 2023 as the date of distribution. (1) The cash dividend of NTD 618,501,025, originally distributed at NT$1.05/share, has been adjusted to NT$0.89761597/share. (2) The stock dividend of NTD 412,334,050, originally distributed at NT$0.7/share, has been adjusted to NT$0.59841069/share. 3. Passed the new shares through capitalization of earnings. Implementation: It will be announced on the TWSE MOPS and disclosed on TCC's website after ratify. 4. Passed amendment to part of the articles of the "Articles of Incorporation". Implementation: It has been approved by the Ministry of Economic Affairs and registered accordingly, with disclosure made on TCC's website. 5. Passed amendment to part of the articles of the "Articles of Incorporation". Implementation: After approval, it will be disclosed on TCC's website and implemented accordingly. 6. Passed the amendment to part of the articles of the "Loaning of Funds and Making of Endorsements/Guarantees Operating Procedure" Implementation: It will be announced on the TWSE MOPS and disclosed on TCC's website after approval, and implemented accordingly. 7. Directorial election. The directors and independent directors elected are as follows: (1) Directors Representative of TPC: Shun-I Huang Jenn-Yeong Wang, Tien-Ho Kuo,

Date	Meeting	Resolution
		Ming-Teh Chiang, Sheng-Jen Hsiao and Ching-Hung Cheng. Representative of TECO Electric & Machinery Co., Ltd.: Sung-Pin Chang Representative of Formosa Heavy Industries Co., Ltd.: Gu-Chuan Tsiou Representative of Jiansheng Investment Co. Ltd.: Kuo-Hsiang Chao Representative of Yuanjun Investment Ltd.: Sheng-Chun Wang (2) Independent directors Han-Shen Li, Ji-Sheng Ye and Jiann-Fuh Chen Implementation: It has been approved by the Ministry of Economic Affairs and registered accordingly, with disclosure made on TCC's website. 8. Passed the abolition of the non-compete restriction on new directors.
2023.6.30	Board	1. Passed the new chairperson election 2. Passed the appointment of members for the “Remuneration Committee” for the Fifth Term. 3. Passed the appointment of members for the “Nomination Committee” for the Tirth Term. 4. Passed the ex-dividend date and related matters for the distribution of earnings in 2022.
2023.8.9	Board	1. Passed the Consolidated financial statement of 2023Q2. 2. Passed the Amendment to the items and contents of the 2022 Internal Control System.
2023.10.5	Board	1. Passed the Approval of Further Investment in Star Wind Corporation for the 'Star Power Hanbao Area Onshore Wind Power Development Project' Investment Proposal.
2023.11.9	Board	1. Passed the Consolidated financial statement of 2023Q3. 2. Passed the “Company's future business strategies” of 2024~2028. 3. Passed the amendment to change the title of our company's "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises" to "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties" and to amend certain articles accordingly. 4. Passed the Control table of the internal control follow-up report. 5. Passed the amendment to part of the articles of the “Corporate Governance Best Practice Principles”.
2023.12.22	Board	1. Passed the 2023 Sales Plan and Budget. 2. Passed the 2024 Assessment and appointment of CPAs of the “Audit and Certification of Financial Statements and Tax”. 3. Passed the 2023 Periodic Audit Program. 4. Passed the “2023 General Targets and Performance” and “2024 General Targets (draft)”. 5. Passed the amendment to part of the articles of the” The Employee Bonus Issuance Policy”. 6. Passed the performance bonuses for chairman, managers and employees in 2022.
2024.3.13	Board	1. Passed the 2023 Business Plan and Financial Statements. 2. Passed the 2023 profit distribution proposal: Shareholder dividend-cash NT$1.93/share. 3. Passed the “Statement of Internal Control System” dated December 31, 2022. 4. Passed the amendment to part of the articles of the “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties”. 5. Passed the amendment to part of the articles of TCC “Rules of Procedure for Board of Directors”. 6. Passed the amendment to part of the articles of the “Organizational Regulations of the Audit Committee.”. 7. Passed the abolition of the non-compete restriction on new directors. 8. Passed the AGM-related matters. 9. Passed the Distribution of Remuneration for Directors and Employees in 2023.

(14) Contents of the objections for the records or with written statements of directors or supervisors to important BOD resolutions in the previous year and by the date of report publication: None.

(15) Resignation or relief of related personnel:

April 2, 2024

Title	Name	Date of Appointment	Date of Termination	Reasons for Resignation or Dismissal
CGO	Wan-Jane Chen	November 2020	November 2023	Retired
CAO/ CFO	Chih-Jie Shiu	July 2013	December 2023	Dismissed due to a job reassignment
Chief Internal Auditor	Sheng-Yuan Cheng	August 2013	December 2023	Dismissed due to a job reassignment

Note: Related personnel refer to the Chairman, President, CAO, CFO, Chief Internal Auditor, CGO, and CRDO.

5. Service Fee of Certified Public Accountants

Service Fee of Certified Public Accountants
(NT$ thousands)

CPA Firm	CPA	Audit Period	Audit Fee	Non-Audit Fee	Total	Remarks
Deloitte Taiwan	Chao-Mei Chen Cheng-Qun Yu	FY2023	3,900	1,320	5,220	

State the content of services covered by non-audit fee (e.g., tax certification, assurance, and other financial consulting services)
Details of services covered by the non-audit fee: Tax certification fee NT$540 thousand, TPC audit notice NT$240 thousand, transfer pricing compliance NT$150 thousand, non- supervisor salary audit NT$40 thousand, XBRL NT$50 thousand, annual report review NT$40 thousand, and adjustment and computation of business tax for dual-status business entities review NT$40 thousand, the capital increase documents review NT$120 thousand, and stock dividends documents review NT$100 thousand.

- After a change of CPAs or CPA firm in the year, state the audit periods of each CPA or CPA firm and the reasons for changes in the Remarks. Disclose the audit fee and non-audit fee chronologically. Also state the content of services covered by the non-audit fee.

6. Change in of certified public accountants

After changing a CPA in the last two years and afterwards, disclose the following information.

(1) Information of former CPAs:

<table>
<tr><td>Date of Change</td><td colspan="5">January 1, 2022</td></tr>
<tr><td>Reason and explanation of changes</td><td colspan="5">CPA rotation requested by law. In 2022, the engagement partner will be changed from Jui-Hsuan Ho to Chao-Mei Chen. The co-signing partner will be Cheng-Qun Yu.</td></tr>
<tr><td rowspan="3">Termination or rejection by the client or CPA</td><td colspan="3">Concerned Party
Status</td><td>CPA</td><td>Client</td></tr>
<tr><td colspan="3">Voluntary Termination</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="3">Rejection</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Opinions other than “unqualified opinion” in the reports audited in the last two years and the reasons</td><td colspan="5">N/A</td></tr>
<tr><td rowspan="7">Opinions different from the issuer</td><td rowspan="5">Yes</td><td></td><td colspan="3">Principles or practice of accounting</td></tr>
<tr><td></td><td colspan="3">Disclosure of financial statements</td></tr>
<tr><td></td><td colspan="3">Scope or procedures of audit</td></tr>
<tr><td></td><td colspan="3">Others</td></tr>
<tr><td></td><td colspan="3"></td></tr>
<tr><td>No</td><td colspan="4">V</td></tr>
<tr><td colspan="5">Description</td></tr>
<tr><td>Other items for disclosures (information required for disclosures as stated ion Article 10, subparagraph 6, items 1-4 to 1-7, of these Principles)</td><td colspan="5">N/A</td></tr>
</table>

(2) Succeeding CPAs:

Name of CPA Firm	Deloitte Taiwan
Name of CPAs	Chao-Mei Chen and Cheng-Qun Yu
Date of Assignment	January 1, 2022
Consultations regarding the methods of accounting of specific transactions or the accounting principles and potential audit opinions of financial reports before assignment and the results	N/A
Written report on the opinion differences between the successive CPAs and former CPAs.	N/A

(3) Former CPA’s reply to items 1 and item 2-3, paragraph 6, Article 10 of the “Regulations Governing Information to be Published in Annual Reports of Public Companies”: N/A.

7. When the chairman, president and/or managerial officers in charge of finance or accounting served at the firm(s) or affiliate(s) of the auditing CPAs in the previous year, state their names, titles, and the periods of service at such CPA firm(s) or affiliate(s).

   An affiliate of a CPA firm shall mean a company or organization of which the firm at which the CPA serves holds over 50% of the stake or acquires over half of director seats, or such a company or organization is categorized as an affiliate in the data disclosed or published by the firm to which the CPA serves: None.

8. Changes in the transfer or pledge of shares by directors, supervisors, managers, and shareholders holding over 10% of the outstanding shares in the previous year and by the date of report publication.

When the counterparty of transfer or pledge is a related party, state the name of the transferee, and the relationship with the company, directors, supervisors, and shareholders holding over 10% of the outstanding shares, and the number of shares acquired or pledged.

(1) Changes in shareholdings of directors, supervisors, managers, and major shareholders

Title	Name	2023		By April 2, 2024	
		Increase (decrease) in shareholdings	Increase (decrease) in pledged shares	Increase (decrease) in shareholdings	Increase (decrease) in pledged shares
Main Shareholder	Taiwan Power Company	37,964,082	-	-	-
Chairman	Representative: Shun-I Huang	-	-	-	-
Director	Representative: Jenn-Yeong Wang	-	-	-	-
Director	Representative: Sheng-Jen Hsiao	-	-	-	-
Director	Representative: Ming-Teh Chiang	-	-	-	-
Director	Representative: Tien-Ho Kuo	-	-	-	-
Director	Representative: Ching-Hung Cheng	-	-	-	-
Director	Jiansheng Investment Co. Ltd.	3,422,591	-	-	-
Director	Representative: Kuo-Hsiang Chao	-	-	-	-
Director	Yuanjun Investment Ltd.	70,304	-	-	-
Director	Representative: Sheng-Chun Wang	492,605	-	-	-
Director	TECO Electric & Machinery Co., Ltd.	689,813	-	-	-
Director	Representative: Sung-Pin Chang	-	-	-	-
Director	Formosa Heavy Industries Co., Ltd.	542,183	-	-	-
Director	Representative: Hsien-Hui Huang	-	-	-	-
Independent Director	Han-Shen Li	-	-	-	-
Independent Director	Ji-Sheng Ye	-	-	-	-
Independent Director	Jiann-Fuh Chen	-	-	-	-
President	Yi-Tong Chen	-	-	-	-
Vice President	Shu-Shen Lin	-	-	-	-
Financial Officer	Shang-Heng Chou	-	-	-	-
Account Officer	Ming-Yeh Lee	128,658	-	-	-

(2) Information on transfer of shares: None.

(3) Information on pledge of shares: None.

9. Mutual relationships among top ten shareholders

Name (Note 1)	Personal Shareholdings		Shareholdings of spouse/minor children		Shareholdings in the name of a third party		Company Name/Name of related parties, spouse, or relatives in the 2nd degree to top ten shareholders (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Company Name (or Name)	Relation ship	-
Taiwan Power Company	200,918,361	27.51%	-	-	-	-	N/A	N/A	-
Representative: Shun-I Huang	-	-	-	-	-	-	N/A	N/A	-
Representative: Jenn-Yeong Wang	-	-	-	-	-	-	N/A	N/A	-
Representative: Sheng-Jen Hsiao	-	-	-	-	-	-	N/A	N/A	-
Representative: Ming-Teh Chiang	-	-	-	-	-	-	N/A	N/A	-
Representative: Tien-Ho Kuo	-	-	-	-	-	-	N/A	N/A	-
Representative: Ching-Hung Cheng	-	-	-	-	-	-	N/A	N/A	-
Jiansheng Investment Co. Ltd.	19,141,591	2.62%	-	-	-	-	N/A	N/A	-
Representative: Kuo-Hsiang Chao	-	-	49,066	0.01%	-	-	N/A	N/A	-
Ta Ya Electric Wire and Cable Co., Ltd.	18,509,151	2.53%	-	-	-	-	N/A	N/A	-
Responsible e: Shen Shang Hung	-	-	-	-	-	-	N/A	N/A	-
TECO Electric & Machinery Co., Ltd.	12,217,245	1.67%	-	-	-	-	N/A	N/A	-
Representative: Sung-Pin Chang	-	-	2,786	-	-	-	N/A	N/A	-
Ye-Yin Wang-Hong	10,547,581	1.44%	-	-	-	-	N/A	N/A	Spouse to Len-Yuan Huang
Bohan Investment Ltd.	9,618,891	1.32%	-	-	-	-	N/A	N/A	-
Responsible person: Yi-Hsien Chen	11,000	-	-	-	-	-	N/A	N/A	-
Formosa Heavy Industries	9,602,567	1.31%	-	-	-	-	N/A	N/A	-
Representative: Hsien-Hui Huang	-	-	-	-	-	-	N/A	N/A	-
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,971,810	0.82%	-	-	-	-	N/A	N/A	-
Responsible person: Guo-Hao Qian	-	-	-	-	-	-	N/A	N/A	-
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard FTSE Emerging Markets ETF Special Account	5,811,192	0.8%	-	-	-	-	N/A	N/A	-
Responsible person: Guo-Hao Qian	-	-	-	-	-	-	N/A	N/A	-
Len-Yuan Wang	5,691,346	0.78%	-	-	-	-	N/A	N/A	Spouse to Ye-Yin Wang-Hong

Note 1:All of top ten shareholders should be listed. Names of institutional shareholders and their representatives should be listed individually.
Note 2:Ratio means the total number of shares held by the person, spouse and underage children, and in the name of a third party.
Note 3:The relationship between shareholders listed above, including institutional and individual shareholders, should be disclosed in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

10. The stakes and the syndicated stakes in the same investee of the company; directors, supervisors, and managers of the company; and institutions under the company's direct or indirect control.

Syndicated Shareholdings

(expressed in shares and percentage by April 2, 2024)

Investee	Shareholdings of the Company		Shareholdings of directors and supervisors, and managers or investees under direct or indirect control		Syndicated Shareholdings	
	Shares	%	Shares	%	Shares	%
Star Energy Corporation	142,708,896	100.00	-	-	142,708,896	100.00
Sun Ba Power Corporation	516,000,000	43.00	-	-	516,000,000	43.00
Star Energy Power Corporation	121,500,000	40.50	-	-	121,500,000	40.50
Star Buck Power Corporation	136,200,000	41.27	-	-	136,200,000	41.27
Ta-Yuan Cogeneration Co., Ltd.	35,833,827	29.31	-	-	35,833,827	29.31
Taiwan Cogeneration International Corporation[1]	22,260,000	100.00	-	-	22,260,000	100.00
Kuo Kuang Power Co., Ltd.	114,730,000	35.00	-	-	114,730,000	35.00
Kaohsiung Arena Development Corporation	20,000,000	8.00	-	-	20,000,000	8.00
Yi Yuan Corporation	15,300,000	51.00	-	-	15,300,000	51.00
TCC Green Energy Corporation	10,500,000	100.00	-	-	10,500,000	100.00
Chingshuei Geothermal Power Corporation	-	-	14,076,000	51.00	14,076,000	51.00
Shin Kuang Electric Energy Co. Ltd.	-	-	8,000,000	100.00	8,000,000	100.00
Star Wind Power Corporation	-	-	17,787,000	100.00	17,787,000	100.00
Star Solar Corporation	-	-	24,000,000	100.00	24,000,000	100.00
Miaoli Wind Co., Ltd.	51,400,000	100.00	-	-	51,400,000	100.00
Hamaguri Co., Ltd.	10,000,000	100.00	-	-	10,000,000	100.00
Synergy Co., Ltd.	1,911,000	19.11	-	-	1,911,000	19.11
Redondo Peninsula Energy, Inc.	-	-	8,446,047	25.00	8,446,047	25.00

[1]A subsidiary registered in the Virgin Islands.

IV. Fund Raising

1. Capitals and Shares

(1) Equity Sources

Unit: Shares/NT$; April 2, 2024

Year/Month	Issued Price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Equity Source	Substitution of capital stock with assets other than cash	Others
1992.5	10	100,000,000	1,000,000,000	100,000,000	1,000,000,000	Cash 1,000,000,000	None	Initial capital
1997.4	10	150,000,000	1,500,000,000	126,300,000	1,263,000,000	Cash 263,000,000	None	1997.4.24(86) Tai-Cai-Zheng (1) No. 31300
1999.10	10	150,000,000	1,500,000,000	132,615,000	1,326,150,000	Retained earnings 63,150,000	None	1999.10.14(88) Tai-Cai-Zheng (1) No. 90419
2000.10	10	400,000,000	4,000,000,000	138,078,900	1,380,789,000	Retained earnings 54,639,000	None	2000.10.25(89) Tai-Cai-Zheng (1) No. 88188
2001.4	13	400,000,000	4,000,000,000	228,078,900	2,280,789,000	Cash 900,000,000	None	2001.01.17(90) Tai-Cai-Zheng (1) No. 104641
2001.9	10	400,000,000	4,000,000,000	253,695,179	2,536,951,790	Retained earnings 256,162,790	None	2001.8.7(90) Tai-Cai-Zheng (1) No. 150363
2002.8	10	400,000,000	4,000,000,000	285,008,600	2,850,086,000	Retained earnings 313,134,210	None	2002.7.9 (91) Tai-Cai-Zheng (1) No. 0910137698
2002.9	11	400,000,000	4,000,000,000	315,008,600	3,150,086,000	Cash 300,000,000	None	2002.6.25 (91) Tai-Cai-Zheng (1) No. 0910132977
2004.5	10	400,000,000	4,000,000,000	319,750,251	3,197,502,510	Convertible bonds 47,416,510	None	2004.6.11 Tai-Zheng-Shang-Zi No. 09300137761
2004.8	10	400,000,000	4,000,000,000	321,975,242	3,219,752,420	Convertible bonds 22,249,910	None	2004.9.23 Tai-Zheng-Shang-Zi No. 0930024831
2004.10	10	400,000,000	4,000,000,000	348,127,630	3,481,276,300	Retained earnings 261,523,880	None	2004.10.12 Tai-Zheng-Shang-Zi No. 0930026376
2005.2	10	400,000,000	4,000,000,000	357,338,614	3,573,386,140	Convertible bonds 92,109,840	None	2005.3.2 Tai-Zheng-Shang-Zi No. 09400048971
2005.4	10	400,000,000	4,000,000,000	385,540,155	3,855,401,550	Convertible bonds 282,015,410	None	2005.5.9 Tai-Zheng-Shang-Zi No. 09400120171
2005.8	10	400,000,000	4,000,000,000	397,127,283	3,971,272,830	Convertible bonds 115,871,280	None	2005.8.22 Tai-Zheng-Shang-Zi No. 0940024009
2005.10	10	400,000,000	4,000,000,000	398,870,400	3,988,704,000	Convertible bonds 17,431,170	None	2005.10.25 Tai-Zheng-Shang-Zi No. 0940030922
2006.1	10	400,000,000	4,000,000,000	399,693,314	3,996,933,140	Convertible bonds 8,229,140	None	2006.1.24Tai-Zheng-Shang-Zi No. 0950001961
2006.5	10	600,000,000	6,000,000,000	401,693,304	4,016,933,040	Convertible bonds 19,999,900	None	2006.5.19Tai-Zheng-Shang-Zi No. 0950010334
2006.8	10	600,000,000	6,000,000,000	403,537,046	4,035,370,460	Convertible bonds 18,437,420	None	2006.9.1Tai-Zheng-Shang-Zi No. 0950023310
2006.9	10	600,000,000	6,000,000,000	407,526,628	4,075,266,280	Convertible bonds 39,895,820	None	2006.10.4Tai-Zheng-Shang-Zi No. 0950026197

Year/Month	Issued Price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Equity Source	Substitution of capital stock with assets other than cash	Others
2007.1	10	600,000,000	6,000,000,000	411,460,216	4,114,602,160	Convertible bonds 39,335,880	None	2007.1.16Tai-Zheng-Shang-Zi No. 0960001320
2007.4	10	600,000,000	6,000,000,000	420,669,490	4,206,694,900	Convertible bonds 92,092,740	None	2007.4.24Tai-Zheng-Shang-Zi No. 09600098901
2007.8	10	600,000,000	6,000,000,000	425,948,522	4,259,485,220	Convertible bonds 52,790,320	None	2007.8.14Tai-Zheng-Shang-Zi No. 09600232931
2007.9	10	600,000,000	6,000,000,000	448,488,722	4,484,887,220	Retained earnings 225,402,000	None	2007.7.12Jin-Guan-Zheng-I-Zi No. 0960036200
2007.10	10	600,000,000	6,000,000,000	450,942,208	4,509,422,080	Convertible bonds 24,534,860	None	2007.10.9Tai-Zheng-Shang-Zi No. 09600300071
2008.7	10	600,000,000	6,000,000,000	479,339,140	4,793,391,400	Retained earnings 283,969,320	None	2008.9.16Tai-Zheng-Shang-Zi No. 09700279361
2008.9	13.2	600,000,000	6,000,000,000	529,339,140	5,293,391,400	Cash 500,000,000	None	2008.10.1Tai-Zheng-Shang-Zi No. 09700292821
2010.8	10	600,000,000	6,000,000,000	550,512,706	5,505,127,060	Retained earnings 211,735,660	None	2010.7.16Jin-Guan-Zheng-Fa-Zi No. 0990036961
2011.7	10	600,000,000	6,000,000,000	589,048,595	5,890,485,950	Retained earnings 385,358,890	None	2011.7.6Jin-Guan-Zheng-Fa-Zi No. 1000031068
2019.8	10	800,000,000	8,000,000,000	589,048,595	5,890,485,950	Authorized Capital change	None	2019.8Jin-So-Sean-Zi No. 10801092620
2023.6	10	800,000,000	8,000,000,000	689,048,595	6,890,485,950	Cash 1,000,000,000	None	2023.3.7Jin-Guan-Zheng-Fa-Zi No. 1120132608
2023.7	10	1,000,000,000	10,000,000,000	689,048,595	6,890,485,950	Authorized Capital change	None	2023.7.21Jin-So-Sean-Zi No. 11230133910
2023.8	10	1,000,000,000	10,000,000,000	730,282,000	7,302,820,000	Retained earnings 417,714,050	None	2023.7.5 Summary List of Effective Registration Applications of Distribution of Bonus Shares by Public Companies

Note 1:Fill in data of the year of the date of report publication.
Note 2:Specify the date and document of effectivity (approval) for capital increase.
Note 3:Highlight shares issued below the face value.
Note 4:Specify substitution of capital stock with currency debts/technology and the category and amount of substitution.
Note 5:Highlight shares issued by private placement.

Unit: Shares; April 2, 2024

Type of Shares	Authorized Capital			Remarks
	Shares circulated on the market (listed stocks)	Unissued shares	Total	
Common stock issued	730,282,000	269,718,000	1,000,000,000	None

Note: Specify the shares that are publicly offered (for example, remark shares restricted from trading in the stock and OTC markets)

Information of issuance of new shares: N/A.

(2) Structure of Shareholdings

April 2, 2024

Shareholder Structure / Quantity	Government Agencies	Financial Institutions	Other Institutions	Individuals	Foreign institutions and individuals	Total
Number of shareholders	1	6	284	64,354	150	64,795
Quantity of shareholdings	200,918,361	3,723,232	342,071,992	147,132,350	36,436,065	730,282,000
Proportion of shareholdings	27.51%	0.51%	46.84%	20.15%	4.99%	100%

Note: Listed companies and emerging stock companies shall disclose the proportion of shares held by PRC investors. PRC investors include citizens, institutions, groups, and other organizations of the PRC or their investees in a third region as specified in Article 3 of the “Measures Governing Investment Permit to the People of the Mainland Area”

(3) The Diversification of Shareholdings

April 2, 2024

Ranking of shareholding	Number of shareholders	Quantity of shareholding	Proportion of shareholding (%)
1 to 999	14,243	3,207,926	0.44
1,000 to 5,000	37,806	76,083,805	10.42
5,001 to 10,000	6,187	45,419,236	6.22
10,001 to 15,000	2,570	31,532,397	4.32
15,001 to 20,000	1,014	17,959,604	2.46
20,001 to 30,000	1,154	28,235,344	3.87
30,001 to 40,000	478	16,623,899	2.28
40,001 to 50,000	289	13,172,562	1.80
50,001 to 100,000	590	40,051,641	5.48
100,001 to 200,000	255	34,970,527	4.79
200,001 to 400,000	111	30,495,121	4.18
400,001 to 600,000	31	15,369,165	2.10
600,001 to 800,000	20	14,341,382	1.96
800,001 to 1,000,000	14	12,510,533	1.71
1,000,001 and above (classified based on actual situation)	33	350,308,858	47.97
Total	64,795	730,282,000	100.00

(4) List of Major Shareholders

Face value: NT$10/share; April 2, 2024

Shares / Shareholder	Shareholding	Proportion (%)
Taiwan Power Company	200,918,361	27.51
Jiansheng Investment Co., Ltd.	19,141,591	2.62
Ta Ya Electric Wire & Cable Co., Ltd.	18,509,151	2.53
TECO Electric & Machinery Co., Ltd.	12,217,245	1.67
Ye-yin Hong Wang	10,547,581	1.44
Bohan Investment Ltd.	9,618,891	1.32
Formosa Heavy Industries Co., Ltd.	9,602,567	1.31
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,971,810	0.82
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard FTSE Emerging Markets ETF Special Account	5,811,192	0.8
Len-yuan Wang	5,691,346	0.78

(5) Information on the market price, net value, earning, and dividend per share

Unit: NT$; Thousand shares

Item			2022	2023	By April 2, 2024 (Note 8)
Market price per share (Note 1)	Highest		39.60	59.00	50.40
	Lowest		28.25	32.20	38.65
	Average		35.86	43.66	46.60
Net value per share (Note 2)	Before allocation		19.85	21.16	-
	After allocation		18.10	（Note9）	-
EPS	Weighted average of shares		631,373	688,470	-
	EPS (Note 3)		Before adjustment 1.54	1.82	-
			After adjustment 1.44		
Dividend per share	Cash dividend		1.05 (Note 10)	(Note 9)	-
	Stock grants	From retained earnings	0.70 (Note 10)	(Note 9)	-
		From capital reserve	-	(Note 9)	-
	Accumulated unpaid dividends (Note 4)		-	-	-
Analysis on ROI	P/E ratio (Note 5)		24.90	23.99	-
	P/P ratio (Note 6)		39.95	(Note 9)	-
	Cash dividend yield (%) (Note 7)		2.50	(Note 9)	-

*After a capital increase or stock grant with retained earnings or capital reserve, disclose information regarding the reversely adjusted market price and cash dividends based on the number of shares granted.

Note 1: Disclose the highest and lowest market prices of common shares in each year and calculate the average market price based on the transaction value and transaction volume in each year.

Note 2: Disclose information based on the outstanding shares by the end of the year and the distribution plan approved by the BOD or the AGM of shareholders in the next year.

Note 3: When reverse adjustment is required for stock grants, disclose the EPS before and after the adjustment.

Note 4: When the accumulation of undistributed dividends of the year until the year when there is profit for distribution is a condition for the issue of equity securities, disclose the undistributed dividends by the year of report publication.

Note 5: P/E Ratio = Average closing price per share over the year / earnings per share.

Note 6: Price/Dividend Ratio = Average closing price per share over the year / cash dividend per share.

Note 7: Cash Dividend Yield = Cash Dividend per Share / Average closing price per share over the year.

Note 8: Fill in the net value per share and equity per share in the previous CPA-audited (certified) quarterly financial statement by the year of report publication; and data in other columns should be the data by the year of report publication.

Note 9: The cash dividend at NT$1.93 per share for 2023 has been approved by the Board of Directors. It is pending for approval through a shareholder's meeting.

Note 10: The payout ratio per share was adjusted due to the cash capital increase. The cash dividend was thus reduced from NT$1.05/share to NT$0.89761597/share and stock dividend from NT$0.70/share to NT$0.59841069/share.

(6) Dividend policy and implementation: Disclose the dividend policy specified in the articles of incorporation and the distribution policy proposed to the current AGM of shareholders. Specify any expected material changes in the dividend policy.

A. Dividend policy

Where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan where not less than 70% of distributable retained earnings shall be distributed; the plan should be resolved in the shareholders' meeting for the distribution of dividends to shareholders.

When drawing up the dividend policy, the Company shall determine the type and amount of profit allocation according to the potential of business growth, the need for sustainable development, the consideration of capital expenditures, the Company's medium- and long-term planning and financial stability. Dividends are distributed in the form of both cash and shares, out of which cash dividends shall not be less than 20% of the total dividends distributed. However, the ratio of cash dividends may be reduced to less than 20%, which should be resolved by the shareholders, if the expenditure for a new important investment plan reaches $300 million or above and the Company is unable to obtain other funds to meet the cash needs of the plan.

B. Proposed dividend distribution to the current AGM of shareholders: Cash dividend at NT$1.93/share.

(7) Impacts of the stock grants proposed by the current AGM of shareholder on the company's operations and EPS: N/A.

(8) Compensation of employees and remuneration of directors

A. The Company accrues compensation of employees and remuneration of directors at rates of no less than 0.5% and no higher than 1%, respectively, of net profit before income tax, compensation of employees and remuneration of directors.

B. Bases for estimating the compensation of employees and remuneration of directors and supervisors of the period, calculating compensation for employees in stock, and accounting solution for differences between actually distributed amount and estimated amount:

With reference to the issuance of shareholder dividends, the compensation of employees and remuneration of directors respectively in cash at 3% and 1% of the net profit after deducting the legal reserve and special reserve of the period. Once the actual distribution amount is different from the estimation amount, the difference shall be accounted for as changes in accounting estimates and recognized in profit or loss in the distribution year.

C. Information on the proposal on compensation distribution made by BOD:

a. According to the Board proposal, the compensation of employees in 2023 was NT$42,398,371 and the remuneration of directors was NT$13,133,040. There was no difference between the above amounts and the amounts recognized in the financial statements in the 2023.

b. The proportion of amount equivalent to the stock distributed as compensation for employees in the earnings after tax in the individual or consolidated financial statement of the period and the total amount of compensation for employees: N/A.

D. When there is variation in the actual status of remuneration (including number of shares, amount, and stock price) distributed to employees and directors in the previous year, state the amount, causes, and settlement of variation:

The actual distribution of the 2022 compensation of employees and remuneration of directors is NT$30,045,922 and NT$9,521,660 respectively. All were all paid in cash. There was no difference between the above amounts and the amounts recognized in the financial statements in the 2022.

(9) Status of stock buyback: None.

2. Status of Issuance of Corporate Bonds

Issuance of Corporate Bonds

Types of Corporate Bond[2]		Initial Unsecure Corporate Bond[5]	Initial Unsecure Corporate Bond[5]
Date of Issuance		August 14, 2020	August 14, 2020
Face Amount		NT$1 million	NT$1 million
Place of Issuance and Transaction[3]		N/A	N/A
Issuance price		Issued as net according to the face value	Issued as net according to the face value
Total Amount		NT$1.9 billion	NT$6 billion
Interest		0.75%	1.00%
Duration		5 years until August 14, 2025	10 years until August 14, 2030
Guaranty Agency		N/A	N/A
Trustee		Bank SinoPac Co., Ltd.	Bank SinoPac Co., Ltd.
Underwriting Agency		KGI Securities Co., Ltd.	KGI Securities Co., Ltd.
Certifying Lawyer		I-Cheng & Associates Law Firm	I-Cheng & Associates Law Firm
CPA		Deloitte Taiwan	Deloitte Taiwan
Method of principal payback		One-time payback upon maturity date	One-time payback upon maturity date
Outstanding Principle		NT$1.9 billion	NT$6 billion
Buyback or Early Settlement Conditions		N/A	N/A
Limitations[4]		N/A	N/A
Agency, items, and results of credit rating		Taiwan Ratings, 110.7.14, A-	Taiwan Ratings, 110.7.14, A-
Other Rights	Amount of converted (exchanged or subscribed) common shares, GDR, or other securities by the date of annual report publication	N/A	N/A
	Method of issuance (exchange or subscription)	N/A	N/A
Issuance and conversion, exchange, or subscription rules, possibility of dilution of equity under the terms and conditions of issuance, and effect on shareholder equity		N/A	N/A
Custodian agency of exchanged items		N/A	N/A

[1]Status of corporate bonds shall include corporate bonds pending for public offering or private placement. Corporate bonds pending for public offering refer to corporate bonds taking effect or approved by the Financial Supervisory Commission, and corporate bonds pending for private placement shall be approved by BOD.
[2]Adjust the number of columns based on actual times of issuance.
[3]For declaration of corporate bonds issued overseas.
[4]Such as limitations on cash dividends, external investments, or maintenance at a specific proportion.
[5]Corporate bonds issued through private placement shall be indicated in a conspicuous manner.
[6]Convertible bonds, exchangeable bonds, shelf registration of corporate bonds, or corporate bonds with warrants shall be listed by nature in the list's format before disclosing the data of convertible bonds, exchangeable bonds, shelf registration of corporate bonds, and corporate bonds with warrants.

3. Status of Preferred Shares: None.
4. Status of Global Depositary Receipts (GDR): None.
5. Status of Employee Stock Options/Warrants：
 (1) The Company shall disclose not matured employee stock warrants up to publication date, and its impact to shareholders: None.
 (2) Cumulative to the publication date, Names and subscription status of managerial officers who have obtained employee stock warrants and of employees who rank among the top ten in terms of the

number of shares through employee stock warrants acquired: None.

6. Status of Restricted Stock Awards (RSA)

(1) The Company shall disclose not achieved RSA up to publication date, and its impact to shareholders: None.

(2) Cumulative to the publication date, Names and subscription status of managerial officers who have obtained employee stock warrants and of employees who rank among the top ten in terms of the number of shares through employee stock warrants acquired: None.

7. Statius of new share issuance relating to mergers, acquisitions, and transfer of shares: None.

8. Implementation of fund usage plan:

(1) Project contents

In 2022 we applied for Secondary public offering (SPO) of 100,000 thousand shares. The SPO was approved by the Financial Supervisory Commission on March7, 2023 with Letter Jin-Guan-Zheng-Fa-Zi No. 1120132608.

A. Total amount required for SPO: NT$ 3,031,000 thousand.

B. Fund source: SPO of 100,000 thousand shares at a face value of NT$10 per share. The issuing price is currently set at NT$30.31 per share to raise a total of NT$3,031,000 thousand.

C. Fund utilization items

Unit: NT$ thousands

Project Item	Estimated date of completion	Total required amount	Estimated Fund Utilization Progress					
			2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3
Bank loan repayment	2023Q2	2,000,000	2,000,000	-	-	-	-	-
Operating capital	2024Q3	1,031,000	-	200,000	200,000	200,000	200,000	231,000
Total	-	3,031,000	3,031,000					

D. Estimated benefits

a. Bank loan repayment

We plan to repay bank loans with NT$2,000,000 thousand raised from this SPO project. Apart from optimizing our financial structure, this can also cut interest expenses, lower our bank dependency, and enhance fund management flexibility. Additionally, based on the amount of loans to be repaid and the weighted average loan interest at 1.6%, this can cut interest expenses by about NT$16,000 thousand in 2023 and about NT$32,000 thousand each year thereafter to prevent the increasing loan interest expenses from decreasing profit, reduce our bank dependency, and make more space for flexible fund management so as to enhance our medium to long term competitiveness. Hence, this will bring positive benefits to our overall operations and development.

b. Operating capital

We plan to enrich operating capital with NT$1,031,000 thousand raised from this SPO project so as to optimize the financial structure and enhance the fund management flexibility to support materials procurement for future EPC projects and so to lower operational risk, enhance the stability of long-term funds, and strengthen TCC's long-term competitiveness.

(2) Status

The funds raised through TCC's cash capital increase, totaling NT$3,031,000 thousand, have been successfully raised as of June 6, 2023.

A. The repayment of bank loans amounting to NT$2 billion was completed in 2023Q2.

B. The enrichment of operating capital amounting to NT$1.031 billion was ahead completed in 2024Q1.

V. Business Activities

1. Business Contents

(1) Scope of business

A. Major business at present

a. Construction (project planning, design, procurement, installation, project management, and financial plan) of power plants, cogeneration plants, renewable energy plants, and power transmission/ transformation projects.

b. Investment, operation, and management of power plants, cogeneration plants, renewable energy plants and joint booster station.

c. EPC and technical consulting services of power plants, cogeneration plants, joint booster station, renewable energy plants, and power transmission/transformation projects.

d. New energy development and renewable energy retailing business and ancillary service.

B. Income and proportion of major business items in operations

Income and Proportion of Major Business Items

Expressed in NT$ thousand/2023

Income from Major Business Items	Amount	Percentage(%)
Sales	1,543,441	29
Engineering income	3,542,988	66
Maintenance and services	261,973	5
Total	5,348,402	100

C. Current products and services

a. Build wholly-owned, joint-venture, or BOT cogeneration plants and sell electricity and steam to the cooperative manufacturers or neighboring users.

b. Provide integrated services for IPPs and cogeneration plants, including project planning, financial plan, project management, fuel, environmental protection, O&M.

c. Investment and construction of IPPs.

d. EPC (Engineering Planning, Procurement, Construction)

e. Development, EPC, O&M of renewable energy projects and electricity retailing.

f. Ancillary service.

D. New products (services) to be developed

a. Expand overseas business contracts and investments in IPPs, cogeneration plants, joint booster station, power transmission/ transformation projects, and other business in the field of power and energy.

b. Energy storage related business.

(2) Industry overview

A. Domestic Status and development

In the energy transformation policy, apart from emphasizing the reduction of coal use, increase in natural gas use, green energy development, and no-nude homeland, the government also sets targets including stable electricity supply, air pollution prevention, and carbon reduction with a 532 portfolio by 2025 (natural gas 50%, renewables 20%, coal and others 30%). Additionally, the National Development Council (NDC) announced the Taiwan Net Zero 2050 Roadmap in 2022. It includes the targets of our 2050 energy portfolio: Renewables 60-70%, hydrogen 9-12%, thermal power generation and carbon capture, utilization and storage (CCUS) about 20-27%, and pumped-storage hydroelectricity 1%. The Legislative Yuan passed the amendment to the Climate Change Response Act in 2023 to institutionalize net-zero emissions by 2050. The Ministry of Environment will begin to collect carbon tax (fee) in 2025 and announced the Draft of Carbon Exchange Regulations at the end of 2023. These will facilitate industries to develop low-emission and negative-emission technologies. In the future, clean energy including renewables and low-emission natural gas will be the future structure of development of the electricity and energy systems.

a. Cogeneration

Taiwan began promoting cogeneration in 1988, and we have been on the cogeneration business since our establishment in 1992. Between 1992 and 1998, five cogeneration plants were built due to sumptuous government incentives. Today, after some traditional industries have migrated to other countries and the Ministry of Economic Affairs promulgated the “Cogeneration System Implementation Regulations” on March 29, 2006 to cancel some incentives; due to the escalation of international fuel prices, slow economic growth, industrial structure adjustment (outflow of energy-intensive industries), adjustment of off-peak electricity tariffs, and lack of incentives for residual electricity procurement, the quantity of cogeneration system installation has dropped dramatically to disfavor the development of the cogeneration industry. For these reasons, cogeneration plants must adaptively adjust the mode of operations with reference to the operating cost and energy and steam supply, in order to respond to the government’s policy change.

With advantages including higher energy efficiency, energy-saving and emissions reduction, decentralization of power supply, and higher reliability of electricity supply, cogeneration is the optimal solution for regional energy integration. The 2005 National Energy Conference set the target installation capacity of cogeneration at 10GW. In addition, Taiwan Power Company increased residual electricity procurement and emergency increased residual electricity procurement in 2015 and 2016 as a result of the electricity cost and electricity supply difficulties in recent years.

According to the draft of the Energy Transformation White Paper 2020, to ensure sufficient power supply, the competent authority shall conduct rolling review on the “emergency increased surplus electricity procurement mechanism” and develop mechanisms to incentivize existing cogeneration plants to use natural gas as fuel, in order to standardize the wholesale sources of electricity retailing utility enterprises in the future. In addition, qualified cogeneration plants located in industrial parks shall calculate the transmission fee by voltage (345kV, 161kV, 69kV) and implement the ultrahigh voltage cogeneration surplus electricity rates by voltage in the industrial park as of April 1, 2018, in order to encourage industries to promote regional energy integration.

As a result of the soaring international energy price in 2022 due to international situations and war, cogeneration plants and self-consumption power plants reduced power generation to lower the operating cost. The Ministry of Economic Affairs also amended the “Regulations for Implementation of Cogeneration Systems”. Apart from simplifying the pricing of the feed-in tariff of qualified systems, the “fuel rate” pricing was also added to allow different rates for gas-fired and coal-fired systems in response to need for national low-carbon transformation and net zero 2050 transition to increase incentives for cogeneration plans to install low-emission generation sets through more gas-fired sets but less coal-fired sets to ensure power supply stability, keep electricity purchase flexibility for public electricity retailing enterprise, and cope with the international trends of low-carbon transformation and net zero emissions.

b. Independent power plants

Since the government opened the establishment of independent power plants (IPPs) in 1995, a total of nine IPPs have been built. We have progressively built and smoothly operate Star Energy Power Corporation, Sun Ba Power Corporation, and Star Buck Power Corporation. In 2011, we acquired 35% of the stake of Kuo Kuang Power Co., Ltd. Combining these four IPP, we have a total installation capacity of 2.491GW, commanding at 30% of all IPPs in Taiwan.

In response to the variables including amendment of the Electricity Act, electricity portfolio, reserve margin enhancement, and future potential electricity demand, the TPC offered for tender the gas-fired IPP combined cycle generation electricity procurement project (1000MW) in March 2021. Sun Ba Power Corporation, a TCC subsidiary, won the contract in May 2021, with commercial operations projected in June 2024. In the future, we will continue to assess the service extension or phase II expansion of existing IPPs and the development projects of phase II for existing power plants or new power plants and actively participate in various investment projects to help the government promote energy transformation.

In response to air pollution, local governments have restricted air pollution emissions of fossil-fired generation sets. In addition, due to the government’s no-nuke and emission reduction policies and electricity consumption rises, gas-fired power plants will be one of the major sources of electricity.

c. Renewable energy

In 2015, the Ministry of Economic Affairs proposed the 2025 target capacity for renewable energy at 17.25GW, including 8.7GW from solar energy and 5.2GW from wind power. After the administration began in 2016, the new government immediately expanded the scale of renewable energy to increase the generation capacity of renewable energy to 20% by 2025, which is way higher than the original targets. The new targets for solar energy include 6.5GW by 2020 and 20GW in 2025, and the new targets for other forms of energy by 2025 include: onshore wind power at 1.2GW, offshore wind power at 5.5GW, geothermal power at 200MW, biomass energy at 813GW, hydropower at 2.15GW, and fuel cell at 60MW, totaling 29.923GW. In 2022 the NDC announced the "Taiwan Net Zero 2050 Roadmap" to maximize the renewables strategy. The 2050 renewables targets include: solar PV 40-80GW, offshore wind power 40-55GW, and forward-looking energy (including marine energy and biomass energy such as non-traditional geothermal generation, wave energy, ocean power, and others) 8-14GW.

To achieve these targets, the new government has planned five principles (acceptable price impacts, technology feasibility, cost-effective oriented, balanced development by phase, and driving industrial development) to prioritize the development of renewable energy with mature technology and a lower generation cost, continue the research and development of perspective but non-commercialized technologies, and review the target and proportion of renewable energy in a rolling wave manner. The policies to promote individual types of renewable energy are as follows:

(a) Photovoltaic—One Million PV Roofs Project

Based on the national spatial planning, rooftop photovoltaic (PV) systems will be prioritized at the beginning, and large-scaled development of ground-mounted PV systems will follow suit progressively.

(b) Photovoltaic—Fishery and electricity symbiosis

In response to the energy transformation policy, the Bureau of Energy, MOEA, plans to screen fish farms with less doubt of ecological impact across the country through scientific screening: map overlay to plan the fishery and electricity symbiosis special zone based on the concept: fishery first with value-added green energy.

(c) Solar PV: Tendering of energy storage system with solar PV generation equipment

To store the electricity generated by solar PV equipment for use in the nighttime, raise the feeder utilization rate, and increase the quantity of solar PV equipment, MOEA announced the "Directions for 2022 Tendering and Capacity Allocation for Integration of Energy Storage System and Solar PV Equipment" to encourage solar PV plants to build energy storage systems.

(d) Wind power—One Thousand Onshore and Offshore Wind Turbines Project

In onshore wind power, excellent wind farms will be prioritized, and secondary wind farms will follow suit. While the market of quality onshore wind farms has been saturated, we will focus on the development of offshore wind power in this domain. Offshore wind power will be developed in a 3-stage strategy: demonstration site, potential site, and block development. At stage 1, incentivized demonstration sites will be promoted. At stage 2, potential sites with a total capacity of 5.5GW will be completed by 2025. At stage 3, block development will be targeted at a 1.5GW scale each year to release a total of 15GW by 2035 in order to fulfill the domestic demand for stable power supply and achieve the localization of offshore wind power.

(e) Geothermal generation

Apart from establishing a "Geothermal generation one-stop service counter", promulgating the Regulations for Rewarding Geothermal Generation Demonstration, enhancing rewards, and increasing incentives, the government added Article 15 to the Renewable Energy Development

Act for geothermal generation in 2023 to stipulate the regulations governing the application for and review of geothermal drilling, development, and operation to accelerate geothermal generation growth.

(f) Biomass electricity generation

By increasing the use of self-determined resources to establish the domestic industry chain and supporting measures (e.g., the processing and reuse of flying ash and bottom ash after kilning) of biomass energy through prioritizing the use of domestic biomass resources (waste, agricultural and forestry materials, paddy stalks, used oil, the stool of poultry and livestock, sewage, and sludge), the government amended Article 15 of the Renewable Energy Development Act on 29 May 2023 to enable the construction of biomass power plants near agricultural facilities and plants to facilitate the processing of biomass materials from these facilities. Apart from reducing the environmental impacts and costs from the collection and transportation of biomass materials, this can also lower the construction threshold for biomass power plants.

d. Energy Trading Market

After TPC introduced the Energy Trading Platform in November 2021, various distributed independent power supply sources, such as traditional IPPs, self-consumption power plants, user-side demand response, and grid connection energy storage equipment providers, can provide support service through tendering over the electricity over the platform to ensure power system stability and gain from the service. By March 1, 2024 there were 78 qualified traders with a total registered capacity of 1185.3MW, including 680.6MW of regulation reserve capacity, 116MW of energy-shifting with dynamic regulation function reserve, 125.8MW of real-time reserve capacity, and 262.9MW of supplementary reserve capacity.

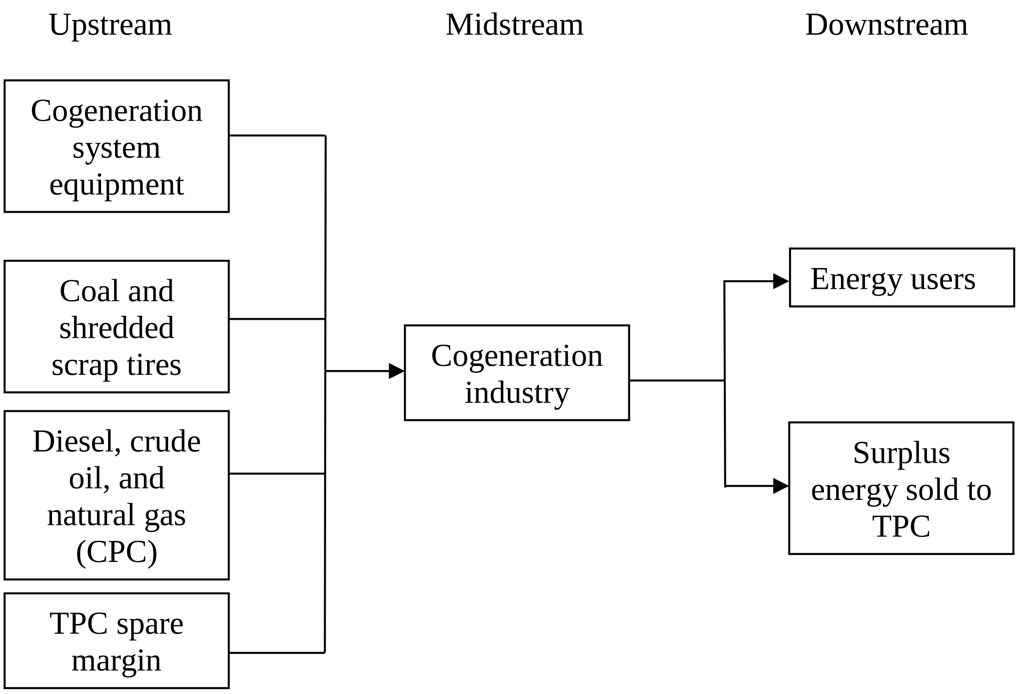
B. Development of overseas countries

The European Parliament passed the European Climate Law in 2021. It sets the target of carbon reduction by 55% in 2030 over 1990 and achieve carbon neutral in 2050. The European Parliament and the Council of the European Union reached a consensus on December 13, 2022 to implement the Carbon Border Adjustment Mechanism (CBAM) as of October 1, 2023 and collect carbon tariff since 2026. Taiwan officially promulgated the “Climate Change Response Act” in 2023. Apart from writing net-zero emissions by 2050 in law, the act also stipulates the collection of carbon tax by phase as of 2025. Following the global trend of net-zero emissions and sustainability, businesses around the world will be under the increasing pressure on carbon reduction, making issues such as carbon reduction and energy conservation technologies, carbon capture technology, carbon trade more important for worldwide businesses.

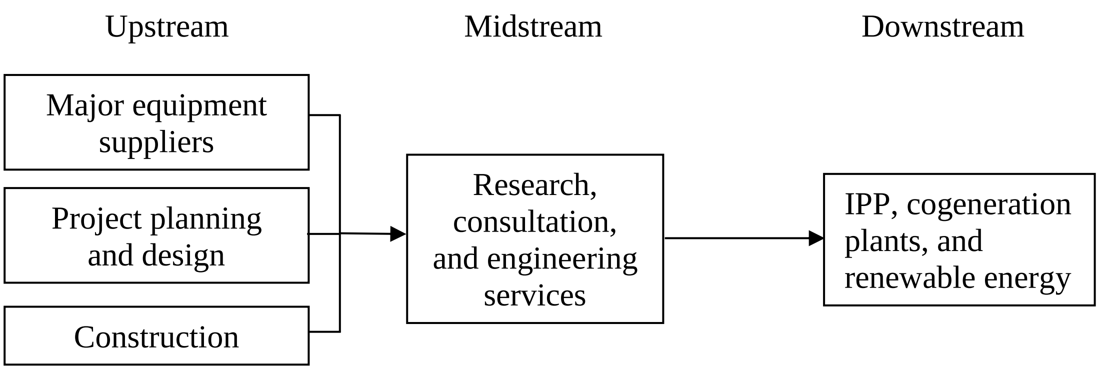
Due to the announcement of net zero emissions of countries in the world and the continuous economic growth in China and other Southeast Asia countries, the demand for clean energy development and electricity will surely increase in the future. Also, the government is now actively promoting the new southward policy. As results of this, there will still be great investments and business opportunities in power plants, cogeneration plants, renewable energy plants, and power transmission/ transformation projects.

C. Industry chain relationship

a. Cogeneration plants



b. Research, consultation, and engineering services



D. Product development trends

a. Cogeneration industry

Due to the soaring international coal price in 2022, before the amendment to the "Regulations for Implementation of Cogeneration Systems", the upper limit of the original feed-in tariff could no longer reflect the true cost of cogeneration plants, leading to the generation reduction of cogeneration plants. Hence, TPC's 2022 feed-in volume of surplus cogeneration power was about 6.1 GWh, 11-23% less over 2020 and 2021. Additionally, the call for transformation has also been challenging the recent industry development following the trend of air pollution reduction and coal reduction. As the government introduced biomass units, SRF, and substitute fuel mixed firing as incentives, TPC established the Ancillary Service Trade Platform in 2021 to increase the channel for purchasing surplus electricity from cogeneration units, and the government's amendment to the "Regulations for Implementation of Cogeneration Systems" to simplify the pricing method of system rates and add the rate pricing by fuel in consideration of the soaring international fuel price and incentive cogeneration plants to increase gas use and cut coal use. Overall, the future development of cogeneration is still steady and fair.

b. Independent power plants

Referring to the government's new energy policy targets: use of 20% of green energy by 2025, a no-nuke country by 2025, achievement of the international carbon reduction commitment, and development of energy-saving and green energy industries, the energy allocation planning will be gas-powered generation at 50%, coal-fired and other generation at 30%, and renewable energy generation at 20%. That is, gas-fired generation will still be the main source of electricity supply. In addition, in response to the government's "no nuke home" and the liberalization of the electricity industry policies, besides starting the open tendering of the 1000MW gas-fire IPP project for 2024 in 2021, TPC also announced the procurement project for commercial gas-fired generation sets for 2025-2026 at the end of the 2021, suggesting that there is still room for IPP development. Therefore, IPPs will continue to play a decisive role in Taiwan's electricity market.

c. Renewable energy

The government actively promotes renewables, aiming to boost renewables generation to 20% by 2025 and even 60-70% in 2050. The new targets for PV systems include 20GW in 2025, and the new targets for other forms of energy by 2025 include: onshore wind power at 1.2GW, offshore wind power at 5.5GW, geothermal power at 200MW, biomass energy at 813GW, hydropower at 2.15GW, and fuel cell at 60MW, totaling 29.923GW. The 2050 renewables targets include: solar PV 40-80GW, offshore wind power 40-55GW, and forward-looking energy (including marine energy and biomass energy such as non-traditional geothermal generation, wave energy, ocean power, and others) 8-14GW.

To achieve these targets, the new government has planned five principles (acceptable price impacts, technology feasibility, cost-effective oriented, balanced development by phase, and driving industrial development) to prioritize the development of renewable energy with mature technology and a lower generation cost, continue the research and development of perspective but non-commercialized technologies, and review the target and proportion of renewable energy in a rolling wave manner.

Currently, wind power (including onshore and offshore) generation, PV, generation with biomass energy, and geothermal generation are the key types of renewable energy to be promoted.

d. Energy storage

Although energy storage technology has been advancing rapidly around the globe in recent years, the domestic energy storage market is still at its infancy, and relevant policies, standards, and support measures are maturing. Currently, only TPC's ancillary service solution and the energy storage system-solar PV integration tendering system of the Bureau of Energy are the rather thriving commercial models. The regulation reserve service announced by TPC in 2021 suggests that energy storage is needed to enhance grid resilience in the future, while the combination of solar and wind power with energy storage is another major trend in the future.

E. Competitions

TCC is one of the few power manufacturers in Taiwan that can engage in the engineering planning, procurement, construction (EPC) and operations, maintenance (O&M) of power plans and also green energy retailing. Therefore, continuous involvement in IPP operations will enable us to accumulate more power in the electricity generation industry. In addition, we have earned a great reputation in both technological and financial terms and have established a great image in operational stability, which are our competition niche. Compared to other domestic IPPs and energy suppliers, we have solid competitiveness.

(3) Technical and R&D Overview

A. Levels of Technological Development in Business Operations

a. Technological Levels

The core technologies of TCC mainly consist of accumulated years of experience in development, construction, and operation. Matters such as the installation and maintenance of important equipment and the replacement of components are assisted by the original equipment manufacturers. In terms of the technical aspects of the power system, besides our proprietary technology, we can also obtain sufficient technical support through our major shareholder, Taiwan Power Company. As for the engineering, operation, and maintenance of power plants and cogeneration plants, these tasks are mainly carried out by professionals from various power plants, cogeneration plants, and our company. Through technical exchanges and maintenance support systems among various plants, we continuously enhance our self-repair capabilities.

In addition, through investments in and construction of IPPs, we have become the only IPP with EPC and O&M capacities in Taiwan.

b. Research and development

(a) Research of market trends

Apart from collecting information regarding technology and competitors at home and abroad and conducting in-depth investigations of the energy liberalization, cogeneration, and renewable energy policies, we assess investments in renewable energy, cogeneration, substation projects, IPPs, joint booster station and energy storage to keep pace with market trends so as to achieve the operational goals.

(b) Product technology

In addition to continuously improve the competency of professional personnel by providing training on professional competencies for employees, professional personnel conduct research on the building, operations, and O&M of power plants, cogeneration plants, renewable energy, substation projects and joint booster station.

B. R&D personnel and their education attainments, R&D investments in the past five years, and successfully developed products.

We do not establish a dedicated R&D unit, therefore there are no associated R&D expenses incurred. In cogeneration and electricity connection technologies, apart from improving employee capacity by arranging professional training, we receive full technical assistance and support from major shareholder Taiwan Power Company. Furthermore, in order to educate technical talents, besides arranging opportunities for employees to participate in workshops organized by domestic associations and related organizations at home and abroad, we send employees to receive training on operation and maintenance provided by major equipment suppliers overseas. We also arrange in-service training activities from time to time to improve the professional competencies of employees, in order to ensure the operation safety of cogeneration plants and power plants.

(4) Short-term and long-term business development plans

A. Short-term business development plan

a. Actively cultivate renewables investments, such as PV, onshore wind power, offshore wind power, geothermal generation, and others and develop an operations team to expand the sales of renewable energy to start new business types including energy storage and ancillary services.

b. We also assess the alternative solutions or withdrawal mechanism of the investment project of Redondo Peninsula Energy, Inc. in Subic Bay in the Philippines.

c. For the Guan-tian Plant, apart from retaining existing accounts, we cultivate new customers, reduce O&M cost, assess and trial SRF alternative fuels, make continual equipment improvement, and implement the circular economy to enhance overall operational performance.

d. We further timely expand the scale of investments domestic and foreign IPPs and domestic cogeneration plants.

e. Lastly, we also engage in related investment products and undertake relevant projects.

B. Direction of medium and long-term development

a. Actively assess the development projects of phase II for existing power plants and new IPPs in response to the government's energy transformation policy.

b. Continuous cultivation of energy services relating to renewable energy and energy conservation and the project undertaking business, and assessment of new-style business operation model in response to the liberalization of electricity industry and energy portfolio targets.

c. Cultivate the electricity and energy related business at home and abroad to expand the scale of operations.

d. Provide integrated services including capital arrangements, technology provision, plant construction, and plant O&M; and compensate investments with project construction to demonstrate our expertise in order to secure long-term profit.

e. Make rolling planning for low-emission, zero-emission, and carbon neutral sustainable operations and development; upgrade generation sets and equipment; and develop professional talents for sustainability based on the global net-zero emission trend and energy market development.

2. Markets, Production, and Marketing

(1) Market analysis

A. Regions of distribution (provision) of major products (services)

(expressed in NT$1,000)

Year / Region	2022		2023	
	Amount	%	Amount	%
Domestic sales	4,668,881	100	5,348,402	100
Export sales	—	—	—	—
Total	4,668,881	100	5,348,402	100

B. Market shares

a. Market share of installation capacity on the cogeneration market

Unit: MW

Item	2021	2022	2023
Independent cogeneration systems	7,924	7,951	8,013
Taiwan Cogeneration Corporation	48	48	48
Market share	0.61%	0.60%	0.60%

b. IPP market shares

Plant	Generator #	Fuel	Installation Capacity (MW)	Status
Kuo Kuang	Kuo Kuang	Natural gas	480	2003.11 commercial operation
Star Energy	Changbin	Natural gas	507	2004.3 commercial operation
Sun Ba	Feng der #1and #2	Natural gas	1,014	2004.3 commercial operation
Star Buck	Star Buck	Natural gas	490	2009.6 commercial operation

Based on the total installation capacity of all commercially operating IPPs at 8,290MW, the combined installation capacity of our subsidiaries Star Energy, Sun Ba, and Star Buck and our investee Kuo Kuang Power commands at 30%.

C. Future demand and growth potential

We will keep track on the government policies and global economic condition to timely develop the cogeneration, IPP, renewables, joint booster station and energy storage business in the domestic market.

D. Competitive niche

a. Technology excellence and integrated service

Emphasizing “expertise, efficiency, service”, we specialize in offering integrated services covering capital arrangement, technical service, pre-construction assessment and planning, construction, operation, and maintenance and repair through a strong-cast management team.

Subsidiary TCC Green Energy acquired the license of renewable energy retailing in October 2019. Currently it is Taiwan’s largest operating electricity retailer with the highest generation capacity and help customers to achieve the RE100 and carbon reduction to extend the value chain of green power.

b. Full capture of market movements

After long-term cultivation of the energy industry, we can assess markets more precisely than competitors. Based on the experience accumulated from investments in, construction, and operation and maintenance of power plants, we understand the characteristics and the cost structure of the energy industry better than competitors. Together they enable us to fully capture market movements.

c. Outstanding human resources

As the energy industry is a capital-intensive and technology-intensive industry, and each investment project involves hundreds of millions to billions of dollars, the accuracy and integrity of feasibility assessment depends on the quality of human resources. At Taiwan Cogeneration, over 90% have at least one degree. With a high employee retention rate, know-how can be accumulated and inherited. Leaders and officers have years of experience in project development, feasibility assessment, financial planning, professional engineering technology, and project management experience outstanding human resources are the important niche enabling us to maintain influence in the cogeneration, IPP, and renewables fields.

E. Favorable and unfavorable factors affecting development prospects and countermeasures

a. Favorable factors

(a) After the passage of round one of the amendments made to the Electricity Act, investee IPP can supply energy to the system to support our service items. We can also assess the feasibility of more generation sets to increase revenue. After the completion of round two of the amendment, direct supply from power companies and establishment of a power company will be the opportunities for future development.

(b) The government's energy transformation policy and "532 portfolio" and "Net Zero 2050 Roadmap" and the consensus on reinforcing electricity measures and actively promoting renewable energy made at the National Energy Conference will favor TCC to develop IPPs and renewable energy.

(c) Continue to increase the use of renewable energy under the green energy policy. This will favor our development of the renewable energy business in response to the government's green energy policy.

b. Unfavorable factors

(a) The government is cutting incentives for cogeneration. Additionally, following the relaxation of the critical power supply in recent years, it is expected that TPC will reduce its purchase of surplus electricity from cogeneration plants, and the expected wholesale of surplus electricity from cogeneration plants will reduce compared to the previous year.

(b) As environmental regulations are getting more stringent, coal output reduces, and the LNG generation arises, the space of operations for cogeneration plants and IPPs will diminish.

(c) Site selection, communication with local communities, feeder line connections, fuel transportation, and environmental planning will be increasingly tougher with the rise of environmental awareness in the public and the self-determination consciousness of local governments.

(d) The passage of the "Climate Change Response Act" and the increasing concern about PM2.5 increase the investment in equipment to optimize environmental protection.

(e) The on-going volatility of exchange rate and fuel prices makes cost volatility control more difficulty.

(f) As the oil-fired steam boilers are economically inefficient, and the rise of carbon reduction, gas-fired steam boilers have become the mainstream. If steam price of cogeneration is replaced by the LNG price, the steam price will fall when the LNG price goes below the oil price.

c. Countermeasures

(a) Actively cultivate steam customers, assess the ancillary service of residual electricity wholesale, improve environmental equipment, transform into regional resource integration, and actively assess other ancillary fuels to reduce operational cost and comply with the emission standard of environmental regulations.

(b) In response to the TPC's power auxiliary service market, we will join the market with cogeneration at appropriate times to increase the added value of cogeneration.

(c) Develop cogeneration, IPP, and renewable energy at home and abroad to stabilize and expand the scale of operations.

(d) Promote business in other power and energy domains, such as common booster stations, energy storage, ancillary services; accurately assess investment efficiency; expand the scope of investment; and develop technologies.

(e) Keep close observation of price volatility of the forex market and energy market and implement various hedges to minimize potential risks.

(f) Actively implement risk management with our solid financial background.

(2) Important uses and production processes of major raw materials

A. Major products and uses

Major Product	Major Uses
Cogeneration plant	Supply electricity and steam to customers.
Research, consultation, and engineering services	Provide integrated services covering project planning, financial planning, construction management, environmental protection, and O&M services for IPPs, cogeneration plans, renewable energy, joint booster station and energy storage.

B. Production process

a. Cogeneration

Cogeneration refers to producing heat energy and electrical energy at the same time with coal, fuel oil, natural gas, or waste in the same set of equipment. Based on the order of generation and processes, cogeneration systems fall into the topping cycle cogeneration systems and bottom cycle generation systems. The former refers to generating electricity with primary energy and recovering waste heat for use in the processes. The latter refers to producing heat energy required by processes with primary energy and recovering waste heat to generate electricity. All generation sets at Taiwan Cogeneration are topping electrical generation systems.

b. Research, consultation, and engineering services

All reserve, consultation, and engineering services are tailored on-demand and cannot be mass-produced or reproduced by machinery as in the manufacturing industries to increase output. These services are provided by a task force formed by members of different departments based on the division of labor by expertise and are delivered to clients based on the conditions and characteristics of each project through research, investigations, analyses, discussions, and report production. Therefore, the production cost will be higher than other industries.

(3) Supply of major raw materials

Major Raw Material	Major Supplier	Source	Status
Fuel oil	CPC Corporation, Taiwan	Taiwan	Sufficient and stable
Coal	Sino-Indo Co., Ltd./ Energy Taiwan Ltd. /Full Winner Co., Ltd./ Hengxing Energy Ltd.	Indonesia	Sufficient and stable
Natural Gas	CPC Corporation, Taiwan	Taiwan	Sufficient and stable

(4) Major purchases and sales in the past two years

A. Major purchases in the past two years

	2022				2023				By 2024Q1 (Note 3)			
Item	Supplier	Amount (NT$1,000)	Percentage in annual net purchase amount	Relationship with the company	Supplier	Amount (NT$1,000)	Percentage in annual net purchase amount	Relationship with the company	Supplier	Amount (NT$1,000)	Percentage in annual net purchase amount	Relationship with the company
1	Yung Loong Engineering Corporation	542,081	13.42		Yung Loong Engineering Corporation	403,354	8.39					
2	Others	3,498,574	86.58		Others	4,401,790	91.61					
	Net purchase amount	4,040,655	100.00		Net purchase amount	4,805,144	100.00		Net purchase amount	-	-	

Note1:List the name, purchasing amount and proportion of suppliers with over 10% purchase. List the supplier code when non-disclosure is required in the purchasing contract or the supplier is a non-related-party individual.

Note2:Reasons for fluctuations: Changes in the amount and proportion of purchases are mainly due to variations in the progress of the engineering projects.

Note3:Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

A. Major sales in the past two years

	2022				2023				By 2024Q1 (Note 3)			
Item	Customer	Amount (NT$1,000)	Percentage in annual net sales amount	Relationship with the company	Customer	Amount (NT$1,000)	Percentage in annual net sales amount	Relationship with the company	Customer	Amount (NT$1,000)	Percentage in annual net sales amount	Relationship with the company
1	Ørsted Taiwan Limited	983,368	21.06		Taiwan Power Company	1,135,906	21.24	Director				
2	Taiwan Power Company	969,774	20.77	Director	Ørsted Taiwan Limited	998,099	18.66					
3	CPC Corporation, Taiwan	596,378	12.77		Techzone Technology Materials CO., Ltd.	601,851	11.25					
4	Sun Ba Power Corporation	538,622	11.54	Investments accounted for using the equity method								
	Others	1,580,739	33.86		Others	2,612,546	48.85					
	Net sales amount	4,668,881	100.00		Net sales amount	5,348,402	100.00		Net sales amount	-	-	

Note1:List the name, purchasing amount and proportion of buyers with over 10% sales. List the customer code when non-disclosure is required in the sales contract or the buyer is a non-related-party individual.

Note2:Reasons for fluctuations: Changes in the amount and proportion of sales are mainly due to variations in the progress of the engineering projects.

Note3:Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

(5) Production volume and value in the past two years

Vol/Val Major Product (Year)		Unit	2022			2023		
			Capacity	Volume	Value (NT$1,000)	Capacity	Volume	Value (NT$1,000)
Cost of sales	Electricity	MWh	556,580	426,629	1,228,027	517,550	370,330	1,138,346
	Steam	Tonne	406,800	171,120	123,128	397,349	296,062	200,952
	Others	-	-	-	-	-	-	-
Construction, operations, maintenance and consulting services					2,689,500			3,465,846
Total					4,040,655			4,805,144

Note1:Capacity refers to the production quantity in normal operation of existing equipment after deducting required system downtime and holidays.
Note2:The capacity of alternative products can be combined with an explanation.

(6) Sales volume and value in the past two years

Vol/Val Major Product (Year)		Unit	2022				2023			
			Domestic Sales		Export		Domestic Sales		Export	
			Volume	Value (NT$1,000)	Volume	Value (NT$1,000)	Volume	Value (NT$1,000)	Volume	Value (NT$1,000)
Sales	Electricity	MWh	426,629	1,475,942			370,330	1,277,149		
	Steam	Tonne	171,120	117,977			296,062	201,536		
	Others	-		96,379				64,756		
Construction, operations, maintenance and consulting services				2,978,583				3,804,961		
Total				4,668,881				5,348,402		

Note: Annual Sales Volume = Annual Production Volume – Cogeneration Plant Internal Consumption

3. Profiles on employees in the past two years from the date of report publication

April 2, 2024

Year		2022	2023	By April 2, 2024 (Note)
Numbers of Employees	Direct manpower	207	173	168
	Indirect manpower	137	172	169
	Total	344	345	337
Average Age		44	43.53	42.02
Average Seniority		7.5	8.2	8.08
Education Distribution	Doctorate	0.9%	0.29%	0.29%
	Master’s	21.1%	22.0%	22.0%
	University, College	73.3%	73.3%	74.0%
	High school	4.7%	4.3%	4.1%
	High school below	0 %	0 %	0 %

Note: Fill in data by the date of report publication.

4. Information on environmental protection expenditure

(1) Losses and fines due to pollution by the date of report publication: NT$0.

(2) Future countermeasures (including improvement actions) and possible expenditure:

To comply with the tightening emission control over NOx in the Regulations Governing the Criteria for Reduction of Pollutants from Existing Stationary Pollution Sources Within Class 3 Control Regions, the SNCR equipment improvement project amounting to about NT$12 million will be added after the completion of 2025 annual repair.

5. Labor Relations

(1) The measures of employee welfare, further education, training, retirement schemes and its implementation status, and labor-management agreements, and protection of employee benefits and rights:

A. Employee welfare

a. In addition to general benefits including the Labor Insurance, the National Health Insurance, group insurance, and pensions, other benefits include bonuses for major festivals, subsidies for domestic and overseas tours, marriage and funeral allowances, birthday presents, employee club subsidies, health examinations, grants and scholarships for education and training, various kinds of training activities. Additionally, we promote friendship among employees and build employee coherence through the year-end party, various club activities, and the irregular family day.

b. TCC has also established an Employee Welfare Committee and elected committee members to handle employee welfare affairs. Fund sources of the committee include one percent of TCC's capital amount appropriated at committee establishment, 0.15% of the monthly sales turnover, and 40% of income from scraps sales. The committee draws up a plan and budget every year and holds committee meeting regularly to discuss, resolve, and organize various welfare activities, including subsidization for condolence or celebration, tours, vouchers for festivals, vouchers for birthday, cultural and recreational activities. The committee also discloses the income and expenditure reports.

c. TCC improves employee benefits continuously for mental health and work-life balance, as listed below:

Employee Benefit Goals and Items	Actions
TCC actively creates friendly and happiness workplace and commits to provide safe and harmonious working environments for work-life balance.	1. Signing contacts with local kinder gardens to solve childcare issues for employees. 2.Apart from the menstrual leave, tocolysis leave, maternity leave, prenatal checkup leave, paternity leave, homecare leave, and unpaid parental leave, we also encourage employees to return to work after parental leave (in 2023, one employee applied for unpaid parental leave). 3.For employee located at construction site, there is transportation allowance for home visit by mileage.
Working hours are flexible, employee can arrange it according to their needs.	Pursuing the goal of work-life balance, flextime was lengthened since 2022 for Taipei employee from 30 minutes to 1 hour, for Guan-tian employee, from 15 to 30 minutes.
A variety of club activity were provided for employee and their family interaction in order to pursue the goal of work-life balance	There are clubs for baseball, mountain climbing, exercising, bicycle, photography, etc., and subsidy for employee and their family.
Continuously improving workplace safe facility and benefits	1. Renewal of all computer monitors at Taipei office, continuous supply of Free coffee, increase the bonuses on three folk festivals and birthday in 2023. 2. When there is a day off due to weather disaster, employee can apply transportation subsidy if working. 3. Office building safety： There is one fire safety inspection and one related training course per year, and once public safety declaration every other year inspected by public safety company. Daily cleaning, garbage disposal, and public area cleaning for each floor. Carpet cleaning and building disinfection were carried out twice a year. Fire equipment in Taipei were self-inspected and declared quarterly by fire protection engineers.

	External inspection units were hired to perform environmental monitoring once every six month of Taipei Office.
Satisfaction survey was carried out every year to assess the satisfaction on all facilities.	The results of satisfaction in 2023 increased by 2.86%, reaching a score of 93.2% out of a possible full score.
Free health examination was provided, superior to the law requirement. Free insurance package was provided, including accidents, health, cancer, life insurance, etc. Both provide protection for employee and their families.	We offer free health checkups to employees. Additionally, we increased the checkup allowance in 2020. As the average age of employees is around 40 years old, we plan the checkup program as follows: (1) once every two years for employees under 40 years old and (2) once every year for employees aged 40 or older. In 2023 we allowed employees to combine the allowance to that of 2024 to expand the scope of checkup. Additionally, employees are entitled to free group insurance that covers accidents, medical, cancer, and life to enrich their benefits. Furthermore, employees can apply for health checkups and group insurance for their parents and family at their own expense. With these policies, we aim to offer double coverage for employees and their family.
TCC Employee Welfare Committee provides a variety of allowances and subsidies.	1.Subsidies：marriage/birth/death 2.Education allowance：allowance for study and books 3.Activity allowance：club activity, domestic and overseas tours 4.Consolation /aid：hospitalized reimbursement, emergency aid.
Equal pay for woman and man. Bonus was based on personal KPI.	1.TCC hiring policy is based on fairness and justice. The evaluation criteria are ability, knowledge, experiences, conduct, and attitude. There is no difference on hiring, salary, benefits, evaluation, or promotion due to gender or gender preference. In addition, considering TCC long-term profits and financial status, employee was evaluated for a raise based on performance. There are performance bonus and employee compensations based on TCC and personal performance, and year-end bonus based on working period. 2. There are reasonable salary policy, clear reward and punishment system in TCC. According to Article 36 “Should there be profit after the annual closing of books, no less than 0.5% shall be appropriated as the reward for employees and not more than 1% as the reward for directors, and the ratio of appropriation of the latter shall not be higher than that of the former.…,” In addition, the “Bonus Distribution Regulations” stipulate that the performance bonus in the employee’s pay includes profit sharing and performance evaluation. Every year, we include corporate governance, operational performance, energy conservation & carbon reduction, renewable energy development, and ESG-related items in TCC’s general goal and KPIs. The performance of officers and employees are evaluated based on the achievement of the departmental KPIs, and bonuses are calculated according to the formulas to link the results of performance evaluation and the performance bonus and employee pay.

B. Retirement schemes and status of implementation

In support of related laws and regulations, we began to contribute every month to the personal pension account at the Bureau of Labor Affairs on July 1, 2005 a sum at 6% of the monthly wage of new employees and current employees qualified for the Labor Pension Act (new scheme). In addition, we continue to contribute every month to the pension preparation fund account at the Bank of Taiwan a sum at 6.5% of the monthly wage of current employees qualified for the Labor Standards Act (previous scheme) and current employees qualified for the new scheme. For employees transferred by the organization to affiliates, we recognize their service length at the parent company to provide them with more protection, in order to achieve talent circulation across the group. We have established the “Employee Pension Regulations” in accordance with the Labor Standards Act (previous scheme) and the Labor Pension Act (new scheme), and the "Regulations Governing the Appointment and Relief of Managerial Officers" for managers. Employee retirements are proceeded in accordance with the law and relevant regulations of TCC.

Items	Details
Qualifications for employee voluntary retirement	If over 55 years old and working over 15 years, If working over 25 years. If over 60 years old and working over 10 years, If working over 10 years, and sum of working years and age are over 70, which is superior to the law requirement.
Procedures for retirement application	1.Application shall be applied one month before with the form and proof for approval. 2.After approval, business and financial documents shall be transferred before the effective date in accordance with the procedure and forms, which were sent to HR personnel.
New retirement system and status	1.Bylaw: Labor Pension Act 2.Appropriation: The pension is appropriated 6% of monthly salary level, which is contributed to individual pension accounts at Bureau of Labor Insurance. 3.Payment application: After Employee meets qualifications, he shall apply to the Bureau directly. 4.The new pension appropriation amount in 2023 is NT$3,533 thousand.
Old retirement system and status	1.By law: Labor Standards Act 2.Appropriation: The pension is appropriated 6.5% of monthly salary to accounts in Bank of Taiwan by TCC. 3.Payment application: After Employee meets qualifications, TCC shall apply to Bank of Taiwan, and remit to the employee. Based on working period, there are two units per year for the first 15 years, one unit per year starting from 16th year, total 45 units maximum. Units are based on 6-month average monthly salary before retirement. 4.The old pension appropriation amount in 2023 is NT$3,241 thousand. 5.Employee Retirement Committee was established for employee retirement payment issues.

C. Labor-management agreement

We emphasized labor relations right at the beginning of establishment and have maintained labor relations harmonic ever since. Apart from putting "harmony" as part of the business philosophy, we discern the opinions and ideas of employees of all levels through various communication channels in routine operations. There are one labor litigations in 2023:

An employee of TCC was demoted to a non-supervisory position due to his poor annual performance review. The employee was unsatisfied with the evaluation results and filed a civil complaint to pay for the shortage salary (the proceeding is still in progress so far; as a special case, it does not affect labor-management harmony).

D. Maintenance of employee rights and benefits

Apart from establishing the "Personnel Management Rules" and the "Regulations Governing the Appointment and Relief of Managerial Officers", we hold labor-management meetings to ensure these rules and regulations are exactly implemented, in order to protect the rights and benefits of employees.

(2) Human rights policy and specific management plans

Besides unfailingly establishing various management systems according to the relevant labor regulations, such as the “Human Rights Policy and Management Regulations”, we are committed to complying with international human rights conventions, such as the “Universal Declaration of Human Rights”, “UN Guiding Principles on Business and Human Rights”, “International Covenant on Civil and Political Rights”, and “International Covenant on Economic Social and Cultural Rights”, to protect the rights and interests of employees and eliminate differential treatment in employment.

We include the human rights policy in various internal management systems and actively present our respect for and determination to defend human rights with solid actions. We have posted our concerns for human rights, target actions, risk mitigation measures, effectiveness assessment, education and training, and grievance channels on the corporate website at https://www.cogen.com.tw/csr/boon.

(3) Losses caused by labor disputes in the previous year and by the date or report publication and disclose the estimated amount of loss at present and in the future and countermeasures. If the amount cannot be fairly estimated, specify the reasons.

In the previous year and by the date or report publication, we maintained labor relation harmonic and no additional loss from labor dispute was reported, no such loss will be expected.

6. Cyber Security Management

(1) Describe cyber security risk management structure, policy, actions and resources

A. Cybersecurity risk management framework

We have already included cybersecurity risk in the “Risk Management Implementation Plan”. The Board has also passed the establishment of the “Risk Management Policy”. We also continuously update the risk management plan to effectively lower and control the risk of cybersecurity threats on TCC’s information assets.

The Risk Management Committee holds committee meetings periodically. The Information Security Implementation Team takes charge of cybersecurity management matters and updates and establishes the risk management plan through rolling review every year. The IT team of the Administration Department reviews the performance of the annual cybersecurity management measures and report the risk management effectiveness to the Board periodically. The contents of the report presented to the Board in 2022 included: review of risk management performance; establishment of management plans including cybersecurity management; and internal control self-assessment.

B. Cybersecurity policy

The objectives of the cybersecurity policy include: actively use IT to strengthen operational management to enable business operations and growth in a steady and secure environment; establish a well-planned cybersecurity mechanism and inculcate the concept of “cybersecurity you and I” to ensure the confidentiality, integrity, availability, and legitimacy of information assets and key information infrastructure; and form the information security implementation team to proceed with management.

Specific targets and approaches have been set for our “Cybersecurity Policy”:

a. Inventory, categorize, and grade information assets and key information infrastructure periodically; and assess the risk of important information assets and key information infrastructure to plan and implement appropriate protective measures.

b. Comply with the *Personal Data Protection Act* in collection, processing, and use of personal data.

c. Unit supervisors should determine and control the confidential and sensitive data; perform the supervision, implementation, and audit duties as stipulated in the cybersecurity policy, relevant laws and regulations, and SOPs; and unfailingly them in routine unit operation and the daily life of employees.

d. Establish complete reporting and response measures for cybersecurity incidents and arrange periodic information security training to ensure business continuity.

e. Employees should fully understand the purposes and their duties under the cybersecurity policy.

f. Periodically audit the effectiveness of the cybersecurity management system.

g. The cybersecurity policy and relevant SOPs should be revised appropriately in line with service changes, IT development, and risk assessment results.

C. Information security management plan

a. We established the “Information Security Promotion Team” on November 17, 2020 and has drawn up the information audit plan for Level C non-specific government agencies with reference to the “Regulations on Classification of Cyber Security Responsibility Levels” of the Executive Yuan. Members of the “Information Security Promotion Team” take charge of the management, planning, promotion, and implementation of information security.

b. Establish the corporate information audit program and cybersecurity audit items, and establish the “Information Security Implementation Team” to run the cybersecurity internal control self-assessment and the relevant optimization activities.

c. Publish the “Taiwan Cogeneration Corporation Cybersecurity Policy” and “Taiwan Cogeneration Corporation Information Security Management Mechanism” and disclose the relevant SOPs in the governance section of the corporate website.

d. On October 25, 2023 we assigned members of the “Information Security Promotion Team” to be the responsible information security supervisor and responsible information security personnel as requested by the competent authority.

e. In 2023 we supervised investees to implement related monitoring services and mechanisms. In 2023 Star Buck Power Corporation and Star Energy Power Corporation completed information security checks including “information security diagnosis”, “penetration test”, and “system vulnerability scan” respectively.

f. Establish the “Information Education and Training Plan” every year. In 2023 we organized the “Social engineering and email security” and “Personal Data Protection and Mobile Devices Security” courses. Organize two irregular employee social engineering drills every year. After each drill, conduct course propaganda to reinforce all employees' understanding of social engineering and information security.

g. Hire the security operation center (SOC) and install the information security endpoint detection mechanism and response service to strengthen information security protection.

h. Run security diagnostics on information equipment, system infiltration test, and vulnerability scan every year.

D. Investment of resources for information security management

Our investments in equipment and resources relating to information security management in recent years included: annually increasing investment in equipment and resources for information security management since 2020 as shown in the figure below: up by about 15% in 2021 and about 46% in 2022; down by 1.5% in 2023. Investments in information security management resources in 2022 and 2023 were similar, suggesting the management’s concern about and support for information security management.

(2) In the recent year, up to the publication date, the lost, impact, and measures due to material cyber security events：None.

7. Important Contracts

Type of Contract	Client	Contract Term	Description	Restrictions
Fuel procurement contract	Sino-Indo Co., Ltd.	2023.3-2023.4 2024.4-2024.9	Guan-tian Plant Coal Supply Agreement	-
Fuel procurement contract	Hengxing Energy Ltd.	2022.12-2023.3 2023.10-2023.12	Guan-tian Plant Coal Supply Agreement	-
Fuel procurement contract	Energy Taiwan Limited	2023.2-2023.3 2023.4-2023.10	Guan-tian Plant Coal Supply Agreement	-
Fuel procurement contract	Full Winner Co., Ltd.	2023.11-2024.4	Guan-tian Plant Coal Supply Agreement	-
Syndicated loan agreement	Mizuho Bank	2023.8-2025.8	Bank Credit Loan	-
Syndicated loan agreement	Sumitomo Mitsui Bank	2023.8-2025.7	Bank Credit Loan	-
Syndicated loan agreement	Agricultural Bank of Taiwan	2023.12-2024.12	Bank Credit Loan	-
Syndicated loan agreement	Bank of Taiwan	2024.1-2026.1	Bank Credit Loan	-
Syndicated loan agreement	DBS Bank (Taiwan) Ltd.	2024.2-2028.2	Bank Credit Loan	-
Joint Venture Agreement	Sun Ba Power Corp.	2000.7.31	Joint Venture Agreement	-
Joint Venture Agreement	Star Energy Power Corp.	2000.7.31	Joint Venture Agreement	-
Joint venture agreement	Star Buck Power Corp.	2006.8.2	Joint Venture Agreement	-
Joint venture agreement	Kuo Kuang Power Co., Ltd.	2011.1.19	Joint Venture Agreement	-
Energy purchase agreement	Taiwan Power Company	2000.12.4	Guan-tian Plant Power Purchase Agreement	-
Energy purchase agreement	IHWA Industrial Co., Ltd.	2022.12.1-2024.11.30	Guan-tian Plant Steam Purchase Agreement	-
Energy purchase agreement	KUANG TAI Metal Industrial Co., Ltd.	15 years since 2017.3.15	Guan-tian Plant Power/Steam Supply Agreement	-
Energy purchase agreement	Syndyne Industrial Co., Ltd.	15 years since 2017.3.15	Guan-tian Plant Steam Purchase Agreement	-
Energy purchase agreement	Sunny Environmental Consultants Ltd.	15 years since 2019.8.20	Guan-tian Plant Steam Purchase Contract	-
Energy purchase agreement	CSB Energy Technology Co., Ltd.	11 years since 2016.3.15	Guan-tian Plant Steam Purchase Agreement	-
Energy purchase agreement	TTET Union Corp.	2021.1.1-2031.2.20	Guan-tian Plant Steam Purchase Agreement	-
Energy purchase agreement	Shin Agri Tech Co., Ltd.	10 years since 2019.2.1	Guan-tian Plant Steam Purchase Agreement	-

Type of Contract	Client	Contract Term	Description	Restrictions
Engineering contract	Ørsted Taiwan Ltd.	2018.11.6~	Greater Changhua Offshore Wind Farms CHW01+02a Onshore Substation EPC Contract	-
Engineering contract	Ørsted Taiwan Ltd.	2022.9~	Greater Changhua Offshore Wind Farms CHW2204 Onshore Substation and Onshore Cable Corridor EPC Contract	-
Engineering contract	Taiyen biotech Co., Ltd.	2019.10.1	New construction of replacement of steam and electricity symbiosis equipment in Tongxiao Refinery EPC Contract	-
Engineering contract	CPC Corporation, Taiwan	2021.3.3-	L10502 Guantang Terminal Onshore Pipeline and Steam Station Project EPC Contract	-
Engineering contract	Sun Ba Power Corp.	2021.9-	Sun Ba Phase II Feeder EPC Contract	-
Engineering Outsourcing contract	Yung Loong Engineering Corporation	2021.3.3-	L10502 Guantang Terminal Onshore Pipeline and Steam Station Project	-
Renewables Purchase Contract	Taiwan Semiconductor Manufacturing Company Limited (TSMC)	2020.9-2048.8	TCC Green Energy Renewable Energy Purchase Contract	-
Renewables Purchase Contract	VisEra Technologies Co., Ltd.	2022.2-2027.2	TCC Green Energy Renewable Energy Purchase Contract	-
Renewables Purchase Contract	Chianan Industrial Co., Ltd.	2021.10-2026.9	TCC Green Energy Renewable Energy Purchase Contract	-
Energy Purchase Contract	Taiwan Power Corporation	2019.12.19-	Chingshuei Geothermal Power Purchase Contract	-
Operations Franchise Contract	Yilan County Government	2017.7-	Yilan Chingshuei Geothermal Power Plant Construction, Extension, Reconstruction, Repair BOT + ROT	-
O&M Contract	ENERCON Taiwan Ltd.	2022.7-2023.6	Wind Turbine O&M Contract	-

VI. Financial Position

1. Condensed statements of financial positions and statement of comprehensive income of the past five years

(1) International Financial Reporting Standards (IFRS)

Condensed Consolidated Statement of Balance Sheet

Unit: NT$1,000

Item / Year		Financial Information Over the Past Five Years (Note1)					By March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		5,598,642	6,234,012	6,152,457	6,636,204	5,831,001	-
Property, plant and equipment (Note2)		1,516,774	2,817,061	3,009,667	3,231,917	4,286,965	-
Intangible assets		6,643	497,082	1,044,270	1,078,466	879,838	-
Other assets (Note2)		13,307,404	13,431,535	13,847,447	14,029,813	15,157,209	-
Total assets		20,429,463	22,979,690	24,053,841	24,976,400	26,155,013	-
Current liabilities	Before allocation	4,298,564	4,845,180	5,067,459	6,700,437	5,620,730	-
	After allocation	5,299,947	5,964,372	6,098,294	7,318,938	(Note 4)	-
Non-current liabilities		4,028,740	5,944,842	7,008,319	6,425,723	4,946,617	-
Total liabilities	Before allocation	8,327,304	10,790,022	12,075,778	13,126,160	10,567,347	-
	After allocation	9,328,687	11,909,214	13,106,613	13,744,661	(Note 4)	-
Equity attributed to owners of the parent		11,965,110	12,050,583	11,831,473	11,693,409	15,449,572	-
Share capital		5,890,486	5,890,486	5,890,486	5,890,486	7,302,820	-
Capital surplus		499,694	499,694	499,694	499,694	2,621,919	-
Retained earnings	Before allocation	5,557,744	5,625,406	5,429,915	5,317,359	5,534,022	-
	After allocation	4,556,361	4,506,214	4,399,080	4,286,524	(Note 4)	-
Other Equity		17,186	34,997	11,378	(14,130)	(9,189)	-
Treasury stock		-	-	-	-	-	-
Non-control Equity		137,049	139,085	146,590	156,831	138,094	-
Total equity	Before allocation	12,102,159	12,189,668	11,978,063	11,850,240	15,587,666	-
	After allocation	11,100,776	11,070,476	10,947,228	11,231,739	(Note 4)	-

* When producing financial statements on an entity basis, the company should additionally compile the condensed statements of financial position and consolidated statement of comprehensive income for the past five years.

Note 1: The financial statements of 2019-2023 have been audited by CPAs.

Note 2: After a revaluation, disclose the date of revaluation and the revaluation gain amount.

Note 3: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 4: The figures for after allotment shall be subject to BOD or AGM (next year) resolutions.

Note 5: After receiving a notice to make correction or reproduction from the financial authority, a company should produce financial statements with the figures after corrections or re-production and specify the status and reasons of change.

Condensed Consolidated Statement of Comprehensive Income

Unit: NT$1,000 (except for EPS at NT$1/share)

Item \ Year	Financial Information Over the Past Five Years (Note1)					By March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Operating revenue	7,186,086	9,313,724	6,406,996	4,668,881	5,348,402	-
Gross profit (loss)	543,119	751,843	804,382	637,581	519,559	-
Profit (loss) from operations	302,941	469,285	440,225	235,865	(16,381)	-
Non-operating income and expenses	799,697	651,839	586,176	770,013	1,319,599	-
Profit before income tax	1,102,638	1,121,124	1,026,401	1,005,878	1,303,218	-
Profit from continuing operations	1,096,335	1,070,583	905,389	917,015	1,242,385	-
Loss of discontinued operations	-	-	-	-	-	-
Net Profit	1,096,335	1,070,583	905,389	917,015	1,242,385	-
Other comprehensive income (loss), net of income tax	18,831	18,309	2,198	(14,003)	164	-
Total comprehensive Income for the period	1,115,166	1,088,892	907,587	903,012	1,242,549	-
Net profit (loss)attributable to: owners of the corporation	1,098,048	1,068,547	897,884	906,774	1,252,275	-
Net profit (loss)attributable to: non-controlling interests	(1,713)	2,036	7,505	10,241	(9,890)	-
Total comprehensive income attributable To: owners of the corporation	1,116,879	1,086,856	900,082	892,771	1,252,439	-
Total comprehensive income attributable To: non-controlling interests	(1,713)	2,036	7,505	10,241	(9,890)	-
EPS	1.86	1.81	1.52	1.44	1.82	-

* When producing financial statements on an entity basis, the company should additionally compile the condensed statements of financial position and consolidated statement of comprehensive income for the past five years.

Note 1: The financial statements of 2019-2023 have been audited by CPAs.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 3: List the net after tax for the loss of discontinued operations.

Note 4: After receiving a notice to make correction or reproduction from the financial authority, a company should produce financial statements with the figures after corrections or re-production and specify the status and reasons of change.

Condensed Individual Statement of Balance Sheet

Unit: NT$1,000

Item \ Year		Financial Information Over the Past Five Years (Note1)					By March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		1,123,490	2,333,011	2,677,432	1,613,522	2,620,344	-
Property, plant and equipment (Note2)		406,813	396,458	383,819	364,079	372,609	-
Intangible assets		2,793	2,452	9,125	8,165	5,931	-
Other assets (Note2)		14,619,239	15,989,446	16,299,187	16,671,978	17,501,954	-
Total assets		16,152,335	18,721,367	19,369,563	18,657,744	20,500,838	-
Current liabilities	Before allocation	775,941	1,981,809	2,707,211	3,019,871	2,436,595	-
	After allocation	1,777,324	3,101,001	3,738,046	3,638,372	(Note 4)	-
Non-current liabilities		3,411,284	4,688,975	4,830,879	3,944,464	2,614,671	-
Total liabilities	Before allocation	4,187,225	6,670,784	7,538,090	6,964,335	5,051,266	-
	After allocation	5,188,608	7,789,976	8,568,925	7,582,836	(Note 4)	-
Equity attributed to owners of the parent		11,965,110	12,050,583	11,831,473	11,693,409	15,449,572	-
Share capital		5,890,486	5,890,486	5,890,486	5,890,486	7,302,820	-
Capital surplus		499,694	499,694	499,694	499,694	2,621,919	-
Retained earnings	Before allocation	5,557,744	5,625,406	5,429,915	5,317,359	5,534,022	-
	After allocation	4,556,361	4,506,214	4,399,080	4,286,524	(Note 4)	-
Other Equity		17,186	34,997	11,378	(14,130)	(9,189)	-
Treasury stock		-	-	-	-	-	-
Non-control Equity		-	-	-	-	-	-
Total equity	Before allocation	11,965,110	12,050,583	11,831,473	11,693,409	15,449,572	-
	After allocation	10,963,727	10,931,391	10,800,638	11,074,908	(Note 4)	-

* When producing financial statements on an entity basis, the company should additionally compile the condensed statements of financial position and consolidated statement of comprehensive income for the past five years.

Note 1: The financial statements of 2019-2023 have been audited by CPAs.

Note 2: After a revaluation, disclose the date of revaluation and the revaluation gain amount.

Note 3: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 4: The figures for after allotment shall be subject to BOD or AGM (next year) resolutions.

Note 5: After receiving a notice to make correction or reproduction from the financial authority, a company should produce financial statements with the figures after corrections or re-production and specify the status and reasons of change.

Condensed Individual Statement of Comprehensive Income

Unit: NT$1,000 (except for EPS at NT$1/share)

Item \ Year	Financial Information Over the Past Five Years (Note1)					By March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Operating revenue	1,662,911	3,939,310	4,464,647	2,618,739	2,379,181	-
Gross profit (loss)	259,788	245,894	106,422	48,350	75,047	-
Profit (loss) from operations	91,902	105,002	(89,034)	(181,394)	(266,166)	-
Non-operating income and expenses	1,021,140	989,040	998,941	1,093,992	1,523,939	-
Profit before income tax	1,113,042	1,094,042	909,907	912,598	1,257,773	-
Profit from continuing operations	1,098,048	1,068,547	897,884	906,774	1,252,275	-
Loss of discontinued operations	-	-	-	-	-	-
Net Profit	1,098,048	1,068,547	897,884	906,774	1,252,275	-
Other comprehensive income (loss), net of income tax	18,831	18,309	2,198	(14,003)	164	-
Total comprehensive income	1,116,879	1,086,856	900,082	892,771	1,252,439	-
Net profit	1,098,048	1,068,547	897,884	906,774	1,252,275	-
Total comprehensive income	1,116,879	1,086,856	900,082	892,771	1,252,439	-
EPS	1.86	1.81	1.52	1.44	1.82	-

* When producing financial statements on an entity basis, the company should additionally compile the condensed statements of financial position and consolidated statement of comprehensive income for the past five years.

Note 1: The financial data of 2019-2023 have been audited by CPAs.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 3: List the net after tax for the loss of discontinued operations.

Note 4: After receiving a notice to make correction or reproduction from the financial authority, a company should produce financial statements with the figures after corrections or re-production and specify the status and reasons of change.

(2) Names and audit opinions of CPAs in the past five years

Year	CPA Firm	CPAs	Audit Opinion
2019	Deloitte Taiwan	Jui-Hsuan Ho, CPA Chien-Hsin Hsieh, CPA	Unqualified opinion
2020	Deloitte Taiwan	Jui-Hsuan Ho, CPA Chao-Mei Chen, CPA	Unqualified opinion
2021	Deloitte Taiwan	Jui-Hsuan Ho, CPA Chao-Mei Chen, CPA	Unqualified opinion
2022	Deloitte Taiwan	Chao-Mei Chen, CPA Cheng-Qun Yu, CPA	Unqualified opinion
2023	Deloitte Taiwan	Chao-Mei Chen, CPA Cheng-Qun Yu, CPA	Unqualified opinion

2. Financial analysis of the past five years

Consolidated Financial Analysis

Subject(Note 3) \ Year (Note 1)		Financial Analysis for the Past Five Years					By 31 March, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Financial structure (%)	Liabilities to assets ratio	40.76	46.95	50.20	52.55	40.40	-
	Long-term capital to property, plant and equipment ratio	1,063.50	643.74	630.85	565.48	478.99	-
Solvency (%)	Current ratio (%)	130.24	128.66	121.41	99.04	103.74	-
	Quick ratio (%)	34.60	44.57	66.34	67.11	63.40	-
	Times interest earned (TIE)	3,040	2,400	1,643	1,201	1,401	-
Utility	A/R turnover (time)	16.14	19.84	13.23	7.63	7.04	-
	Average days of cash receipts	23	18	28	48	52	-
	Inventory turnover (time)	49.77	39.79	46.99	43.21	44.03	-
	A/P turnover (time)	3.95	2.79	1.58	1.18	1.49	-
	Average daily sales	7	9	8	8	8	-
	Property, plant and equipment turnover (time)	6.07	4.30	2.20	1.50	1.42	-
	Total assets turnover (time)	0.39	0.43	0.27	0.19	0.21	-
Profitability	Return on assets (%)	6.06	5.11	4.08	4.02	5.17	-
	Return on equity (%)	9.15	8.81	7.49	7.70	9.06	-
	Net income before tax as a percentage of paid-in capital (%) (Note 9)	18.72	19.03	17.42	17.08	17.85	-
	Net profit rate (%)	15.26	11.49	14.13	19.64	23.23	-
	EPS (NT$)	1.86	1.81	1.52	1.44	1.82	-
Cash flow (%)	Cash flow ratio	9.62	50.88	34.90	26.71	-	-
	Cash flow adequacy ratio	78.65	88.68	89.52	94.41	80.16	-
	Cash reinvestment ratio	-2.60	6.63	2.80	3.35	-2.49	-
Leverage	Operation leverage	23.54	19.73	14.39	19.37	-323.02	-
	Financial leverage	1.14	1.12	1.18	1.57	0.14	-

Reasons for changes in financial ratios in the past 2 years: (for changes of over 20%)
1. The Liabilities to assets ratio reduced mainly because of the reduction in liabilities mainly resulted from the cash raised through a rights issue in 2023 used to repay bank loans.
2. The A/P turnover increased mainly because of the reduced accounts payable in 2023.
3. The profitability related ratios increased mainly because of the increased net income after tax in 2023.
4. The cash flow related ratio reduced mainly because of the reduced net cash flow from operating activities in2023
5. The operation leverage increased mainly because of the increased fixed expenses in 2023.
6. The financial leverage reduced mainly because of the reduced operating profit in 2023.

✧ If individual financial statements are produced, the analysis of financial ratios of individual companies shall be made.

✧ If financial statements are produced according to the IFRS for less than 5 years, also produce financial data according to Taiwan's GAAP as shown in (2) below.

Note 1: The year of data not certified by a CPA shall be indicated.

Note 2: By the date of annual report publication, publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 3: The equations for calculation shall be stated at the end of this table in the annual report.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/ total assets.
   (2) Long-term capital to Property, plant and equipment ratio = (Gloss shareholder's equity + Non-current liabilities)/ Net Property, plant and equipment.
2. Solvency
   (1) Current ratio = current assets/current liabilities
   (2) Quick ratio = (current assets – inventory – prepayments)/current liabilities
   (3) Debt service coverage ratio=EBIT/interest expense for current period.
3. Utility
   (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/balance of average account receivable (including account receivable and note receivable from operation).

(2) Average daily receivables=365/account receivable turnover
(3) Inventory turnover= cost of goods sold/average inventory
(4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/balance of average account payable (including account payable and note payable from operation).
(5) Average daily sales = 365/inventory turnover
(6) Property, plant and equipment turnover = net sales /Average Net Property, plant and equipment.
(7) Total assets turnover = net sales/ Average total assets.

4. Profitability
(1) Return on Assets = [profit/loss after tax + interest expenses x (1-tax rate)]/average total assets.
(2) Return on Equity = profit/loss after tax / average total equity
(3) Net profit rate = profit/loss after tax /net sales
(4) Earnings per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighted average number of outstanding shares (Note 4).

5. Cash Flow
(1) Cash flow ratio = net cash flow from operation/current liabilities
(2) Net cash flow adequacy ratio = net cash flow from operation over the past five years/(capital expense +addition to inventory + cash dividend) over the past five years.
(3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other non-current assets + working capital) (Note 5).

6. Leverage:
(1) Operation leverage= (net income – variable cost and expenses from operation)/operating profit (Note 6).
(2) Financial leverage= operating income/(operating income-interest expenses).

Note 4: When evaluating the above equations for calculating EPS, the following factors must be taken into consideration:
1. The number of common shares shall be based on the weighted average method and not the outstanding shares as of the end of the year.
2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighted average number of outstanding shares.
3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.

Note 5: When analyzing cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
2. Capital spending shall be referred to cash outflow for capital investment each year.
3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decease in inventory, put a zero.
4. Cash dividend includes cash dividend for common and preferred stocks.
5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.

Note 6: Securities issuers should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.

Note 7: If the company's stocks do not have a par value or the par value is other than NT$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

Individual Financial Analysis

Subject(Note 3)	Year (Note 1)	Financial Analysis for the Past Five Years 2019	2020	2021	2022	2023	By March 31, 2024 (Note 2)
Financial structure (%)	Liabilities to assets ratio	25.92	35.63	38.92	37.33	24.64	-
	Long-term capital to property, plant and equipment ratio	3,779.72	4,222.28	4,341.20	4295.19	4,848.04	-
Solvency (%)	Current ratio (%)	144.79	117.72	98.90	53.43	107.54	-
	Quick ratio (%)	83.83	62.50	58.43	23.31	69.10	-
	Times interest earned	3,705	3,094	2,451	2,082	3,053	-
Utility	A/R turnover (time)	7.85	12.62	14.90	10.88	12.92	-
	Average days of cash receipts	46	29	25	34	28	-
	Inventory turnover (time)	49.77	39.79	46.99	43.21	44.03	-
	A/P turnover (time)	8.88	3.94	2.35	1.79	2.22	-
	Average daily sales	7	9	8	8	8	-
	Property, plant and equipment turnover (time)	4.16	9.81	11.44	7.00	6.46	-
	Total assets turnover (time)	0.11	0.23	0.23	0.14	0.12	-
Profitability	Return on assets (%)	7.25	6.30	4.88	4.96	6.57	-
	Return on equity (%)	9.27	8.90	7.52	7.71	9.23	-
	Net income before tax as a percentage of paid-in capital (%) (Note 7)	18.90	18.57	15.45	15.49	17.22	-
	Net profit rate (%)	66.03	27.13	20.11	34.63	52.63	-
	EPS (NT$)	1.86	1.81	1.52	1.44	1.82	-
Cash flow (%)	Cash flow ratio	97.98	77.56	35.75	0.00	29.34	-
	Cash flow adequacy ratio	119.33	119.45	110.64	86.62	83.20	-
	Cash reinvestment ratio	-0.72	2.88	-0.81	-5.87	0.48	-
Leverage	Operation leverage	17.83	37.32	-49.71	-14.04	-8.76	-
	Financial leverage	1.51	1.53	0.70	0.80	0.86	-

Reasons for Changes in financial ratios in the past 2 years: (for changes of over 20%)

1. The Liabilities to assets ratio reduced mainly because of the reduction in liabilities mainly resulted from the cash raised through a rights issue in 2023 used to repay bank loans.
2. The Current ratio and Quick ratio increased mainly because of the increase current assets and reduced current liabilities in 2023.
3. The times interest earned increased mainly because of the reduced interest expenses in 2023.
4. The A/P turnover increased mainly because of the reduced account payable in 2023.
5. The Profitability related ratios increased mainly because of the increased Net profit after tax in 2023.
6. The Cash flow related ratio decrease mainly because of the increased net cash flow from operating activities and reduced current liabilities in 2023.
7. The operation leverage increased mainly because of the increased fixed expenses in 2023.

✧ If individual financial statements are produced, the analysis of financial ratios of individual companies shall be made.

✧ If financial statements are produced according to the IFRS for less than 5 years, also produce financial data according to Taiwan's GAAP as shown in (2) below.

Note 1: The year of data not certified by a CPA shall be indicated.

Note 2: By the date of annual report publication, publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the financial information in the previous period audited or certified by a CPA before the date of report publication in the analysis.

Note 3: The equations for calculation shall be stated at the end of this table in the annual report.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/ total assets.
   (2) Long-term capital to Property, plant and equipment ratio = (Gloss shareholder's equity + Non-current liabilities)/ Net Property, plant and equipment.
2. Solvency
   (1) Current ratio = current assets/current liabilities
   (2) Quick ratio = (current assets – inventory – prepayments)/current liabilities
   (3) Debt service coverage ratio=EBIT/interest expense for current period.
3. Utility
   (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/balance of average account receivable (including account receivable and note receivable from operation).

(2) Average daily receivables=365/account receivable turnover
(3) Inventory turnover= cost of goods sold/average inventory
(4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/balance of average account payable (including account payable and note payable from operation).
(5) Average daily sales = 365/inventory turnover
(6) Property, plant and equipment turnover = net sales /Average Net Property, plant and equipment.
(7) Total assets turnover = net sales/ Average total assets.

4. Profitability
(1) Return on Assets = [profit/loss after tax + interest expenses x (1-tax rate)]/average total assets.
(2) Return on Equity = profit/loss after tax / average total equity
(3) Net profit rate = profit/loss after tax /net sales
(4) Earnings per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighted average number of outstanding shares (Note 4).

5. Cash Flow
(1) Cash flow ratio = net cash flow from operation/current liabilities
(2) Net cash flow adequacy ratio = net cash flow from operation over the past five years/(capital expense +addition to inventory + cash dividend) over the past five years.
(3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other non-current assets + working capital) (Note 5).

6. Leverage:
(1) Operation leverage= (net income – variable cost and expenses from operation)/operating profit (Note 6).
(2) Financial leverage= operating income/(operating income-interest expenses).

Note 4: When evaluating the above equations for calculating EPS, the following factors must be taken into consideration:
1. The number of common shares shall be based on the weighted average method and not the outstanding shares as of the end of the year.
2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighted average number of outstanding shares.
3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.

Note 5: When analyzing cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
2. Capital spending shall be referred to cash outflow for capital investment each year.
3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decease in inventory, put a zero.
4. Cash dividend includes cash dividend for common and preferred stocks.
5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.

Note 6: Securities issuers should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.

Note 7: If the company's stocks do not have a par value or the par value is other than NT$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

3. Audit Committee's report on financial statements in the previous year

Taiwan Cogeneration Corporation
Audit Committee Review Report

The business report, financial statements and profit distribution table of 2023 produced by the Board of Directors have been audited and certified by CPA Chao-Mei Chen and CPA Cheng-Qun Yu of Deloitte Taiwan. After reviewing such documents, this Audit Committee found no nonconformity and thus presented this report to the AGM for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2024 Annual General Meeting of Shareholders

Signatures of Audit Committee Convener: Han-Shen Li

Date: March 13, 2024

4. Financial statements of the previous year

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Taiwan Cogeneration Corporation

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Cogeneration Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

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

The key audit matters of the Group's consolidated financial statements for the year ended December 31, 2023 are described as follows:

<u>Associates' Litigation Related to the Fair Trade Act</u>

Please refer to Note 38(d) for details on the associates' litigation related to the Fair Trade Act, Note 4(o) for accounting policies on provisions and Note 5(a) for critical accounting judgments and key sources of estimation uncertainty.

Taiwan Power Company (TPC) claimed to have suffered losses due to joint actions by Independent Power Producers, which violated the Fair Trade Act, and filed a civil action for damages against the associates of the Group, including Sun Ba Power Corporation, Star Energy Power Corporation, Star Buck Power Corporation, and Kuo Kuang Power Company Ltd.

The aforementioned associates commissioned attorneys to analyze the case and believe they have not caused any losses to TPC. As a result, they have not recognized provisions for the relevant litigation, which in turn has not affected the Group's balance of investment accounted for using the equity method and the share of profit of associates accounted for using the equity method. The aforementioned associates have also engaged attorneys to assist with civil litigation matters. Since the litigation is still ongoing and the claimed amount is material to the consolidated financial statements of the Group, the outcome may change with subsequent developments of the cases, involving significant judgments by management. Thus, the assessment of contingent events in the associates' litigation related to the Fair Trade Act was considered as one of the key audit matters.

In our audit, we have obtained relevant documents, such as the lawsuit papers for the aforementioned case; discussed the management's correspondence with attorneys and the evaluation of the pending litigation; sent confirmation requests to the attorneys and reviewed their responses and assessments; and reviewed the latest developments of the pending litigation up to the date of the audit report to assess whether the associates' litigation related to the Fair Trade Act had been appropriately accounted for and disclosed in accordance with International Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets".

Evaluation of Profit and Loss of Construction Contracts

Please refer to Note 28 for information on construction contracts, Note 4(p) for the accounting policies on revenue recognition of construction contracts, and Note 5(b) for the critical accounting judgments and key sources of estimation uncertainty related to the evaluation of profit and loss of construction contracts.

The Group has entered into a construction contract for a large-scale offshore wind power generation project in central Taiwan. The construction service revenue of the aforementioned contract recognized for the year ended December 31, 2023 amounted to NT$901,290 thousand, representing 17% of the Group's consolidated operating revenue. The percentage of completion and related profit or loss from the construction contract were assessed and determined by the Group's management based on the nature of activities, expected subcontracting, construction periods, progress, methods, etc., involving critical accounting judgments made by the management. Thus, the evaluation of profit and loss of construction contracts was considered as one of the key audit matters.

In our audit, we visited and observed the construction site; obtained the construction contract and construction project schedules; expected total construction cost and construction acceptance reports; verified the construction cost, the estimated remaining cost before completion, and related supporting documents on a sampling basis in evaluating the reasonableness of the method and assumptions used by the management in the calculation of the percentage of completion; recalculated the percentage of completion, construction service revenue, construction service cost, profit or loss of the construction contract, contract assets and contract liabilities for accuracy; and assessed the appropriateness of provisions.

Other Matter

We have also audited the standalone financial statements of Taiwan Cogeneration Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chao-Mei Chen and Cheng-Chuan Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2024

Notice to Readers

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

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

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 1,922,822	7	$ 3,734,653	15
Financial assets at amortized cost (Notes 4, 7, 8 and 37)	734,293	3	20,341	-
Contract assets (Notes 4, 5, 26, 28 and 36)	2,121,745	8	1,959,825	8
Accounts receivable (Notes 4, 9 and 28)	755,728	3	521,402	2
Accounts receivable from related parties (Notes 4, 28 and 36)	90,450	-	151,212	1
Finance lease receivables (Notes 4, 10 and 36)	9,941	-	10,324	-
Other receivables (Notes 4, 30 and 36)	30,896	-	36,885	-
Inventories (Notes 4 and 11)	7,951	-	18,104	-
Prepaid construction costs (Note 26)	-	-	46,184	-
Prepaid value-added tax	118,697	1	102,751	1
Other current assets	38,478	-	34,523	-
Total current assets	5,831,001	22	6,636,204	27
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Notes 4, 12 and 35)	270,054	1	277,120	1
Financial assets at amortized cost (Notes 4, 7, 8 and 37)	32,631	-	34,104	-
Investments accounted for using the equity method (Notes 4 and 14)	14,000,694	54	13,004,719	52
Property, plant and equipment (Notes 4, 15 and 37)	4,286,965	17	3,231,917	13
Right-of-use assets (Notes 4 and 16)	420,234	2	417,718	2
Goodwill (Notes 4 and 17)	96,370	-	141,014	-
Intangible assets (Notes 4, 18 and 37)	879,838	3	937,452	4
Deferred income tax assets (Notes 4 and 30)	232,304	1	188,007	1
Prepayments for equipment	-	-	7,149	-
Long-term finance lease receivables (Notes 4, 10 and 36)	852	-	11,325	-
Refundable deposits	84,590	-	69,134	-
Other non-current assets (Note 19)	19,480	-	20,537	-
Total non-current assets	20,324,012	78	18,340,196	73
TOTAL	$ 26,155,013	100	$ 24,976,400	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 20 and 37)	$ 55,000	-	$ 67,000	-
Short-term bills payable (Note 20)	999,130	4	999,276	4
Contract liabilities (Notes 4, 5, 26, 28 and 36)	113,264	1	583,082	3
Accounts payable	105,244	-	156,870	1
Construction costs payable	2,959,261	11	3,220,782	13
Accounts payable to related parties (Note 36)	1,329	-	2,045	-
Other payables (Notes 22 and 36)	618,700	2	315,915	1
Current income tax liabilities (Notes 4 and 30)	74,121	-	70,657	-
Provisions (Notes 4, 24 and 26)	465,448	2	259,197	1
Lease liabilities (Notes 4, 16 and 36)	63,743	-	53,315	-
Current portion of long-term borrowings (Notes 20 and 37)	161,471	1	947,393	4
Other current liabilities	4,019	-	24,905	-
Total current liabilities	5,620,730	21	6,700,437	27
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 20 and 37)	1,590,437	6	3,127,031	13
Contract liabilities (Notes 4 and 28)	168,845	1	122,188	1
Lease liabilities (Notes 4, 16 and 36)	419,328	2	424,382	2
Bonds payable (Note 21)	2,498,517	10	2,497,884	10
Provisions (Notes 4 and 24)	14,613	-	14,296	-
Deferred income tax liabilities (Notes 4 and 30)	63,284	-	70,691	-
Net defined benefit liabilities (Notes 4 and 25)	121,842	-	112,088	-
Guarantee deposits received	53,732	-	41,297	-
Other liabilities (Notes 4 and 23)	16,019	-	15,866	-
Total non-current liabilities	4,946,617	19	6,425,723	26
Total liabilities	10,567,347	40	13,126,160	53
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 27)				
Share capital				
Ordinary shares	7,302,820	28	5,890,486	24
Capital surplus	2,621,919	10	499,694	2
Retained earnings				
Legal reserve	1,828,961	7	1,737,133	7
Special reserve	2,435,361	9	2,621,945	10
Unappropriated earnings	1,269,700	5	958,281	4
Total retained earnings	5,534,022	21	5,317,359	21
Other equity	(9,189)	-	(14,130)	-
Total equity attributable to owners of the Corporation	15,449,572	59	11,693,409	47
NON-CONTROLLING INTERESTS	138,094	1	156,831	-
Total equity	15,587,666	60	11,850,240	47
TOTAL	$ 26,155,013	100	$ 24,976,400	100

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

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 5, 28 and 36)				
Sales	$ 1,543,441	29	$ 1,690,298	36
Construction services	3,542,988	66	2,777,596	60
Operations, maintenance and consulting services	261,973	5	200,987	4
Total operating revenues	5,348,402	100	4,668,881	100
OPERATING COSTS (Notes 5, 25, 29 and 36)				
Cost of sales	1,339,298	25	1,351,155	29
Construction services	3,229,348	60	2,494,907	53
Operations, maintenance and consulting services	236,498	5	194,593	4
Total operating costs	4,805,144	90	4,040,655	86
GROSS PROFIT	543,258	10	628,226	14
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	(23,699)	-	9,355	-
REALIZED GROSS PROFIT	519,559	10	637,581	14
OPERATING EXPENSES (Notes 25, 29 and 36)	535,940	10	401,716	9
(LOSS) PROFIT FROM OPERATIONS	(16,381)	-	235,865	5
NON-OPERATING INCOME AND EXPENSES				
Interest income	27,832	1	5,431	-
Other income (Notes 29 and 36)	27,044	-	23,502	-
Other gains and losses (Notes 16, 17 and 29)	(32,689)	(1)	36,414	1
Finance costs (Note 29)	(100,595)	(2)	(86,457)	(2)
Share of profit of associates accounted for using the equity method (Note 14)	1,398,007	26	791,123	17
Total non-operating income and expenses	1,319,599	24	770,013	16
PROFIT BEFORE INCOME TAX	1,303,218	24	1,005,878	21
INCOME TAX EXPENSE (Notes 4 and 30)	(60,833)	(1)	(88,863)	(1)
NET PROFIT	1,242,385	23	917,015	20

(Continued)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined (loss) benefit plans (Note 25)	$ (7,668)	-	$ 13,478	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income (Note 35)	(7,066)	-	1,810	-
Share of remeasurement of defined benefit plans of associates accounted for using the equity method	1,357	-	722	-
Share of unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income of associates accounted for using the equity method	5,255	-	(16,946)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 30)	1,534	-	(2,695)	-
	(6,588)	-	(3,631)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	3,720	-	(986)	-
Share of other comprehensive income (loss) of associate accounted for using the equity method	3,032	-	(9,386)	-
	6,752	-	(10,372)	-
Other comprehensive income (loss), net of income tax	164	-	(14,003)	(1)
TOTAL COMPREHENSIVE INCOME	$ 1,242,549	23	$ 903,012	19
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,252,275	23	$ 906,774	20
Non-controlling interests	(9,890)	-	10,241	-
	$ 1,242,385	23	$ 917,015	20
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,252,439	23	$ 892,771	19
Non-controlling interests	(9,890)	-	10,241	-
	$ 1,242,549	23	$ 903,012	19

(Continued)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 31)				
Basic	$ 1.82		$ 1.44	
Diluted	$ 1.82		$ 1.44	

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

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Corporation									
			Retained Earnings			Other Equity				
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized (Loss) Gain on Financial Assets at Fair Value through Other Comprehensive Income	Loss on Hedging Instruments	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2022	$ 5,890,486	$ 499,694	$ 1,644,763	$ 2,823,917	$ 961,235	$ (70,640)	$ 82,018	$ -	$ 146,590	$ 11,978,063
Appropriation of 2021 earnings										
Legal reserve	-	-	92,370	-	(92,370)	-	-	-	-	-
Reversal of special reserve	-	-	-	(201,972)	201,972	-	-	-	-	-
Cash dividends	-	-	-	-	(1,030,835)	-	-	-	-	(1,030,835)
	-	-	92,370	(201,972)	(921,233)	-	-	-	-	(1,030,835)
Net profit for the year ended December 31, 2022	-	-	-	-	906,774	-	-	-	10,241	917,015
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	11,505	(986)	(15,136)	(9,386)	-	(14,003)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	918,279	(986)	(15,136)	(9,386)	10,241	903,012
BALANCE AT DECEMBER 31, 2022	5,890,486	499,694	1,737,133	2,621,945	958,281	(71,626)	66,882	(9,386)	156,831	11,850,240
Appropriation of 2022 earnings										
Legal reserve	-	-	91,828	-	(91,828)	-	-	-	-	-
Special reserve	-	-	-	14,130	(14,130)	-	-	-	-	-
Reversal of special reserve	-	-	-	(200,714)	200,714	-	-	-	-	-
Cash dividends	-	-	-	-	(618,501)	-	-	-	-	(618,501)
Share dividends	412,334	-	-	-	(412,334)	-	-	-	-	-
	412,334	-	91,828	(186,584)	(936,079)	-	-	-	-	(618,501)
Cash dividends to shareholders of subsidiary	-	-	-	-	-	-	-	-	(8,847)	(8,847)
Net profit (loss) for the year ended December 31, 2023	-	-	-	-	1,252,275	-	-	-	(9,890)	1,242,385
Other comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	(4,777)	3,720	(1,811)	3,032	-	164
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,247,498	3,720	(1,811)	3,032	(9,890)	1,242,549
Issuance of ordinary shares for cash	1,000,000	2,025,799	-	-	-	-	-	-	-	3,025,799
Compensation cost recognized from the issuance of ordinary shares for cash to employees (Notes 4 and 32)	-	96,426	-	-	-	-	-	-	-	96,426
BALANCE AT DECEMBER 31, 2023	$ 7,302,820	$ 2,621,919	$ 1,828,961	$ 2,435,361	$ 1,269,700	$ (67,906)	$ 65,071	$ (6,354)	$ 138,094	$ 15,587,666

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

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 1,303,218	$ 1,005,878
Adjustments for:		
Depreciation expense	366,960	304,212
Amortization expense	64,883	68,169
Finance costs	100,595	86,457
Interest income	(27,832)	(5,431)
Dividend income	(8,000)	(8,000)
Compensation cost of employee share options (Notes 4 and 32)	96,426	-
Share of profit of associates accounted for using the equity method	(1,398,007)	(791,123)
Loss on disposal of property, plant and equipment	40	-
Gain on disposal of investment accounted for using the equity method	-	(15,070)
Write-down of inventories	301	-
Loss on non-financial assets	46,934	-
Net unrealized gain on foreign currency exchange	(1,569)	(7,974)
Unrealized (realized) gain on transactions with associates	23,699	(9,355)
Gain on lease modification	(3,282)	(105)
Others	-	(2,057)
Changes in operating assets and liabilities		
Contract assets	(161,920)	681,574
Accounts receivable	(234,326)	(65,823)
Accounts receivable from related parties	60,762	(55,147)
Other receivables	9,665	(499)
Inventories	9,852	(4,917)
Prepaid construction costs	46,184	(27,905)
Other current assets	(3,955)	961
Prepaid value-added tax	(15,946)	(21,145)
Contract liabilities	(423,161)	455,623
Accounts payable	(50,989)	30,144
Construction costs payable	(261,521)	(127,798)
Accounts payable to related parties	(716)	134
Other payables	(36,109)	97,109
Provisions	206,251	(45,602)
Other current liabilities	(20,886)	7,067
Net defined benefit liabilities	2,086	1,179
Cash generated from operations	(310,363)	1,550,556
Interest received	25,376	5,377
Dividends received	399,446	383,376
Interest paid	(98,446)	(83,675)
Income tax paid	(108,759)	(66,273)
Net cash (used in) generated from operating activities	(92,746)	1,789,361

(Continued)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in financial assets at amortized cost	$ (712,479)	$ (10,250)
Disposal of associate	-	160,000
Payments for property, plant and equipment (Note 33)	(1,016,507)	(554,345)
(Increase) decrease in refundable deposits	(15,456)	20,621
Payments for intangible assets	(6,212)	(101,748)
Decrease in finance lease receivables	10,276	10,263
Increase in prepayments for equipment	-	(7,149)
Net cash used in investing activities	(1,740,378)	(482,608)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(12,000)	27,000
Increase in short-term bills payable	-	499,078
Proceeds from long-term borrowings	2,920,000	11,530,000
Repayments of long-term borrowings	(5,242,516)	(11,318,188)
Increase (decrease) in guarantee deposits received	12,435	(2,786)
Repayments of the principal portion of lease liabilities	(56,260)	(47,276)
Dividends paid to owners of the Corporation	(618,501)	(1,030,835)
Dividends paid to non-controlling interest	(8,847)	-
Issue of new Corporation's shares	3,025,799	-
Net cash generated from (used in) financing activities	20,110	(343,007)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	1,183	7,085
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,811,831)	970,831
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,734,653	2,763,822
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,922,822	$ 3,734,653

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

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Taiwan Cogeneration Corporation (the "Corporation" and its subsidiaries are collectively referred to as the "Group") was established by Taiwan Power Corporation (TPC) and several local companies on May 7, 1992. The Corporation's shares have been trading on the Taipei Exchange from May 8, 2000 to August 24, 2003 before being listed on the Taiwan Stock Exchange on August 25, 2003. The Corporation is engaged in the following businesses:

a. Engineering, planning, design, procurement, installation, construction and financial planning of cogeneration systems, and environmental protection and procurement of fuel for cogeneration systems and related businesses;

b. Operation and management of cogeneration plants;

c. Research and development, technical services and consultation services related to cogeneration;

d. Manufacture, assembly, sale, lease, installation, and repair of cogeneration equipment;

e. Investment in cogeneration plants and trading of related equipment;

f. Businesses with respect to power generation other than utility; and

g. Electric equipment installation.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's board of directors on March 13, 2024.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

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

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

Note 1: Unless stated otherwise, the above IFRS Accounting Standards will be effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

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

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

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

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

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income or loss of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Refer to Note 13 and Table 7 for the detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

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

Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

f. Foreign currencies

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

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

Non-monetary items denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Corporation’s foreign operations (including subsidiaries in other countries or those that use currencies different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. with the resulting exchange differences recorded in other comprehensive income (loss) and attributed to the Corporation’s owners and noncontrolling interests, respectively.

g. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Cost is determined using the weighted-average method.

h. Investment in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture

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

Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group’s share of profit or loss and other comprehensive income or loss of the associate. The Group also recognizes the changes in the Group’s share of equity of associates.

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

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment’s fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities.

Profits and losses resulting from upstream transactions, downstream transactions and transactions between associates are recognized in the Group's consolidated financial statements only to the extent of interests in the associates that are not related to the Group.

i. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are tested whether the electricity produced during normal operation when ready for their intended use, the selling price and costs recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

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

j. Goodwill

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

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

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent years.

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

k. Intangible assets

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

When the Group has a right to charge for the usage of concession infrastructure (as a consideration for providing construction services in a service concession arrangement), it recognizes this as an intangible asset - service concession arrangement which is subsequently measured at cost less accumulated amortization and accumulated impairment loss.

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

l. Impairment of property, plant and equipment, right-of-use assets and intangible assets

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

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

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

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

m. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories financial assets at amortized cost and equity instruments at FVTOCI.

i. Financial assets at amortized cost

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

i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, time deposits with original maturities over 3 months at amortized cost, accounts receivable, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

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

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

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

ii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI, finance lease receivables, as well as contract assets.

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

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

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group).

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

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

n. Levies

Levies imposed by the government are accrued as other liabilities when the transactions or activities that trigger the payment of such levies occur. If the obligating event occurs over a period of time, the liability is recognized progressively. If an obligation to pay a levy is triggered upon reaching a minimum threshold, the liability is recognized when that minimum threshold is reached.

o. Provisions

A provision shall be recognized when the Group has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The Group's warranty provisions on construction are estimated based on the expected occurrence of the warranty obligations.

The Group is legally obligated to decommission power generators after its electric generation license expires. The Group will recognize any accreted provision and interest expense that would result from changes in the effective interest rate discounted on an annual basis. The Group regularly reviews and adjusts these numbers according to its best estimates.

p. Revenue recognition

Sales of energy are determined based on customers' monthly consumption of power, steam, hot water and ice water generated by the cogeneration system.

Sales of electricity are recognized when the electricity generated is transmitted to a substation of TPC.

Revenue from operations, maintenance and consulting services is recognized when services are provided.

For construction contracts where the construction is in progress, the Group recognizes revenue over time. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date, the Group recognizes a contract liability for the difference. Certain payment retained by the customer as specified in the contract is intended to ensure that the Group adequately completes all its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations.

The **Group** signed the Chingshuei Geothermal Contract with the Yilan county government for a service concession arrangement that requires the Group to construct and operate the public infrastructure of the Chingshuei geothermal power generation equipment. The Group recognizes construction revenue and contract assets over time with reference to the stand-alone selling price of the construction services provided. The contract assets are transferred to intangible assets - service concession arrangement when the construction is completed. During the operation phase, the Group recognizes the service concession income when it sells power to TPC and obtains benefits.

Revenue is measured at the fair value of the consideration received or receivables from customers. When the consideration is in the form of receivables that are collectible within one year, the difference between the fair value and the nominal amount of the consideration is insignificant, and the revenue transactions are frequent, the fair value of the consideration need not be determined by discounting all future cash receipts using an imputed rate of interest.

q. Leases

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

1) The Group as a lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, accounted for by applying a recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments. The net investment in a lease is measured at the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus initial direct costs and is presented as a finance lease receivable.

2) The Group as a lessee

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

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

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

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

r. Borrowing costs

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

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

s. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

t. Share-based payment arrangement

Equity Settled Share-based Payment Agreement to Employees

For equity-settled share-based payment agreement, expenses are recognized on a straight-line basis over the vesting period based on the fair value of the equity instruments at the date of grant and the best estimate of the number of shares expected to be vested, with a simultaneous adjustment to capital surplus - employee stock options. If gain is realized as of the day of transfer, recognize as expenses in full amount as of the transfer day. The parent company reserves shares for employee subscription at the time of cash capital increase and recognizes the date as the grant date when the number of shares to be subscribed by employees is confirmed.

u. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

3) Current and deferred income tax

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of the recent development of climate change and related government policies and regulations, the economic environment implications of the military conflict between Russia and Ukraine and related international sanctions and inflation and interest rate fluctuations, and volatility in financial, energy, and foreign currency markets on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

a. Fair Trade Act litigation against associates

Since TPC concluded that these associates of the Group violated the Fair Trade Act with concerted action and caused a loss to TPC, TPC filed civil actions to claim compensation for the loss. Refer to Note 38 (d) for the detailed information. The aforementioned civil actions are still pending; results may vary depending on the subsequent development of the cases.

b. Construction contracts

Contract revenue and costs are recognized by reference to the stage of completion of each contract. The stage of completion of a contract is measured based on the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Incentives and penalties stipulated in the contract are considered variable considerations and should be included in the contract revenue only when it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The estimated total contract costs and contractual items are assessed and determined by management, based on the nature of the work, expected sub-contracting charges, construction periods, processes, methods, etc., for each construction contract. Changes in these estimates might affect the calculation of the percentage of completion and related profit and loss from the construction contracts.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	**2022**
Cash on hand	$ 3,623	$ 3,343
Checking accounts and demand deposits	1,719,199	3,146,874
Cash equivalents		
Time deposits	200,000	584,436
	$ 1,922,822	$ 3,734,653

The market interest rates of cash in bank as of the end of the balance sheet date were as follows:

	December 31	
	2023	**2022**
Demand deposits	0.00%-5.25%	0.00%-2.88%
Time deposits	1.41%	0.20%-5.35%

7. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	**2022**
Current		
Domestic investments		
Time deposits with original maturities of more than 3 months	$ 733,960	$ 20,000
Foreign investments		
Overseas government bonds - Philippines treasury bonds	333	341
	$ 734,293	$ 20,341
Non-current		
Domestic investments		
Time deposits with original maturities of more than 3 months	$ 10,497	$ 10,497
Restricted bank deposits	22,134	23,607
	$ 32,631	$ 34,104

Refer to Note 8 for information relating to credit risk management and impairment assessment of financial assets at amortized cost.

Refer to Note 37 for information on financial assets at amortized cost that are pledged as securities.

The Group's investment in Philippine treasury bonds was as follows:

	December 31	
	2023	2022
Carrying amount	$ 333	$ 341
Amount invested (in thousands of PHP)	$ 630	$ 630
Effective interest rates	5.706%	1.900%
Period of holding	March 15, 2023 through March 6, 2024	March 16, 2022 through March 15, 2023

The interest rate ranges for restricted bank deposits and time deposits with original maturities of more than 3 months as of the balance sheet date were as follows:

	December 31	
	2023	2022
Demand deposits	0.530%-0.580%	0.410%-0.455%
Time deposits	0.750%-5.500%	0.380%-0.765%

8. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The debt instruments invested in by the Group are classified as financial assets measured at amortized cost.

	December 31	
	2023	2022
At amortized cost		
Gross carrying amount	$ 766,924	$ 54,445
Less: Allowance for impairment loss	-	-
	$ 766,924	$ 54,445

The Group's policy is to only invest in debt instruments issued by entities with good credit standing. The Group continuously tracks the credit risk changes of its invested debt instruments, reviews significant information and other details about the debtor, and assesses whether the credit risk of the debt instrument investments has increased significantly since their initial recognition.

In assessing the expected credit losses for these investments, the Group takes into account the debtors' historical track record, prevailing market conditions, and forward-looking information to measure the expected credit losses over a 12-month period or for the entire duration of the investment. As of December 31, 2023 and December 31, 2022, the Group determined that there was no need to recognize expected credit losses for the debt instrument investments it holds.

9. ACCOUNTS RECEIVABLE

	December 31	
	2023	2022
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 755,728	$ 521,402

The average credit period ranges from 30 to 60 days. The Group applies the simplified approach prescribed by IFRS 9, providing for expected credit losses over the lifetime of all accounts receivable. These expected credit losses are individually estimated for each customer. The estimation takes into consideration the customers' past default history and current financial situation, the economic conditions of the industry they operate in, along with the GDP forecasts and the industry outlook.

The Group did not recognize an allowance for impairment loss against all of the accounts receivable because individually assessed lifetime ECLs indicated that all of the accounts receivable are collectible.

The aging analysis of accounts receivable based on the invoice date was as follows:

	December 31	
	2023	2022
Up to 60 days	$ 755,728	$ 507,056
61-90 days	-	14,346
91-120 days	-	-
121-180 days	-	-
More than 180 days	-	-
	$ 755,728	$ 521,402

10. FINANCE LEASE RECEIVABLES

	December 31	
	2023	2022
Undiscounted lease payments		
Year 1	$ 9,993	$ 10,481
Year 2	852	10,481
Year 3	-	900
Year 4	-	-
Year 5	-	-
	10,845	21,862
Less: Unearned finance income	(52)	(213)
Lease payments receivable	10,793	21,649
Net investment in leases presented as finance lease receivables	$ 10,793	$ 21,649
Finance lease receivables - current	$ 9,941	$ 10,324
Finance lease receivables - non-current	$ 852	$ 11,325

The Group subleased its leasehold office premises to associates, and the lease term was 5 years, with fixed annual lease payments referenced in the head lease agreement. As the Group subleased the leasehold office premises for all of the remaining lease terms of the head lease, the sublease contracts were classified as finance leases. The interest rates inherent in leases were fixed at the contract dates for the entire term of the lease. The implicit interest rate was approximately 0.98%.

The Group measured the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of the balance sheet date, no finance lease receivable was past due. The Group did not recognize a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collaterals held.

11. INVENTORIES

	December 31	
	2023	2022
Raw materials	$ 7,951	$ 18,104

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Domestic investments		
Unlisted shares		
Kaohsiung Arena Development Corporation (KADC)	$ 247,600	$ 254,800
Synergy Co., Ltd. (Synergy)	22,454	22,320
	$ 270,054	$ 277,120

The investments in KADC and Synergy are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

Refer to Note 35 for fair value information relating to financial assets at FVTOCI.

13. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Nature of Activities	Percentage of Ownership December 31 2023	Percentage of Ownership December 31 2022	Remark
The Corporation	Star Energy Corporation (SEC)	Undertaking and installing of power engineering projects	100%	100%	
The Corporation	Taiwan Cogeneration International Corporation (TCIC)	Investment in foreign countries and international trading	100%	100%	a
The Corporation	Yi Yuan Corporation (YYC)	Investment in geothermal power plant	51%	51%	
The Corporation	TCC Green Energy Corporation (TGE)	Investment in green power plant	100%	100%	b
The Corporation	Miaoli Wind Co., Ltd. (MWC)	Power generation	100%	100%	c
The Corporation	Hamaguri Co., Ltd. (HML)	Power generation	100%	100%	d
TGE	Shin Kuang Electric Energy Ltd. (SKE)	Power generation	100%	100%	e
SEC	Star Wind Corporation (SWC)	Power generation	100%	100%	
SEC	Star Solar Corporation (SSC)	Power generation	100%	100%	
YYC	Chingshuei Geothermal Power Corporation (CGPC)	Power generation	100%	100%	

a. TCIC established a branch in the Philippines mainly for the expansion of the local engineering business.

b. On June 30, 2023, TGE returned its capital of $80,000 thousand to the Corporation.

c. On September 20, 2022, MWC returned its capital of $200,000 thousand to the Corporation.

d. On December 30, 2022, the Corporation participated in a capital raising for HML and increased its investment by $33,500 thousand.

e. On December 26, 2022, the Corporation resolved to change the legal form of SKE to a company limited by shares. The original capital issued and fully paid, which amounted to $170,000 thousand, was divided into 17,000 thousand ordinary shares with a par value of $10. The aforementioned change of legal form was approved by the Taipei City Government on February 16, 2023. On June 30, 2023, SKE returned its capital of $90,000 thousand to TGE.

Refer to Table 7 for the nature of activities, principal places of business and countries of incorporation of the subsidiaries.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31 2023	December 31 2022
Investments in associates		
Material associates		
Ta-Yuan Cogeneration Company (TYC)	$ 630,530	$ 631,873
Sun Ba Power Corporation (Sun Ba)	6,540,990	5,901,135
Star Energy Power Corporation (SEPC)	2,420,348	2,264,035
Star Buck Power Corporation (SBPC)	2,416,181	2,335,752
Kuo Kuang Power Company Ltd. (KKPC)	1,942,255	1,737,173
	13,950,304	12,869,968
Associates that are not individually material	50,390	134,751
	$ 14,000,694	$ 13,004,719

The share of profit or loss of associates accounted for using the equity method was as follows:

	For the Year Ended December 31	
	2023	2022
Sun Ba	$ 685,934	$ 445,791
KKPC	273,452	(16,587)
SEPC	245,728	78,279
SBPC	197,739	200,564
TYC	83,049	107,884
Associates that are not individually material	(87,895)	(24,808)
	$ 1,398,007	$ 791,123

a. Material associates

	Proportion of Ownership and Voting Rights	
	December 31	
	2023	2022
TYC	29.31%	29.31%
Sun Ba	43.00%	43.00%
SEPC	40.50%	40.50%
SBPC	41.27%	41.27%
KKPC	35.00%	35.00%

Refer to Table 7 for the nature of activities, principal places of business and countries of incorporation of the associates.

The market value of the investment in TYC, which was based on its closing price at the balance sheet date, was as follows:

	December 31	
Name of Associate	2023	2022
TYC	$ 1,693,148	$ 1,490,687

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

TYC

	December 31	
	2023	2022
Current assets	$ 836,685	$ 1,108,306
Non-current assets	3,731,926	3,346,935
Current liabilities	(995,021)	(774,010)
Non-current liabilities	(1,402,226)	(1,504,106)
Equity	$ 2,171,364	$ 2,177,125

(Continued)

	December 31	
	2023	2022
Proportion of the Group's ownership	29.31%	29.31%
Equity attributable to the Group	$ 636,442	$ 638,131
Unrealized gain with associates	(5,912)	(6,258)
Carrying amount	$ 630,530	$ 631,873

(Concluded)

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 2,717,008	$ 2,861,009
Net profit	$ 283,340	$ 368,069
Other comprehensive income (loss)	16,536	(51,506)
Total comprehensive income	$ 299,876	$ 316,563
Dividends received from TYC	$ 89,585	$ 53,751

Sun Ba

	December 31	
	2023	2022
Current assets	$ 6,229,706	$ 3,856,190
Non-current assets	30,465,308	19,707,241
Current liabilities	(9,006,537)	(3,075,949)
Non-current liabilities	(12,203,964)	(6,604,275)
Equity	$ 15,484,513	$ 13,883,207
Proportion of the Group's ownership	43.00%	43.00%
Equity attributable to the Group	$ 6,658,339	$ 5,969,779
Unrealized gain with associates	(119,436)	(70,731)
Goodwill	2,087	2,087
Carrying amount	$ 6,540,990	$ 5,901,135

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 22,010,156	$ 19,393,575
Net profit	$ 1,595,199	$ 1,036,723
Other comprehensive income (loss)	6,107	(21,697)
Total comprehensive income	$ 1,601,306	$ 1,015,026

On June 28, 2023, Sun Ba issued 178,320 thousand new shares from retained earnings for the year ended December 31, 2022,and $16,800 thousand from used the capital reserve to increase capital, which were resolved in the shareholders' meeting. The number of shares held by the Group increased by 77,400 thousand shares.

On October 26, 2023, Sun Ba issued 20,000 thousand new shares from retained earnings for the six months ended June 30, 2023, to increase capital, which was resolved in the extraordinary shareholders' meeting. The number of shares held by the Group increased by 8,600 thousand shares.

On May 9, 2022, Sun Ba issued 362,307 thousand new shares by from retained earnings and 37,693 thousand new shares from the legal reserve for the year ended December 31, 2021, to increase capital, which were resolved in the shareholders' meeting. The base date for the conversion of capital surplus to capital was May 23, 2022 and obtained an approval letter from the Ministry of Economic Affairs on June 10, 2022. The number of shares held by the Group increased by 172,000 thousand shares.

SEPC

	December 31	
	2023	2022
Current assets	$ 4,079,727	$ 3,133,426
Non-current assets	4,505,328	5,059,908
Current liabilities	(2,115,910)	(2,044,508)
Non-current liabilities	(350,046)	(402,024)
Equity	$ 6,119,099	$ 5,746,802
Proportion of the Group's ownership	40.50%	40.50%
Equity attributable to the Group	$ 2,478,237	$ 2,327,456
Unrealized gain with associates	(57,889)	(63,421)
Carrying amount	$ 2,420,348	$ 2,264,035

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,546,097	$ 9,114,399
Net profit	$ 606,733	$ 193,281
Other comprehensive income (loss)	5,564	(3,846)
Total comprehensive income	$ 612,297	$ 189,435
Dividends received from SEPC	$ 97,200	$ 157,950

SBPC

	December 31	
	2023	2022
Current assets	$ 2,633,997	$ 2,419,226
Non-current assets	7,878,179	8,505,321
Current liabilities	(1,727,306)	(1,769,582)
Non-current liabilities	(2,440,834)	(2,959,451)
Equity	$ 6,344,036	$ 6,195,514
Proportion of the Group's ownership	41.27%	41.27%
Equity attributable to the Group	$ 2,618,358	$ 2,557,058
Unrealized gain with associates	(202,177)	(221,306)
Carrying amount	$ 2,416,181	$ 2,335,752

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,571,214	$ 9,571,004
Net profit	$ 479,101	$ 485,947
Other comprehensive (loss) income	(579)	759
Total comprehensive income	$ 478,522	$ 486,706
Dividends received from SBPC	$ 136,200	$ 47,670

KKPC

	December 31	
	2023	2022
Current assets	$ 3,308,620	$ 2,242,596
Non-current assets	3,600,278	4,390,089
Current liabilities	(1,230,330)	(1,528,172)
Non-current liabilities	(250,792)	(321,694)
Equity	$ 5,427,776	$ 4,782,819
Proportion of the Group's ownership	35.00%	35.00%
Equity attributable to the Group	$ 1,899,722	$ 1,673,986
Goodwill	19,304	19,304
Investment premium	23,229	43,883
Carrying amount	$ 1,942,255	$ 1,737,173

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,852,448	$ 8,620,190
Net profit	$ 840,300	$ 11,622
Other comprehensive income	259	113
Total comprehensive income	$ 840,559	$ 11,735
Dividends received from KKPC	$ 68,461	$ 116,005

On July 10, 2014, the Fair Trade Commission (FTC) imposed fines on Sun Ba, SEPC, SBPC, and KKPC, totaling $489 million, $392 million, $100 million and $371 million, respectively, for violation of the Fair Trade Act (original FTC ruling). These companies requested the revocation of fines under the petition procedure. In December 2014, Petitions and Appeals Committee of the Executive Yuan issued a letter to notify these companies that the proceedings for the appeal were postponed, and the appeal is subject to the ruling to be made by the Supreme Administrative Court. These companies paid the above-mentioned fines in full in advance in accordance with the Administrative Appeal Act and recognized them as other receivables. On June 16, 20, 30 and August 11, 2022, the Supreme Administrative Court revoked the second ruling and ruled to dismiss the original ruling against Sun Ba, SEPC, SBPC, and KKPC. Considering that the Supreme Administrative Court has made the final decision, these companies reclassified the fines from other receivables to impairment loss as of and for the six months ended June 30, 2022. However, the Petitions and Appeals Committee re-initiated the suspended appeal process due to the above-mentioned final judgment. Following the oral arguments on March 8, 2023, the Petitions and Appeals Committee dismissed the petitions filed by IPP on April 14, 2023, and IPP also filed an administrative lawsuit for relief, and the case is currently under the hearing of the Taipei High Administrative Court.

The Group is the single largest shareholder of Sun Ba, SEPC, and SBPC with 43%, 40.5% and 41.27% ownership of them, respectively. However, according to the articles of incorporation of the investees, certain material events of the investees shall be approved by the vote of a certain number of members of the board of directors; therefore, the Group cannot direct the relevant activities of the investee and has no control over them. Management of the Group considered the Group as exercising significant influence over the investees and classified them as associates.

b. Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2023	2022
The Group’s share of:		
Net loss	$ (87,895)	$ (24,808)
Other comprehensive income	66	22
Total comprehensive loss	$ (87,829)	$ (24,786)

The amounts of the share of profit or loss and other comprehensive income of the investments in associates accounted for using the equity method for the years ended December 31, 2023 and 2022 were based on the associates’ financial statements reviewed by independent auditors for the same periods.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Leasehold Improvements	Property under Construction	Total
Cost								
Balance at January 1, 2023	$ 264,637	$ 362,096	$ 6,630,990	$ 793	$ 191,597	$ 40,643	$ 82,183	$ 7,572,939
Additions	-	-	16,283	-	23,553	-	1,316,950	1,356,786
Disposals	-	-	-	-	(2,868)	-	-	(2,868)
Reclassifications (Note)	13,079	1,023,378	330,293	-	22,228	-	(1,381,829)	7,149
Balance at December 31, 2023	277,716	1,385,474	6,977,566	793	234,510	40,643	17,304	8,934,006
Accumulated depreciation								
Balance at January 1, 2023	-	64,851	4,185,588	44	58,237	32,302	-	4,341,022
Depreciation expense	-	16,063	251,611	98	36,531	4,544	-	308,847
Disposals	-	-	-	-	(2,828)	-	-	(2,828)
Balance at December 31, 2023	-	80,914	4,437,199	142	91,940	36,846	-	4,647,041
Carrying amount at December 31, 2023	$ 277,716	$ 1,304,560	$ 2,540,367	$ 651	$ 142,570	$ 3,797	$ 17,304	$ 4,286,965
Cost								
Balance at January 1, 2022	$ 264,637	$ 78,954	$ 5,911,042	$ -	$ 91,365	$ 44,779	$ 721,242	$ 7,112,019
Additions	-	417	40,210	793	18,258	-	416,167	475,845
Decreases	-	-	(127)	-	-	-	-	(127)
Disposals	-	-	-	-	(10,662)	(4,136)	-	(14,798)
Reclassifications	-	282,725	679,865	-	92,636	-	(1,055,226)	-
Balance at December 31, 2022	264,637	362,096	6,630,990	793	191,597	40,643	82,183	7,572,939
Accumulated depreciation								
Balance at January 1, 2022	-	62,469	3,954,532	-	53,456	31,895	-	4,102,352
Depreciation expense	-	2,382	231,056	44	15,443	4,543	-	253,468
Disposals	-	-	-	-	(10,662)	(4,136)	-	(14,798)
Balance at December 31, 2022	-	64,851	4,185,588	44	58,237	32,302	-	4,341,022
Carrying amount at December 31, 2022	$ 264,637	$ 297,245	$ 2,445,402	$ 749	$ 133,360	$ 8,341	$ 82,183	$ 3,231,917

Note: The amount was reclassified from prepayments for equipment.

For the years ended December 31, 2023 and 2022, no impairment loss was recognized.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Office building	50 years
Plant and its attached facilities	15-25 years
Machinery and equipment	
Main power generation equipment	20-30 years
Others	3-15 years
Transportation equipment	5-10 years
Other equipment	2-8 years
Lease improvements	5 years

Refer to Note 29 for information on capitalized interest for the years ended December 31, 2023 and 2022.

Refer to Note 37 for the carrying amount of property plant and equipment mortgaged as collateral for bank borrowings of the Group.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	Land	Buildings	Transportation Equipment	Other Equipment	Total
Cost					
Balance at January 1, 2023	$ 345,749	$ 192,556	$ 22,560	$ 9,424	$ 570,289
Additions	55,067	15,148	15,126	-	85,341
Disposals	(23,496)	(233)	(8,389)	-	(32,118)
Balance at December 31, 2023	377,320	207,471	29,297	9,424	623,512
Accumulated depreciation and impairment loss					
Balance at January 1, 2023	57,032	84,670	9,443	1,426	152,571
Depreciation expense	16,068	32,466	9,856	580	58,970
Impairment losses	2,290	-	-	-	2,290
Disposals	(3,253)	-	(7,300)	-	(10,553)
Balance at December 31, 2023	72,137	117,136	11,999	2,006	203,278
Carrying amount at December 31, 2023	$ 305,183	$ 90,335	$ 17,298	$ 7,418	$ 420,234
Cost					
Balance at January 1, 2022	$ 338,341	$ 191,834	$ 22,591	$ 9,424	$ 562,190
Additions	7,408	1,228	12,830	-	21,466
Disposals	-	(506)	(12,861)	-	(13,367)
Balance at December 31, 2022	345,749	192,556	22,560	9,424	570,289
Accumulated depreciation					
Balance at January 1, 2022	41,351	57,946	14,245	846	114,388
Depreciation expense	15,681	26,724	7,808	580	50,793
Disposals	-	-	(12,610)	-	(12,610)
Balance at December 31, 2022	57,032	84,670	9,443	1,426	152,571
Carrying amount at December 31, 2022	$ 288,717	$ 107,886	$ 13,117	$ 7,998	$ 417,718

The Group expects the future cash inflows from the land used for electricity production to decrease, resulting in the recoverable amount of the land being less than the carrying amount, and therefore recognized an impairment loss of $2,290 thousand for the year ended December 31, 2023, which is included in other gains and losses in the consolidated income statements.

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 63,743	$ 53,315
Non-current	$ 419,328	$ 424,382

As of December 31, 2023 and 2022, the range of discount rates for lease liabilities was both 0.98%-2.83%.

c. Material lease activities and terms

The rental payments for some leases of the solar power generation equipment are calculated at an agreed ratio of sales of electricity generated pursuant to the power purchase agreements that the Group entered into with TPC.

Refer to Note 18 for the information on the Group's acquisition of the rights to superficies from the Yilan County Government.

In 2019, HML leased the land from the landlords in Fangyuan Township, Changhua County for the fishery and electricity symbiosis development project. The period covered by the agreements include the development and construction period and 20 years from the date of the commence of commercial operations. HML shall make a priority request for renewal of the agreements six months before the expiration of the lease if it obtains permission to continue operations. The lease agreements are renewable for no more than 5 years each time and within the limit of two times.

d. Subleases

Refer to Note 10 for the information on the Group's sublease transactions.

e. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 10,310	$ 11,204
Expenses relating to low-value asset leases	$ 1,410	$ 1,081
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 11,369	$ 5,282
Total cash (outflow) for leases	$ (87,111)	$ (72,755)

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

17. GOODWILL

	For the Year Ended December 31	
	2023	2022
Cost		
Balance at January 1 and December 31	$ 141,014	$ 141,014
Accumulated impairment losses		
Balance at January 1	$ -	$ -
Impairment losses	44,644	-
Balance at December 31	$ 44,644	$ -
Carrying amount at December 31	$ 96,370	$ 141,014

The Group's goodwill is relating to the expected benefits of the increase in sales of electricity. Since the goodwill relates solely to a single cash generating unit, the goodwill is assessed for impairment by calculating the recoverable amount and the carrying amount of its net assets.

The revised estimate of the recoverable amount of HML was lower than the related carrying amount; thus, an impairment loss of goodwill of $44,644 thousand was recognized for the year ended December 31, 2023, which was included in other gains and losses in the consolidated income statements.

The recoverable amount of HML was determined based on the value-in-use, which was estimated by using the cash flows of future financial budgets approved by the Group's management and was calculated by using an annual discount rate of 8.98% for the year ended December 31, 2023.

18. INTANGIBLE ASSETS

	December 31	
	2023	2022
Service concession arrangement	$ 554,534	$ 586,974
Computer software	13,593	12,970
Business rights	311,711	337,508
	$ 879,838	$ 937,452

a. Movements in intangible assets were as follows:

	Service Concession Arrangement					
	Operating Assets	Right-of-use Assets	Computer Software	Business Rights	Others	Total
Cost						
Balance at January 1, 2023	$ 633,253	$ 2,710	$ 19,953	$ 402,000	$ 12,000	$ 1,069,916
Additions	-	-	6,212	-	-	6,212
Disposals	-	-	(580)	-	-	(580)
Balance at December 31, 2023	633,253	2,710	25,585	402,000	12,000	1,075,548
Accumulated amortization and impairment loss						
Balance at January 1, 2023	48,440	549	6,983	64,492	12,000	132,464
Amortization expense	32,293	147	5,589	25,797	-	63,826
Disposals	-	-	(580)	-	-	(580)
Balance at December 31, 2023	80,733	696	11,992	90,289	12,000	195,710
Carrying amount at December 31, 2023	$ 552,520	$ 2,014	$ 13,593	$ 311,711	$ -	$ 879,838
Cost						
Balance at January 1, 2022	$ 537,752	$ 2,710	$ 23,053	$ 402,000	$ 12,000	$ 977,515
Additions	95,501	-	6,247	-	-	101,748
Disposals	-	-	(9,347)	-	-	(9,347)
Balance at December 31, 2022	633,253	2,710	19,953	402,000	12,000	1,069,916
Accumulated amortization and impairment loss						
Balance at January 1, 2022	13,742	402	9,420	38,695	12,000	74,259
Amortization expense	34,698	147	6,910	25,797	-	67,552
Disposals	-	-	(9,347)	-	-	(9,347)
Balance at December 31, 2022	48,440	549	6,983	64,492	12,000	132,464
Carrying amount at December 31, 2022	$ 584,813	$ 2,161	$ 12,970	$ 337,508	$ -	$ 937,452

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Service concession arrangement	
Main power generation equipment	20 years
Transmission pipelines and other facilities	10-20 years
Others	5-20 years
Computer software	1-6 years
Business rights	15 years

b. Service concession arrangement

YYC signed the investment agreement "Yilan Chingshuei Geothermal Power Generation Build, Reconstruction, Operation, and Transfer" (also referred to as "Chingshuei Geothermal Contract") with the Yilan county government in July 2017 for a service concession which will be operated by CGPC. YYC established CGPC to undertake the operations for a period of 20 years starting from the commencement date of commercial operations of the power generating unit.

The operating assets refer to the public infrastructure constructed and operated by CGPC.

The right-of-use asset was obtained by YYC from the Yilan county government under the Chingshuei Geothermal Contract to build and operate the power plant site. The rental rate during the construction period was set at 1% of the announced land value, and the rental rate during the operation period of operation was set at 3% of the announced land value.

c. Business rights

Business rights refer to the licenses to generate electricity from the Zhunan and Houlong wind farms in Miaoli County acquired from the Ministry of Economic Affairs through the business combination with MWC, in accordance with the Electricity Act. Amortization of the aforementioned licenses is recognized on a straight-line basis until February 2036.

d. Other intangible assets

Other intangible assets refer to the Grade A comprehensive construction registration certificate of SEC, which is deemed to have an indefinite useful life and not amortized because the certificate can be reviewed and renewed at a fraction of the cost every 5 years and is expected to generate sustainable net cash inflow, but is rather tested for impairment at least once a year and assessed at each balance sheet date to determine whether events and circumstances continue to support the assessment of its indefinite useful life.

19. OTHER ASSETS

	December 31	
	2023	2022
Other non-current assets		
Prepaid power lines usage expenses	$ 19,480	$ 20,537

In order to operate the solar power plant, the Group signed an agreement with a company for the "Installation of Renewable Energy Generation Equipment (Non-user) for Connection of Power Line to User", and the Group should apportion the electricity project expenses (power lines usage expenses) in accordance with "Calculation of Apportionment Expenses for Renewable Energy Enhancement Projects on Power Grid".

20. BORROWINGS

a. Short-term borrowings

	December 31	
	2023	2022
Secured borrowing		
Bank loans	$ -	$ 67,000
Unsecured borrowings		
Bank loans - unsecured	$ 55,000	$ -

The ranges of interest rates on short-term borrowings at the end of the reporting periods were as follows:

	December 31	
	2023	2022
Bank loans	-	1.98%-2.76%
Bank loans - unsecured	2.00%-2.10%	-

b. Short-term bills payable

	December 31	
	2023	2022
Commercial papers	$ 1,000,000	$ 1,000,000
Less: Unamortized discounts on bills payable	(870)	(724)
	$ 999,130	$ 999,276

On March 18, 2022, the Group signed a revolving and non-guaranteed commercial paper underwriting contract with a bank. The Group could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from March 23, 2022. The total underwriting amount is $500 million.

On August 12, 2021, the Group signed a revolving and non-guaranteed commercial paper underwriting agreement with a bills finance company. The Group could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from August 16, 2021. The total underwriting amount is $500 million.

The ranges of interest rates on commercial paper payable were as follows:

	December 31	
	2023	2022
Commercial papers	0.64%-0.70%	0.64%-0.70%

c. Long-term borrowings

	December 31	
	2023	2022
Pledged or mortgaged borrowings		
Repayable in semi-annual installments from August 2021 to February 2032	$ 303,800	$ 339,080
Repayable in semi-annual installments from July 2022 to May 2031	265,720	283,240
Repayable in quarterly installments from December 2021 to September 2034	148,846	162,692
Repayable in semi-annual installments from February 2020 to February 2026	143,640	154,980
Repayable in semi-annual installments from November 2021 to May 2031	113,750	121,250
Repayable in semi-annual installments from August 2021 to May 2031	79,170	84,390
Repayable in semi-annual installments from November 2022 to May 2031	66,430	70,810
Repayable in semi-annual installments from August 2022 to February 2032	34,000	38,000
Repayable in quarterly installments from September 2021 to September 2034	32,663	35,702
Repayable in semi-annual installments from May 2021 to May 2031	20,930	22,310
Repayable in monthly installments from January 2019 to January 2034, paid off early in 2023	-	61,044
Secured borrowing		
Repayable in semi-annual installments from July 2022 to January 2025	318,750	356,250
Unsecured borrowings		
Repayable in monthly installments from January 2021 to December 2025	81,600	88,400
Repayable in quarterly installments from April 2020 to March 2026	57,365	62,601
Repayable in quarterly installments from October 2019 to March 2026	47,637	52,193
Repayable in quarterly installments from October 2018 to October 2025	37,607	41,482
Revolving unsecured borrowings		
Revolving through November 2023	-	780,000
Revolving through November 2024	-	500,000
Revolving through November 2024	-	500,000
Revolving through October 2026	-	320,000
	1,751,908	4,074,424
Less: Current portion	(161,471)	(947,393)
	$ 1,590,437	$ 3,127,031

The Group’s revolving unsecured borrowings are to be utilized on a revolving basis during the credit period according to the repayment schedule negotiated with banks, and paid off early in June 2023.

The ranges of interest rates on long-term borrowings as of the balance sheet date were as follows:

	December 31	
	2023	2022
Pledged or mortgaged borrowings	2.09%-3.11%	1.96%-2.97%
Secured borrowing	2.33%	2.21%
Unsecured borrowings	1.80%-2.30%	1.80%-2.41%
Revolving unsecured borrowings	-	1.40%-1.71%

21. BONDS PAYABLE

	December 31	
	2023	2022
Domestic unsecured bond	$ 2,500,000	$ 2,500,000
Less: Unamortized issuance cost	(1,483)	(2,116)
	$ 2,498,517	$ 2,497,884

On August 14, 2020, the Group issued unsecured bonds at par value for a total of $2,500 million, which comprise bond A - $1,900 million of 5-year bonds with annual coupon rate of 0.75% and bond B - $600 million of 10-year bonds with annual coupon rate of 1%. Both types of bonds have bullet repayment terms, where simple interest is paid on an annual basis and the principal is repaid on maturity. The trustee of the bonds is Bank SinoPac Company Limited.

22. OTHER PAYABLES

	December 31	
	2023	2022
Payables for equipment	$ 407,115	$ 67,693
Payables for compensation of employees and remuneration of directors	61,458	47,492
Payables for salaries and bonuses	61,185	44,333
Payables for repairs	15,110	12,208
Payables for professional fees	14,257	17,489
Payables for compensated absences	13,387	14,384
Payables for purchase of electricity	12,164	21,456
Payables for interest	9,188	9,716
Payables for business tax	-	54,876
Others	24,836	26,268
	$ 618,700	$ 315,915

23. OTHER LIABILITIES

	December 31 2023	December 31 2022
Other liabilities		
Payables for levies	$ 16,019	$ 15,866

Pursuant to the Regulations Governing the Installation of Renewable Energy Generation Equipment, the module recovery fees of the Group's solar power generation equipment should be calculated based on the installed capacity (kW) of the equipment. The module recovery fees are levied over a period of 10 years and should be paid at the end of each year.

24. PROVISIONS

	December 31 2023	December 31 2022
Current		
Warranties	$ 465,448	$ 259,197
Non-current		
Decommissioning costs and liability	$ 14,613	$ 14,296

	Warranties	Decommissioning Costs and Liability	Total
Balance at January 1, 2023	$ 259,197	$ 14,296	$ 273,493
Additions	228,299	317	228,616
Usage	(15,553)	-	(15,553)
Reversal	(6,495)	-	(6,495)
Balance at December 31, 2023	$ 465,448	$ 14,613	$ 480,061
Balance at January 1, 2022	$ 304,799	$ 13,986	$ 318,785
Additions	53,383	310	53,693
Usage	(60,021)	-	(60,021)
Reversal	(38,964)	-	(38,964)
Balance at December 31, 2022	$ 259,197	$ 14,296	$ 273,493

25. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

Except for TCIC, the Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, these companies make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. TCIC currently has no employee; therefore, no pension plan was established.

b. Defined benefit plans

The defined benefit plans adopted by the Corporation and SEC in accordance with the Labor Standards Act are operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Corporation and SEC contribute amounts equal to 6.5% and 3% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Corporation and SEC assess the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation and SEC are required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Corporation and SEC have no right to influence the investment policy and strategy.

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

	December 31	
	2023	2022
Present value of defined benefit obligation	$ 235,875	$ 220,861
Fair value of plan assets	(114,033)	(108,773)
Deficit	121,842	112,088
Net defined benefit liabilities	$ 121,842	$ 112,088

Movements in net defined benefit liabilities were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	$ 225,212	$ (100,825)	$ 124,387
Service cost			
Current service cost	4,096	-	4,096
Net interest expense (income)	1,126	(513)	613
Recognized in profit or loss	5,222	(513)	4,709
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(8,143)	(8,143)
Actuarial income - changes in financial assumptions	(17,873)	-	(17,873)
Actuarial loss - experience adjustments	12,538	-	12,538
Recognized in other comprehensive income or loss	(5,335)	(8,143)	(13,478)
Contributions from employers	(68)	(3,462)	(3,530)
Benefits paid	(4,170)	4,170	-
	(4,238)	708	(3,530)
Balance at December 31, 2022	$ 220,861	$ (108,773)	$ 112,088

(Continued)

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2023	$ 220,861	$ (108,773)	$ 112,088
Service cost			
Current service cost	3,937	-	3,937
Net interest expense (income)	3,313	(1,658)	1,655
Recognized in profit or loss	7,250	(1,658)	5,592
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(680)	(680)
Actuarial loss - changes in financial assumptions	5,513	-	5,513
Actuarial loss - experience adjustments	2,835	-	2,835
Recognized in other comprehensive income or loss	8,348	(680)	7,668
Contributions from employers	-	(3,506)	(3,506)
Benefits paid	(584)	584	-
	(584)	(2,922)	(3,506)
Balance at December 31, 2023	$ 235,875	$ (114,033)	$ 121,842

(Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans was as follows:

	For the Year Ended December 31	
	2023	2022
Operating costs	$ 3,426	$ 2,813
Operating expenses	$ 2,166	$ 1,896

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

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

2) Interest risk: A decrease in the government/corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2023	**2022**
Discount rate	1.25%	1.50%
Expected rate of salary increase	3.25%	3.25%

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

	December 31	
	2023	**2022**
Discount rate		
0.25% increase	$ (5,513)	$ (5,481)
0.25% decrease	$ 5,700	$ 5,675
Expected rate of salary increase		
0.25% increase	$ 5,496	$ 5,486
0.25% decrease	$ (5,344)	$ (5,327)

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

An analysis of the average duration of the defined benefit obligation is as follows:

	December 31	
	2023	**2022**
Expected contributions to the plans for the next year	$ 3,511	$ 3,456
Average duration of the defined benefit obligation	9.68 years	10.20 years

26. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The Group's assets and liabilities related to the construction business are classified as either current or non-current based on the operating cycle. The amounts expected to be recovered or settled within one year after the reporting period and more than one year after the reporting period for related assets and liabilities were as follows:

December 31, 2023

	Within One Year	**More than One Year**	**Total**
Assets			
Contract assets	$ 1,074,792	$ 690,935	$ 1,765,727

(Continued)

	Within One Year	More than One Year	Total
Liabilities			
Contract liabilities	$ 68,579	$ 44,685	$ 113,264
Provisions - warranties	13,709	451,739	465,448
	$ 82,288	$ 496,424	$ 578,712

(Concluded)

December 31, 2022

	Within One Year	More than One Year	Total
Assets			
Contract assets	$ 1,516,324	$ 171,567	$ 1,687,891
Prepaid construction costs	46,184	-	46,184
	$ 1,562,508	$ 171,567	$ 1,734,075
Liabilities			
Contract liabilities	$ 221	$ 582,861	$ 583,082
Provisions - warranties	7,439	251,758	259,197
	$ 7,660	$ 834,619	$ 842,279

27. EQUITY

a. Share capital

	December 31	
	2023	2022
Number of authorized ordinary shares (in thousands)	1,000,000	800,000
Amount of authorized ordinary shares	$ 10,000,000	$ 8,000,000
Number of issued and fully paid ordinary shares (in thousands)	730,282	589,049
Amount of issued and fully paid ordinary shares	$ 7,302,820	$ 5,890,486

On November 10, 2022, the Corporation’s board of directors resolved to issue 100,000 thousand new shares with a par value of $10 per share and at a premium of $30.31 per share. The aforementioned cash capital increase was approved by the Securities and Futures Bureau of the FSC on March 7, 2023, and The Corporation’s board of directors determined the base date for this increase to be June 6, 2023.

The Corporation recognized share capital of $1,000,000 thousand and capital surplus - issuance of ordinary shares of $2,025,799 thousand after deducting issuance costs of $5,201 thousand.

On June 26, 2023, the Corporation's shareholders' meeting resolved to capitalize retained earnings amounting to $412,334 thousand, issuing 41,233 thousand new shares, each with a par value of $10. The Corporation's board of directors set the ex-rights date as July 29, 2023.

A holder of issued ordinary shares with par value of $10 is entitled to vote and to receive dividends.

b. Capital surplus

	December 31	
	2023	**2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 2,589,425	$ 467,200
Conversion of bonds	32,494	32,494
	$ 2,621,919	$ 499,694

Note: The capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be transferred to share capital or distributed in cash. Capitalization of such capital surplus is limited to once a year and a certain prescribed percentage of the Corporation's paid-in capital.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Corporation's current articles of incorporation (the "Articles"), where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan where not less than 70% of distributable retained earnings shall be distributed; the plan should be resolved in the shareholders' meeting for the distribution of dividends to shareholders. For the policies on the distribution of the compensation of employees and remuneration of directors, please refer to Note 29.f.

The Corporation adopted a balanced dividend policy, where dividends are distributed in the form of both cash and shares, out of which cash dividends shall not be less than 20% of the total dividends distributed. However, the ratio of cash dividends may be reduced to less than 20%, which should be resolved by the shareholders, if the expenditure for a new important investment plan reaches $300 million or above and the Corporation is unable to obtain other funds to meet the cash needs of the plan.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Corporation's paid-in capital. The legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Corporation.

The appropriations of earnings for 2022 and 2021, which had been resolved in the shareholders' meetings on June 26, 2023 and May 31, 2022, respectively, were as follows:

	Appropriation of Earnings	
	2022	2021
Legal reserve	$ 91,828	$ 92,370
Special reserve	14,130	-
Reversal of special reserve	(200,714)	(201,972)
Cash dividends	618,501	1,030,835
Share dividends	412,334	-
Cash dividends per share (NT$)	1.05 (Note)	1.75
Share dividends per share (NT$)	0.70 (Note)	-

Note: The calculation of cash dividends and share dividends per share was based on the number of outstanding shares as of the date of the Shareholders' Meetings of 2023. On June 30, 2023, the board of directors resolved that July 29, 2023 would be the ex-dividend date. Due to the issuance of 100,000 thousand shares before the ex-dividend date, which affected the number of outstanding shares, the dividend distribution rate was adjusted, and the cash dividend per share was adjusted from $1.05 to $0.90 and the share dividend per share was adjusted from $0.70 to $0.60 per share.

The reversals of the special reserve in 2022 and 2021 were the reversal amount voluntarily set aside in accordance with the Company Act in prior years.

The appropriations of earnings for 2023 had been proposed by the Corporation's board of directors on March 13, 2024. The appropriations and dividends per share were as follows:

	Appropriation of Earnings
	2023
Legal reserve	$ 126,025
Reversal of special reserve	(287,029)
Cash dividends	1,409,444
Cash dividends per share (NT$)	1.93

The appropriations of earnings for 2023 are subject to the resolution of the shareholders in their meeting to be held on May 31, 2024.

28. REVENUES

	For the Year Ended December 31	
	2023	2022
Revenues from contracts with customers		
Sales		
Sales of electricity	$ 1,277,149	$ 1,475,942
Sales of steam	201,536	117,977
Service concession	64,432	96,009
Others	324	370
	1,543,441	1,690,298
Construction service	3,542,988	2,777,596
Operations, maintenance and consulting services	261,973	200,987
	$ 5,348,402	$ 4,668,881

a. Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable (including related parties)	$ 846,178	$ 672,614	$ 551,644
Contract assets			
Construction contracts	$ 1,765,727	$ 1,687,891	$ 2,499,530
Rendering of services	356,018	271,934	141,869
	$ 2,121,745	$ 1,959,825	$ 2,641,399
Contract liabilities			
Construction contracts	$ 113,264	$ 583,082	$ 193,467
Sales	168,845	122,188	56,180
	$ 282,109	$ 705,270	$ 249,647

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

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the corresponding invoice is billed to the customer, and the contract assets have substantially the same risk characteristics as the trade receivables from the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets. The Group did not recognize an allowance for impairment loss against all of the contract assets.

b. Refer to Note 41 for information about disaggregation of revenue from contracts with customers.

29. NET PROFIT

a. Other income

	For the Year Ended December 31	
	2023	2022
Dividend income	$ 8,000	$ 8,000
Others	19,044	15,502
	$ 27,044	$ 23,502

b. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Foreign exchange gain	$ 52,056	$ 70,388
Gain on lease modification	3,282	105
Gain on disposal of associate	-	15,070
Loss on disposal of property, plant and equipment	(40)	-
Foreign exchange loss	(40,050)	(46,882)
Impairment loss	(46,934)	-
Others	(1,003)	(2,267)
	$ (32,689)	$ 36,414

c. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	$ 62,829	$ 49,773
Interest on bonds payable	20,883	20,879
Interest on lease liabilities	9,102	8,903
Interest on commercial papers	7,201	6,340
Others	580	562
	$ 100,595	$ 86,457

Information about capitalized interest were as follows:

	For the Year Ended December 31	
	2023	2022
Amount of capitalized interest	$ 147	$ 5,010
Capitalized interest rate	1.68%	1.44%-2.00%

d. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	$ 308,847	$ 253,468
Right-of-use assets	58,113	50,744
Intangible assets	63,826	67,552
Prepaid power lines usage expense	1,057	617
	$ 431,843	$ 372,381
An analysis of depreciation by function		
Operating costs	$ 285,835	$ 251,515
Operating expenses	81,125	52,697
	$ 366,960	$ 304,212

(Continued)

	For the Year Ended December 31	
	2023	2022
An analysis of amortization by function		
Operating costs	$ 33,500	$ 35,821
Operating expenses	31,383	32,348
	$ 64,883	$ 68,169

(Concluded)

e. Employee benefits expense

	For the Year Ended December 31	
	2023	2022
Post-employment benefits		
Defined contribution plans	$ 16,151	$ 13,917
Defined benefit plans	5,592	4,709
	21,743	18,626
Share-based payments		
Equity-settled	96,426	-
Short-term benefits	539,748	462,158
Total employee benefits expense	$ 657,917	$ 480,784
An analysis of employee benefits expense by function		
Operating costs	$ 358,345	$ 296,831
Operating expenses	299,572	183,953
	$ 657,917	$ 480,784
Short-term benefits		
Wages and salaries	$ 475,755	$ 401,712
Labor and health insurance	33,835	30,847
Others	30,158	29,599
	$ 539,748	$ 462,158

f. Compensation of employees and remuneration of directors

The Corporation accrues compensation of employees and remuneration of directors is set aside at rates of no less than 0.5% and no higher than 1%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2023 and 2022, which had been resolved by the Corporation’s board of directors on March 13, 2024 and March 10, 2023, respectively, were as follows:

	For the Year Ended December 31	
	2023	2022
Compensation of employees - cash	$ 42,398	$ 30,046
Remuneration of directors	13,133	9,522

If there will be a change in the proposed amount after the annual consolidated financial statements are authorized for issue, the difference will be recorded as a change in accounting estimate.

There was no difference between the above resolved amounts and the respective amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

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

30. INCOME TAX

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

	For the Year Ended December 31	
	2023	2022
Current income tax		
In respect of the current year	$ 110,504	$ 85,749
Income tax on unappropriated earnings	499	152
	111,003	85,901
Deferred income tax		
In respect of the current year	(50,170)	2,962
Income tax expense recognized in profit or loss	$ 60,833	$ 88,863

A reconciliation of profit before income tax and income tax expense is as follows:

	For the Year Ended December 31	
	2023	2022
Profit before income tax	$ 1,303,218	$ 1,005,878
Income tax expense calculated at the statutory rate	$ 260,644	$ 201,176
Non-taxable income and non-deductible expenses in determining taxable income/loss carryforwards	(219,673)	(112,298)
Changes in unrecognized loss carryforwards and deductible temporary differences	19,363	(167)
Income tax on undistributed earnings	499	152
Income tax expense recognized in profit or loss	$ 60,833	$ 88,863

b. Income tax (benefit) expense recognized in other comprehensive income

	For the Year Ended December 31	
	2023	2022
Deferred income tax		
In respect of the current year		
Remeasurement of defined benefit plans	$ (1,534)	$ 2,695

c. Current income tax assets and liabilities

	December 31 2023	December 31 2022
Current income tax assets		
Income tax refund receivable (included in other receivables)	$ 8,177	$ 6,957
Current income tax liabilities		
Income tax payable	$ 74,121	$ 70,657

d. Movements of deferred income tax assets and liabilities

For the year ended December 31, 2023

	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Deferred income tax assets				
Loss carryforwards	$ 18,061	$ 8,167	$ -	$ 26,228
Temporary differences				
Unrealized gain on transactions with associates	69,127	(6,601)	-	62,526
Defined benefit obligation	15,597	417	1,534	17,548
Depreciation differences of property, plant and equipment	26,802	(1,057)	-	25,745
Construction warranties	51,840	41,249	-	93,089
Allowance for loss on inventories	-	60	-	60
Others	6,580	528	-	7,108
	$ 188,007	$ 42,763	$ 1,534	$ 232,304
Deferred income tax liabilities				
Temporary differences				
Unrealized foreign exchange gain or loss	$ 1,723	$ (1,723)	$ -	$ -
Business rights	67,502	(5,159)	-	62,343
Depreciation differences of right-of-use assets	1,466	(525)	-	941
	$ 70,691	$ (7,407)	$ -	$ 63,284

For the year ended December 31, 2022

	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Deferred income tax assets				
Loss carryforwards	$ 15,048	$ 3,013	$ -	$ 18,061
Temporary differences				
Unrealized gain on transactions with associates	67,659	1,468	-	69,127
Loss on investments accounted for using the equity method	978	(978)	-	-

(Continued)

	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Defined benefit obligation	$ 18,056	$ 236	$ (2,695)	$ 15,597
Depreciation differences of property, plant and equipment	27,857	(1,055)	-	26,802
Construction warranties	60,960	(9,120)	-	51,840
Allowance for loss on inventories	50	(50)	-	-
Others	6,566	14	-	6,580
	$ 197,174	$ (6,472)	$ (2,695)	$ 188,007
Deferred income tax liabilities				
Temporary differences				
Unrealized foreign exchange gain or loss	$ -	$ 1,723	$ -	$ 1,723
Business rights	72,661	(5,159)	-	67,502
Depreciation differences of right-of-use assets	1,540	(74)	-	1,466
	$ 74,201	$ (3,510)	$ -	$ 70,691

(Concluded)

e. Deductible temporary differences and unused loss carryforwards for which no deferred income tax assets have been recognized in the consolidated balance sheets

	December 31 2023	December 31 2022
Deductible temporary differences		
Loss on investments accounted for using the equity method	$ 494,014	$ 409,859
Deferred interest expense	267,861	255,200
Others	12,000	12,000
	$ 773,875	$ 677,059
Loss carryforwards		
YYC	$ 9,328	$ 9,328

f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2022 comprised:

	Unused Amount
HML	
Expiry in 2029	$ 26,854
Expiry in 2030	24,466
Expiry in 2031	17,805
Expiry in 2032	21,183
Expiry in 2033	17,711
	$ 108,019

g. Income tax assessments

The income tax returns of the Corporation, SEC, SSC, SWC, TGE, SKE, YYC, CGPC, MWC and HML through 2021 have been assessed by the tax authorities.

Under the local income tax law, TCIC is not obligated to pay income tax.

31. EARNINGS PER SHARE

	For the Year Ended December 31	
	2023	**2022**
Basic earnings per share (NT$)	$ 1.82	$ 1.44
Diluted earnings per share (NT$)	$ 1.82	$ 1.44

The weighted average number of shares outstanding used in the computation of earnings per share computation was adjusted retroactively for the issuance of bonus shares on July 29, 2023. Due to retrospective adjustments, the basic and diluted earnings per share adjusted retrospectively for the year ended December 31, 2022.

	Before Retrospective Adjustment	**After Retrospective Adjustment**
Basic earnings per share (NT$)	$ 1.54	$ 1.44
Diluted earnings per share (NT$)	$ 1.54	$ 1.44

Net profit

	For the Year Ended December 31	
	2023	**2022**
Profit used in the computation of diluted earnings per share	$ 1,252,275	$ 906,774

Weighted average number of ordinary shares outstanding (in thousands of shares)

	For the Year Ended December 31	
	2023	**2022**
Weighted average number of ordinary shares used in the computation of basic earnings per share	687,268	630,282
Effect of potentially dilutive ordinary shares		
Compensation of employees of the Corporation	1,202	1,091
Weighted average number of ordinary shares used in the computation of diluted earnings per share	688,470	631,373

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

32. SHARE-BASED PAYMENT ARRANGEMENTS

The Corporation completed a cash capital increase in April 2023, reserving a portion for employees to subscribe to shares. The compensation cost, as calculated using the Black-Scholes-Merton option pricing model, amounted to $96,426 thousand and the capital surplus increased by an equivalent amount.

The inputs to the model are as follows:

	April 12, 2023
Grant-date share price	$45.90
Exercise price	$30.31
Expected volatility	26.79%
Expected life (in days)	48
Risk-free interest rate	1.00%

33. PARTIAL CASH TRANSACTION S

a. For the years ended December 31, 2023 and 2022, the Group entered into the following partial cash investing activities:

	For the Year Ended December 31	
	2023	2022
Partial cash payments for acquisition of property, plant and equipment		
Acquisition of property, plant and equipment	$ 1,356,786	$ 475,845
Changes in payables for equipment	(339,422)	91,504
Increase in payables for levies	-	(12,955)
Depreciation of right-of-use assets	(857)	(49)
Cash payments	$ 1,016,507	$ 554,345

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2023

	January 1, 2023	Cash Flows	Non-cash Changes: New Leases	Non-cash Changes: Interest Expense	Non-cash Changes: Others	December 31, 2023
Short-term borrowings	$ 67,000	$ (12,000)	$ -	$ -	$ -	$ 55,000
Short-term bills payable	999,276	-	-	7,201	(7,347)	999,130
Long-term loans	4,074,424	(2,322,516)	-	-	-	1,751,908
Guarantee deposits received	41,297	12,435	-	-	-	53,732
Bonds payable	2,497,884	-	-	20,883	(20,250)	2,498,517
Lease liabilities	477,697	(56,260)	85,341	9,102	(32,809)	483,071
	$ 8,157,578	$ (2,378,341)	$ 85,341	$ 37,186	$ (60,406)	$ 5,841,358

For the year ended December 31, 2022

	January 1, 2022	Cash Flows	Non-cash Changes New Leases	Non-cash Changes Interest Expense	Non-cash Changes Others	December 31, 2022
Short-term borrowings	$ 40,000	$ 27,000	$ -	$ -	$ -	$ 67,000
Short-term bills payable	499,614	499,078	-	6,340	(5,756)	999,276
Long-term loans	3,862,612	211,812	-	-	-	4,074,424
Guarantee deposits received	44,083	(2,786)	-	-	-	41,297
Bonds payable	2,497,255	-	-	20,879	(20,250)	2,497,884
Lease liabilities	503,039	(47,276)	21,466	8,903	(8,435)	477,697
	$ 7,446,603	$ 687,828	$ 21,466	$ 36,122	$ (34,441)	$ 8,157,578

34. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Corporation's overall strategy remains unchanged within recent 5 years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Corporation (comprising ordinary shares, capital surplus, retained earnings and other equity).

Key management personnel of the Corporation review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Corporation may adjust the amount of dividends paid to shareholders, the number of new shares issued, and/or the amount of new debt issued or existing debt redeemed.

35. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of the financial assets and financial liabilities not carried at fair value are approximately at their fair values.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	$ -	$ -	$ 270,054	$ 270,054

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	$ -	$ -	$ 277,120	$ 277,120

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

For the year ended December 31, 2023

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	$ 277,120
Recognized in other comprehensive loss	(7,066)
Ending balance	$ 270,054

For the year ended December 31, 2022

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	$ 275,310
Recognized in other comprehensive income	1,810
Ending balance	$ 277,120

3) Valuation techniques and inputs applied for the purpose of Level 3 fair value measurement

The fair value of domestic unlisted equity in KADC securities was determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee. The significant unobservable inputs used are listed on the table below. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in the weighted average cost of capital (WACC) or discount for lack of marketability used in isolation would result in increases in fair value.

	December 31	
	2023	2022
Long-term revenue growth rates	(0.08%)-1.99%	0.00%-2.65%
Long-term pre-tax operating margin	39.26%-42.75%	40.68%-41.53%
WACC	7.01%	6.97%
Discount for lack of marketability	13.37%	15.20%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the equity investments would have increased (decreased) as follows:

	December 31	
	2023	2022
Long-term revenue growth rate		
1% increase	$ 36,400	$ 26,200
1% decrease	$ (30,800)	$ (25,200)
WACC		
0.5% increase	$ (14,600)	$ (22,000)
0.5% decrease	$ 15,800	$ 25,400

The fair value of domestic unlisted equity in Synergy securities was determined using the market approach. The judgment is based on the evaluation of companies of the same type and the operating conditions of the invested companies.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Measured at amortized cost (Note 1)	$ 3,643,233	$ 4,560,774
FVTOCI	270,054	277,120
Financial liabilities		
Measured at amortized cost (Note 2)	8,892,038	11,201,341

Note 1: The balances include cash and cash equivalents, accounts receivable, accounts receivable from related parties, part of other receivables, refundable deposits and financial assets measured at amortized cost.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, accounts payable, accounts payable to related parties, construction costs payable, other payables, current portion of long-term borrowings, guarantee deposits received, bonds payable and long-term borrowings. However, short-term employee benefits payable and payables for business tax are not included.

d. Financial risk management objectives and policies

The Group's financial risk management objectives are to manage the market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk with respect to the Group's operations. To lower the financial risks, the Group seeks to identify, evaluate, and avoid market uncertainty, to minimize the potential unfavorable impact on the Group due to market volatility.

The Group's important financial activities are reviewed by the board of directors in accordance with related regulations and internal control systems. The Group shall follow the overall guidelines for financial risk management and segregation of duties with respect to financial operating procedures.

1) Market risk

a) Foreign currency risk

Refer to Note 39 for the carrying amounts of the Group's significant monetary assets and monetary liabilities denominated in non-functional foreign currencies (including those eliminated in the consolidated financial statements).

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar and the Euro.

The following table details the Group's sensitivity to a 1% increase and decrease in its functional currency against the relevant foreign currencies. A positive number below indicates a decrease in profit before income tax associated with the New Taiwan dollar strengthening 1% against the relevant foreign currency. For a 1% weakening of the New Taiwan dollar, there would be an equal and opposite impact on profit before income tax, and the balances below would be negative.

	For the Year Ended December 31	
	2023	**2022**
Profit or loss		
USD	$ 772	$ 67
EUR	2,204	4,447

b) Interest rate risk

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

	December 31	
	2023	**2022**
Fair value interest rate risk		
Financial assets	$ 955,583	$ 636,923
Financial liabilities	3,980,718	3,974,857
Cash flow interest rate risk		
Financial assets	1,740,478	3,169,167
Financial liabilities	1,806,908	4,141,424

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of liabilities outstanding at the end of the reporting period was outstanding for the reporting period. A 1% increase or decrease in interest rates was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% increase/decrease and all other variables were held constant, the Group's profit before income tax for the years ended December 31, 2023 and 2022 would have decreased/increased by $664 thousand and $9,723 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 1% higher/lower, the pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by $2,701 thousand and $2,771 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk represents the potential loss that would be incurred by the Group if the counterparties or third parties breached the contracts. Financial instruments with positive fair values at the balance sheet date are evaluated for credit risk. The Group only transacts with financial institutions and companies with good credit ratings; thus, no material credit risk is anticipated.

3) Liquidity risk

The Group manages liquidity risk by maintaining adequate cash in banks and banking facilities, and continuously monitoring forecast and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. As of December 31, 2023 and 2022, the available unutilized bank loan facilities were $10,508,452 thousand and $7,770,620 thousand, respectively.

The following tables detail the Group's remaining contractual maturities of its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

December 31, 2023

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term borrowings	$ 55,000	$ -	$ -	$ -	$ 55,000
Short-term bills payable	1,000,000	-	-	-	1,000,000
Non-interest bearing liabilities	3,587,483	-	-	-	3,587,483
Lease liabilities	72,909	66,417	51,519	395,002	585,847
Long-term borrowings	161,471	798,160	184,329	607,948	1,751,908
Bonds payable	20,250	1,920,836	12,000	609,721	2,562,807
	$ 4,897,113	$ 2,785,413	$ 247,848	$ 1,612,671	$ 9,543,045

December 31, 2022

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term borrowings	$ 67,000	$ -	$ -	$ -	$ 67,000
Short-term bills payable	1,000,000	-	-	-	1,000,000
Non-interest bearing liabilities	3,542,803	3,910	16,044	-	3,562,757
Lease liabilities	62,104	92,407	47,243	371,375	573,129
Long-term borrowings	947,393	1,993,484	398,179	735,368	4,074,424
Bonds payable	20,250	1,935,086	12,000	615,721	2,583,057
	$ 5,639,550	$ 4,024,887	$ 473,466	$ 1,722,464	$ 11,860,367

36. RELATED PARTY TRANSACTIONS

Besides as disclosed elsewhere in the other notes, details of significant transactions between the Group and its related parties were disclosed below:

a. Related parties and relationships

Related Party	Relationship with the Group
TPC	Investor with significant influence over the Group
TYC	Associate
Sun Ba	Associate
SEPC	Associate
KKPC	Associate
SBPC	Associate

b. Operating transactions

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Sales	Investors with significant influence over the Group		
	TPC	$ 670,075	$ 797,471
Construction service revenue	Investors with significant influence over the Group		
	TPC	$ 267,786	$ 42,238
	Associates		
	Sun Ba	276,314	532,605
	Others	1,250	10,250
		277,564	542,855
		$ 545,350	$ 585,093

(Continued)

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Operations, maintenance and consulting services revenue	Investors with significant influence over the Group		
	TPC	$ 198,045	$ 130,065
	Associates		
	SEPC	9,394	9,478
	Sun Ba	4,976	6,018
	SBPC	4,510	6,975
		18,880	22,471
		$ 216,925	$ 152,536
Cost of sales	Investors with significant influence over the Group		
	TPC	$ 43,132	$ 56,683
	Associates		
	Others	126	140
		$ 43,258	$ 56,823
Operations, maintenance and consulting services cost	Investors with significant influence over the Group		
	TPC	$ 14	$ 16
Operating expenses	Investors with significant influence over the Group		
	TPC	$ -	$ 401

(Concluded)

The above transactions with related parties were negotiated based on each contract.

c. Non-operating transactions

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Other income	Investors with significant influence over the Group		
	TPC	$ 6	$ -
	Associates		
	TYC	7,148	4,714
	Sun Ba	3,027	2,232
	SEPC	2,765	2,064
	SBPC	2,696	1,771
	KKPC	2,610	2,042
		18,246	12,823
		$ 18,252	$ 12,823

The above transactions with related parties were negotiated based on each contract.

d. Receivables from related parties

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Accounts receivable from related parties	Investors with significant influence over the Group		
	TPC	$ 81,686	$ 143,220
	Associates		
	Others	8,764	7,992
		$ 90,450	$ 151,212
Other receivables	Associates		
	TYC	$ 1,167	$ 1,885
	Others	-	63
		$ 1,167	$ 1,948

The outstanding receivables from related parties were unsecured. For the years ended December 31, 2023 and 2022, no impairment loss was recognized on receivables from related parties.

e. Payables to related parties

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Accounts payable to related parties	Investors with significant influence over the Group		
	TPC	$ 1,329	$ 2,045
Other payables	Investors with significant influence over the Group		
	TPC	$ 903	$ 1,196
	Associates		
	Others	-	31
		$ 903	$ 1,227

The outstanding payables to related parties were unsecured.

f. Contract assets

Related Party Category/Name	December 31 2023	December 31 2022
Investors with significant influence over the Group		
TPC	$ 525,115	$ 608,374
Associates		
Sun Ba	173,000	277,286
Others	-	4,500
	$ 698,115	$ 890,160

g. Contract liabilities

Related Party Category/Name	December 31 2023	December 31 2022
Investors with significant influence over the Group		
TPC	$ -	$ 64

h. Lease agreement

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Lease liabilities - current	Investors with significant influence over the Group		
	TPC	$ 345	$ 388
Lease liabilities - non-current	Investors with significant influence over the Group		
	TPC	$ 7,388	$ 7,733

i. Sublease arrangements

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Finance lease receivables - current	Associates		
	Sun Ba	$ 4,581	$ 4,582
	SBPC	2,947	2,918
	SEPC	2,113	2,528
		$ 9,641	$ 10,028
Long-term finance lease receivables non-current	Associates		
	Sun Ba	$ 391	$ 5,026
	SBPC	254	3,201
	SEPC	181	2,774
		$ 826	$ 11,001

For the years ended December 31, 2023 and 2022, no impairment loss was recognized for finance lease receivables. Refer to Note 10 for information on sublease arrangements.

j. Remuneration of key management personnel

	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Short-term employee benefits	$ 49,016	$ 44,421
Post-employment benefits	1,179	2,238
Share-based payments	14,128	-
	$ 64,323	$ 46,659

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

37. ASSETS PLEDGED OR MORTGAGED AS COLLATERAL

The following assets have been pledged or mortgaged as collateral for borrowings, contract performance and establishment of a branch office:

	December 31	
	2023	2022
Machinery and equipment, net	$ 1,467,131	$ 1,552,920
Service concession arrangement - operating assets	280,000	280,000
Land	50,135	50,135
Demand deposits (recognized as financial assets at amortized cost)	22,134	23,607
Time deposits (recognized as financial assets at amortized cost)	10,497	10,497
Government bonds (recognized as financial assets at amortized cost)	333	341
	$ 1,830,230	$ 1,917,500

38. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of December 31, 2023 were as follows:

a. The commitments for construction projects that have not been performed amounted to approximately $11,555,803 thousand.

b. Commitments for construction expenditure and purchase of equipment were approximately $11,575,499 thousand.

c. Under a Coal Purchase Agreement, the Group shall purchase 26 thousand tons of coal based on an agreed price.

d. TPC concluded that IPPs violated the Fair Trade Act with concerted action and caused a loss to TPC. In September 2015, TPC filed administrative proceedings in the Taipei High Administrative Court and filed a civil action in the Taipei District Court to claim compensation for the loss. As of December 31, 2023, the closing administrative proceedings and civil action in progress were as follows:

    1) TPC filed administrative proceedings in the Taipei High Administrative Court to claim compensation in the amounts of $4,400 million, $2,500 million, $200 million and $2,400 million against Sun Ba, SEPC, SBPC, and KKPC, respectively. Subsequently, TPC filed an expanded appeal to claim additional compensation against these companies. The total claim for compensation against Sun Ba, SEPC, SBPC and KKPC was $8,660 million, $4,990 million, $623 million and $4,890 million, respectively. Afterwards, TPC filed an amended appeal against SBPC on February 14, 2020, with the total claim for compensation against SBPC reduced to $380 thousand. The Taipei High Administrative Court considered these cases as private disputes and transferred these cases to Taipei District Court. TPC appealed the ruling to the Supreme Administrative Court. However, the Supreme Administrative Court ruled to dismiss TPC’s appeal. These cases have been transferred to Taipei District Court accordingly. On August 9 and September 5, 2018, the case between SEPC and FTC, and the case between KKPC and FTC, respectively, were postponed by the Taipei District Court until the administrative proceedings in the Taiwan High Administrative Court with respect to the alleged concerted action are concluded. However, TPC subsequently withdrew its complaints in June and August 2020. Thus, the cases were deemed actions never initiated.

    2) TPC filed a civil action in the Taipei District Court to claim $4,257 million, $2,489 million, $307 million and $2,490 million against Sun Ba, SEPC, SBPC, and KKPC, respectively. On February 8, 2018, the Taipei District Court ruled to dismiss TPC’s civil action against SBPC. On March 5, 2018,

TPC appealed this case to the Taiwan High Court. Afterwards, on June 14, 2018, the Taiwan High Court ruled to postpone this case until the administrative proceedings between SBPC and FTC in the Supreme Administrative Court with respect to the alleged concerted action are concluded. Thereafter, on August 1, 2019, in order to avoid repeating trials of the same facts of the same case that will result in a waste of judicial resources, the Taiwan High Court, within its power and authority, revoked its previous ruling that suspended the proceedings. TPC appealed the ruling to the Taiwan High Court. However, the Supreme Administrative Court ruled to dismiss TPC's appeal on December 11, 2019. After the trial, the Taiwan High Court ruled to reject TPC's appeal and the additional lawsuit on December 28, 2022. Because TPC had already filed an appeal on January 30, 2023. After a trial, the Supreme Court announced on November 22, 2023 that the original judgment should be abandoned and sent back to the Taiwan High Court for trial. On June 19, 2018, the Taipei District Court ruled to dismiss TPC's civil action against Sun Ba, SEPC and KKPC. On July 13, 2018, TPC appealed this case to the Taiwan High Court. After about three years of trial procedures in the Taiwan High Court (THC), THC ruled to dismiss TPC's appeal and additional claim on November 9, 2021. On December 13, 2021, TPC appealed this case to the Supreme Court, and this case had been transferred to the Supreme Court.

These companies have engaged attorneys for the above claims. Whether these companies are liable for the damages depends on the judgment by the court.

e. YYC entered into an investment agreement "Yilan Chingshuei Geothermal Power Generation Build, Reconstruction, Operation, and Transfer ("BOT+ROT")" with the Yilan County Government in July 2017, which is effective for 20 years starting from the commencement date of commercial operations of the power generating unit of the operating company that YYC established, namely CGPC. However, two years prior to the expiry of the construction period, a request for a preferential contract may be made to the Yilan County Government, limited to 20 years once only. CGPC started the generation plant with TPC in February 2021, completed the construction of power generation plant and started trial operations in June 2021 and subsequently acquired the electricity enterprise license in October 2021, after which it started selling electricity to TPC During the operational phase, CGPC shall pay for the annual operating rights before June 30 each year. The payment for the operating rights is calculated based on the capacity of the power generating units and the agreed proportion of annual sales of electricity. At the expiry of the contract, except for those that do not need to be transferred with the written consent of the Yilan County Government, CGPC shall transfer all existing operating assets and all power plant technologies, operations and maintenance related to the continued operations of the plant to the Yilan County Government or its designated third party.

39. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than the functional currencies of the Group, and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
USD	$ 3,740	30.71	$ 114,842
EUR	6,914	33.98	$ 234,922

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Non-monetary items			
Investments accounted for using the equity method			
PHP	91,177	0.5527	$ 50,390
Foreign currency liabilities			
Monetary items			
USD	1,232	30.71	$ 37,654
EUR	427	33.98	$ 14,500

(Concluded)

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
USD	$ 3,234	30.71	$ 99,306
EUR	13,958	32.72	$ 456,702
Non-monetary items			
Investments accounted for using the equity method			
PHP	246,245	0.5472	$ 134,751
Foreign currency liabilities			
Monetary items			
USD	3,015	30.71	$ 92,621
EUR	373	32.72	$ 12,027

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2023		2022	
Foreign Currencies	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange Gain
USD	31.56 (USD:NTD)	$ (1,708)	29.81 (USD:NTD)	$ 22,870
EUR	33.70 (EUR:NTD)	$ 13,859	31.36 (EUR:NTD)	$ 1,067

40. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investment in subsidiaries) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices at least NT$300 million or 20% of the paid-in capital (None)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (Table 4)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

9) Trading in derivative instruments (None)

10) Intercompany relationships and significant intercompany transactions (Table 8)

b. Information on investees (Table 7)

c. Information on investments in mainland China:

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (None)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (None):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 9)

41. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- Guantian cogeneration plant (GCP)
- Segment of construction and consulting services (CC)

a. Segment revenue and results

The analysis of the Group's revenue and results from continuing operations by reportable segment was as follows:

	For the Year Ended December 31, 2023		
	GCP	**CC**	**Total**
Revenue from customers	$ 894,292	$ 4,454,110	$ 5,348,402
Segment (loss) profit	$ (13,864)	$ 278,005	$ 264,141
Unallocated operating expenses			(293,990)
Interest income			24,331
Interest expense			(80,911)
Share of profit of associates accounted for using the equity method			1,398,007
Other non-operating income and expenses			(8,360)
Profit before income tax			$ 1,303,218
Depreciation expense	$ 27,109	$ 271,651	
Amortization expense	$ 149	$ 36,149	

	For the Year Ended December 31, 2022		
	GCP	**CC**	**Total**
Revenue from customers	$ 953,001	$ 3,715,880	$ 4,668,881
Segment (loss) profit	$ (57,556)	$ 458,932	$ 401,376
Unallocated operating expenses			(177,630)
Interest income			4,552
Interest expense			(68,496)
Share of profit of associates accounted for using the equity method			791,123
Other non-operating income and expenses			54,953
Profit before income tax			$ 1,005,878
Depreciation expense	$ 25,637	$ 241,606	
Amortization expense	$ 157	$ 41,486	

Segment revenue reported above represented the revenue generated from external customers. Segment profit (loss) represented the profit before income tax earned by each segment without allocation of part of operating expenses, share of profit or loss of associates accounted for using the equity method, part of interest income, part of interest expense, and part of other non-operating income and expenses. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment assets and liabilities

	December 31	
	2023	2022
Segment assets		
GCP	$ 405,300	$ 498,469
CC	8,362,491	7,111,008
Total segment assets	8,767,791	7,609,477
Unallocated assets		
Investments accounted for using the equity method	14,000,694	13,004,719
Others	3,386,528	4,362,204
Consolidated total assets	$ 26,155,013	$ 24,976,400
Segment liabilities		
GCP	$ 79,337	$ 1,695
CC	6,392,355	6,640,432
Total segment liabilities	6,471,692	6,642,127
Unallocated liabilities	4,095,655	6,484,033
Consolidated total liabilities	$ 10,567,347	$ 13,126,160

c. Geographical information

The Group's revenues for the years ended December 31, 2023 and 2022 were all generated domestically; therefore, there is no geographical information for the Group.

d. Information about major customers

Single customers that contributed 10% or more to the Group's revenues were as follows:

	For the Year Ended December 31	
	2023	2022
Sales and research, consulting and construction service revenue from TPC	$ 1,135,906	$ 969,774
Consulting and construction service revenue from customer A	998,099	983,368
Consulting and construction service revenue from customer B	-	596,378

TABLE 1

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

No. (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Party	Maximum Balance for the Period (Note 3)	Ending Balance (Note 9)	Actual Amount Borrowed	Interest Rate	Nature of Financing (Note 4)	Business Transaction Amount (Note 5)	Reasons for Short-term Financing (Note 6)	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 8)	Aggregate Financing Limit (Note 7)	Note
													Item	Value			
1	SEC	SSC	Other receivables from related parties	Y	$ 20,000	$ -	$ -	-	The need for short-term financing	$ -	Retirement of loans, operating capital	$ -	-	$ -	$ 374,751	$ 749,502	

Note 1: The Corporation and its investees are numbered as follows:

a. “0” for the Corporation.
b. Investees are numbered from “1”.

Note 2: The receivables from associates, receivables from related parties, shareholders’ accounts, prepayments, temporary payments, and others as stated shall be filled in if they are classified as financing.

Note 3: Maximum balance of financing provided to others for the period.

Note 4: It is necessary to specify if the nature of financing is for business transactions or short-term financing.

Note 5: If the nature of financing is for business transactions, the amount of business transactions should be specified. The amount of business transactions shall be the total amount of business conducted between the lender and the borrower in the most recent year.

Note 6: If the funds were necessary for short-term financing, the reasons, the beneficiary of financing and the use of the fund, such as retirement of loans, procurement of equipment and operating capital, should be specified.

Note 7: Limit on the total amount of financing provided by SEC and subsidiaries to entities was $749,502 thousand, which was calculated at 40% of SEC’s net worth in the current financial statements ($1,873,754 thousand (net worth as of December 31, 2023) × 40%).

Note 8: The financing limit for each borrower was $374,751 thousand, which was calculated at 20% of SEC’s net worth in the current financial statements ($1,873,754 thousand (net worth as of December 31, 2023) × 20%).

Note 9: Should a public company comply with Article 14-1 of “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” to submit financing reports to the Board of Directors for approval one by one, even though the financing funds have not yet been allocated, the financing amount approved by the Board of Directors should still be included in the balance announcement for exposing risks. When the funds are subsequently repaid, the balance after repayment shall be disclosed to reflect the adjustment of risk. In accordance with Article 14-2 of the Regulations, a public company may authorize the chairman of the board of directors to approve financing funds in a certain amount and allocated them in installments or revolving within a one-year period, but the financing funds approved by the board of directors should still be used as the declared balance. Although the funds will be repaid thereafter, in consideration that the loan may be allocated again, the financing funds approved by the board of directors should be used as the announced balance.

TABLE 2

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Provided to Each Guaranteed Party	Maximum Balance for the Period (Note 5)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Worth in Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 7)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 7)
		Name	Relationship (Note 2)										
0	The Corporation	CGPC	b	$ 3,862,393 (Note 3)	$ 204,000	$ 204,000	$ 162,563	$ -	1.32%	$ 6,179,829 (Note 4)	Y	N	N

Note 1: The Corporation and its investees are numbered as follows:

a. "0" for the Corporation.
b. Investees are numbered from "1".

Note 2: There are seven types of relationships between the endorser/guarantor and the endorsee/guarantee that should be disclosed as one of the following:

a. Companies that have business dealings with each other.
b. A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
d. Between companies in which the Corporation directly and indirectly holds more than 90% of the voting shares.
e. The Corporation fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for the purposes of undertaking a construction project.
f. All capital-contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. Companies in the same industry provide among themselves joint and several securities as a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.

Note 3: The limit on the endorsement/guarantee provided by the Corporation to each subsidiary was $3,862,393 thousand, which was calculated at 25% of the Corporation's net worth in the current financial statements ($15,449,572 thousand (net worth as of December 31, 2023) × 25%).

Note 4: The limit on the total amount of endorsement/guarantee provided by the Corporation and subsidiaries to entities was $6,179,829 thousand, which was calculated at 40% of the Corporation's net worth in the current financial statements ($15,449,572 thousand (net worth as of December 31, 2023) × 40%)

Note 5: The maximum balance for the period, ending balance and amount of endorsement/guarantee collateralized by properties represent the amounts of facilities, not the amounts actually drawn.

Note 6: Actual amount drawn by the endorsee/guarantee within the maximum balance of the guarantee.

Note 7: It is a guarantor of the listed parent company to the endorsement of the subsidiary; the subsidiary company's endorsement of the listed parent company and the endorsement of the mainland area must be filled with Y.

TABLE 3

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares (In Thousands)	Carrying Amount	Percentage of Ownership	Fair Value	
The Corporation	Stock							
	KADC	N/A	Financial assets at fair value through other comprehensive income	20,000	$ 247,600	8.00	$ 247,600	
	Synergy	N/A	〃	1,911	22,454	19.11	22,454	

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Acquiring Company	Title of Property	Transaction Date or Occurrence Date	Transaction Amount	Payment	Counterparty	Relationship	Where the Counterparty Is A Related Party, the Previous Transfer Information				Pricing Reference and Basis	Purpose of Acquisition and Use	Other Agreements
							Owner	Relationship with Issuer	Date of Transfer	Amount			
SEC	Solar Photovoltaic System and ancillary equipment	2022.03.16	$ 2,220,000 (Note)	Based on the terms in the purchase order	Osprey Energy Co., Ltd., etc. (Note)	-	N/A	N/A	N/A	N/A	Price comparison and price negotiation	Equipment for business use	-

Note: The disclosures are expected information approved by the board of directors. The actual information shall be subject to the final purchase order of SEC.

TABLE 5

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Transaction with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total (Note 4)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 4)	
The Corporation	TPC	Investor with significant influence	Sales (Note 1)	$ 452,269	19.01	Receivables are collected within 30 days after billing dates under agreements	-	-	$ 44,578	30.26	
SEC	TPC	Investor with significant influence of the parent company	Sales (Note 2)	559,076	16.11	Receivables are collected within 30 days after billing dates under agreements	-	-	22,639	2.88	
	The Corporation	Parent company	Sales (Note 3)	988,970	28.50	Receivables are collected within 30 days after billing dates under agreements	-	-	161,825 (Note 5)	20.62	
	Sun Ba	Investee of the Corporation accounted for using the equity method	Sales (Note 3)	276,417	7.97	Receivables are collected within 30 days after billing dates under agreements	-	-	-	-	
MWC	TGE	Fellow subsidiary	Sales (Note 1)	259,053	100.00	Receivables are collected within 30 days after billing dates under agreements	-	-	58,766 (Note 5)	100.00	

Note 1: Sales of electricity.

Note 2: Sales of electricity and revenues from construction and operating, maintenance and consulting services.

Note 3: Revenues from construction and operating, maintenance and consulting services.

Note 4: The amount is shown as a ratio of the financial statements of each entity.

Note 5: The amount was eliminated upon consolidation.

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance		Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
SEC	The Corporation	Parent company	Accounts receivable	$ 161,825 (Note 2)	Note 1	$ -	-	$ 161,825	$ -

Note 1: The method of payment is based on the contract, therefore, the information of turnover ratio is not applicable.

Note 2: The amount was eliminated upon consolidation.

TABLE 7

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Profit (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares (In Thousands)	Shareholding Percentage	Carrying Amount			
The Corporation	SEC	Taipei City	Undertaking and installing of power engineering projects	$ 1,550,020	$ 1,550,020	142,790	100.00	$ 1,873,696	$ 208,251	$ 155,231 (Note 2)	Subsidiary (Note 9)
	TCIC	British Virgin Islands	Investment in foreign countries and international trading	685,374	685,374	22,260	100.00	152,285	(84,156)	(84,156)	Subsidiary (Note 9)
	YYC	Yilan County	Investment in geothermal power plant	153,000	153,000	15,300	51.00	142,607	(20,184)	(10,294)	Subsidiary (Note 9)
	TGE	Taipei City	Investment in green power plant	95,000	175,000	10,500 (Note 5)	100.00	127,100	16,673	16,673	Subsidiary (Note 9)
	TYC	Taoyuan City	Cogeneration plants, management of operations, maintenance of equipment	214,240	214,240	35,834	29.31	630,530	283,340	83,049	Investee of the Corporation accounted for using the equity method
	Sun Ba	Tainan City	Power generation	3,073,500	3,073,500	516,000 (Note 8)	43.00	6,540,990	1,595,199	685,934	Investee of the Corporation accounted for using the equity method
	KKPC	Taoyuan City	Power generation	1,775,426	1,775,426	114,730	35.00	1,942,255	840,300	273,452 (Note 1)	Investee of the Corporation accounted for using the equity method
	SEPC	Changhua County	Power generation	1,272,500	1,272,500	121,500	40.50	2,420,348	606,733	245,728	Investee of the Corporation accounted for using the equity method
	SBPC	Taipei City	Power generation	1,409,130	1,409,130	136,200	41.27	2,416,181	479,101	197,739	Investee of the Corporation accounted for using the equity method
	MWC	Taipei City	Power generation	673,608	673,608	51,400	100.00	884,892	40,176	28,711 (Note 3)	Subsidiary (Note 9)
	HML	Changhua County	Power generation	103,130	103,130	10,000	100.00	7,156	(14,169)	(60,915) (Note 4)	Subsidiary (Note 9)
SEC	SWC	Changhua County	Power generation	177,870	177,870	17,787	100.00	187,506	22,070	22,070	Sub-subsidiary (Note 9)
	SSC	Taipei City	Power generation	240,000	240,000	24,000	100.00	209,304	3,302	3,302	Sub-subsidiary (Note 9)
TCIC	Redondo Peninsula Energy, Inc.	Philippines	Power generation	573,165	573,165	8,446	25.00	50,390	(351,580)	(87,895)	Investee of the Corporation's subsidiary accounted for using the equity method
YYC	CGPC	Yilan County	Power generation	250,000	250,000	27,600 (Note 7)	100.00	259,874	(19,520)	(19,520)	Sub-subsidiary (Note 9)
TGE	SKE	Taipei City	Power generation	80,000	170,000	8,000 (Note 6)	100.00	87,345	4,644	4,644	Sub-subsidiary (Note 9)

Note 1: Recognized as share of profit of $294,106 thousand and amortization of investment premium of $20,654 thousand.

Note 2: Recognized as share of profit of $208,251 thousand and unrealized gain on construction and operating, maintenance and consulting services of $53,020 thousand.

Note 3: Recognized as share of profit of $40,176 thousand and amortization of investment premium of $11,465 thousand.

Note 4: Recognized as share of loss of $(14,169) thousand and amortization of investment premium of $270 thousand and impairment loss on non-financial assets of $46,476 thousand.

Note 5: Including capital reduction of 8,000 thousand shares.

Note 6: Including capital reduction of 9,000 thousand shares.

Note 7: Including capitalization of retained earnings of 1,920 thousand shares.

Note 8: Including capitalization of retained earnings of 86,000 thousand shares.

Note 9: The amount was eliminated upon consolidation.

TABLE 8

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Payment Terms (Note 5)	% of Consolidated Operating Revenues or Total Assets (Note 3)
0	The Corporation	SEC	a	Operating, maintenance and consulting service revenue	$ 14,079	According to general terms and conditions	-
		SEC	a	Accounts receivable from related parties	3,397	According to general terms and conditions	-
		TGE	a	Sales revenue	6,218	According to general terms and conditions	-
		TGE	a	Operating, maintenance and consulting service revenue	3,718	According to general terms and conditions	-
		TGE	a	Accounts receivable from related parties	2,405	According to general terms and conditions	-
		CGPC	a	Operating, maintenance and consulting service revenue	2,269	According to general terms and conditions	-
		MWC	a	Operating, maintenance and consulting service revenue	1,901	According to general terms and conditions	-
1	SEC	The Corporation	b	Construction revenue	986,970	According to general terms and conditions	18
		The Corporation	b	Operating, maintenance and consulting service revenue	2,000	According to general terms and conditions	-
		The Corporation	b	Contract assets	729,549	According to general terms and conditions	3
		The Corporation	b	Accounts receivable from related parties	161,825	According to general terms and conditions	1
		SWC	c	Operating, maintenance and consulting service revenue	19,038	According to general terms and conditions	-
		SWC	c	Contract assets	14,817	According to general terms and conditions	-
		SWC	c	Accounts receivable from related parties	357	According to general terms and conditions	-
		SSC	c	Operating, maintenance and consulting service revenue	17,015	According to general terms and conditions	-
		SSC	c	Accounts receivable from related parties	105	According to general terms and conditions	-
		SSC	c	Contract assets	15,371	According to general terms and conditions	-
		CGPC	c	Contract assets	2,903	According to general terms and conditions	-
		MWC	c	Operating, maintenance and consulting service revenue	7,079	According to general terms and conditions	-
2	MWC	TGE	c	Sales revenue	259,053	According to general terms and conditions	5
		TGE	c	Accounts receivable from related parties	58,766	According to general terms and conditions	-
3	SWC	TGE	c	Sales revenue	89,877	According to general terms and conditions	2
		TGE	c	Account receivables from related parties	31,327	According to general terms and conditions	-
3	SSC	TGE	c	Sales revenue	39,567	According to general terms and conditions	1
		TGE	c	Account receivables from related parties	8,258	According to general terms and conditions	-
4	SKE	TGE	c	Sales revenue	28,399	According to general terms and conditions	1
		TGE	c	Accounts receivable from related parties	3,839	According to general terms and conditions	-

Note 1: Significant transactions between the Corporation and its subsidiaries or among subsidiaries are numbered as follows:

a. "0" for the Corporation.
b. The subsidiaries are numbered consecutively beginning from "1" in the order presented in the table above.

Note 2: Related party transactions are divided into three categories as follows:

a. The Corporation to subsidiary.
b. Subsidiary to the Corporation.
c. Subsidiary to subsidiary.

Note 3: The percentage of consolidated operating revenues or consolidated total assets: for a balance sheet account, the percentage is calculated by dividing the ending balance of the account by consolidated total assets; for an income statement account, the percentage is calculated by dividing the accumulated amount in the current period of the account by the consolidated operating revenues.

Note 4: The amount was eliminated upon consolidation.

Note 5: The payment terms were negotiated based on each contract.

TABLE 9

TAIWAN COGENERATION CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Taiwan Power Company	200,918,361	27.51

5. Individual financial statements of the previous year certified by CPA

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Taiwan Cogeneration Corporation

Opinion

We have audited the accompanying standalone financial statements of Taiwan Cogeneration Corporation (the "Corporation"), which comprise the standalone balance sheets as of December 31, 2023 and 2022, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the standalone financial statements, including material accounting policy information.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Corporation as of December 31, 2023 and 2022, and its standalone financial performance and its standalone 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

The key audit matters of the Corporation's standalone financial statements for the year ended December 31, 2023 are described as follows:

<u>Associates' Litigation Related to the Fair Trade Act</u>

Please refer to Note 31(d) for details on the associates' litigation related to the Fair Trade Act, Note 4(l) for accounting policies on provisions and Note 5(a) for critical accounting judgments and key sources of estimation uncertainty.

Taiwan Power Company (TPC) claimed to have suffered losses due to joint actions by Independent Power Producers, which violated the Fair Trade Act, and filed a civil action for damages against the associates of the Corporation, including Sun Ba Power Corporation, Star Energy Power Corporation, Star Buck Power Corporation, and Kuo Kuang Power Company Ltd.

The aforementioned associates commissioned attorneys to analyze the case and believe they have not caused any losses to TPC. As a result, they have not recognized provisions for the relevant litigation, which in turn has not affected the Corporation's balance of investment accounted for using the equity method and the share of profit of associates accounted for using the equity method. The aforementioned associates have also engaged attorneys to assist with civil litigation matters. Since the litigation is still ongoing and the claimed amount is material to the standalone financial statements of the Corporation, the outcome may change with subsequent developments of the cases, involving significant judgments by management. Thus, the assessment of contingent events in the associates' litigation related to the Fair Trade Act was considered as one of the key audit matters.

In our audit, we have obtained relevant documents, such as the lawsuit papers for the aforementioned case; discussed the management's correspondence with attorneys and the evaluation of the pending litigation; sent confirmation requests to the attorneys and reviewed their responses and assessments; and reviewed the latest developments of the pending litigation up to the date of the audit report to assess whether the associates' litigation related to the Fair Trade Act had been appropriately accounted for and disclosed in accordance with International Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets".

Evaluation of Profit and Loss of Construction Contracts

Please refer to Note 22 for information on construction contracts, Note 4(m) for the accounting policies on revenue recognition of construction contracts, and Note 5(b) for the critical accounting judgments and key sources of estimation uncertainty related to the evaluation of profit and loss of construction contracts.

The Corporation has entered into a construction contract for a large-scale offshore wind power generation project in central Taiwan. The construction service revenue of the aforementioned contract recognized for the year ended December 31, 2023 amounted to NT$901,290 thousand, representing 38% of the Corporation's standalone operating revenue. The percentage of completion and related profit or loss from the construction contract were assessed and determined by the Corporation's management based on the nature of activities, expected subcontracting, construction periods, progress, methods, etc., involving critical accounting judgments made by the management. Thus, the evaluation of profit and loss of construction contracts was considered as one of the key audit matters.

In our audit, we visited and observed the construction site; obtained the construction contract and construction project schedules; expected total construction cost, and construction acceptance reports; verified the construction cost, the estimated remaining cost before completion, and related supporting documents on a sampling basis in evaluating the reasonableness of the method and assumptions used by the management in the calculation of the percentage of completion; recalculated the percentage of completion, construction service revenue, construction service cost, profit or loss of the construction contract, contract assets and contract liabilities for accuracy; and assessed the appropriateness of provisions.

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

Management is responsible for the preparation and fair presentation of the standalone financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of standalone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the standalone 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 Corporation'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 Corporation'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 standalone 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 Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 Corporation to express an opinion on the standalone 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 standalone financial statements for the year ended December 31, 2023, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chao-Mei Chen and Cheng-Chuan Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2024

<u>Notice to Readers</u>

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

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

TAIWAN COGENERATION CORPORATION

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

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 1,072,266	5	$ 463,149	3
Financial assets at amortized cost (Notes 4, 7 and 8)	450,000	2	-	-
Contract assets (Notes 4, 5, 20 and 22)	910,325	5	587,598	3
Accounts receivable (Notes 4, 9 and 22)	87,972	1	139,369	1
Accounts receivable from related parties (Notes 4, 22 and 30)	59,344	-	81,535	-
Finance lease receivables (Notes 4, 10 and 30)	10,275	-	10,656	-
Other receivables (Notes 4 and 30)	2,647	-	2,019	-
Current income tax assets (Note 24)	972	-	6,957	-
Inventories (Notes 4 and 11)	7,951	-	18,104	-
Prepaid construction costs (Notes 20 and 30)	-	-	284,186	2
Prepaid value-added tax	13,528	-	18,499	-
Other current assets	5,064	-	1,450	-
Total current assets	2,620,344	13	1,613,522	9
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Notes 4, 12 and 29)	270,054	1	277,120	2
Investments accounted for using the equity method (Notes 4, 13 and 31)	17,138,040	84	16,266,079	87
Property, plant and equipment (Notes 4 and 14)	372,609	2	364,079	2
Right-of-use assets (Notes 4 and 15)	21,091	-	33,684	-
Computer software cost (Note 4)	5,931	-	8,165	-
Deferred income tax assets (Notes 4 and 24)	66,110	-	70,471	-
Long-term finance lease receivables (Notes 4, 10 and 30)	880	-	11,688	-
Prepayments for equipment	-	-	7,149	-
Refundable deposits	5,779	-	5,787	-
Total non-current assets	17,880,494	87	17,044,222	91
TOTAL	$ 20,500,838	100	$ 18,657,744	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term bills payable (Note 16)	$ 999,130	5	$ 999,276	5
Contract liabilities (Notes 4, 5, 20 and 22)	-	-	284,135	2
Accounts payable	77,521	-	132,999	1
Construction costs payable	315,849	2	118,984	1
Construction costs payable to related parties (Note 30)	891,019	4	566,064	3
Accounts payable to related parties (Note 30)	581	-	1,277	-
Other payables (Notes 18 and 30)	124,432	1	108,868	1
Lease liabilities (Notes 4 and 15)	27,345	-	27,519	-
Current portion of long-term borrowings (Note 16)	-	-	780,000	4
Other current liabilities	718	-	749	-
Total current liabilities	2,436,595	12	3,019,871	17
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 16)	-	-	1,320,000	7
Bonds payable (Note 17)	2,498,517	12	2,497,884	13
Lease liabilities (Notes 4 and 15)	5,455	-	28,980	-
Net defined benefit liabilities (Notes 4 and 19)	97,674	1	90,262	
Guarantee deposits received	13,025	-	7,338	-
Total non-current liabilities	2,614,671	13	3,944,464	20
Total liabilities	5,051,266	25	6,964,335	37
EQUITY (Notes 21 and 26)				
Share capital				
Ordinary shares	7,302,820	35	5,890,486	32
Capital surplus	2,621,919	13	499,694	3
Retained earnings				
Legal reserve	1,828,961	9	1,737,133	9
Special reserve	2,435,361	12	2,621,945	14
Unappropriated earnings	1,269,700	6	958,281	5
Total retained earnings	5,534,022	27	5,317,359	28
Other equity	(9,189)	-	(14,130)	-
Total equity	15,449,572	75	11,693,409	63
TOTAL	$ 20,500,838	100	$ 18,657,744	100

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

TAIWAN COGENERATION CORPORATION

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 5, 22 and 30)				
Sales	$ 894,292	37	$ 953,002	36
Construction services	1,441,994	61	1,623,072	62
Consulting services	42,895	2	42,665	2
Total operating revenue	2,379,181	100	2,618,739	100
OPERATING COSTS (Notes 5, 19, 23 and 30)				
Cost of sales	890,270	37	991,498	38
Construction services	1,407,948	59	1,570,988	60
Consulting services	35,283	2	37,270	1
Total operating costs	2,333,501	98	2,599,756	99
GROSS PROFIT	45,680	2	18,983	1
REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	29,367	1	29,367	1
REALIZED GROSS PROFIT	75,047	3	48,350	2
OPERATING EXPENSES (Notes 19, 23, 26 and 30)	341,213	14	229,744	9
LOSS FROM OPERATIONS	(266,166)	(11)	(181,394)	(7)
NON-OPERATING INCOME AND EXPENSES				
Interest income	9,924	1	1,657	-
Other income (Notes 23 and 30)	27,809	1	22,138	1
Other gains and losses (Note 23)	(2,316)	-	21,868	-
Finance costs (Note 23)	(42,630)	(2)	(46,120)	(2)
Share of profit of subsidiaries and associates accounted for using the equity method (Note 13)	1,531,152	64	1,094,449	42
Total non-operating income and expenses	1,523,939	64	1,093,992	42
PROFIT BEFORE INCOME TAX	1,257,773	53	912,598	35
INCOME TAX EXPENSE (Notes 4 and 24)	(5,498)	-	(5,824)	-
NET PROFIT	1,252,275	53	906,774	35
OTHER COMPREHENSIVE (LOSS) INCOME				

(Continued)

TAIWAN COGENERATION CORPORATION

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

	2023		2022	
	Amount	**%**	**Amount**	**%**
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan (Note 19)	$ (5,685)	-	$ 9,878	1
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income (Note 29)	(7,066)	-	1,810	-
Share of remeasurement of defined benefit plans of subsidiaries and associates accounted for using the equity method	(229)	-	3,602	-
Share of unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income of associates accounted for using the equity method	5,255	-	(16,946)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 24)	1,137	-	(1,975)	-
	(6,588)	-	(3,631)	-
Items that may be reclassified subsequently to profit or loss:				
Share of exchange differences on translation of the financial statements of foreign operations of subsidiaries accounted for using the equity method	3,720	-	(986)	-
Share of other comprehensive income (loss) of associate accounted for using the equity method- loss on hedging instruments	3,032	-	(9,386)	(1)
	6,752	-	(10,372)	(1)
Other comprehensive income (loss), net of income tax	164	-	(14,003)	(1)
TOTAL COMPREHENSIVE INCOME	$ 1,252,439	53	$ 892,771	34
EARNINGS PER SHARE (Note 25)				
Basic	$ 1.82		$ 1.44	
Diluted	$ 1.82		$ 1.44	

The accompanying notes are an integral part of the standalone financial statements. (Concluded)

TAIWAN COGENERATION CORPORATION

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

			Retained Earnings			Other Equity			
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized (Loss) Gain on Financial Assets at Fair Value through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total Equity
BALANCE AT JANUARY 1, 2022	$ 5,890,486	$ 499,694	$ 1,644,763	$ 2,823,917	$ 961,235	$ (70,640)	$ 82,018	$ -	$ 11,831,473
Appropriation of 2021 earnings									
Legal reserve	-	-	92,370	-	(92,370)	-	-	-	-
Reversal of special reserve	-	-	-	(201,972)	201,972	-	-	-	-
Cash dividends	-	-	-	-	(1,030,835)	-	-	-	(1,030,835)
	-	-	92,370	(201,972)	(921,233)	-	-	-	(1,030,835)
Net profit for the year ended December 31, 2022	-	-	-	-	906,774	-	-	-	906,774
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	11,505	(986)	(15,136)	(9,386)	(14,003)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	918,279	(986)	(15,136)	(9,386)	892,771
BALANCE AT DECEMBER 31, 2022	5,890,486	499,694	1,737,133	2,621,945	958,281	(71,626)	66,882	(9,386)	11,693,409
Appropriation of 2022 earnings									
Legal reserve	-	-	91,828	-	(91,828)	-	-	-	-
Special reserve	-	-	-	14,130	(14,130)	-	-	-	-
Reversal of special reserve	-	-	-	(200,714)	200,714	-	-	-	-
Cash dividends	-	-	-	-	(618,501)	-	-	-	(618,501)
Share dividends	412,334	-	-	-	(412,334)	-	-	-	-
	412,334	-	91,828	(186,584)	(936,079)	-	-	-	(618,501)
Net profit for the year ended December 31, 2023	-	-	-	-	1,252,275	-	-	-	1,252,275
Other comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	(4,777)	3,720	(1,811)	3,032	164
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,247,498	3,720	(1,811)	3,032	1,252,439
Issuance of ordinary share for cash	1,000,000	2,025,799	-	-	-	-	-	-	3,025,799
Compensation cost recognized from the issuance of ordinary shares for cash to employees (Notes 4 and 26)	-	96,426	-	-	-	-	-	-	96,426
BALANCE AT DECEMBER 31, 2023	$ 7,302,820	$ 2,621,919	$ 1,828,961	$ 2,435,361	$ 1,269,700	$ (67,906)	$ 65,071	$ (6,354)	$ 15,449,572

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

TAIWAN COGENERATION CORPORATION

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

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 1,257,773	$ 912,598
Adjustments for:		
Depreciation expense	50,750	46,958
Amortization expense	2,941	2,815
Finance costs	42,630	46,120
Interest income	(9,924)	(1,657)
Dividend income	(8,000)	(8,000)
Compensation cost of employee share options (Notes 4 and 26)	96,426	-
Share of profit of subsidiaries and associates accounted for using the equity method	(1,531,152)	(1,094,449)
Gain on disposal of investment accounted for using the equity method	-	(15,070)
Write-down of inventories	301	-
Unrealized loss on foreign currency exchange	424	573
Realized gain on transactions with subsidiaries and associates	(29,367)	(29,367)
Loss on lease modification	168	4
Changes in operating assets and liabilities		
Contract assets	(322,727)	477,416
Accounts receivable	51,397	86,315
Accounts receivable from related parties	22,191	(46,701)
Other receivables	852	(848)
Inventories	9,852	(4,917)
Prepaid construction costs	284,186	(284,186)
Other current assets	(3,614)	(71)
Prepaid value-added tax	4,971	(10,180)
Contract liabilities	(284,135)	284,135
Accounts payable	(54,841)	8,714
Accounts payable to related parties	(696)	119
Construction costs payable	521,820	(1,273,614)
Other payables	11,055	15,176
Other current liabilities	(31)	69
Net defined benefit liabilities	1,727	939
Cash generated from (used in) operations	114,977	(887,109)
Interest received	8,444	1,657
Dividends received	628,336	398,152
Interest paid	(42,727)	(45,491)
Income tax refunded (paid)	5,985	(146)
Net cash generated from (used in) operating activities	715,015	(532,937)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in financial assets at amortized cost	(450,000)	-
Disposal of associate	-	160,000
Payments for property, plant and equipment (Note 27)	(29,818)	(9,965)

(Continued)

TAIWAN COGENERATION CORPORATION

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

	2023	2022
Decrease (increase) in refundable deposits	8	(27)
Payments for computer software	(707)	(1,060)
Decrease in finance lease receivables	10,608	10,592
Increase in prepayments for equipment	-	(7,149)
Net cash (used in) generated from investing activities	(469,909)	152,391
CASH FLOWS FROM FINANCING ACTIVITIES (Note 27)		
Increase in short-term bills payable	-	499,078
Proceeds from long-term borrowings	2,920,000	11,125,000
Repayments of long-term borrowings	(5,020,000)	(11,190,000)
Increase (decrease) in guarantee deposits received	5,687	(6,550)
Repayments of the principal portion of lease liabilities	(27,913)	(27,869)
Dividends paid to owners of the Corporation	(618,501)	(1,030,835)
Issuance of new corporation's shares	3,025,799	-
Investments in subsidiaries	-	(33,500)
Reduction of capital of subsidiary	80,000	200,000
Net cash generated from (used in) financing activities	365,072	(464,676)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(1,061)	(1,315)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	609,117	(846,537)
CASH AT THE BEGINNING OF THE YEAR	463,149	1,309,686
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,072,266	$ 463,149

The accompanying notes are an integral part of the standalone financial statements. (Concluded)

1. GENERAL INFORMATION

Taiwan Cogeneration Corporation (the “Corporation”) was established by Taiwan Power Corporation (TPC) and several local companies on May 7, 1992. The Corporation’s shares have been trading on the Taipei Exchange from May 8, 2000 to August 24, 2003 before being listed on the Taiwan Stock Exchange on August 25, 2003. The Corporation is engaged in the following businesses:

a. Engineering, planning, design, procurement, installation, construction and financial planning of cogeneration systems, and environmental protection and procurement of fuel for cogeneration systems and related businesses;

b. Operation and management of cogeneration plants;

c. Research and development, technical services and consultation services related to cogeneration;

d. Manufacture, assembly, sale, lease, installation, and repair of cogeneration equipment;

e. Investment in cogeneration plants and trading of related equipment;

f. Businesses with respect to power generation other than utility; and

g. Electric equipment installation.

2. APPROVAL OF FINANCIAL STATEMENTS

The standalone financial statements were approved by the board of directors on March 13, 2024.

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

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

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Corporation’s accounting policies.

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

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

Note 1: Unless stated otherwise, the above IFRS Accounting Standards will be effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

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

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

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

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

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

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

As of the date the standalone financial statements were authorized for issue, the Corporation is continuously assessing the possible impact that the application of other standards and interpretations will have on the Corporation's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The standalone financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The standalone financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing the standalone financial statements, the Corporation used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit, other comprehensive income and total equity in the standalone financial statements to be the same as the amounts attributable to the owner of the Corporation in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the standalone basis and the consolidated basis were made to investments accounted for using the equity method, share of profit or loss of subsidiaries and associates accounted for using the equity method, share of other comprehensive income of subsidiaries and associates accounted for using the equity method, and related equity items, as appropriate, in the standalone financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Corporation does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

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

d. Foreign currencies

In preparing the Corporation’s standalone financial statements, transactions in currencies other than the Corporation’s functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

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

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of financial statements the Corporation’s foreign operations (including subsidiaries, associates, joint ventures and branches in other countries) that are prepared using functional currencies which are different from the currency of the Corporation are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to corporation similar or related items. Inventories are recorded at the weighted-average cost on the balance sheet date.

f. Investments in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Corporation’s share of the profit or loss and other comprehensive income of the subsidiary. The Corporation also recognizes the changes in the Corporation’s share of equity of subsidiaries.

Any excess of the cost of acquisition over the Corporation’s share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation’s share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Corporation assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, The Corporation recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Corporation loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Corporation directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the Corporation's standalone financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the Corporation's standalone financial statements and only to the extent of interests in the subsidiaries that are not related to the Corporation.

g. Investments in associates

An associate is an entity over which the Corporation has significant influence and which is neither a subsidiary nor an interest in a joint venture

The Corporation uses the equity method to account for its investments in associates.

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

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

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Corporation discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Corporation accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities.

Profits and losses resulting from upstream transactions, downstream transactions and transactions between associates are recognized in the Corporation's standalone financial statements only to the extent of interests in the associates of entities that are not related to the Corporation.

h. Property, plant and equipment

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

Except for freehold land which is not depreciated, depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

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

i. Intangible assets

Computer software is amortized on a straight-line basis over 2 to 6 years.

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

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

j. Impairment of property, plant and equipment, right-of-use assets and intangible assets

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

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories financial assets at amortized cost and equity instruments at FVTOCI.

i. Financial assets at amortized cost

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

i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost,(including cash and cash equivalents, time deposits with original maturity over 3 months measured at amortized cost, and accounts receivable, other receivables and refundable deposits), are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

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

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

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

ii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

the Corporation recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables. Finance lease receivables, as well as contract assets.

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

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

For internal credit risk management purposes, the Corporation considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Corporation):

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

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

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

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method:

b) Derecognition of financial liabilities

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

l. Provisions

A provision shall be recognized when the Corporation has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

m. Revenue recognition

Sales of energy are determined based on customers' monthly consumption of power, steam, hot water and ice water generated by the cogeneration system.

Revenue from consulting services is recognized when services are provided.

For construction contracts where the construction is in progress, the Corporation recognizes revenue over time. The Corporation measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfaction of the performance obligation. A contract asset is recognized during the construction and is reclassified to accounts receivable at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date, the Corporation recognizes a contract liability for the difference. Retention monies held by the customer based on the terms stated in the construction contract are intended to ensure that the Corporation adequately completes all its contractual obligations. Such retention receivables are recognized as contract assets until the Corporation satisfies its performance obligations.

n. Leases

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

1) The Corporation as a lessor

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

When the Corporation subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Corporation, as a lessee, accounted for by applying at recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments. The net investment in a lease is measured at the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Corporation's net investment outstanding in respect of leases.

2) The Corporation as a lessee

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

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

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Corporation remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the standalone balance sheets.

o. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit liabilities represent the actual deficit in the Corporation's defined benefit plans.

p. Share-based payment arrangements

Equity-settled share-based payment arrangements granted to employees.

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

q. Taxation

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

1) Current tax

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

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

2) Deferred tax

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Corporation considers the possible impact of climate change and related government policies and regulations, the economic environment implications of the military conflict between Russia and Ukraine and related international sanctions, inflation and interest rate fluctuations, and volatility in financial, energy, and foreign currency markets on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

a. Fair Trade Act litigation against associates

Since TPC concluded that these associates of the Corporation violated the Fair Trade Act with concerted action and caused a loss to TPC, TPC filed civil actions to claim compensation for the loss, refer to Note 31(d) for the detailed information. The aforementioned civil actions are still pending; results may vary depending on the subsequent development of the cases.

b. Construction contracts

Contract revenue and costs are recognized by reference to the stage of completion of each contract. The stage of completion of a contract is measured based on the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Incentives and penalties stipulated in the contract are considered variable considerations and should be included in the contract revenue only when it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The estimated total contract costs and contractual items are assessed and determined by management, based on the nature of the work, expected sub-contracting charges, construction periods, processes, methods, etc., for each construction contract. Changes in these estimates might affect the calculation of the percentage of completion and related profit and loss from the construction contracts.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Cash on hand	$ 720	$ 620
Checking accounts and demand deposits	871,546	462,529
Cash equivalents		
Time deposits	200,000	-
	$ 1,072,266	$ 463,149

The market interest rates of cash in bank at the end of the reporting periods were as follows:

	December 31	
	2023	2022
Demand deposits	0.00%-5.25%	0.00%-2.88%
Time deposits	1.41%	-

7. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Current		
Domestic investments		
Time deposits with original maturities of more than 3 months	$ 450,000	$ -

Refer to Note 8 for information relating to credit risk management and impairment assessment of financial assets at amortized cost.

Time deposits with original maturities of more than 3 months as of the balance sheet date were as follows:

	December 31	
	2023	2022
Time deposits	1.38%-1.40%	-

8. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The debt instruments invested in by the Corporation are classified as financial assets measured at amortized cost.

	December 31	
	2023	2022
At amortized cost		
Gross carrying amount	$ 450,000	$ -
Less: Allowance for impairment loss	-	-
	$ 450,000	$ -

The Corporation's policy is to only invest in debt instruments issued by entities with good credit standing. The Corporation continuously tracks the credit risk changes of its invested debt instruments, reviews significant information and other details about the debtor, and assesses whether the credit risk of the debt instrument investments has increased significantly since their initial recognition.

In assessing the expected credit losses for these investments, the Corporation takes into account the debtors' historical track record, prevailing market conditions, and forward-looking information to measure the expected credit losses over a 12-month period or for the entire duration of the investment. As of December 31, 2023, the Corporation determined that there was no need to recognize expected credit losses for the debt instrument investments it holds.

9. ACCOUNTS RECEIVABLE

	December 31	
	2023	**2022**
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 87,972	$ 139,369

The average credit period ranges from 30 to 60 days. The Corporation applies the simplified approach prescribed by IFRS 9, providing for expected credit losses over the lifetime of all accounts receivable. These expected credit losses are individually estimated for each customer. The estimation takes into consideration the customers' past default history and current financial situation, the economic conditions of the industry they operate in, along with the GDP forecasts and the industry outlook.

The Corporation did not recognize an allowance for impairment loss against all of the accounts receivable because individually assessed lifetime ECLs indicated that all of the accounts receivable are collectible.

The aging analysis of accounts receivable based on the invoice date was as follows:

	December 31	
	2023	**2022**
Up to 60 days	$ 87,972	$ 139,369

10. FINANCE LEASE RECEIVABLES

	December 31	
	2023	**2022**
Undiscounted lease payments		
Year 1	$ 10,330	$ 10,817
Year 2	880	10,817
Year 3	-	928
Year 4	-	-
Year 5	-	-
	11,210	22,562
Less: Unearned finance income	(55)	(218)
Lease payments receivable	$ 11,155	$ 22,344

(Continued)

	December 31	
	2023	2022
Net investment in leases presented as finance lease receivables	$ 11,155	$ 22,344
Finance lease receivables - current	$ 10,275	$ 10,656
Finance lease receivables - non-current	$ 880	$ 11,688

(Concluded)

The Corporation subleased its leasehold office premises to associates, and the lease term was 5 years, with fixed annual lease payments referenced in the head lease agreement. As the Corporation subleased the leasehold office premises for all of the remaining lease term of the head lease, the sublease contracts were classified as finance leases. The interest rates inherent in leases were fixed at the contract dates for the entire term of the lease. The implicit interest rate was approximately 0.98%.

The Corporation measured the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of the balance sheet date, no finance lease receivable was past due. The Corporation did not recognize a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held.

11. INVENTORIES

	December 31	
	2023	2022
Raw materials	$ 7,951	$ 18,104

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2023	2022
Non-current		
Domestic investments		
Unlisted shares		
Kaohsiung Arena Development Corporation (KADC)	$ 247,600	$ 254,800
Synergy Co., Ltd. (Synergy)	22,454	22,320
	$ 270,054	$ 277,120

The investments in KADC and Synergy are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Corporation's strategy of holding these investments for long-term purposes.

Refer to Note 29 for fair value information relating to financial assets at FVTOCI.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investments in subsidiaries	$ 3,187,736	$ 3,396,111
Investments in associates	13,950,304	12,869,968
	$ 17,138,040	$ 16,266,079

a. Investments in subsidiaries

	December 31	
	2023	2022
Unlisted shares		
Star Energy Corporation (SEC)	$ 1,873,696	$ 1,809,695
Miaoli Wind Co., Ltd. (MWC)	884,892	913,608
Taiwan Cogeneration International Corporation (TCIC)	152,285	232,655
Yi Yuan Corporation (YYC)	142,607	162,110
TCC Green Energy Corporation (TGE)	127,100	209,972
Hamaguri Co., Ltd. (HML)	7,156	68,071
	$ 3,187,736	$ 3,396,111

On June 30, 2023, TGE returned its capital of $80,000 thousand to the Corporation.

On September 20, 2022, MWC returned its capital of $200,000 thousand to the Corporation.

On December 30, 2022, the Corporation participated in a capital raising for HML and increased its investment by $33,500 thousand.

The share of profit or loss of subsidiaries accounted for using the equity method was as follows:

	For the Year Ended December 31	
	2023	2022
SEC	$ 155,231	$ 169,865
MWC	28,711	108,886
TGE	16,673	21,718
YYC	(10,294)	10,659
HML	(60,915)	(17,250)
TCIC	(84,156)	(15,360)
	$ 45,250	$ 278,518

Name of Subsidiary	Proportion of Ownership and Voting Rights December 31 2023	2022
SEC	100.00%	100.00%
TCIC	100.00%	100.00%
YYC	51.00%	51.00%
TGE	100.00%	100.00%
MWC	100.00%	100.00%
HML	100.00%	100.00%

TCIC established a branch in the Philippines mainly to expand the local engineering business.

Refer to Table 7 for the nature of activities, principal places of business and countries of incorporation of the subsidiaries.

The share of profit or loss and other comprehensive income of the investments in subsidiaries accounted for using the equity method for the years ended December 31, 2023 and 2022 was based on the subsidiaries' financial statements audited by independent auditors for the same years.

For the year ended December 31, 2023, in determining the value-in-use of the investments, the Corporation estimated the present value of the estimated future cash flows expected to arise from the operation of HML and from the ultimate disposal by using the discount rate 8.98%. Based on the assessment, the carrying amount of the associate was higher than its recoverable amount (on the basis of its value-in-use), therefore the Corporation recognized a loss of $46,476 thousand.

b. Investments in associates

	December 31 2023	2022
Material associates		
Ta-Yuan Cogeneration Company (TYC)	$ 630,530	$ 631,873
Sun Ba Power Corporation (Sun Ba)	6,540,990	5,901,135
Star Energy Power Corporation (SEPC)	2,420,348	2,264,035
Star Buck Power Corporation (SBPC)	2,416,181	2,335,752
Kuo Kuang Power Company Ltd. (KKPC)	1,942,255	1,737,173
	$ 13,950,304	$ 12,869,968

The share of profit or loss of associates accounted for using the equity method was as follows:

	For the Year Ended December 31 2023	2022
Sun Ba	$ 685,934	$ 445,791
KKPC	273,452	(16,587)
SEPC	245,728	78,279
SBPC	197,739	200,564
TYC	83,049	107,884
	$ 1,485,902	$ 815,931

Material associates

	Proportion of Ownership and Voting Rights	
	December 31	
	2023	2022
TYC	29.31%	29.31%
Sun Ba	43.00%	43.00%
SEPC	40.50%	40.50%
SBPC	41.27%	41.27%
KKPC	35.00%	35.00%

Refer to Table 7 for the nature of activities, principal places of business and countries of incorporation of the associates.

The market value of the investment in TYC, which was based on its closing price at the balance sheet date, was as follows:

	December 31	
Name of Associate	**2023**	**2022**
TYC	$ 1,693,148	$ 1,490,687

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Corporation for equity accounting purposes.

TYC

	December 31	
	2023	**2022**
Current assets	$ 836,685	$ 1,108,306
Non-current assets	3,731,926	3,346,935
Current liabilities	(995,021)	(774,010)
Non-current liabilities	(1,402,226)	(1,504,106)
Equity	$ 2,171,364	$ 2,177,125
Proportion of the Corporation's ownership	29.31%	29.31%
Equity attributable to the Corporation	$ 636,442	$ 638,131
Unrealized gain with associates	(5,912)	(6,258)
Carrying amount	$ 630,530	$ 631,873

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 2,717,008	$ 2,861,009
Net profit	$ 283,340	$ 368,069
Other comprehensive income (loss)	16,536	(51,506)
Total comprehensive income	$ 299,876	$ 316,563
Dividends received from TYC	$ 89,585	$ 53,751

Sun Ba

	December 31	
	2023	2022
Current assets	$ 6,229,706	$ 3,856,190
Non-current assets	30,465,308	19,707,241
Current liabilities	(9,006,537)	(3,075,949)
Non-current liabilities	(12,203,964)	(6,604,275)
Equity	$ 15,484,513	$ 13,883,207
Proportion of the Corporation’s ownership	43.00%	43.00%
Equity attributable to the Corporation	$ 6,658,339	$ 5,969,779
Unrealized gain with associates	(119,436)	(70,731)
Goodwill	2,087	2,087
Carrying amount	$ 6,540,990	$ 5,901,135

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 22,010,156	$ 19,393,575
Net profit	$ 1,595,199	$ 1,036,723
Other comprehensive income (loss)	6,107	(21,697)
Total comprehensive income	$ 1,601,306	$ 1,015,026

On June 28, 2023, Sun Ba issued 178,320 thousand new shares from retained earnings for the year ended December 31, 2022, and used $16,800 thousand from the capital reserve to increase capital, which were resolved in the shareholders’ meeting. The number of shares held by the Corporation increased by 77,400 thousand shares.

On October 26, 2023, Sun Ba issued 20,000 thousand new shares from retained earnings for the six months ended June 30, 2023, to increase capital, which was resolved in the extraordinary shareholders' meeting. The number of shares held by the Corporation increased by 8,600 thousand shares.

On May 9, 2022, Sun Ba issued 362,307 thousand new shares from retained earnings and 37,693 thousand new shares from the legal reserve for the year ended December 31, 2021, to increase capital, which were resolved in the shareholders' meeting. The base date for the conversion of capital surplus to capital was May 23, 2022 and obtained an approval letter from the Ministry of Economic Affairs on June 10, 2022. The number of shares held by the Corporation increased by 172,000 thousand shares.

SEPC

	December 31	
	2023	2022
Current assets	$ 4,079,727	$ 3,133,426
Non-current assets	4,505,328	5,059,908
Current liabilities	(2,115,910)	(2,044,508)
Non-current liabilities	(350,046)	(402,024)
Equity	$ 6,119,099	$ 5,746,802
Proportion of the Corporation's ownership	40.50%	40.50%
Equity attributable to the Corporation	$ 2,478,237	$ 2,327,456
Unrealized gain with associates	(57,889)	(63,421)
Carrying amount	$ 2,420,348	$ 2,264,035

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,546,097	$ 9,114,399
Net profit	$ 606,733	$ 193,281
Other comprehensive income (loss)	5,564	(3,846)
Total comprehensive income	$ 612,297	$ 189,435
Dividends received from SEPC	$ 97,200	$ 157,950

SBPC

	December 31	
	2023	2022
Current assets	$ 2,633,997	$ 2,419,226
Non-current assets	7,878,179	8,505,321
Current liabilities	(1,727,306)	(1,769,582)
Non-current liabilities	(2,440,834)	(2,959,451)
Equity	$ 6,344,036	$ 6,195,514
Proportion of the Corporation's ownership	41.27%	41.27%
Equity attributable to the Corporation	$ 2,618,358	$ 2,557,058
Unrealized gain with associates	(202,177)	(221,306)
Carrying amount	$ 2,416,181	$ 2,335,752

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,571,214	$ 9,571,004
Net profit	$ 479,101	$ 485,947
Other comprehensive (loss) income	(579)	759
Total comprehensive income	$ 478,522	$ 486,706
Dividends received from SBPC	$ 136,200	$ 47,670

KKPC

	December 31	
	2023	2022
Current assets	$ 3,308,620	$ 2,242,596
Non-current assets	3,600,278	4,390,089
Current liabilities	(1,230,330)	(1,528,172)
Non-current liabilities	(250,792)	(321,694)
Equity	$ 5,427,776	$ 4,782,819
Proportion of the Corporation's ownership	35.00%	35.00%
Equity attributable to the Corporation	$ 1,899,722	$ 1,673,986
Goodwill	19,304	19,304
Investment premium	23,229	43,883
Carrying amount	$ 1,942,255	$ 1,737,173

	For the Year Ended December 31	
	2023	2022
Operating revenue	$ 10,852,448	$ 8,620,190
Net profit	$ 840,300	$ 11,622
Other comprehensive income	259	113
Total comprehensive income	$ 840,559	$ 11,735
Dividends received from KKPC	$ 68,461	$ 116,005

On July 10, 2014, the FTC fined Sun Ba, SEPC, SBPC, and KKPC a total of $489 million, $392 million, $100 million and $371 million, respectively, for violation of the Fair Trade Act (Original FTC Ruling) again. The companies requested the revocation of fines under the petition procedure. In December 2014, Petitions and Appeals Committee of the Executive Yuan notified these companies that the proceedings for the appeal were postponed and the appeal is subject to the ruling to be made by the Supreme Administrative Court. These companies paid the above-mentioned fines in full in advance in accordance with the Administrative Appeal Act and recognized them as other receivables. On June 16, 20, 30 and August 11, 2022, the Supreme Administrative Court revoked the second ruling, and ruled to dismiss original ruling against Sun Ba, SEPC, SBPC, and KKPC. Considering that the Supreme Administrative Court have made final decision, these companies reclassified the fines recognized in other receivables as impairment loss in the 2022 Q2. However, the Petitions and Appeals Committee has also restarted the suspended appeal process due to the above-mentioned final judgment. Following the oral arguments on March 8, 2023, the Petitions and Appeals Committee dismissed the petitions filed by IPP on April 14, 2023, and IPP also filed an administrative lawsuit for relief, and the case is currently under the hearing of the Taipei High Administrative Court.

The Corporation is the single largest shareholder of Sun Ba, SEPC, and SBPC with 43%, 40.5%, and 41.27% ownership of the investees, respectively. However, according to the articles of incorporation of the investees, certain material events of the investees shall be approved by the vote of a certain number of members of the board of directors; therefore, the Corporation cannot direct the relevant activities of the investee and has no control over them. Management of the Corporation considered the Corporation as exercising significant influence over the investees and classified them as associates.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Other Equipment	Leasehold Improvements	Total
Cost						
Balance at January 1, 2023	$ 214,502	$ 78,954	$ 1,904,232	$ 68,889	$ 19,592	$ 2,286,169
Additions	-	-	16,283	18,628	-	34,911
Reclassification (Note)	-	-	7,149	-	-	7,149
Balance at December 31, 2023	214,502	78,954	1,927,664	87,517	19,592	2,328,229
Accumulated depreciation						
Balance at January 1, 2023	-	64,365	1,790,078	48,270	19,377	1,922,090
Depreciation expense	-	1,897	21,024	10,498	111	33,530
Balance at December 31, 2023	-	66,262	1,811,102	58,768	19,488	1,955,620
Carrying amount at December 31, 2023	$ 214,502	$ 12,692	$ 116,562	$ 28,749	$ 104	$ 372,609
Cost						
Balance at January 1, 2022	$ 214,502	$ 78,954	$ 1,895,532	$ 72,229	$ 19,592	$ 2,280,809
Additions	-	-	8,700	1,265	-	9,965
Disposals	-	-	-	(4,605)	-	(4,605)
Balance at December 31, 2022	214,502	78,954	1,904,232	68,889	19,592	2,286,169
Accumulated depreciation						
Balance at January 1, 2022	-	62,469	1,771,805	43,451	19,265	1,896,990
Depreciation expense	-	1,896	18,273	9,424	112	29,705
Disposals	-	-	-	(4,605)	-	(4,605)
Balance at December 31, 2022	-	64,365	1,790,078	48,270	19,377	1,922,090
Carrying amount at December 31, 2022	$ 214,502	$ 14,589	$ 114,154	$ 20,619	$ 215	$ 364,079

Note: The amount was transferred from prepayments for equipment.

No impairment loss was recognized for the years ended December 31,2023 and 2022.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Office buildings	50 years
Plant and its attached facilities	15-25 years
Machinery and equipment	
Main power generation equipment	30 years
Auxiliary equipment for power generation	3-15 years
Other equipment	3-8 years
Lease improvements	5 years

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	Buildings	Transportatio n Equipment	Other Equipment	Total
Cost				
Balance at January 1, 2023	$ 73,285	$ 7,416	$ 724	$ 81,425
Additions	799	5,150	-	5,949
Disposals	(233)	(5,560)	-	(5,793)
Balance at December 31, 2023	73,851	7,006	724	81,581
Accumulated depreciation				
Balance at January 1, 2023	42,702	4,484	555	47,741
Depreciation expense	15,014	2,061	145	17,220
Disposals	-	(4,471)	-	(4,471)
Balance at December 31, 2023	57,716	2,074	700	60,490
Carrying amount at December 31, 2023	$ 16,135	$ 4,932	$ 24	$ 21,091
Cost				
Balance at January 1, 2022	$ 73,385	$ 7,629	$ 724	$ 81,738
Additions	398	1,095	-	1,493
Disposals	(498)	(1,308)	-	(1,806)
Balance at December 31, 2022	73,285	7,416	724	81,425
Accumulated depreciation				
Balance at January 1, 2022	28,081	3,305	410	31,796
Depreciation expense	14,621	2,487	145	17,253
Disposals	-	(1,308)	-	(1,308)
Balance at December 31, 2022	42,702	4,484	555	47,741
Carrying amount at December 31, 2022	$ 30,583	$ 2,932	$ 169	$ 33,684

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 27,345	$ 27,519
Non-current	$ 5,455	$ 28,980

As of December 31, 2023 and 2022, the ranges of discount rates for lease liabilities were 0.98%-1.80% and 0.98%-1.10% respectively.

c. Subleases

Refer to Note 10 for the information on the Corporation's sublease transactions.

d. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 1,851	$ 1,781
Expenses relating to low-value asset leases	$ 62	$ 147
Total cash outflow for leases	$ (30,106)	$ (30,201)

The Corporation's leases of certain buildings and transportation equipment qualified as short-term leases and certain other equipment qualified as low-value asset leases. The Corporation has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. BORROWINGS

a. Short-term bills payables

	December 31	
	2023	2022
Commercial papers	$ 1,000,000	$ 1,000,000
Less: Unamortized discounts on bills payable	(870)	(724)
	$ 999,130	$ 999,276

On March 18, 2022, the Corporation signed a revolving and non-guaranteed commercial paper underwriting contract with a bank. The Corporation could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from March 23, 2022. The total underwriting amount is $500 million.

On August 12, 2021, the Corporation signed a revolving and non-guaranteed commercial paper underwriting agreement with a bills finance company. The Corporation could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from August 16, 2021. The total underwriting amount is $500 million.

The ranges of interest rates on commercial paper payable were as follows:

	December 31	
	2023	2022
Commercial papers	0.64%-0.70%	0.64%-0.70%

b. Long-term borrowings

	December 31	
	2023	2022
Revolving unsecured borrowings		
Revolving through November 2023	$ -	$ 780,000
Revolving through November 2024	-	500,000
Revolving through November 2024	-	500,000
Revolving through October 2026	-	320,000
	-	2,100,000
Less: Current portion	-	(780,000)
	$ -	$ 1,320,000

The Corporation's revolving unsecured borrowings are to be utilized on a revolving basis during the credit period according to the repayment schedule negotiated with banks and was paid off in advance in June 2023

The ranges of interest rates on long-term borrowings as of the balance sheet date were as follows:

	December 31	
	2023	2022
Revolving unsecured borrowings	-	1.40%-1.71%

17. BONDS PAYABLE

	December 31	
	2023	2022
Domestic unsecured bond	$ 2,500,000	$ 2,500,000
Less: Unamortized issuance cost	(1,483)	(2,116)
	$ 2,498,517	$ 2,497,884

On August 14, 2020, the Corporation issued unsecured bonds at par value for a total of $2,500 million, which comprise bond A - $1,900 million of 5-year bonds with annual coupon rate of 0.75% and bond B - $600 million of 10-year bonds with annual coupon rate of 1%. Both types of bonds have bullet repayment terms, where simple interest is paid on an annual basis and the principal is repaid on maturity. The trustee of the bonds is Bank SinoPac Company Limited.

18. OTHER PAYABLES

	December 31	
	2023	2022
Payables for compensation of employees and remuneration of directors	$ 55,727	$ 39,607
Payables for salaries and bonuses	26,960	22,154
Payables for professional fees	11,708	15,292
Payables for interest	7,693	8,277
Payables for compensated absences	5,790	7,925
Payables for equipment	5,093	-
Others	11,461	15,613
	$ 124,432	$ 108,868

19. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

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

b. Defined benefit plan

The defined benefit plan adopted by the Corporation in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Corporation contributes amounts equal to 6.5% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name.

Before the end of each year, the Corporation assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation is required to fund the difference in a one-time appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Corporation has no right to influence the investment policy and strategy.

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

	December 31	
	2023	2022
Present value of defined benefit obligation	$ 208,209	$ 195,652
Fair value of plan assets	(110,535)	(105,390)
Deficit	97,674	90,262
Net defined benefit liabilities	$ 97,674	$ 90,262

Movements in net defined benefit liabilities were as follows:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2022	$ 196,828	$ (97,627)	$ 99,201
Service cost			
Current service cost	3,696	-	3,696
Net interest expense (income)	984	(496)	488
Recognized in profit or loss	4,680	(496)	4,184
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(7,888)	(7,888)
Actuarial gain - changes in financial assumptions	(15,961)	-	(15,961)
Actuarial loss - experience adjustments	13,971	-	13,971
Recognized in other comprehensive income or loss	(1,990)	(7,888)	(9,878)
Contributions from employers	(68)	(3,177)	(3,245)
Benefits paid	(3,798)	3,798	-
	(3,866)	621	(3,245)
Balance at December 31, 2022	$ 195,652	$ (105,390)	$ 90,262
Balance at January 1, 2023	$ 195,652	$ (105,390)	$ 90,262
Service cost			
Current service cost	3,638	-	3,638
Net interest expense (income)	2,935	(1,605)	1,330
Recognized in profit or loss	6,573	(1,605)	4,968
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(660)	(660)
Actuarial loss - changes in demographic assumptions	4,895	-	4,895
Actuarial loss - experience adjustments	1,450	-	1,450
Recognized in other comprehensive income or loss	6,345	(660)	5,685
Contributions from employers	-	(3,241)	(3,241)
Benefits paid	(361)	361	-
	(361)	(2,880)	(3,241)
Balance at December 31, 2023	$ 208,209	$ (110,535)	$ 97,674

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plan were as follows:

	For the Year Ended December 31	
	2023	2022
Operating costs	$ 2,892	$ 2,396
Operating expenses	$ 2,076	$ 1,788

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

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

2) Interest risk: A decrease in the government/corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2023	**2022**
Discount rate	1.25%	1.50%
Expected rate of salary increase	3.25%	3.25%

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

	December 31	
	2023	**2022**
Discount rate		
0.25% increase	$ (4,895)	$ (4,895)
0.25% decrease	$ 5,062	$ 5,068
Expected rate of salary increase		
0.25% increase	$ 4,881	$ 4,899
0.25% decrease	$ (4,746)	$ (4,758)

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

An analysis of the average duration of the defined benefit obligation was as follows:

	December 31	
	2023	**2022**
Expected contributions to the plan for the next year	$ 3,217	$ 3,203
Average duration of the defined benefit obligation	9.8 years	10.3 years

20. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The Corporation's assets and liabilities related to the construction business are classified as either current or non-current based on the operating cycle. The amounts expected to be recovered or settled within one year after the reporting period and more than one year after the reporting period for related assets and liabilities were as follows:

December 31, 2023

	Within One Year	More than One Year	Total
Assets			
Contract assets	$ 675,584	$ 234,741	$ 910,325

December 31, 2022

	Within One Year	More than One Year	Total
Assets			
Contract assets	$ 587,598	$ -	$ 587,598
Prepaid construction costs	-	284,186	284,186
	$ 587,598	$ 284,186	$ 871,784
Liabilities			
Contract liabilities	$ -	$ 284,135	$ 284,135

21. EQUITY

a. Share capital

	December 31	
	2023	2022
Number of authorized ordinary shares (in thousands)	1,000,000	800,000
Amount of authorized ordinary shares	$ 10,000,000	$ 8,000,000
Number of issued and fully paid ordinary shares (in thousands)	730,282	589,049
Amount of issued and fully paid ordinary shares	$ 7,302,820	$ 5,890,486

On November 10, 2022, the Corporation's board of directors resolved to issue 100,000 thousand new shares with a par value of $10 per share and at a premium of $30.31 per share. the aforementioned cash capital increase was approved by the Securities and Futures Bureau of the FSC on March 7, 2023, and The Corporation's board of directors determined the base date for this increase to be June 6, 2023.

After deducting $5,201 thousand of issuance costs, the Corporation recognized $1,000,000 thousand of ordinary shares and $2,025,799 thousand of capital surplus -issuance of ordinary shares.

On June 26, 2023, the Corporation's shareholders' meeting resolved to capitalize retained earnings amounting to $412,334 thousand, issuing 41,233 thousand new shares, each with a par value of $10. The Corporation's board of directors set the ex-rights date as July 29, 2023.

A holder of issued ordinary shares with par value of $10 is entitled to vote and to receive dividends.

b. Capital surplus

	December 31	
	2023	**2022**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 2,589,425	$ 467,200
Conversion of bonds	32,494	32,494
	$ 2,621,919	$ 499,694

Note: The capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be transferred to share capital or distributed in cash. Capitalization of such capital surplus is limited to once a year and a certain prescribed percentage of the Corporation's paid-in capital.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Corporation's current articles of incorporation (the "Articles"), where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan where not less than 70% of distributable retained earnings shall be distributed; the plan should be resolved in the shareholders' meeting for the distribution of dividends to shareholders. For the policies on the distribution of the compensation of employees and remuneration of directors, please refer to Note 23.f.

The Corporation adopted a balanced dividend policy, where dividends are distributed in the form of both cash and shares, out of which cash dividends shall not be less than 20% of the total dividends distributed. However, the ratio of cash dividends may be reduced to less than 20%, which should be resolved by the shareholders, if the expenditure for a new important investment plan reaches $300 million or above and the Corporation is unable to obtain other funds to meet the cash needs of the plan.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Corporation's paid-in capital. The legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Corporation.

The appropriations of earnings for 2022 and 2021, which had been resolved in the shareholders' meetings on June 26, 2023 and May 31, 2022, respectively, were as follows:

	Appropriation of Earnings	
	2022	2021
Legal reserve	$ 91,828	$ 92,370
Special reserve	14,130	-
Reversal of special reserve	(200,714)	(201,972)
Cash dividends	618,501	1,030,835
Share dividends	412,334	-
Cash dividends per share (NT$)	1.05 (Note)	1.75
Share dividends per share (NT$)	0.70 (Note)	-

Note: Cash dividends and share dividends per share were calculated on the basis of the number of outstanding shares as of the date the Annual General Meeting of Shareholders for 2023. On June 30, 2023, the Board of Directors resolved that July 29, 2023 would be the base date. Due to the Coporporation issued new ordinary shares before the base date, the outstanding shares was impacted. Therefore, the cash dividends per share adjusted from $1.05 to $0.90, and the share dividends per share adjusted from $0.70 to $0.60, respectively.

The reversals of the special reserve in 2022 and 2021 were the reversal amount voluntarily set aside in accordance with the Company Act in prior years.

The appropriations of earnings for 2023 had been proposed by the Corporation's board of directors on March 13, 2024. The appropriations and dividends per share were as follows:

	Appropriation of Earnings
	2023
Legal reserve	$ 126,025
Reversal of special reserve	(287,029)
Cash dividends	1,409,444
Cash dividends per share (NT$)	1.93

The appropriations of earnings for 2023 are subject to the resolution of the shareholders in their meeting to be held on May 31, 2024.

22. REVENUES

	For the Year Ended December 31	
	2023	2022
Revenues from contracts with customers		
Sales		
Sales of electricity	$ 692,432	$ 834,655
Sales of steam	201,536	117,977
Others	324	370
	894,292	953,002
Construction services	1,441,994	1,623,072
Consulting services	42,895	42,665
	$ 2,379,181	$ 2,618,739

a. Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable (including related parties)	$ 147,316	$ 220,904	$ 260,518
Contract assets			
Construction contracts	$ 910,325	$ 587,598	$ 1,065,014
Contract liabilities			
Construction contracts	$ -	$ 284,135	$ -

The changes in the contract assets and the contract liabilities balances primarily resulted from the timing difference between the Corporation's satisfaction of performance obligations and the customer's payment.

The Corporation measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the corresponding invoice is billed to the customer, and the contract assets have substantially the same risk characteristics as the trade receivables from the same types of contracts. Therefore, the Corporation concluded that the expected loss rates for trade receivables can be applied to the contract assets. The Corporation did not recognize an allowance for impairment loss against all of the contract assets.

b. The revenues of the Corporation's Guantian cogeneration plant and the segment of research, consulting and construction services are due to sales from the cogeneration plant and revenue from consulting and construction services.

23. NET PROFIT

a. Other income

	For the Year Ended December 31	
	2023	2022
Dividend income	$ 8,000	$ 8,000
Others (Note 30)	19,809	14,138
	$ 27,809	$ 22,138

b. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Foreign exchange gain	$ 5,279	$ 17,799
Gain on disposal of associate	-	15,070
Loss on lease modification	(168)	(4)
Foreign exchange loss	(7,427)	(10,997)
	$ (2,316)	$ 21,868

c. Finance costs

	For the Year Ended December 31	
	2023	**2022**
Interest on bonds payable	$ 20,883	$ 20,879
Interest on bank loans	14,229	18,426
Interest on commercial papers	7,201	6,340
Interest on lease liabilities	280	404
Others	37	71
	$ 42,630	$ 46,120

d. Depreciation and amortization

	For the Year Ended December 31	
	2023	**2022**
Property, plant and equipment	$ 33,530	$ 29,705
Right-of-use assets	17,220	17,253
Computer software	2,941	2,815
	$ 53,691	$ 49,773
An analysis of depreciation by function		
Operating costs	$ 27,109	$ 25,637
Operating expenses	23,641	21,321
	$ 50,750	$ 46,958
An analysis of amortization by function		
Operating costs	$ 149	$ 157
Operating expenses	2,792	2,658
	$ 2,941	$ 2,815

e. Employee benefits expense

	For the Year Ended December 31	
	2023	**2022**
Post-employment benefits		
Defined contribution plans	$ 4,205	$ 4,605
Defined benefit plans	4,968	4,184
	9,173	8,789
Share-based payment		
Equity-settled	96,426	-
Short-term benefits	236,733	216,036
Total employee benefits expense	$ 342,332	$ 224,825

(Continued)

	For the Year Ended December 31	
	2023	2022
An analysis of employee benefits expense by function		
Operating costs	$ 104,318	$ 103,399
Operating expenses	238,014	121,426
	$ 342,332	$ 224,825
Short-term benefits		
Wages and salaries	$ 213,502	$ 191,375
Labor and health insurance	12,250	13,211
Others	10,981	11,450
	$ 236,733	$ 216,036

f. Compensation of employees and remuneration of directors

According to the Corporation's Articles, the Corporation accrues compensation of employees and remuneration of directors at rates not less than 0.5% and not higher than 1%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2023 and 2022, which had been resolved by the Corporation's board of directors on March 13, 2024 and March 10, 2023, respectively, were as follows:

	For the Year Ended December 31	
	2023	2022
Compensation of employees-cash	$ 42,398	$ 30,046
Remuneration of directors	13,133	9,522

If there will be a change in the proposed amount after the annual standalone financial statements are authorized for issue, the difference will be recorded as a change in accounting estimate.

There was no difference between the above resolved amounts and the respective amounts recognized in the standalone financial statements for the years ended December 31, 2022 and 2021.

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

24. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	$ -	$ -
Deferred tax		
In respect of the current year	5,498	5,824
Income tax expense recognized in profit or loss	$ 5,498	$ 5,824

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2023	2022
Profit before income tax	$ 1,257,773	$ 912,598
Income tax expense calculated at the statutory rate	$ 251,555	$ 182,520
Non-taxable income and non-deductible expenses in determining taxable income/loss carryforwards	(265,420)	(176,356)
Changes in unrecognized deductible temporary differences	19,363	(340)
Income tax expense recognized in profit or loss	$ 5,498	$ 5,824

b. Income tax recognized in other comprehensive income or loss

	For the Year Ended December 31	
	2023	2022
Deferred income tax		
In respect of the current year		
Remeasurement of defined benefit plan	$ (1,137)	$ 1,975

c. Current income tax assets

	December 31	
	2023	2022
Current income tax assets		
Income tax refund receivable	$ 972	$ 6,957

d. Deferred tax assets

The movements of deferred tax assets were as follows:

For the year ended December 31, 2023

	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Deferred income tax assets				
Temporary differences				
Unrealized gain on transactions with associates	$ 55,287	$ (5,873)	$ -	$ 49,414
Defined benefit obligation	15,069	345	1,137	16,551
Allowance for loss on inventories	-	60	-	60
Others	115	(30)	-	85
	$ 70,471	$ (5,498)	$ 1,137	$ 66,110

For the year ended December 31, 2022

	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Deferred income tax assets				
Temporary differences				
Unrealized gain on transactions with associates	$ 61,161	$ (5,874)	$ -	$ 55,287
Defined benefit obligation	16,856	188	(1,975)	15,069
Allowance for loss on inventories	50	(50)	-	-
Others	203	(88)	-	115
	$ 78,270	$ (5,824)	$ (1,975)	$ 70,471

e. Deductible temporary differences for which no deferred income tax assets have been recognized in the standalone balance sheets

	December 31	
	2023	2022
Deductible temporary differences		
Loss on investments accounted for using the equity method	$ 494,014	$ 409,859
Deferred interest expense	267,861	255,200
	$ 761,875	$ 665,059

f. Income tax assessment

The income tax returns of the Corporation through 2021 have been assessed by the tax authorities.

25. EARNINGS PER SHARE

	For the Year Ended December 31	
	2023	2022
Basic earnings per share (NT$)	$ 1.82	$ 1.44
Diluted earnings per share (NT$)	$ 1.82	$ 1.44

The weighted average number of shares outstanding used in the earnings per share computation was adjusted retrospectively for the issuance of bonus shares on July 29, 2023. Due to retrospective adjustments, the basic and diluted earnings per share adjusted retrospectively 2022 were adjusted as follows:

	For the Year Ended December 31	
	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	$ 1.54	$ 1.44
Diluted earnings per share	$ 1.54	$ 1.44

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

Net profit

	For the Year Ended December 31	
	2023	2022
Earnings used in the computation of basic and diluted earnings per share	$ 1,252,275	$ 906,774

Weighted average number of ordinary shares outstanding (in thousands of shares)

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares used in the computation of basic earnings per share	687,268	630,282
Effect of potentially dilutive ordinary shares		
Compensation of employees	1,202	1,091
Weighted average number of ordinary shares used in the computation of diluted earnings per share	688,470	631,373

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

26. SHARE-BASED PAYMENT ARRANGEMENTS

The Corporation completed a cash capital increase in April 2023, reserving a portion for employees to subscribe to shares. The compensation cost, as calculated using the Black-Scholes-Merton option pricing model, amounted to $96,426 thousand and the capital surplus increased by an equivalent amount.

The inputs to the model are as follows:

	April 12, 2023
Grant-date share price	$45.90
Exercise price	$30.31
Expected volatility	26.79%
Expected life (in days)	48
Risk-free interest rate	1.00%

27. PARTIAL CASH TRANSACTIONS

a. For the years ended December 31, 2023, and 2022, the Corporation entered into the following partial cash investing activities:

	For the Year Ended December 31	
	2023	2022
Partial cash payments for acquisition of property, plant and equipment		
Acquisition of property, plant and equipment	$ 34,911	$ 9,965
Changes in payables for equipment	(5,093)	-
Cash payments	$ 29,818	$ 9,965

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2023

	January 1, 2023	Cash Flows	Non-cash Changes: New Leases	Non-cash Changes: Interest Expense	Non-cash Changes: Others	December 31, 2023
Short-term bills payable	$ 999,276	$ -	$ -	$ 7,201	$ (7,347)	$ 999,130
Long-term loans	2,100,000	(2,100,000)	-	-	-	-
Guarantee deposits received	7,338	5,687	-	-	-	13,025
Bonds payable	2,497,884	-	-	20,883	(20,250)	2,498,517
Lease liabilities	56,499	(27,913)	5,949	280	(2,015)	32,800
	$ 5,660,997	$ (2,122,226)	$ 5,949	$ 28,364	$ (29,612)	$ 3,543,472

For the year ended December 31, 2022

	January 1, 2022	Cash Flows	Non-cash Changes: New Leases	Non-cash Changes: Interest Expense	Non-cash Changes: Others	December 31, 2022
Short-term bills payable	$ 499,614	$ 499,078	$ -	$ 6,340	$ (5,756)	$ 999,276
Long-term loans	2,165,000	(65,000)	-	-	-	2,100,000
Guarantee deposits received	13,888	(6,550)	-	-	-	7,338
Bonds payable	2,497,255	-	-	20,879	(20,250)	2,497,884
Lease liabilities	83,329	(27,869)	1,493	404	(858)	56,499
	$ 5,259,086	$ 399,659	$ 1,493	$ 27,623	$ (26,864)	$ 5,660,997

28. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure the Corporation will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Corporation's overall strategy remains unchanged within the last 5 years.

The capital structure of the Corporation consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Corporation (comprising ordinary shares, capital surplus, retained earnings and other equity).

Key management personnel of the Corporation review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Corporation may adjust the amount of dividends paid to shareholders, the number of new shares issued, and/or the amount of new debt issued or existing debt redeemed.

29. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of the financial assets and financial liabilities not carried at fair value are approximately at their fair values.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	$ -	$ -	$ 270,054	$ 270,054

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	$ -	$ -	$ 277,120	$ 277,120

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

For the year ended December 31, 2023

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	$ 277,120
Recognized in other comprehensive loss	(7,066)
Ending balance	$ 270,054

For the year ended December 31, 2022

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	$ 275,310
Recognized in other comprehensive income	1,810
Ending balance	$ 277,120

3) Valuation techniques and inputs applied for the purpose of Level 3 fair value measurement

The fair value of domestic unlisted equity in KADC securities was determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee. The significant unobservable inputs used are listed on the table below. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in the weighted average cost of capital (WACC) or discount for lack of marketability used in isolation would result in increases in fair value.

	December 31	
	2023	**2022**
Long-term revenue growth rates	(0.08%)-1.99%	0%-2.65%
Long-term pre-tax operating margin	39.26%-42.75%	40.68%-41.53%
WACC	7.01%	6.97%
Discount for lack of marketability	13.37%	15.20%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the equity investments would have increased (decreased) as follows:

	December 31	
	2023	2022
Long-term revenue growth rate		
1% increase	$ 36,400	$ 26,200
1% decrease	$ (30,800)	$ (25,200)
WACC		
0.5% increase	$ (14,600)	$ (22,000)
0.5% decrease	$ 15,800	$ 25,400

The fair value of domestic unlisted equity in Synergy securities was determined using the market approach. The judgment is based on the evaluation of companies of the same type and the operating conditions of the invested companies.

c. Categories of financial instruments

	December 31	
	2023	2022
Financial assets		
Financial assets measured at amortized cost (Note 1)	$ 1,678,008	$ 691,859
Financial assets at FVTOCI	270,054	277,120
Financial liabilities		
Measured at amortized cost (Note 2)	4,828,133	6,458,461

Note 1: The balances include cash and cash equivalents, accounts receivable, accounts receivable from related parties, other receivables, refundable deposits and financial assets measured at amortized cost.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term bills payable, accounts payable, construction costs payable, construction costs payable to related parties, accounts payable to related parties, other payables, current portion of long-term borrowings, guarantee deposits received, bonds payable and long-term borrowings. However, short-term employee benefits payable is not included.

d. Financial risk management objectives and policies

The Corporation's financial risk management objectives are to manage the market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk with respect to the Corporation's operations. To lower the financial risks, the Corporation seeks to identify, evaluate, and avoid market uncertainty, to minimize the potential unfavorable impact on the Corporation due to market volatility.

The Corporation's important financial activities are reviewed by the board of directors in accordance with related regulations and internal control systems. The Corporation shall follow the overall guidelines for financial risk management and segregation of duties with respect to financial operating procedures.

1) Market risk

a) Foreign currency risk

Refer to Note 32 for the carrying amounts of the Corporation's significant monetary assets and monetary liabilities denominated in non-functional foreign currencies.

Sensitivity analysis

The Corporation is mainly exposed to the U.S. dollar, the Euro, and the Japanese yen.

The following table details the Corporation's sensitivity to a 1% increase and decrease in its functional currency against the relevant foreign currencies. A positive number below indicates a decrease in profit before income tax associated with the New Taiwan dollar strengthening 1% against the relevant foreign currency. For a 1% weakening of the New Taiwan dollar, there would be an equal and opposite impact on profit before income tax, and the balances below would be negative.

	December 31	
	2023	**2022**
Profit or loss		
USD	$ (158)	$ 815
EUR	501	26
JPY	3	30

b) Interest rate risk

The carrying amounts of the Corporation's financial assets and financial liabilities with exposure to interest rates at the end of the reporting periods, were as follows:

	December 31	
	2023	**2022**
Fair value interest rate risk		
Financial assets	$ 661,155	$ 22,344
Financial liabilities	3,530,447	3,553,659
Cash flow interest rate risk		
Financial assets	870,702	461,248
Financial liabilities	-	2,100,000

Sensitivity analysis

The sensitivity analysis below was determined based on the Corporation's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of liabilities outstanding at the end of the reporting period was outstanding for the reporting period. A 1% increase or decrease in interest rates was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% increase/decrease and all other variables were held constant, the Corporation's profit before income tax December 31, 2023 and 2022 would have increase/decrease by $871 thousand and decrease/increase $16,388 thousand, respectively.

c) Other price risk

The Corporation was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Corporation does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 1% higher/lower, the pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by $2,701 thousand and $2,771 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk represents the potential loss that would be incurred by the Corporation if the counterparties or third parties breached the contracts. Financial instruments with positive fair values at the balance sheet date are evaluated for credit risk. The Corporation only transacts with financial institutions and companies with good credit ratings; thus, no material credit risk is anticipated.

3) Liquidity risk

The Corporation manages liquidity risk by maintaining adequate cash in banks and banking facilities, and continuously monitoring forecast and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. As of December 31, 2023 and 2022, the available unutilized bank loan facilities were $5,751,000 thousand and $4,181,000 thousand, respectively.

The following tables detail the Corporation's remaining contractual maturities of its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Corporation can be required to pay.

December 31, 2023

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term bills payable	$ 1,000,000	$ -	$ -	$ -	$ 1,000,000
Non-interest bearing liabilities	1,330,486	-	-	-	1,330,486
Lease liabilities	27,548	4,642	885	-	33,075
Bonds payable	20,250	1,920,836	12,000	609,721	2,562,807
	$ 2,378,284	$ 1,925,478	$ 12,885	$ 609,721	$ 4,926,368

December 31, 2022

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term bills payable	$ 1,000,000	$ -	$ -	$ -	$ 1,000,000
Non-interest bearing liabilities	861,301	-	-	-	861,301
Lease liabilities	27,924	29,123	-	-	57,047
Long-term borrowings	780,000	1,320,000	-	-	2,100,000
Bonds payable	20,250	1,935,086	12,000	615,721	2,583,057
	$ 2,689,475	$ 3,284,209	$ 12,000	$ 615,721	$ 6,601,405

30. RELATED PARTY TRANSACTIONS

Besides as disclosed elsewhere in the other notes, details of significant transactions between the Corporation and its related parties were disclosed below:

a. Related parties and relationships

Related Party	Relationship with the Corporation
TPC	Investor with significant influence over the Corporation
SEC	Subsidiary
YYC	Subsidiary
TGE	Subsidiary
MWC	Subsidiary
HML	Subsidiary
Chingshuei Geothermal Power Corporation (CGPC)	Sub-subsidiary
Shin Kuang Electric Energy Ltd. (SKE)	Sub-subsidiary
Star Wind Corporation (SWC)	Sub-subsidiary
Star Solar Corporation (SSC)	Sub-subsidiary
TYC	Associate
Sun Ba	Associate
SEPC	Associate
KKPC	Associate
SBPC	Associate

b. Operating transactions

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Sales	Investors with significant influence over the Corporation		
	TPC	$ 452,269	$ 505,322
	Subsidiaries		
	TGE	6,218	54,954
		$ 458,487	$ 560,276
Consulting service revenue	Subsidiaries		
	SEC	$ 14,079	$ 11,125
	Others	6,030	6,495
		20,109	17,620
	Sub-subsidiaries		
	CGPC	2,269	2,329
	Others	563	687
		2,832	3,016
	Associates		
	SEPC	9,223	9,162
	Sun Ba	4,873	5,892
	SBPC	4,510	6,975
		18,606	22,029
		$ 41,547	$ 42,665
Cost of sales	Investors with significant influence over the Corporation		
	TPC	$ 37,297	$ 52,032
Construction cost	Subsidiaries		
	SEC	$ 987,941	$ 1,010,078
Consulting service cost	Subsidiaries		
	SEC	$ 45	$ 269
Operating expenses	Investors with significant influence over the Corporation		
	TPC	$ -	$ 50
	Subsidiaries		
	SEC	984	2,877
		$ 984	$ 2,927

The above transactions with related parties were negotiated based on each contract.

c. Non-operating transactions

Line Item	Related Party Category/Name	For the Year Ended December 31 2023	2022
Other income	Subsidiaries		
	SEC	$ 962	$ 888
	Others	-	167
		962	1,055
	Sub-subsidiaries		
	Others	6	20
	Associates		
	TYC	7,148	4,714
	Sun Ba	3,027	2,232
	SEPC	2,765	2,064
	SBPC	2,696	1,771
	KKPC	2,610	2,042
		18,246	12,823
		$ 19,214	$ 13,898

The above transactions with related parties were negotiated based on each contract.

d. Receivables from related parties

Line Item	Related Party Category/Name	December 31 2023	2022
Accounts receivable from related parties	Investors with significant influence over the Corporation		
	TPC	$ 44,578	$ 68,568
	Subsidiaries		
	Others	5,802	4,482
	Sub-subsidiaries		
	Others	200	493
	Associates		
	Others	8,764	7,992
		$ 59,344	$ 81,535
Other receivables from related parties	Subsidiaries		
	Others	$ -	$ 71
	Associates		
	TYC	1,167	1,885
	Others	-	63
		1,167	1,948
		$ 1,167	$ 2,019

The outstanding receivables from related parties were unsecured. For the years ended December 31, 2023 and 2022, no impairment loss was recognized on receivables from related parties.

e. Payables to related parties

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Accounts payable to related parties	Investors with significant influence over the Corporation		
	TPC	$ 581	$ 1,277
Construction costs payable to related parties	Subsidiaries		
	SEC	$ 891,019	$ 566,064
Other payables	Subsidiaries		
	HML	$ 3,816	$ 3,816
	MWC	-	3,198
	SEC	355	772
		4,171	7,786
	Associates		
	Others	-	31
		$ 4,171	$ 7,817

The outstanding payables to related parties were unsecured.

f. Prepayment

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Prepayment for construction	Subsidiaries		
	SEC	$ -	$ 284,186

g. Sublease arrangements

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Finance lease receivables - current	Subsidiaries		
	SEC	$ 335	$ 332
	Associates		
	Sun Ba	4,581	4,582
	SBPC	2,947	2,918
	SEPC	2,113	2,528
		9,641	10,028
		$ 9,976	$ 10,360
Long-term finance lease receivables	Subsidiaries		
	SEC	$ 28	$ 363

Line Item	Related Party Category/Name	December 31 2023	December 31 2022
Non-current	Associates		
	Sun Ba	$ 391	$ 5,026
	SBPC	254	3,201
	SEPC	181	2,774
		826	11,001
		$ 854	$ 11,364

For the years ended December 31, 2023 and 2022, no impairment loss was recognized for finance lease receivables. Refer to Note 10 for information about sublease arrangements.

h. Endorsement/guarantee

The Corporation provided endorsement/guarantee for the long-term guaranteed loans of CGPC; as of December 31, 2023 and 2022, the amount of the endorsement/guarantee was both $204,000 thousand, and the actual amount utilized was $162,563 thousand and $181,688 thousand, respectively.

i. Remuneration of key management personnel

	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Short-term employee benefits	$ 31,403	$ 29,135
Post-employment benefits	436	1,193
Share-based payments	14,128	-
	$ 45,967	$ 30,328

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

31. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Corporation as of December 31, 2023 were as follows:

a. The commitments for construction projects that have not been performed amounted to approximately $6,291,443 thousand.

b. Commitments for construction expenditure and purchase of equipment were approximately $6,233,609 thousand.

c. Under a Coal Purchase Agreement, the Corporation shall purchase 26 thousand tons of coal based on an agreed price.

d. TPC concluded that IPPs violated the Fair Trade Act with concerted action and caused a loss to TPC. In September 2015, TPC filed administrative proceedings in the Taipei High Administrative Court and filed a civil action in the Taipei District Court to claim compensation for the loss. As of December 31, 2023, the closing administrative proceedings and civil action in progress were as follows:

   1) TPC filed administrative proceedings in the Taipei High Administrative Court to claim compensation in the amounts of $4,400 million, $2,500 million, $200 million, and $2,400 million against Sun Ba, SEPC, SBPC, and KKPC, respectively. Subsequently, TPC filed an expanded appeal to claim additional compensation against these companies. The total claim for compensation against Sun Ba, SEPC, SBPC and KKPC was $8,660 million, $4,990 million, $623 million and $4,890 million, respectively. Afterwards, TPC filed an amended appeal against SBPC on February 14, 2020, with the total claim for compensation against SBPC reduced to $380 thousand. The Taipei High Administrative Court considered these cases as private disputes and transferred these cases to Taipei District Court. TPC appealed the ruling to the Supreme Administrative Court. However, the Supreme Administrative Court ruled to dismiss TPC’s appeal. These cases have been transferred to Taipei District Court accordingly. On August 9 and September 5, 2018, the case between SEPC and FTC, and the case between KKPC and FTC, respectively, were postponed by the Taipei District Court until the administrative proceedings in the Taiwan High Administrative Court with respect to the alleged concerted action are concluded. However, TPC subsequently withdrew its complaints in June and August 2020. Thus, the cases were deemed actions never initiated.

   2) TPC filed a civil action in the Taipei District Court to claim $4,257 million, $2,489 million, $307 million, and $2,490 million against Sun Ba, SEPC, SBPC, and KKPC, respectively. On February 8, 2018, the Taipei District Court ruled to dismiss TPC’s civil action against SBPC. On March 5, 2018, TPC appealed this case to the Taiwan High Court. Afterwards, on June 14, 2018, the Taiwan High Court ruled to postpone this case until the administrative proceedings between SBPC and FTC in the Supreme Administrative Court with respect to the alleged concerted action are concluded. Thereafter, on August 1, 2019, in order to avoid repeating trials of the same facts of the same case that will result in a waste of judicial resources, the Taiwan High Court, within its power and authority, revoked its previous ruling that suspended the proceedings. TPC appealed the ruling to the Taiwan High Court. However, the Supreme Administrative Court ruled to dismiss TPC’s appeal on December 11, 2019. After the trial, the Taiwan High Court ruled to reject TPC's appeal and the additional lawsuit on December 28, 2022. Because TPC had already filed an appeal on January 30, 2023.Therefore, after a trial, the Supreme Court ruled to revoke its previous ruling and sent back to the Taiwan High Court for trial on November 22, 2023. On June 19, 2018, the Taipei District Court ruled to dismiss TPC’s civil action against Sun Ba, SEPC and KKPC. On July 13, 2018, TPC appealed this case to the Taiwan High Court. After about three years of trial procedures in the Taiwan High Court (THC), THC ruled to dismiss TPC’s appeal and additional claim on November 9, 2021. On December 13, 2021, TPC appealed this case to the Supreme Court, and this case had been transferred to the Supreme Court.

   These companies have engaged attorneys for the above claims. Whether these companies are liable for the damages depends on the judgment by the court.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than the functional currencies of the Corporation, and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
USD	$ 712	30.71	$ 21,875
EUR	1,473	33.98	50,055
JPY	1,432	0.2172	311
			$ 72,241
Non-monetary items			
Investments accounted for using the equity method			
USD	4,959	30.71	$ 152,285
Foreign currency liabilities			
Monetary items			
USD	1,232	30.71	$ 37,654

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
USD	$ 328	30.71	$ 10,070
EUR	80	32.72	2,622
JPY	12,752	0.2324	2,964
			$ 15,656
Non-monetary items			
Investments accounted for using the equity method			
USD	7,576	30.71	$ 232,655
Foreign currency liabilities			
Monetary items			
USD	2,981	30.71	$ 91,545

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2023		2022	
Foreign Currency	Exchange Rate	Net Foreign Exchange Loss	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	31.155 (USD:NTD)	$ (1,440)	29.805 (USD:NTD)	$ 14,002
EUR	33.70 (EUR:NTD)	$ (562)	31.36 (EUR:NTD)	$ (6,859)

33. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investment in subsidiaries) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices at least NT$300 million or 20% of the paid-in capital (None)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (Table 4)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

9) Trading in derivative instruments (None)

b. Information on investees (Table 7)

c. Information on investments in mainland China:

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (None)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (None):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 8)

TABLE 1

TAIWAN COGENERATION CORPORATION

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

No. (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Party	Maximum Balance for the Period (Note 3)	Ending Balance (Note 9)	Actual Amount Borrowed (Note 3)	Interest Rate (%)	Nature of Financing (Note 4)	Business Transaction Amount (Note 5)	Reasons for Short-term Financing (Note 6)	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 8)	Aggregate Financing Limit (Note 7)	Note
													Item	Value			
1	SEC	SSC	Other receivables from related parties	Y	$ 20,000	$ -	$ -	-	The need for short-term financing	$ -	Retirement of loans, operating capital	$ -	-	$ -	$ 374,751	$ 749,502	

Note 1: The Corporation and its investees are numbered as follows:

a. “0” for the Corporation.
b. Investees are numbered from “1”.

Note 2: The receivables from associates, receivables from related parties, shareholders’ accounts, prepayments, temporary payments and others as stated shall be filled in if they are classified as financing.

Note 3: Maximum balance for the current and ending balance represent the amount of facilities, not the actual amount borrowed.

Note 4: It is necessary to specify if the nature of financing is for business transactions or short-term financing.

Note 5: If the nature of financing is for business transactions, the amount of business transactions should be specified. The amount of business transactions shall be the total amount of business conducted between the lender and the borrower in the most recent year.

Note 6: If the funds were necessary for short-term financing, the reasons and the beneficiary of financing and the use of the fund, such as retirement of loans, procurement of equipment, and operating capital should be specified.

Note 7: Limit on total amount of financing provided by SEC and subsidiaries to entities was $749,502 thousand, which was calculated at 40% of SEC’s net worth in the current financial statements ($1,873,754 thousand (net worth as of December 31, 2023) × 40%).

Note 8: The financing limit for each borrower was $374,751 thousand, which was calculated at 20% of SEC’s net worth in the current financial statements ($1,873,754 thousand (net worth as of December 31, 2023) × 20%).

Note 9: Should a public company comply with Article 14-1 of “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” to submit financing reports to the Board of Directors for approval one by one, even though the financing funds have not yet been allocated, the financing amount approved by the Board of Directors should still be included in the balance announcement for exposing risks. When the funds are subsequently repaid, the balance after repayment shall be disclosed to reflect the adjustment of risk. In accordance with Article 14-2 of the Regulations, a public company may authorize the chairman of the board of directors to approve financing funds in a certain amount and allocated them in installments or revolving within a one-year period, but the financing funds approved by the board of directors should still be used as the declared balance. Although the funds will be repaid thereafter, in consideration that the loan may be allocated again, the financing funds approved by the board of directors should be used as the announced balance.

TABLE 2

TAIWAN COGENERATION CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Provided to Each Guaranteed Party	Maximum Balance for the Period (Note 5)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties (Note 5)	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Maximum Amount Endorsement/ Guarantee Allowable	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 7)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 7)
		Name	Relationship (Note 2)										
0	The Corporation	CGPC	b	$ 3,862,393 (Note 3)	$ 204,000	$ 204,000	$ 162,563	$ -	1.32%	$ 6,179,829 (Note 4)	Y	N	N

Note 1: The Corporation and its investees are numbered as follows:

a. "0" for the Corporation.
b. Investees are numbered from "1".

Note 2: There are seven types of relationships between the endorser/guarantor and the endorsee/guarantee that should be disclosed as one of the following:

a. Companies with business dealings with each other.
b. A company in which the Corporation directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Corporation.
d. Between companies in which the Corporation directly and indirectly holds more than 90% of the voting shares.
e. The Corporation fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for the purposes of undertaking a construction project.
f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. Companies in the same industry provide among themselves joint and several securities for as a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.

Note 3: The limit on the endorsement/guarantee provided by the Corporation to each subsidiary was up to $3,862,393 thousand, which was calculated at 25% of the Corporation's net worth in the current financial statements. ($15,449,572 thousand (net worth as of December 31, 2023) × 25%)

Note 4: The limit on the total amount of endorsement/guarantee provided by the Corporation and subsidiaries to entities was up to $6,179,829 thousand, which was calculated at 40% of the Corporation's net worth in the current financial statements. ($15,449,572 thousand (net worth as of December 31, 2023) × 40%)

Note 5: The maximum balance for the period, ending balance and amount of endorsement/guarantee collateralized by properties represent the amounts of facilities, not the amounts actually drawn.

Note 6: Actual amount drawn by the endorsee/guarantee company use within the maximum balance of the guarantee.

Note 7: It is a guarantor of the listed parent company to the endorsement of the subsidiary; the subsidiary company's endorsement of the listed parent company and the endorsement of the mainland area must be filled with Y.

TABLE 3

TAIWAN COGENERATION CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares (In Thousands)	Carrying Amount	Percentage of Ownership	Fair Value	
The Corporation	Stock							
	KADC	Not applicable	Financial assets at fair value through other comprehensive income	20,000	$ 247,600	8.00	$ 247,600	
	Synergy	Not applicable	〃	1,911	22,454	19.11	22,454	

TAIWAN COGENERATION CORPORATION

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Acquiring Company	Title of Property	Transaction Date or Occurrence Date	Transaction Amount	Payment	Counterparty	Relationship	Where the Counterparty Is A Related Party, the Previous Transfer Information				Pricing Reference and Basis	Purpose of Acquisition and Use	Other Agreements
							Owner	Relationship with Issuer	Date of Transfer	Amount			
SEC	Solar Photovoltaic System and ancillary equipment	2022.03.16	$ 2,220,000 (Note)	Based on the terms in the purchase order	Osprey Energy Co., Ltd., etc. (Note)	-	N/A	N/A	N/A	N/A	Price comparison and price negotiation	Equipment for business use	-

Note: The disclosures are expected information approved by the board of directors. The actual information shall be subject to the final purchase order of SEC.

TAIWAN COGENERATION CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Transaction with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total (Note 4)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 4)	
The Corporation	TPC	Investor with significant influence	Sales (Note 1)	$ 452,269	19.01	Receivables are collected within 30 days after billing dates under agreements	-	-	$ 44,578	30.26	
SEC	TPC	Investor with significant influence of the parent company	Sales (Note 2)	559,076	16.11	Receivables are collected within 30 days after billing dates under agreements	-	-	22,639	2.88	
	The Corporation	Parent company	Sales (Note 3)	988,970	28.50	Receivables are collected within 30 days after billing dates under agreements	-	-	161,825	20.62	
	Sun Ba	Investee of the Corporation accounted for using the equity method	Sales (Note 3)	276,417	7.97	Receivables are collected within 30 days after billing dates under agreements	-	-	-	-	
MWC	TGE	Fellow subsidiary	Sales (Note 1)	259,053	100.00	Receivables are collected within 30 days after billing dates under agreements	-	-	58,766	100.00	

Note 1: Sales of electricity.

Note 2: Sales of electricity and revenues from construction and operating, maintenance and consulting services.

Note 3: Revenues from construction and operating, maintenance and consulting services.

Note 4: The amount is shown as a ratio of financial statement of each entity.

TABLE 6

TAIWAN COGENERATION CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
SEC	The Corporation	Parent company	Accounts receivable $ 161,825	(Note)	$ -	-	$ 161,825	$ -

Note: The payment terms are under agreements, so the information of turnover ratio is not applicable.

TAIWAN COGENERATION CORPORATION

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2023			Net Profit (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares (In Thousands)	Shareholding Percentage	Carrying Amount			
The Corporation	SEC	Taipei City	Undertaking and installing of power engineering projects	$ 1,550,020	$ 1,550,020	142,709	100.00	$ 1,873,696	$ 208,251	$ 155,231 (Note 2)	Subsidiary
	TCIC	British Virgin Islands	Investment in foreign countries and international trading	685,374	685,374	22,260	100.00	152,285	(84,156)	(84,156)	Subsidiary
	YYC	Yilan County	Investment in geothermal power plant	153,000	153,000	15,300	51.00	142,607	(20,184)	(10,294)	Subsidiary
	TGE	Taipei City	Investment in green power plant	95,000	175,000	10,500 (Note 5)	100.00	127,100	16,673	16,673	Subsidiary
	TYC	Taoyuan City	Cogeneration plants, management of operations, maintenance of equipment	214,240	214,240	35,834	29.31	630,530	283,340	83,049	Investee of the Corporation accounted for using the equity method
	Sun Ba	Tainan City	Power generation	3,073,500	3,073,500	516,000 (Note 8)	43.00	6,540,990	1,595,199	685,934	Investee of the Corporation accounted for using the equity method
	KKPC	Taoyuan City	Power generation	1,775,426	1,775,426	114,730	35.00	1,942,255	840,300	273,452 (Note 1)	Investee of the Corporation accounted for using the equity method
	SEPC	Changhua County	Power generation	1,272,500	1,272,500	121,500	40.50	2,420,348	606,733	245,728	Investee of the Corporation accounted for using the equity method
	SBPC	Taipei City	Power generation	1,409,130	1,409,130	136,200	41.27	2,416,181	479,101	197,739	Investee of the Corporation accounted for using the equity method
	MWC	Taipei City	Power generation	673,608	673,608	51,400	100.00	884,892	40,176	28,711 (Note 3)	Subsidiary
	HML	Changhua County	Power generation	103,130	103,130	10,000	100.00	7,156	(14,169)	(60,915) (Note 4)	Subsidiary
SEC	SWC	Changhua County	Power generation	177,870	177,870	17,787	100.00	187,506	22,070	22,070	Sub-subsidiary
	SSC	Taipei City	Power generation	240,000	240,000	24,000	100.00	209,304	3,302	3,302	Sub-subsidiary
TCIC	Redondo Peninsula Energy, Inc.	Philippines	Power generation	573,165	573,165	8,446	25.00	50,390	(351,580)	(87,895)	Investee of the Corporation's subsidiary accounted for using the equity method
YYC	CGPC	Yilan County	Power generation	250,000	250,000	27,600 (Note 7)	100.00	259,874	(19,520)	(19,520)	Sub-subsidiary
TGE	SKE	Taipei City	Power generation	80,000	170,000	8,000 (Note 6)	100.00	87,345	4,644	4,644	Sub-subsidiary

Note 1: It recognized share of profit of $294,106 thousand and amortization of investment premium of $20,654 thousand.

Note 2: It recognized share of profit of $208,251 thousand and unrealized gain on construction and operating, maintenance and consulting services of $53,020 thousand.

Note 3: It recognized share of profit of $40,176 thousand and amortization of investment premium of $11,465 thousand.

Note 4: It recognized share of loss of $(14,169) thousand, amortization of investment premium of $270 thousand and impairment loss of non-financial assets of $46,476 thousand.

Note 5: Including capital reduction by retained earnings of 8,000 thousand shares.

Note 6: Including capital reduction by retained earnings of 9,000 thousand shares.

Note 7: Including capitalization of retained earnings of 1,920 thousand shares.

Note 8: Including capitalization of retained earnings of 86,000 thousand shares.

TABLE 8

TAIWAN COGENERATION CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Taiwan Power Company	200,918,361	27.51

TAIWAN COGENERATION CORPORATION

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

TAIWAN COGENERATION CORPORATION

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Description	Amount
Cash		
Cash on hand		$ 720
Checking accounts		844
Demand deposits		
NTD		798,461
USD	US$712 thousand (exchange rate to NTD at 30.71)	21,875
EUR	EUR1,473 thousand (exchange rate to NTD at 33.98)	50,055
JPY	JPY1,432 thousand (exchange rate to NTD at 0.2172)	311
Cash equivalent		870,702
Bank time deposit		
NTD	Maturity: March 2024; interest rate: 1.41% per annul	200,000
		$ 1,072,266

TAIWAN COGENERATION CORPORATION

STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Customer Name	Amount
Related parties	
TPC	$ 44,578
SEC	3,397
SEPC	3,340
Others (Note)	8,029
	59,344
Non-related parties	
ORSTED TAIWAN LIMITED	42,546
TTET UNION CORPORATION	15,373
KUANG TAI METAL INDUSTRIAL CO., LTD.	11,492
I-HWA INDUSTRIAL CO., LTD.	11,114
CSB Energy Technology Co., Ltd.	6,704
Others (Note)	743
	87,972
	$ 147,316

Note: The amount of individual customer included in others did not exceed 5% of the balance of this account.

TAIWAN COGENERATION CORPORATION

STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

	Amount	
Item	**Cost**	**Market Value (Note)**
Raw materials	$ 8,252	$ 7,951
Less: Allowance for inventory valuation losses	(301)	
	$ 7,951	

Note: The market value of inventories was based on the net realizable value.

TAIWAN COGENERATION CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

	Balance, January 1, 2023		Additions (Note 1)		Deductions (Note 2)			Share of Other Comprehensive Item That Will Not Be Reclassified Subsequently to Profit or Loss (Note 3)	Share of Other Comprehensive Items That May Be Reclassified Subsequently to Profit or Loss (Note 4)	Realized (Unrealized) Gain on Construction Services with Associates		Exchange Differences on Translating Foreign Operations	Balance, December 31, 2023				
Investees	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Remeasurement of Defined Benefit Plans				Share of Profit or Loss		Number of Shares	Percentage of Ownership (%)	Amount	Fair Value or Net Worth (Note 5)	Assets Pledged as Collateral or for Security
TYC	35,833,827	$ 631,873	-	$ -	-	$ (89,585)	$ (408)	$ 5,255	$ -	$ 346	$ 83,049	$ -	35,833,827	29.31	$ 630,530	$ 1,693,148	
Sun Ba	430,000,000	5,901,135	86,000,000	-	-	-	(406)	-	3,032	(48,705)	685,934	-	516,000,000	43.00	6,540,990	6,658,339	(Note 6)
KKPC	114,730,000	1,737,173	-	-	-	(68,461)	91	-	-	-	273,452	-	114,730,000	35.00	1,942,255	1,899,722	(Note 7)
SEPC	121,500,000	2,264,035	-	-	-	(97,200)	2,253	-	-	5,532	245,728	-	121,500,000	40.50	2,420,348	2,478,237	(Note 8)
SBPC	136,200,000	2,335,752	-	-	-	(136,200)	(239)	-	-	19,129	197,739	-	136,200,000	41.27	2,416,181	2,618,358	(Note 9)
SEC	142,708,896	1,809,695	-	-	-	(142,709)	(1,586)	-	-	53,065	155,231	-	142,708,896	100.00	1,873,696	1,873,754	(Note 10)
TCIC	22,260,000	232,655	-	-	-	-	66	-	-	-	(84,156)	3,720	22,260,000	100.00	152,285	152,285	
YYC	15,300,000	162,110	-	-	-	(9,209)	-	-	-	-	(10,294)	-	15,300,000	51.00	142,607	143,729	(Note 11)
TGE	18,500,000	209,972	-	-	(8,000,000)	(99,545)	-	-	-	-	16,673	-	10,500,000	100.00	127,100	127,100	
MWC	51,400,000	913,608	-	-	-	(57,427)	-	-	-	-	28,711	-	51,400,000	100.00	884,892	560,556	(Note 12)
HML	10,000,000	68,071	-	-	-	-	-	-	-	-	(60,915)	-	10,000,000	100.00	7,156	3,390	(Note 13)
		$ 16,266,079		$ -		$ (700,336)	$ (229)	$ 5,255	$ 3,032	$ 29,367	$ 1,531,152	$ 3,720			$ 17,138,040	$ 18,208,618	

Note 1: The additions were distribution of share dividends by Sun Ba of 86,000 thousand shares.

Note 2: The deductions represented cash dividends received from investees accounted for using the equity method, capital decrease by cash of TGE of 8,000 thousand shares.

Note 3: Share of other comprehensive item that will not be reclassified subsequently to profit or loss represents the recognition of changes in unrealized gains or losses arising from TYC's investment in equity instruments, measured at fair value through other comprehensive income.

Note 4: Share of other comprehensive items that may be reclassified subsequently to profit or loss represents the recognition of changes in unrealized gains or losses arising from Sun Ba's investment in hedging instruments, measured at fair value through other comprehensive income.

Note 5: For TYC, the amount represented its fair value calculated based on its closing price on December 29, 2023. For other equity investments, the amounts represented their net worth.

Note 6: The difference between the carrying amount and net worth of equity interest included $2,087 thousand of goodwill and $(119,436) thousand of unrealized gain on consulting and construction services.

Note 7: The difference between the carrying amount and net worth of equity interest included $19,304 thousand of goodwill and $23,229 thousand of unamortized investment premium.

Note 8: The difference between the carrying amount and net worth of equity interest was unrealized gain on consulting and construction services of $(57,889) thousand.

Note 9: The difference between the carrying amount and net worth of equity interest was unrealized gain on consulting and construction services of $(202,177) thousand.

Note 10: The difference between the carrying amount and net worth of equity interest was unrealized gain on consulting and construction services of $(58) thousand.

Note 11: The difference between the carrying amount and net worth of equity interest was unrealized gain on consulting and construction services of $(1,122) thousand.

Note 12: The difference between the carrying amount and net worth of equity interest included $96,370 thousand of goodwill and $227,966 thousand of unamortized investment premium.

Note 13: The difference between the carrying amount and net worth of equity interest included $3,766 thousand of unamortized investment premium.

Note 14: The above investments accounted for using the equity method were unsecured and unpledged.

TAIWAN COGENERATION CORPORATION

STATEMENT OF SHORT-TERM BILLS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Institution	Issuance Period	Coupon Rate	Underwriting Amount	Amount of Unamortized Discount	Carrying Amount
Commercial paper	Taiwan Finance Corporation	2023.12.14-2024.01.15 (Note 1)	0.64%	$ 500,000	$ (132)	$ 499,868
	E.SUN Commercial Bank	2023.12.14-2024.03.13 (Note 2)	0.70%	500,000	(738)	499,262
				$ 1,000,000	$ (870)	$ 999,130

Note 1: The Corporation could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from August 16, 2021. The total underwriting amount is $500 million.

Note 2: The Corporation could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis during the period of 4 years effective from March 23, 2022. The total underwriting amount is $500 million.

STATEMENT 6

TAIWAN COGENERATION CORPORATION

STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Supplier Name	Amount
Related parties	
TPC	$ 581
Non-related parties	
Hengxing energy LTD	46,244
Others (Note)	31,277
	77,521
	$ 78,102

Note: The amount of individual supplier included in others did not exceed 5% of the balance of this account.

TAIWAN COGENERATION CORPORATION

STATEMENT OF BONDS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Bond Name	Trustee	Issuance Period	Interest Payment Date	Coupon Rate	Total Amount	Amount Repaid	Unredeemed Amount	Unamortized Bond Discount	Balance, End of Year	Repayment Method	Collateral
1st Domestic Unsecured Corporate Bond-A (issued in 2020)	Bank SinoPac	2020.08.14-2025.08.14	Interest payable annually on August 14	0.75%	$ 1,900,000	$ -	$ 1,900,000	$ (901)	$ 1,899,099	Bullet repayment (principal repaid in one lump sum at maturity)	None
1st Domestic Unsecured Corporate Bond-B (issued in 2020)	Bank SinoPac	2020.08.14-2030.08.14	Interest payable annually on August 14	1.00%	600,000	-	600,000	(582)	599,418	Bullet repayment (principal repaid in one lump sum at maturity)	None
					$ 2,500,000	$ -	$ 2,500,000	$ (1,483)	$ 2,498,517		

TAIWAN COGENERATION CORPORATION

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Underlying Asset	Lease Term	Discount Rate (%)	Balance, End of Year
Taipei office	2020.02.01-2025.01.31	0.98	$ 26,784
Company vehicle RFA-2721	2023.06.02-2026.06.01	1.66	2,559
Company vehicle RDZ-3280	2023.05.05-2026.05.04	1.66	1,476
Office parking	2020.02.01-2025.01.31	0.98	867
Company vehicle RDW-8909	2023.08.07-2026.08.06	1.80	441
Company vehicle RDQ-7201	2022.04.15-2025.04.14	0.98	314
Company vehicle RCP-2615	2022.09.20-2024.09.19	1.10	165
Factory director's dormitory	2023.05.01-2025.01.31	1.66	136
Photocopier	2019.03.01-2024.02.29	1.10	38
Company vehicle RCB-1661	2021.01.15-2024.01.14	0.98	20
			$ 32,800

TAIWAN COGENERATION CORPORATION

STATEMENT OF OPERATING REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Quantity	Amount
Sales		
Sales of electricity	198,233 thousand kwh	$ 692,432
Sales of steam	296 thousand tons	201,536
Others		324
		894,292
Construction services		1,441,994
Consulting services		42,895
		$ 2,379,181

TAIWAN COGENERATION CORPORATION

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Cost of sales	
Fuel costs	$ 573,582
Variable indirect costs	125,894
Labor costs	63,910
Maintenance costs	54,768
Utilities	44,162
Others (Note)	27,954
	890,270
Construction service cost	1,407,948
Consulting service cost	35,283
	$ 2,333,501

Note: The amount of each item in others did not exceed 5% of the balance of this account.

TAIWAN COGENERATION CORPORATION

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Payroll expense and pension expense	$ 226,640
Professional fees	54,245
Depreciation expense	23,641
Others (Note)	36,687
	$ 341,213

Note: The amount of each item in others did not exceed 5% of the balance of this account.

TAIWAN COGENERATION CORPORATION

STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023			2022		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Payroll	$ 87,121	$ 205,289	$ 292,410	$ 86,065	$ 91,018	$ 177,083
Labor and health insurance	7,127	5,123	12,250	7,567	5,644	13,211
Pension	5,340	3,833	9,173	5,033	3,756	8,789
Remuneration of directors	-	17,518	17,518	-	14,292	14,292
Other personnel expense	4,730	6,251	10,981	4,734	6,716	11,450
	$ 104,318	$ 238,014	$ 342,332	$ 103,399	$ 121,426	$ 224,825
Depreciation expense	$ 27,109	$ 23,641	$ 50,750	$ 25,637	$ 21,321	$ 46,958
Amortization expense	$ 149	$ 2,792	$ 2,941	$ 157	$ 2,658	$ 2,815

Note 1: The number of employees as of December 31, 2023 and 2022 was 140 and 141, respectively, of which the number of non-employee directors was 12 for both years.

Note 2: Average employee benefits expense for the years ended December 31, 2023 and 2022 was $2,538 thousand and $1,632 thousand, respectively. Average payroll for the years ended December 31, 2023 and 2022 was $2,284 thousand and $1,373 thousand, respectively. In 2023, the average payroll increased by 66.35% compared to 2022.

Note 3: The Corporation's audit committee consists of independent directors instead of supervisors.

Note 4: The Corporation's compensation policies are detailed as follows:

a. Directors

Based on the Corporation's Articles, the board of directors is authorized to determine the remuneration of directors based on their level of participation in the Corporation's operations and value of their contributions, taking into account the usual standards in the industry. In addition, if the Corporation is profitable in a given year, it shall allocate not more than 1% of the net profit as remuneration of directors.

b. Managers and employees

In accordance with the Corporation's "Charter of the Remuneration Committee", the Corporation shall periodically review the performance of directors and managers, policies, systems, standards, structure and general compensation levels of the industry, as well as the reasonableness of the relevance between compensation and individuals' work performance, business performance and future risks. In addition, in accordance with the Corporation's Articles, if the Corporation is profitable in a given year, it shall allocate not less than 0.5% of the net profit as employees' compensation, which shall be paid in accordance with the "Regulations for Employees' Compensation", taking into consideration the Corporation's financial status, operating performance and policies, as well as the job duties, abilities and performance of the employees to ensure that the remuneration scheme is competitive and motivational.

The Corporation has established the "Regulations for Employees' Salaries" as the basis of employees' salaries and various bonuses and allowances, and stays updated on the market level of salary and regularly reviews the Corporation's salary policies. The Corporation also distributes year-end bonuses, performance bonuses and work bonuses in accordance with the 'Regulations on Distribution of Employee Bonuses' to reward employees for their hard work; the relevant bonuses are determined based on the Corporation's financial status, operating conditions, and individuals' work performance. In addition to year-end and performance bonuses, the Corporation also has in place a salary adjustment mechanism which serves to motivate its employees by providing them a competitive salary and benefits package.

6. State the financial position of the Company if any insolvency occurs in the Company or affiliates in the previous year until the date of report publication: nil.

VII. Financial position and the review and analysis of financial performance and risk

1. Financial Position

Analysis on financial positions

Unit: NT$ 1,000

Subject \ Year	2023	2022	Increased (Decreased) Amount	Increased (Decreased) Ratio (%)
Current assets	5,831,001	6,636,204	(805,203)	(12)
Long-term investments	14,000,694	13,004,719	995,975	8
Property, plant, and equipment	4,286,965	3,231,917	1,055,048	33
Other assets	2,036,353	2,103,560	(67,207)	(3)
Total assets	26,155,013	24,976,400	1,178,613	5
Current liabilities	5,620,730	6,700,437	(1,079,707)	(16)
Non-current liabilities	4,946,617	6,425,723	(1,479,106)	(23)
Total liabilities	10,567,347	13,126,160	(2,558,813)	(19)
Common stock	7,302,820	5,890,486	1,412,334	24
Capital surplus	2,621,919	499,694	2,122,225	425
Retained earnings	5,534,022	5,317,359	216,663	4
Other equity	(9,189)	(14,130)	4,941	35
Non-controlling interests	138,094	156,831	(18,737)	(12)
Total shareholder's Equity	15,587,666	11,850,240	3,737,426	32

Analysis of ratio changes

1. PP&E increased mainly because the booster station of Star Energy is ready for use and can be recognized as real property.
2. The non-current liabilities reduced mainly because of the cash capital increase to repay long-term loans.
3. The common stock increased mainly due to the cash capital increase and capitalization of retained earnings.
4. Capital surplus increased mainly because of the premium of cash capital increase.
5. Other equity increased primarily due to the exchange differences on the translation of foreign financial statements and the adoption of the equity method for recognizing gains or losses increased on hedging by affiliated companies.

2. Financial Performance

(1) Comparison and analysis of financial performance

Unit: NT$1,000

Item / Year	2023	2022	Increased (Decreased) Amount	Increased (Decreased) Ratio (%)
Operating revenue	5,348,402	4,668,881	679,521	15
Operating cost	4,805,144	4,040,655	764,489	19
(Unrealized) realized gain on transactions with associates	(23,699)	9,355	(33,054)	(353)
Realized gross profit	519,559	637,581	(118,022)	(19)
Operating expenses	535,940	401,716	134,224	33
Profit from operations	(16,381)	235,865	(252,246)	(107)
Non-operating income and expenses	1,319,599	770,013	549,586	71
Profit before income tax	1,303,218	1,005,878	297,340	30
Income tax expense	60,833	88,863	(28,030)	(32)
Net profit	1,242,385	917,015	325,370	35
Profit attributable to owners of the parent	1,252,275	906,774	345,501	38
Analysis of ratio changes 1. The realized gain on transactions with associates reduced mainly because of the unrealized gains from subsidiary Star Energy of its Sun Ba construction contract. 2. The operating expenses increased mainly because of the recognition of employee subscription expenses from cash capital increase. 3. The non-operating income and expenses increased mainly because of the increased investee profit. 4. The income tax expense reduced mainly because of the reduced profit in the core business.				

(2) Potential influence on future finance and operations and countermeasures

The scale of operations will expand as business grows. We will seek long-term capital sources to fulfill the financial needs and raise the financial ratio to optimize our financial structure.

3. Cash Flow

(1) Change in consolidated cash flow in the previous year

Unit: NT$1,000

Beginning cash balance	Annual net cash flow from own business activities	Annual net cash flow from investment and fundraising activities	Cash balance	Remedy for cash shortage	
				Investment Plans	Financial Management Plans
3,734,653	(92,746)	(1,719,085)	1,922,822		

A. Cash flow analysis

a. Business activities: Net cash outflow was about NT$93 million gained mainly from own business and cash dividends from investees.

b. Investment and fundraising activities: Net cash outflow was about NT$1,719 million spent on cash capital increase, repaying long-term loans and PP&E purchase.

B. Improvements for low liquidity: No cash shortage was reported.

a. Analysis of consolidated cash liquidity in the next year

Unit: NT$1,000

Beginning cash balance	Annual net cash flow from own business activities	Annual net cash flow from investment and fundraising activities	Cash balance	Remedy for cash shortage	
				Investment Plans	Financial Management Plans
1,922,822	1,758,901	(2,078,349)	1,603,374		

A. Cash flow analysis

1) Business activities: Projected cash inflow will be about NT$1,760 million resulting from own business and cash dividends from investees.
2) Investment and fundraising activities: Projected cash outflow will be NT$2,080 million spent on cash dividend distribution, PP&E purchase, investments in solar photovoltaic and onshore wind power, among others.

B. Remedy for project cash insufficiency and liquidity analysis: None.

4. Influence of major capital spending on financial position and operation

(1) Utilization and sources of major capital expenditure

Unit: NT$1,000

Project	Actual or projected fund source	Actual or projected date of completion	Total amount of capital needed	Actual or projected use of capital						
				2022 actual	2023 actual	2024 projected	2025 projected	2026 projected	2027 projected	2028 projected
Gas-Fired Plant Investment	Own fund +loan	2025-2027 years	3,622,500	0	0	0	2,173,500	724,500	724,500	0
Solar Plan Investment	Own fund +loan	2022-2028 years	5,174,750	(160,000)	0	1,912,875	1,621,875	600,000	600,000	600,000
Onshore Wind Farm Investment	Own fund +loan	2024-2027 years	11,642,400	0	0	1,617,000	3,234,000	4,527,600	2,263,800	0
Joint booster station Investment	Own fund +loan	2023-2024 years	1,600,000	0	1,366,672	233,328	0	0	0	0

Note1:NT$(160,000,000) at solar investment in 2022 is listed as receiving NTD$160,000,000 of Jhao Feng Solar Energy shares.

(2) Projected benefits

The project benefits of investment will emerge after COD is completed.

5. Re-investment policies, main causes of profit or loss, and improvement plans in the previous year, and investment plans in the next year:

Re-investment projects are made to expand the scale of long-term investments in power plants at home and abroad. The income from investments recognized by the equity method in the 2023 consolidated financial statement was NT$1,531,152 thousand. Please refer to Table 7 of the 2023 Consolidated Financial Statement for information of the investee. In the future, we will continue to expand the scale of investments in power plants or cogeneration plants at home and abroad.

6. Risks and assessment in the previous year and by the date of report publication

(1) The influence the income of interest rate and exchange rate volatility and inflation and countermeasures:

A. Interest rate volatility (Finance)

The interest rate risk mainly comes from the long-term debts for major capital expenditure. To reduce the risk of interest rate rise, we keep constant track on market changes and draw up hedges to minimize the influence on profits/losses of interest rate change.

In terms of assets, in consideration of high liquidity, principal guarantee, and credit risks, we select term deposit in large banks or their short-term bills to secure the principal and reduce financial risks.

B. Forex volatility

Our foreign currency expenditure is mainly used to purchase fuels for power plans and major capital expenditure. In hedge planning for forex change, apart from gathering information on forex market changes and keeping constant track on forex rate changes to plan countermeasures, will keep close contacts with major trading banks to cope with forex rate volatility with forward exchange agreements and spot exchange in order to minimize foreign exchange risks.

C. Inflation and deflection

Currently, we are focusing on the domestic market. As electricity is the basic demand of industries and citizens, neither inflation nor deflation will bring significant influence on our operations.

(2) Policies, main reason(s) for profits or losses, and future countermeasures for engaging in high-risk and high-leverage investments, lending, offering endorsements and guarantees, and derivatives investments:

Between the beginning of 2023 and the date of report publication, TCC did not engage in high-risk and high-leverage investments or lending. The lending funds are subsidiary Star Energy offered a NT$20 million credit to Star Solar. It has previously utilized up to NT$14 million, and the entire amount was fully repaid by the end of May 2023.

TCC made endorsement and guarantee provided for the sub-subsidiary Chingshuei Geothermal at NT$204 million, because it raised a loan of NT$400 million from the bank, with TCC as the joint guarantor for holding 51% of its stake. Currently, the actual amount of loans raised by Chingshuei Geothermal is NT$300 million. Therefore, TCC provided a guarantee of NT$153 million for Chingshuei Geothermal.

Instead of trading or speculation, we invest in derivatives for the sole purpose of hedging. In addition, to control the risks from financial transactions, we have established well-designed financial-based and operational-based internal management regulations and operating procedures in accordance with relevant laws and regulations promulgated by the Securities and Futures Bureau. These management regulations include the "Loaning, Endorsements and Guarantees Operating Procedures" and "Acquisition and Disposal of Assets Operating Procedures".

(3) Future R&D projects and planned R&D funds: None. No R&D fund is reported as both TCC and affiliates supply electricity and offer engineering consulting services.

(4) The influence of significant changes in policies and laws at home or abroad on finance and operations and countermeasures:

In response to climate change and carbon reduction trend of the international supply chain, apart from announcing the "Net-Zero Emissions 2050" national target, the government of Taiwan also amended the Greenhouse Gas Reduction and Management Act into the Climate Change Response Act and promulgated it on February 15, 2023 to write the net-zero emission target in law. The government also added special chapters on carbon tax collection and climate change adaptation. The tightening domestic environmental regulations and standards are thus unfavorable to coal-fired power plants. If the emissions from the sale of electricity generated by cogeneration equipment are not included in the carbon tax deduction in the future. We will keep constant track on the related laws and regulations and take action to reduce the influence and impact. Currently, we have increased the use of SRF as an alternative fuel to reduce coal consumption and carbon emission. We will also assess the possibility of using gas-fired generation sets to proactively reduce the influence and impact. Apart from actively investing in the development of renewables, cogeneration plants, and IPPs, we will continue to expand to the renewables O&M, electricity retailing, energy storage, and ancillary markets to achieve business innovation and diversification to become a power business that offers comprehensive services.

(5) The influence of technology and industry changes on finance and operations and countermeasures: None.

(6) The influence of market presence changes on crisis management and countermeasures: None.

(7) The expected benefits and potential risks of mergers and acquisitions: None.

(8) The expected benefits and potential risks of factory expansion and countermeasures: None.

(9) The potential risk of procurement or sales centralization and acquisitions: None.

(10) The influence and potential risk of the massive transaction of or conversion of shares the directors, supervisors or dominant shareholders hold with over 10% of the stakes and countermeasures: None.

(11) The influence and risks of management change and countermeasures: None.

(12) Litigious or non-litigious events: List the major litigious events, non-litigious events, or administrative remedies with confirmed verdicts or in progress of the company and its directors, supervisors, president, actual person-in-charge, and shareholders holding over 10% of the stakes; subsidiaries; affiliates. When the results of such events and remedies may have potential influence on the shareholder’s equity or stock price, disclose the fact in dispute, the amount in dispute, the start date of event, principal parties involving in the event, and the status by the date of report publication: Please refer to section IX.

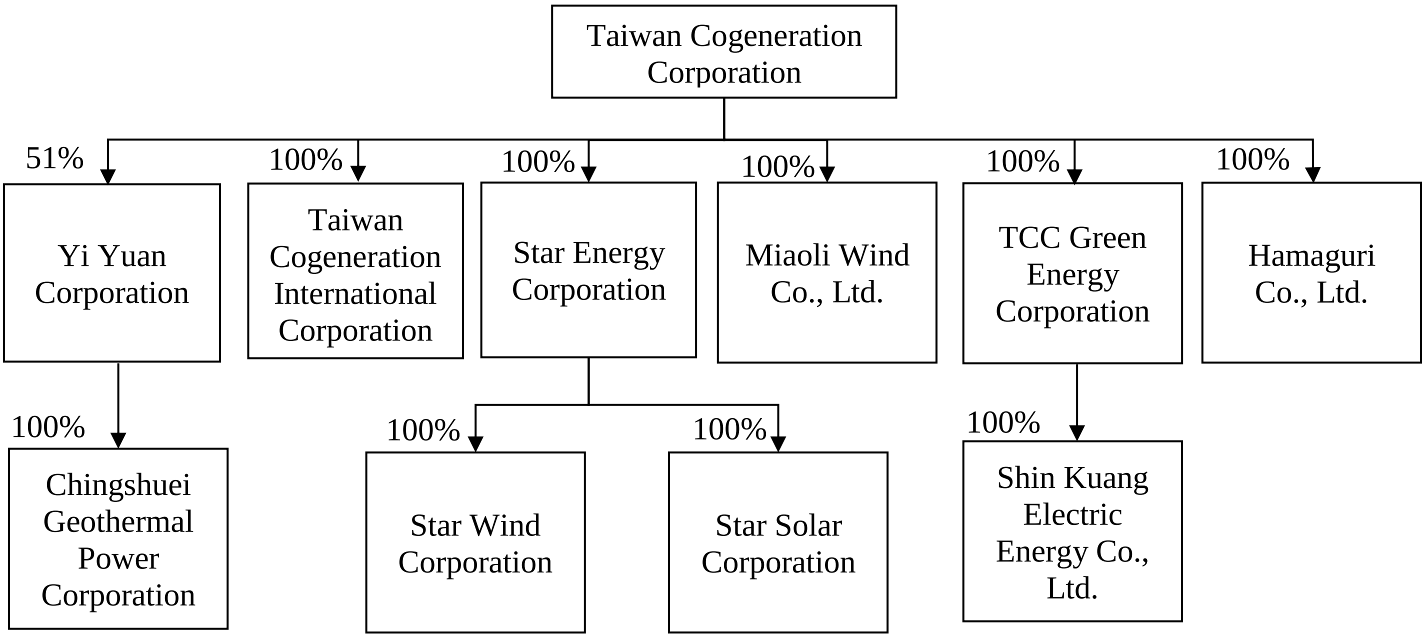
(13) Other important risks and countermeasures: None.

7. Other Material Information: None.

VIII. Special Notes

1. Information of Affiliates：Affiliates consolidated business report

(1) Organization chart of affiliates



(2) Basic data of affiliates

(expressed in NT$ thousands in FY2023)

Affiliate	Est. date	Address	Paid-in Capital	Scope of Business
Star Energy Corporation	1996.10.11	12F, No. 480, Ruiguang Road, Neihu District, Taipei City	1,427,089	Undertaking electricity-related projects
Taiwan Cogeneration International Corporation	2001.8.10	P.O. Box 3444, Road Town Tortola, British Virgin Islands	685,374	Overseas investment and international trade
Yi Yuan Corporation	2017.6.22	No. 167, Lane 501, Section 8, Sanxing Road, Neighborhood 7, Fuxing Village, Datong Township, Yilan County	300,000	Geothermal generation investment
Chingshuei Geothermal Power Corporation	2019.5.23	No. 167, Lane 501, Section 8, Sanxing Road, Neighborhood 7, Fuxing Village, Datong Township, Yilan County	276,000	Geothermal generation
TCC Green Energy Corporation	2018.11.28	6F, No. 392, Ruiguang Road, Neihu District, Taipei City	105,000	Green power investment
Shin Kuang Electric Energy Co. Ltd.	2018.10.26	6F, No. 392, Ruiguang Road, Neihu District, Taipei City	80,000	Solar energy
Star Wind Corporation	2018.12.25	No. 39, Gongye West 7th Road, Neighborhood 18, Haipu Village, Lugang Town, Changhua County	177,870	Onshore wind power
Star Solar Corporation	2020.9.23	12F, No. 480, Ruiguang Road, Neihu District, Taipei City	240,000	Solar energy
Miaoli Wind Co., Ltd.	2003.9.19	6F, No. 392, Ruiguang Road, Neihu District, Taipei City	514,000	Onshore wind power
Hamaguri Co., Ltd.	2019.5.15	No. 39, Gongye West 7th Road, Neighborhood 18, Haipu Village, Lugang Town, Changhua County	100,000	Aquavoltaics development

(3) Directors, supervisors, and presidents and their shareholdings of affiliates

(expressed in number shares in FY2023)

<table>
<tr><th rowspan="2">Affiliate</th><th rowspan="2">Title</th><th rowspan="2">Name or representative</th><th colspan="2">Shareholdings</th></tr>
<tr><th>Shares</th><th>Proportion</th></tr>
<tr><td rowspan="2">Star Energy Corporation</td><td>Chairman
Director
Director
Supervisor</td><td>Taiwan Cogeneration Corporation- Representative: Chorng-Ho Yang
Taiwan Cogeneration Corporation- Representative: Chuang Kang
Taiwan Cogeneration Corporation- Representative: Chi-Hua Cheng
Taiwan Cogeneration Corporation- Representative: Ming-Yeh Lee</td><td>142,708,896</td><td>100%</td></tr>
<tr><td>President</td><td>Huang Chih-Jung</td><td>0</td><td>0%</td></tr>
<tr><td>Taiwan Cogeneration International Corporation</td><td>Director
Director</td><td>Taiwan Cogeneration Corporation- Representative: Yi-Tong Chen
Taiwan Cogeneration Corporation- Representative: Chuang Kang</td><td>22,260,000</td><td>100%</td></tr>
<tr><td rowspan="4">Yi Yuan Corporation.</td><td>Chairman
Director
Director</td><td>Taiwan Cogeneration Corporation- Representative: Chia-Pin Chang
Taiwan Cogeneration Corporation- Representative: Shu-Shen Lin
Taiwan Cogeneration Corporation- Representative: Shih-Yang Hsu</td><td>15,300,000</td><td>51%</td></tr>
<tr><td>Director
Director & President</td><td>Fabulous Power Co., Ltd.-Representative: Song-Lie Lin
Fabulous Power Co., Ltd.-Representative: Bo-Xiu Lin</td><td>14,700,000</td><td>49%</td></tr>
<tr><td>Supervisor</td><td>Chen-Ping Liu</td><td>0</td><td>0%</td></tr>
<tr><td>Supervisor</td><td>Bo-Geng Lin</td><td>0</td><td>0%</td></tr>
<tr><td>Chingshuei Geothermal Power Corporation</td><td>Chairman
Director
Director
Director
Director & President
Supervisor
Supervisor</td><td>Yi Yuan Corp Representative: Chia-Pin Chang
Yi Yuan Corp. Representative: Shu-Shen Lin
Yi Yuan Corp Representative: Shih-Yang Hsu
Yi Yuan Corp Representative: Song-Lie Lin
Yi Yuan Corp Representative: Bo-Xiu Lin
Yi Yuan Corp Representative: Chen-Ping Liu
Yi Yuan Corp Representative: Bo-Geng Lin</td><td>27,600,000</td><td>100%</td></tr>
<tr><td>TCC Green Energy Corporation</td><td>Chairman & President
Director
Director
Supervisor</td><td>Taiwan Cogeneration Corporation- Representative: Shi-Yi Ho
Taiwan Cogeneration Corporation- Representative: Kuang-Kuei Liu
Taiwan Cogeneration Corporation- Representative: Hsueh-Wei Hsiao
Taiwan Cogeneration Corporation- Representative: Chia-I Mao</td><td>10,500,000</td><td>100%</td></tr>
<tr><td>Shin Kuang Electric Energy Co. Ltd.</td><td>Chairman
Director
Director</td><td>TCC Green Energy Corporation- Representative: Xuan Cheng
TCC Green Energy Corporation- Representative: Cheng Hsiung Wu
TCC Green Energy Corporation- Representative: Meng-Yun Tsai</td><td>8,000,000</td><td>100%</td></tr>
<tr><td>Star Wind Corporation</td><td>Chairman & President
Director
Director</td><td>Star Energy Corporation- Representative: Ching Chi Liu
Star Energy Corporation- Representative: Te-Sheng Hsu
Star Energy Corporation- Representative: Xue-De Lu</td><td>17,787,000</td><td>100%</td></tr>
</table>

Affiliate	Title	Name or representative	Shareholdings	
			Shares	Proportion
Star Solar Corporation	Chairman & President Director Director	Star Energy Corporation- Representative: Hsuan Cheng Star Energy Corporation- Representative: Shu-Ching Lin Star Energy Corporation- Representative: Pi-Ju Pan	24,000,000	100%
Miaoli Wind Co., Ltd.	Chairman Director Director	Taiwan Cogeneration Corporation- Representative: Yi-Tong Chen Taiwan Cogeneration Corporation- Representative: Shang-Heng Chou Taiwan Cogeneration Corporation- Representative: Tseng Yu Chen	51,400,000	100%
	President	Chorng-Ho Yang	0	0%
Hamaguri Co., Ltd.	Chairman Director Director	Taiwan Cogeneration Corporation- Representative: Te-Sheng Hsu Taiwan Cogeneration Corporation- Representative: Tseng Yu Chen Taiwan Cogeneration Corporation- Representative: Xing-Zhi Xi	10,000,000	100%

(4) Status of operations of affiliates

(expressed in NT$ thousands in FY2023)

Affiliate	Capital Amount	Total Assets	Total Liabilities	Net Worth	Revenue	Net Profit (Loss)	Current Income	EPS (NT$)
Star Energy Corporation	1,427,089	6,209,462	4,335,708	1,873,754	3,470,054	215,816	208,252	1.46
Taiwan Cogeneration International Corporation	685,374	152,404	119	152,285	0	-360	-84,156	-3.78
Yi Yuan Corporation	300,000	284,152	2,329	281,823	0	-1,000	-20,184	-0.67
Chingshuei Geothermal Power Corporation	276,000	650,198	390,324	259,874	64,432	-16,028	-19,520	-0.71
TCC Green Energy Corporation	105,000	245,860	118,760	127,100	20,786	14,670	16,673	1.15
Shin Kuang Electric Energy Co. Ltd.	80,000	233,335	145,990	87,345	28,523	9,198	4,644	0.37
Star Wind Corporation	177,870	620,907	412,087	208,820	90,882	39,039	22,070	1.24
Star Solar Corporation	240,000	840,919	587,371	253,548	93,189	19,781	3,302	0.14
Miaoli Wind Co., Ltd.	514,000	710,823	150,266	560,557	259,053	48,858	40,176	0.78
Hamaguri Co., Ltd.	100,000	351,276	347,886	3,390	0	-13,634	-14,169	-1.42

2. Private placements of securities in the previous year and by the date of report publication: None.

3. Stocks of the Company held and disposed by subsidiaries in the previous year and by the date of report publication: None.

4. Other required supplementary notes: None.

IX. Events with material impacts on equity or stock price as specified in item 3, paragraph 2, Article 36 of the Securities and Exchange Act in the previous year and by the date of report publication

1. An investee IDD was accused of violating the Fair Trade Act and sanctioned by the Fair Trade Commission (FTC). The current status of the administrative remedy is as follows:

(1) In March 2013, FTC fined nine domestic IPPs for violating the Fair Trade Act. Four investee IPPs of TCC denied the charges and the others refuse to reduce the sales price of electricity together. All IPPs have hired legal counsels to represent them in the case. After filing an administrative remedy, the Executive Yuan withdrew the fine, FTC will take other legal sanctions, and all other parts of the remedy have been dismissed (e.g. affirmation of concerted actions). Regarding the dismissed concerted actions, all IPPs appealed to the Taipei High Administrative Court in November 2013. On October 29, 2014, the Taipei High Administrative Court decided the IPPs won and dismissed the concerted action charge pressed by FTC. On November 27, 2014, FTC appealed to the Taipei Supreme Administrative Court. After the Supreme Administrative Court denied the decision of the High Administrative Court and remanded the case at the end of June 2015, the Taipei High Administrative Court determined that IPP won the case on May 25, 2017 after a two-year proceeding. However, both the Fair Trade Commission and participant TPC made an appeal. Therefore, the case is still under progress at the High Administrative Court. On May 13, 2020, the Taipei High Court ruled that the IPP won the case again. As the Fair Trade Commission filed another appeal in June 2020. During June-August 2022 the Supreme Administrative Court reversed the ruling of the second remanded instance and denied the IPP’s first instance. All IPPs already filed new suits for remediation. After the Supreme Administrative Court's review, the part regarding the concerted actions competitive relationship between Sun Ba Power and Star Energy Power was transferred to the Taipei High Administrative Court for re-trial. The part concerning the agreement of the concerted actions was dismissed for re-trial. Additionally, the appeals for re-trial filed by Star Buck Power and Kuo Kuang Power were rejected.

(2) Regarding the fine, FTC made another decision on 10 July 2014 to fine Sun Ba Power Corporation a sum of NT$489 million, Star Energy Power Corporation a sum of NT$392 million, Kuo Kuang Power Co, Ltd. a sum of NT$371 million, and Star Buck Power Corporation a sum of NT$100 million. While the charge of concerted actions of IPPs has been dismissed by the Taipei High Administrative Court, the Administrative Remedy Committee of the Executive Yuan notify all IPPs in writing the halting of the investigation before the Taipei Supreme Administrative Court decides on this part. However, following the ruling of the Supreme Administrative Court, the Administrative Remedy Committee of

the Executive Yuan has restarted the appeal process and rejected the appeal filed by IPP on April 14, 2023.Each IPP has separately filed administrative lawsuits against the Fair Trade Commission's penalties and the Administrative Remedy Committee's decision. These cases are currently under review by the Taipei High Administrative Court.

2. Taiwan Power Company made claims to the Taipei High Administrative Court and Taipei District Court in September 2015 for the damages on Taiwan Power Company caused by the concerted actions of our investee IPPs in violation of the Fair Trade Act.

(1) Taiwan Power Company claimed for a large-amount indemnity from our investees to the Taipei High Administrative Court: Star Energy Power at NT$2.5 billion, Sun Ba NT$4.4 billion, Kuo Kuang at NT$2.4 billion, and Star Buck at NT$200 million. Taiwan Power Company further increased the claims: Star Energy Power at NT$2.49 billion, Sun Ba Power NT$4.26 billion, Kuo Kuang Power at NT$2.49 billion, and Star Buck Power at NT$420 million. The Taipei High Administrative Court referred the case to the Taipei District Court (Civil), claiming that it did not have a jurisdiction over the claim. Although Taiwan Power Company made an appeal, it was denied by the Taipei Supreme Administrative Court. Therefore, the Taipei High Administrative Court has referred the case to the Taipei District Court. The case is still under progress at the Taipei District Court. However, the TPC dropped the charges in June 2020, and this case was considered as never happened.

(2) At the Taipei District Court (Civil), Taiwan Power Company claimed: NT$2.489 billion from Star Energy Power, NT$4.257 billion from Sun Ba Power, NT$307 million from Star Buck Power, and NT$2.49 billion from Kuo Kuang Power. In the judgement made for the suit of Star Buck Power Plant on 8 February 2018 and later the suit of Star Buck, Star Energy, and Kuo Kuang on 19 November 2018, the Taipei District Court ruled that TPC’s claims were groundless for both suits. In the appeal versus Star Buck Power Plant, the court also defined TPC’s appeal for the same reason. However, as Taiwan Power Company appealed the two rulings, all cases were transferred to the Supreme Court for review. After deliberation, the Supreme Court found that there were still unresolved issues concerning Star Buck Company. Therefore, on November 22, 2023, the Supreme Court rendered a verdict to annul the original judgments and remand the case to the Taiwan High Court for further review. The cases involving the other IPPs remain under trial by the Supreme Court.