

Stock Code: 8926



**Taiwan Cogeneration Corporation**

**2025 Annual Shareholders' Meeting  
Meeting Handbook**

**May 29, 2025**

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## **I. Meeting Procedure**

### **Taiwan Cogeneration Corporation**

#### **2025 Annual General Meeting Procedure**

- (I) Report of attendance
- (II) The chairperson calls the meeting to order
- (III) Chairperson's speech
- (IV) Report items
- (V) Ratification items
- (VI) Discussion items
- (VII) Extempore motions
- (VIII) Adjournment

## II. Meeting Agenda

### Taiwan Cogeneration Corporation 2025 Annual Shareholders' Meeting Agenda

**Time:** 9:00 a.m., May 29, 2025 (Thursday)

**Venue:** International Convention Center, 1F, No. 392 Ruiguang Road, Neihu District, Taipei City

**Convening method:** Video-assisted shareholders' meeting (the physical shareholders' meeting is adopted with video assistance)

**Video conferencing platform:** Taiwan Depository and Clearing Corporation "Shareholder e-Service - Video Conferencing Platform for Shareholder Meetings"  
(link: <http://stockservices.tdcc.com.tw>)

**Attendance:** All shareholders and equity representatives

**Chairperson:** Chairman Jenn-Yeong Wang

- (I) Report of attendance
- (II) The chairperson calls the meeting to order
- (III) Chairperson's speech
- (IV) Report items
  - i. Report on the 2024 business conditions
  - ii. Audit Committee's Review Report on the 2024 final account books and statements
  - iii. Report on endorsements and guarantees
  - iv. Report on the distribution of the total remuneration of employees and Directors for 2024
  - v. Report on the remuneration of Directors for 2024
- (V) Ratification items
  - i. Ratification of the 2024 business report and financial statements
  - ii. Ratification of the proposal for the earning distribution for 2024
- (VI) Discussion items
  - i. Proposal for the amendments to the Articles of Incorporation
  - ii. Proposal for the release of the non-competition restrictions of Directors
- (VII) Extempore motions
- (VIII) Adjournment

## **I. Report of attendance**

## **II. The chairperson calls the meeting to order**

## **III. Chairperson's speech**

## **IV. Report items**

- (I) The report on the 2024 business conditions is submitted for review.

Description: For the 2024 business report, please refer to Attachment 1 on pages 11 to 12 of the Handbook.

- (II) The Audit Committee's Review Report on the 2024 final account books and statement is submitted for review.

Description: For the Audit Committee's Review Report, please refer to Attachment 2 on page 13 of the Handbook.

- (III) The report on endorsements and guarantees is submitted for review.

Description: As of December 31, 2024, the Company has no endorsement or guarantee.

(IV) The report on the distribution of the total remuneration of employees and Directors for 2024 is submitted for review.

Description:

- i. According to Article 36 of the Company's Articles of Incorporation, if the Company records profits of the year, it shall allocate no less than 0.5% and no more than 1% of such profits as the remuneration of employees and the remuneration of Directors, respectively, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees.
- ii. The appropriation basis for 2024 was NT\$1,426,954,040 (gains before tax before deducting remuneration of employees and remuneration of Directors). The Company intends to appropriate NT\$45,566,899 and NT\$14,269,540 as the remuneration of employees and remuneration of Directors, respectively, and the appropriate ratio is approximately 3.19% and 1%, complying with the Articles of Incorporation. If the calculation is made based on the balance of net profit after tax of NT\$1,518,896,623, with effects of IPP\_IFRS eliminated and the statutory and special reserve adjusted, by referring to the distribution of shareholders' bonuses, the appropriation ratio is 3% and 0.94%, respectively.
- iii. The distribution amount resolved above has no difference from the amount recognized in 2024.

- (V) The report on the receipt of the emolument of Directors for 2024 is submitted for review.

Description:

- i. The emolument policy of the Directors of the Company is subject to Article 36 of Articles of Incorporation: “If the Company records profits of the year, it shall allocate no less than 0.5% and no more than 1% of such profits as the remuneration of employees and the remuneration of Directors, respectively, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees. ...” and Article 38: “The Board is authorized to determine the remuneration of Directors based on the level of participation in the operations of the Company with reference to the general standards among peers. Directors may collect traffic allowances on a monthly basis, and the amount shall be determined by the Board. ...” of the Company's Articles of Incorporation.
- ii. The emoluments of the Directors for 2024 include the compensation, remuneration of Directors, and fees for the execution of businesses; the content and amount of the respective emolument items are described as follows:
  1. Compensation: The compensation is subject to the compensation of Directors approved by the Board, including salaries and bonuses of Directors.
    - (1) General Directors (excluding the Chairman): None.
    - (2) Independent Directors: NT\$30,000/month. As Independent Directors assume duties of the remuneration, audit, nomination, and other functional committees, and their duties, risks, and time invested are relatively more than the general Directors, the Board approved that their compensation is different from that of the general Directors taking into account the differences of their contribution.
  2. Remuneration of Directors: According to the Articles of Incorporation, if the Company records profits of the year, it shall allocate no more than 1% of such profits as the remuneration of Directors, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees. In 2024, the total remuneration received by Directors was NT\$14,269,540, and the remuneration of individual Directors was calculated based on the Regulations for the Performance Evaluation of the Board.
  3. Business execution fees:
    - (1) Traffic allowance: NT\$20,000/month for general Directors (excluding the Chairman) and Independent Directors based on the amount passed by the Board.
    - (2) Attendance: The attendance is NT\$5,000/time for the attendance at Board meetings, functional committee meetings, and communication meetings with CPAs.
- iii. Regarding the statement for the emolument of general Directors and Independent Directors in 2024, please refer to Attachment 3 on page 14 of the Handbook.

## **V. Ratification items**

### **Ratification (I) Proposed by the Board**

**Subject:** The 2024 business report and financial statements are submitted for ratification.

#### **Description:**

- i. CPA Zhao-Mei Chen and CPA Cheng-Quan Yu from Deloitte Taiwan completed the audit of the Company's 2024 financial statements, including the balance sheet, statement of comprehensive income, statement of changes in equity, and statement in cash flow, and issued the Independent Auditor's Report.
- ii. For the business report, financial statements, and the Independent Auditor's Report, please refer to Attachment 1 on pages 11 to 12 and Attachment 4 on pages 15 to 39 of the Handbook.

#### **Resolution:**



## Ratification (II) Proposed by the Board

Subject: The proposal for the earning distribution for 2024 is submitted for ratification.

### Description:

- i. The undistributed earnings at the beginning of 2024 were NT\$21,260,015, plus the adjustments to the retained earnings based on the remeasurement of the defined benefit plan of NT\$17,160,744, and the undistributed earnings after the adjustment were NT\$38,420,759.
- ii. According to the Articles of Incorporation, after deducing the provision of the legal reserve of NT\$172,693,212 and providing the special reserve for the negative value of the other equity of NT\$18,181,544 from the adjusted undistributed earnings of NT\$38,420,759 above plus net profit of the period for 2024 of NT\$1,349,637,627, with an reversal of NT\$360,133,752 made to the special reserve base on the effects under the IFRS adjustments of IPP companies (Note), the total distributable earnings were NT\$1,557,317,382.
- iii. The Company intends to distribute a cash dividend of NT\$1,533,592,200 with a distribution of NT\$2.1 per share.
- iv. After the proposal is submitted to and approved by the shareholders' meeting, the Board is authorized to establish the ex-dividend base day, and the dividend shall be distributed based on the shareholders and the shareholding ratios of shareholders set out in the shareholders' register on the base day.
- v. For the sum of fragment amounts less than NT\$1 for the calculation of the distribution of the cash dividend, the Chairman is authorized to contact specific persons (the Employee Welfare Committee of the Company) to make adjustments.
- vi. Please refer to Attachment 5 on page 40 of the Handbook for the Earnings Distribution Table.

(Note: As the effects of the IFRS adjustments of IPP companies in 2024 were negative, a reversal was made from the special reserved provided in previous years for distribution.)

### Resolution:

## **VI. Discussion items**

### **Discussion (I) Proposed by the Board**

**Subject:** The proposal for the amendments to the Articles of Incorporation is submitted for determination.

#### **Description:**

- i. Arrangements were made according to Order Jin-Guan-Zheng-Fa-Zi No. 1130385442 of the FSC dated November 8, 2024 and Article 26 of the Company's Corporate Governance Best Practice Principles.
- ii. The Company intends to amend Article 8, title of Section 4, Article 23, and Article 36, and Article 41 of its Articles of Incorporation as described as follows:
  1. Article 8: Amended in accordance with Article 162 of the Company Act.
  2. Title of Section 4 and Article 23: Other functional committees may be established as specified in the Articles of Incorporation.
  3. Article 36: In accordance with paragraph 6, Article 14 of the Securities and Exchange Act, the Articles of Incorporation stipulates the appropriation of a certain ratio of annual earnings as the salary adjustment or remuneration distribution for non-executive employees.
  4. Article 41: Amended the date of the Articles.
- iii. For the Comparison Table for Amendments to the Articles of Incorporation, please refer to Attachment 6 on pages 41 to 42 of the Handbook.

#### **Resolution:**

## Discussion (II) Proposed by the Board

Subject: The proposal for the release of the non-competition restrictions of Directors is submitted for determination.

### Description:

- i. Pursuant to Paragraph 1, Article 209 of the Company Act, "A director who does anything for himself/herself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and obtain its approval."
- ii. If the Directors of the Company hold important positions in other companies or invest in or operate other companies with the same or similar business scope as the Company, the Company intends to request the shareholders' meeting to approve the release of the non-competition restrictions on the Directors or their representatives.
- iii. The Company intends to request the release of the non-competition restrictions on Yu-Feng Huang and Yun-Chun Wang, newly appointed Director representatives of corporate shareholders of the Company, and their concurrent positions are as follows:

Title	Name	Release of the non-competition restrictions
Director	Yu-Feng Huang	Manager, Formosa Heavy Industries Corporation
Director	Yun-Chun Wang	Manager, Taiwan Power Company

### Resolution:

## **VII. Extempore motions**

## **VIII. Adjournment**

### III. Attachment

#### Attachment (I)

#### 2024 Business Report

The Company has been able to develop and operate steadily thanks to the support of all shareholders over the years, the assistance of all Directors, and the continuous efforts of all employees. We hereby extend our sincere appreciation for your support and assistance for Taiwan Cogeneration Corporation.

#### 2024 Business Report

##### (I) Business plan implementation achievements

In 2024, the consolidated net profit after tax was NT\$1,346,776 thousand, representing an increase of NT\$104,391 thousand from the consolidated net profit after tax of NT\$1,242,385 thousand in 2023. The profit of the main business recorded a YOY increase, primarily due to the increase in profits due to the increase in the sales of vehicles of Guan-tian Plant, the higher price of vehicles, the lower price of coal purchases, and the increase in employee option subscription fees due to the capital increase in cash in 2023 (none in 2024). The decrease in profit from investments was mainly due to the decrease in natural gas prices of the four IPP companies from last year, the increase in insurance claim income recognized by Star Buck in 2023 (none in 2024) and other operating costs, plus the net effects of the increase in the adjustments made by Taipower and the increase in efficiency (excluding Star Buck and Kuo Kuang). Calculate based on the 730,282 thousand shares at the end of the period; the earnings per share were NT\$1.85.

The business performance for the two years is set out in the following table:

Unit: NT\$ thousand		
Item	2024	2023 (Restated)
Operating income	9,132,234	5,283,970
Net operating gain (loss)	435,878	(2,144)
Net non-operating income	998,284	1,327,523
Net profit before tax	1,434,162	1,325,379
Income tax expenses	80,186	65,439
Losses from discontinued operations	7,200	17,555
Net profit for the year	1,346,776	1,242,385
Net profit attributable to the owners of the parent company	1,349,638	1,252,275
Earnings per share	1.85	1.82

## (II) Profitability analysis

The consolidated financial structure, solvency and profitability ratios are set out in the following table:

Item		2024	2023 (Restated)
Financial structure analysis	Debt ratio (%)	44	40
	Long-term capital to property, plant and equipment (%)	458	479
Solvency analysis	Current ratio (%)	94	104
	Quick ratio (%)	42	63
Profitability analysis	Return on assets (%)	5	5
	Return on equity (%)	9	9
	Net profit margin (%)	15	24

## (III) R&D status

The R&D focuses of the year include:

1. Research of the policy and management of private power plants, cogeneration, and renewable energy.
2. Improvements in the operation maintenance technology and equipment of power plants and cogeneration plants.
3. Technology and investment research related to renewable energy (PV, onshore wind power, offshore wind power, geothermal, and biomass energy), co-use booster station, energy storage and auxiliary service markets.

We ask for your advice on the above report, and we look forward to the continued support of all shareholders.

Chairman: Shun-I Huang

Manager: Yi-Tong Chen

Chief Accounting Officer:  
Shang-Heng Chou

## **Attachment (II)**

### **Taiwan Cogeneration Corporation**

#### **Audit Committee's Review Report**

The Board of the Company has submitted the 2024 financial statements, business report, and Earnings Distribution Table, and CPA Zhao-Mei Chen and CPA Cheng-Quan Yu from Deloitte Taiwan have audited the financial statements. We have audited the abovementioned books and statements and found them consistent; therefore, we issued this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

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The 2025 Annual Shareholders' Meeting of the Company

Han-Shen Li, convener of the Audit Committee

March 13, 2025

# Attachment (III)

## Emolument of general Directors and Independent Directors for 2024 (NT\$ thousand)

Title	Name	Remuneration of Directors								Sum of A, B, C, and D and as a percentage of net profit after tax		Remuneration for concurrently serving as an employee								Sum of A, B, C, D, E, F and G and as a percentage of net profit after tax		Remuneration from investees other than subsidiaries or the parent company
		Compensation (A)		Severance pay and pension (B)		Remuneration of Directors (C)		Business execution fees (D)				Salaries, bonuses and allowances (E)		Severance pay and pension (F)		Remuneration of employees (G)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Corporate Director	Taiwan Power Company	3,072	3,072	-	-	6,586	6,586	818	818	10,476/0.78%	10,476/0.78%	-	-	-	-	-	-	-	-	10,476/0.78%	10,476/0.78%	-
Chairman	Representative: Shun-I Huang	3,056	3,056	-	-	-	-	30	30	3,086/0.23%	3,086/0.23%	-	-	-	-	-	-	-	-	3,086/0.23%	3,086/0.23%	-
Director	"Jenn-Yeong Wang	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Director	"Sheng-Jen Hsiao	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Director	"Ming-Teh Chiang	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Former Director	"Tien-Ho Kuo	-	-	-	-	-	-	95	95	95/0.007%	95/0.007%	-	-	-	-	-	-	-	-	95/0.007%	95/0.007%	-
Director	"Ching-Hung Cheng	-	-	-	-	-	-	102	102	102/0.01%	102/0.01%	-	-	-	-	-	-	-	-	102/0.01%	102/0.01%	-
Director	"Yun-Chun Wang	-	-	-	-	-	-	9	9	9/0.001%	9/0.001%	-	-	-	-	-	-	-	-	9/0.001%	9/0.001%	-
Corporate Director	Yuan Jun Investment Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director	Representative: Sheng-Chun Wang	-	-	-	-	1,098	1,098	265	265	1,363/0.1%	1,363/0.1%	-	-	-	-	-	-	-	-	1,363/0.1%	1,363/0.1%	-
Corporate Director	Jian Sheng Investment Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director	Representative: Kuo-Hsiang Chao	-	-	-	-	1,098	1,098	265	265	1,363/0.1%	1,363/0.1%	-	-	-	-	-	-	-	-	1,363/0.1%	1,363/0.1%	-
Corporate Director	TECO Electric & Machinery Co., Ltd.	-	-	-	-	1,098	1,098	-	-	1,098/0.08%	1,098/0.08%	-	-	-	-	-	-	-	-	1,098/0.08%	1,098/0.08%	-
Director	Representative: Sung-Pin Chang	-	-	-	-	-	-	265	265	265/0.02%	265/0.02%	-	-	-	-	-	-	-	-	265/0.02%	265/0.02%	-
Corporate Director	Formosa Heavy Industries Corporation	-	-	-	-	1,098	1,098	-	-	1,098/0.08%	1,098/0.08%	-	-	-	-	-	-	-	-	1,098/0.08%	1,098/0.08%	-
Former Director	Representative: Hsien-Hui Huang	-	-	-	-	-	-	195	195	195/0.01%	195/0.01%	-	-	-	-	-	-	-	-	195/0.01%	195/0.01%	-
Director	Representative: Yu-Feng Huang	-	-	-	-	-	-	70	70	70/0.01%	70/0.01%	-	-	-	-	-	-	-	-	70/0.01%	70/0.01%	-
Independent Director	Han-Shen Li	360	360	-	-	1,098	1,098	330	330	1,788/0.13%	1,788/0.13%	-	-	-	-	-	-	-	-	1,788/0.13%	1,788/0.13%	-
Independent Director	Ji-Sheng Ye	360	360	-	-	1,098	1,098	330	330	1,788/0.13%	1,788/0.13%	-	-	-	-	-	-	-	-	1,788/0.13%	1,788/0.13%	-
Independent Director	Jiann-Fuh Chen	360	360	-	-	1,098	1,098	330	330	1,788/0.13%	1,788/0.13%	-	-	-	-	-	-	-	-	1,788/0.13%	1,788/0.13%	-



## **Attachment (IV)**

### **INDEPENDENT AUDITORS' REPORT**

#### **Taiwan Cogeneration Corporation and Subsidiaries**

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

### **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, 2024 and 2023, 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 (collectively referred to as the "consolidated financial statements").

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, 2024 and 2023, 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, 2024. 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, 2024 are described as follows:

### Associates' Litigation Related to the Fair Trade Act

Please refer to Note 40(d) for details on the associates' litigation related to the Fair Trade Act, Note 4(p) 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 29 for information on construction contracts, Note 4(q) 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, 2024 amounted to NT\$4,397,353 thousand, representing 48% 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, 2024 and 2023 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, 2024, 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, 2025

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, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024		2023	
	Amount	%	Amount	%
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,843,366	7	\$ 1,922,822	7
Financial assets at amortized cost (Notes 4, 7, 8 and 39)	490,166	2	734,293	3
Contract assets (Notes 4, 5, 27, 29 and 38)	4,137,142	15	2,121,745	8
Accounts receivable (Notes 4, 9 and 29)	694,963	2	755,728	3
Accounts receivable from related parties (Notes 4, 29 and 38)	177,520	1	90,450	-
Finance lease receivables (Notes 4, 10 and 38)	852	-	9,941	-
Dividend receivables (Notes 4 and 15)	320,940	1	-	-
Other receivables (Notes 4 and 38)	53,302	-	30,896	-
Inventories (Notes 4 and 11)	8,110	-	7,951	-
Prepaid construction costs (Note 27)	159,210	1	-	-
Prepaid value-added tax	72,624	-	118,697	1
Other current assets	59,811	-	38,478	-
Total current assets	<u>8,018,006</u>	<u>29</u>	<u>5,831,001</u>	<u>22</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income (Notes 4, 12 and 37)	268,557	1	270,054	1
Financial assets at amortized cost (Notes 4, 7, 8 and 39)	6,500	-	32,631	-
Investments accounted for using the equity method (Notes 4 and 15)	13,821,210	51	14,000,694	54
Property, plant and equipment (Notes 4, 16 and 39)	4,082,756	15	4,286,965	17
Right-of-use assets (Notes 4 and 17)	391,463	2	420,234	2
Goodwill (Notes 4 and 18)	20,314	-	96,370	-
Intangible assets (Notes 4, 19 and 39)	295,795	1	879,838	3
Deferred income tax assets (Notes 4 and 31)	253,106	1	232,304	1
Prepayments for equipment	15,787	-	-	-
Long-term finance lease receivables (Notes 4, 10 and 38)	-	-	852	-
Refundable deposits	91,585	-	84,590	-
Other non-current assets (Note 20)	18,423	-	19,480	-
Total non-current assets	<u>19,265,496</u>	<u>71</u>	<u>20,324,012</u>	<u>78</u>
<b>TOTAL</b>	<u>\$27,283,502</u>	<u>100</u>	<u>\$26,155,013</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 21 and 39)	\$ -	-	\$ 55,000	-
Short-term bills payable (Note 21)	499,764	2	999,130	4
Contract liabilities (Notes 4, 5, 27 and 29)	244,752	1	113,264	1
Accounts payable	107,195	1	105,244	-
Construction costs payable (Note 27)	4,384,713	16	2,959,261	11
Accounts payable to related parties (Note 38)	1,438	-	1,329	-
Other payables (Notes 23 and 38)	486,484	2	618,700	2
Current income tax liabilities (Notes 4 and 31)	58,728	-	74,121	-
Provisions (Notes 4, 25 and 27)	624,339	2	465,448	2
Lease liabilities (Notes 4, 17 and 38)	28,659	-	63,743	-
Current portion of bonds payable (Note 22)	1,899,655	7	-	-
Current portion of long-term borrowings (Notes 21 and 39)	221,829	1	161,471	1
Other current liabilities	7,124	-	4,019	-
Total current liabilities	<u>8,564,680</u>	<u>32</u>	<u>5,620,730</u>	<u>21</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Notes 21 and 39)	1,887,358	7	1,590,437	6
Contract liabilities (Notes 4 and 29)	134,637	1	168,845	1
Lease liabilities (Notes 4, 17 and 38)	427,606	2	419,328	2
Bonds payable (Note 22)	599,503	2	2,498,517	10
Provisions (Notes 4 and 25)	14,938	-	14,613	-
Deferred income tax liabilities (Notes 4 and 31)	58,100	-	63,284	-
Net defined benefit liabilities (Notes 4 and 26)	109,112	-	121,842	-
Guarantee deposits received	89,397	-	53,732	-
Other liabilities (Notes 4 and 24)	14,367	-	16,019	-
Total non-current liabilities	<u>3,335,018</u>	<u>12</u>	<u>4,946,617</u>	<u>19</u>
Total liabilities	<u>11,899,698</u>	<u>44</u>	<u>10,567,347</u>	<u>40</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 28 and 33)</b>				
Share capital				
Ordinary shares	<u>7,302,820</u>	<u>27</u>	<u>7,302,820</u>	<u>28</u>
Capital surplus	<u>2,621,919</u>	<u>9</u>	<u>2,621,919</u>	<u>10</u>
Retained earnings				
Legal reserve	1,954,986	7	1,828,961	7
Special reserve	2,148,332	8	2,435,361	9
Unappropriated earnings	<u>1,388,059</u>	<u>5</u>	<u>1,269,700</u>	<u>5</u>
Total retained earnings	<u>5,491,377</u>	<u>20</u>	<u>5,534,022</u>	<u>21</u>
Other equity	<u>(32,312)</u>	<u>-</u>	<u>(9,189)</u>	<u>-</u>
Total equity attributable to owners of the Corporation	15,383,804	56	15,449,572	59
<b>NON-CONTROLLING INTERESTS</b>	<u>-</u>	<u>-</u>	<u>138,094</u>	<u>1</u>
Total equity	<u>15,383,804</u>	<u>56</u>	<u>15,587,666</u>	<u>60</u>
<b>TOTAL</b>	<u>\$27,283,502</u>	<u>100</u>	<u>\$26,155,013</u>	<u>100</u>

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, 2024 AND 2023

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

	2024		2023 (Restated)	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 5, 29 and 38)				
Sales	\$ 1,633,609	18	\$ 1,479,009	28
Construction services	7,220,877	79	3,542,988	67
Operations, maintenance and consulting services	<u>277,748</u>	<u>3</u>	<u>261,973</u>	<u>5</u>
Total operating revenues	<u>9,132,234</u>	<u>100</u>	<u>5,283,970</u>	<u>100</u>
OPERATING COSTS (Notes 5, 26, 30 and 38)				
Cost of sales	1,252,726	14	1,261,878	24
Construction services	6,876,650	75	3,229,348	61
Operations, maintenance and consulting services	<u>222,169</u>	<u>2</u>	<u>236,498</u>	<u>5</u>
Total operating costs	<u>8,351,545</u>	<u>91</u>	<u>4,727,724</u>	<u>90</u>
GROSS PROFIT	780,689	9	556,246	10
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH ASSOCIATES	<u>32,249</u>	<u>-</u>	<u>(23,699)</u>	<u>-</u>
REALIZED GROSS PROFIT	812,938	9	532,547	10
OPERATING EXPENSES (Notes 26, 30 and 38)	<u>377,060</u>	<u>4</u>	<u>534,691</u>	<u>10</u>
PROFIT (LOSS) FROM OPERATIONS	<u>435,878</u>	<u>5</u>	<u>(2,144)</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	27,004	1	27,117	1
Other income (Notes 30 and 38)	24,631	-	27,029	1
Other gains and losses (Notes 30 and 34)	(78,613)	(1)	(31,651)	(1)
Finance costs (Note 30)	(73,492)	(1)	(92,979)	(2)
Share of profit of associates accounted for using the equity method (Note 15)	<u>1,098,754</u>	<u>12</u>	<u>1,398,007</u>	<u>26</u>
Total non-operating income and expenses	<u>998,284</u>	<u>11</u>	<u>1,327,523</u>	<u>25</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,434,162	16	1,325,379	25
INCOME TAX EXPENSE (Notes 4 and 31)	<u>(80,186)</u>	<u>(1)</u>	<u>(65,439)</u>	<u>(1)</u>
NET PROFIT FROM CONTINUING OPERATIONS	1,353,976	15	1,259,940	24

(Continued)

# TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023 (Restated)	
	Amount	%	Amount	%
LOSS FROM DISCONTINUING OPERATIONS (Notes 13, 29, 30 and 31)	<u>(7,200)</u>	<u>-</u>	<u>(17,555)</u>	<u>-</u>
NET PROFIT FOR THE YEAR	<u>1,346,776</u>	<u>15</u>	<u>1,242,385</u>	<u>24</u>
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined gain (loss) plans (Note 26)	14,537	-	(7,668)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 37)	(1,497)	-	(7,066)	-
Share of remeasurement of defined benefit plans of associates accounted for using the equity method	5,531	-	1,357	-
Share of unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income of associates accounted for using the equity method	(40,956)	-	5,255	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 31)	<u>(2,907)</u>	<u>-</u>	<u>1,534</u>	<u>-</u>
	<u>(25,292)</u>	<u>-</u>	<u>(6,588)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	1,747	-	3,720	-
Share of other comprehensive income of associate accounted for using the equity method - gain on hedging instruments	<u>17,583</u>	<u>-</u>	<u>3,032</u>	<u>-</u>
	<u>19,330</u>	<u>-</u>	<u>6,752</u>	<u>-</u>
Other comprehensive (loss) income, net of income tax	<u>(5,962)</u>	<u>-</u>	<u>164</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 1,340,814</u>	<u>15</u>	<u>\$ 1,242,549</u>	<u>24</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,349,638	15	\$ 1,252,275	24
Non-controlling interests	<u>(2,862)</u>	<u>-</u>	<u>(9,890)</u>	<u>-</u>

(Continued)



# TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023 (Restated)	
	Amount	%	Amount	%
	<u>\$ 1,346,776</u>	<u>15</u>	<u>\$ 1,242,385</u>	<u>24</u>
TOTAL COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,343,676	15	\$ 1,252,439	24
Non-controlling interests	<u>(2,862)</u>	<u>-</u>	<u>(9,890)</u>	<u>-</u>
	<u>\$ 1,340,814</u>	<u>15</u>	<u>\$ 1,242,549</u>	<u>24</u>
EARNINGS PER SHARE (Note 32)				
From continuing and discontinued operations				
Basic	<u>\$ 1.85</u>		<u>\$ 1.82</u>	
Diluted	<u>\$ 1.84</u>		<u>\$ 1.82</u>	
From continuing operations				
Basic	<u>\$ 1.86</u>		<u>\$ 1.85</u>	
Diluted	<u>\$ 1.85</u>		<u>\$ 1.85</u>	

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, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Corporation					Other Equity				
	Retained Earnings					Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Non-controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2023	\$ 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 (Note 28)	1,000,000	2,025,799	-	-	-	-	-	-	-	3,025,799
Compensation cost recognized from the issuance of ordinary shares for cash to employees (Note 33)	-	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
Appropriation of 2023 earnings										
Legal reserve	-	-	126,025	-	(126,025)	-	-	-	-	-
Reversal of special reserve	-	-	-	(287,029)	287,029	-	-	-	-	-
Cash dividends	-	-	-	-	(1,409,444)	-	-	-	-	(1,409,444)
	-	-	126,025	(287,029)	(1,248,440)	-	-	-	-	(1,409,444)
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	1,349,638	-	-	-	(2,862)	1,346,776
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	17,161	1,747	(42,453)	17,583	-	(5,962)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,366,799	1,747	(42,453)	17,583	(2,862)	1,340,814
Change on disposal of interests in subsidiaries (Notes 4 and 34)	-	-	-	-	-	-	-	-	(135,232)	(135,232)
BALANCE AT DECEMBER 31, 2024	\$ 7,302,820	\$ 2,621,919	\$ 1,954,986	\$ 2,148,332	\$ 1,388,059	\$ (66,159)	\$ 22,618	\$ 11,229	\$ -	\$15,383,804

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, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax from continuing operations	\$ 1,434,162	\$ 1,325,379
Loss from discontinuing operation	<u>(8,450)</u>	<u>(22,161)</u>
Profit before income tax	1,425,712	1,303,218
Adjustments for:		
Depreciation expense	423,770	366,960
Amortization expense	45,963	64,883
Finance costs	76,301	100,595
Interest income	(27,034)	(27,832)
Dividend income	(10,000)	(8,000)
Compensation cost of employee share options (Note 33)	-	96,426
Share of profit of associates accounted for using the equity method	(1,098,754)	(1,398,007)
Loss on disposal of property, plant and equipment	-	40
Gain on disposal of subsidiaries	(586)	-
Write-down of inventories	-	301
Loss on non-financial assets	76,056	46,934
Loss (gain) on lease modification	29	(3,282)
Net unrealized loss (gain) on foreign currency exchange	1,354	(1,569)
(Realized) unrealized gain on transactions with associates	(32,249)	23,699
Changes in operating assets and liabilities		
Contract assets	(2,015,397)	(161,920)
Accounts receivable	60,765	(234,326)
Accounts receivable from related parties	(93,970)	60,762
Other receivables	(27,164)	9,665
Inventories	(159)	9,852
Prepaid construction costs	(159,210)	46,184
Other current assets	(22,801)	(3,955)
Prepaid value-added tax	26,138	(15,946)
Contract liabilities	156,809	(423,161)
Accounts payable	1,951	(50,989)
Construction costs payable	1,427,518	(261,521)
Accounts payable to related parties	109	(716)
Other payables	62,861	(36,109)
Provisions	158,891	206,251
Other current liabilities	3,200	(20,886)
Net defined benefit liabilities	<u>1,807</u>	<u>2,086</u>
Cash generated from operations	461,910	(310,363)
Interest received	28,545	25,376
Dividends received	982,851	399,446
Interest paid	(74,524)	(98,446)
Income tax paid	<u>(128,754)</u>	<u>(108,759)</u>
Net cash generated from (used in) operating activities	<u>1,270,028</u>	<u>(92,746)</u>

## CASH FLOWS FROM INVESTING ACTIVITIES

(Continued)

# TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023 (Restated)
Increase in financial assets at amortized cost	\$ -	\$ (712,479)
Decrease in financial assets at amortized cost	260,258	-
Proceeds from disposal of subsidiaries (Note 34)	85,657	-
Payments for property, plant and equipment (Note 35)	(352,204)	(1,016,507)
Increase in refundable deposits	(7,072)	(15,456)
Payments for intangible assets	(4,484)	(6,212)
Decrease in finance lease receivables	9,941	10,276
Increase in prepayments for equipment	<u>(15,787)</u>	<u>-</u>
Net cash used in investing activities	<u>(23,691)</u>	<u>(1,740,378)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in short-term borrowings	(55,000)	(12,000)
Decrease in short-term bills payable	(500,000)	-
Proceeds from long-term borrowings	800,000	2,920,000
Repayments of long-term borrowings	(142,721)	(5,242,516)
Increase in guarantee deposits received	37,688	12,435
Repayments of the principal portion of lease liabilities	(55,563)	(56,260)
Dividends paid to owners of the Corporation	(1,409,444)	(618,501)
Dividends paid to non-controlling interest	-	(8,847)
Issue of new Corporation's shares	<u>-</u>	<u>3,025,799</u>
Net cash (used in) generated from financing activities	<u>(1,325,040)</u>	<u>20,110</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>		
	<u>(753)</u>	<u>1,183</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(79,456)</u>	<u>(1,811,831)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>1,922,822</u>	<u>3,734,653</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 1,843,366</u>	<u>\$ 1,922,822</u>

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

## **Taiwan Cogeneration Corporation**

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

#### **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, 2024 and 2023, 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 (collectively referred to as the "financial statements").

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, 2024 and 2023, 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, 2024. 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, 2024 are described as follows:

#### Associates' Litigation Related to the Fair Trade Act

Please refer to Note 32(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 23 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, 2024 amounted to NT\$4,397,353 thousand, representing 75% 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, 2024, 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, 2025

Notice to Readers

*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, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024		2023	
	Amount	%	Amount	%
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 547,176	3	\$1,072,266	5
Financial assets at amortized cost (Notes 4, 7 and 8)	150,000	1	450,000	2
Contract assets (Notes 4, 5, 21 and 23)	2,368,657	11	910,325	5
Accounts receivable (Notes 4, 9 and 23)	596,516	3	87,972	1
Accounts receivable from related parties (Notes 4, 23 and 31)	50,353	-	59,344	-
Finance lease receivables (Notes 4, 10 and 31)	880	-	10,275	-
Dividend receivable (Notes 4 and 13)	320,940	1	-	-
Other receivables (Notes 4 and 31)	4,716	-	2,647	-
Current income tax assets (Note 25)	826	-	972	-
Inventories (Notes 4 and 11)	8,110	-	7,951	-
Prepaid value-added tax	15,768	-	13,528	-
Other current assets	<u>3,318</u>	-	<u>5,064</u>	-
Total current assets	<u>4,067,260</u>	<u>19</u>	<u>2,620,344</u>	<u>13</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income (Notes 4, 12 and 30)	268,557	1	270,054	1
Investments accounted for using the equity method (Notes 4 and 13)	16,802,843	78	17,138,040	84
Property, plant and equipment (Notes 4 and 14)	340,482	2	372,609	2
Right-of-use assets (Notes 4 and 15)	6,154	-	21,091	-
Computer software cost (Note 4)	3,445	-	5,931	-
Deferred income tax assets (Notes 4 and 25)	60,730	-	66,110	-
Long-term finance lease receivables (Notes 4, 10 and 31)	-	-	880	-
Prepayments for equipment	15,052	-	-	-
Refundable deposits	<u>5,673</u>	-	<u>5,779</u>	-
Total non-current assets	<u>17,502,936</u>	<u>81</u>	<u>17,880,494</u>	<u>87</u>
<b>TOTAL</b>	<u>\$21,570,196</u>	<u>100</u>	<u>\$20,500,838</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term bills payable (Note 16)	\$ 499,764	2	\$ 999,130	5
Accounts payable	89,471	1	77,521	-
Construction costs payable	302,517	1	315,849	2
Construction costs payable to related parties (Note 31)	2,532,671	12	891,019	4
Accounts payable to related parties (Note 31)	581	-	581	-
Other payables (Notes 18 and 31)	128,832	1	124,432	1
Current income tax liabilities (Note 25)	13,712	-	-	-
Provisions (Notes 4, 19 and 21)	14,126	-	-	-
Lease liabilities (Notes 4 and 15)	4,266	-	27,345	-
Current portion of bonds payable (Note 17)	1,899,655	9	-	-
Other current liabilities	<u>743</u>	-	<u>718</u>	-
Total current liabilities	<u>5,486,338</u>	<u>26</u>	<u>2,436,595</u>	<u>12</u>
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Note 17)	599,503	3	2,498,517	12
Lease liabilities (Notes 4 and 15)	2,855	-	5,455	-
Net defined benefit liabilities (Notes 4 and 20)	85,714	-	97,674	1
Guarantee deposits received	<u>11,982</u>	-	<u>13,025</u>	-
Total non-current liabilities	<u>700,054</u>	<u>3</u>	<u>2,614,671</u>	<u>13</u>
Total liabilities	<u>6,186,392</u>	<u>29</u>	<u>5,051,266</u>	<u>25</u>
<b>EQUITY (Notes 22 and 27)</b>				
Share capital				
Ordinary shares	<u>7,302,820</u>	<u>34</u>	<u>7,302,820</u>	<u>35</u>
Capital surplus	<u>2,621,919</u>	<u>12</u>	<u>2,621,919</u>	<u>13</u>
Retained earnings				
Legal reserve	1,954,986	9	1,828,961	9
Special reserve	2,148,332	10	2,435,361	12
Unappropriated earnings	<u>1,388,059</u>	<u>6</u>	<u>1,269,700</u>	<u>6</u>
Total retained earnings	<u>5,491,377</u>	<u>25</u>	<u>5,534,022</u>	<u>27</u>
Other equity	<u>(32,312)</u>	-	<u>(9,189)</u>	-
Total equity	<u>15,383,804</u>	<u>71</u>	<u>15,449,572</u>	<u>75</u>
<b>TOTAL</b>	<u>\$21,570,196</u>	<u>100</u>	<u>\$20,500,838</u>	<u>100</u>

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, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 5, 23 and 31)				
Sales	\$ 978,196	16	\$ 894,292	37
Construction services	4,876,360	83	1,441,994	61
Consulting services	<u>36,916</u>	<u>1</u>	<u>42,895</u>	<u>2</u>
Total operating revenue	<u>5,891,472</u>	<u>100</u>	<u>2,379,181</u>	<u>100</u>
OPERATING COSTS (Notes 5, 20, 24 and 31)				
Cost of sales	796,086	13	890,270	37
Construction services	4,833,020	82	1,407,948	59
Consulting services	<u>37,758</u>	<u>1</u>	<u>35,283</u>	<u>2</u>
Total operating costs	<u>5,666,864</u>	<u>96</u>	<u>2,333,501</u>	<u>98</u>
GROSS PROFIT	224,608	4	45,680	2
REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	<u>29,367</u>	<u>-</u>	<u>29,367</u>	<u>1</u>
REALIZED GROSS PROFIT	253,975	4	75,047	3
OPERATING EXPENSES (Notes 20, 24, 27 and 31)	<u>222,559</u>	<u>4</u>	<u>341,213</u>	<u>14</u>
PROFIT (LOSS) FROM OPERATIONS	<u>31,416</u>	<u>-</u>	<u>(266,166)</u>	<u>(11)</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	9,503	-	9,924	1
Other income (Notes 24 and 31)	74,293	1	27,809	1
Other gains and losses (Note 24)	(119)	-	(2,316)	-
Finance costs (Note 24)	(26,990)	-	(42,630)	(2)
Share of profit of subsidiaries and associates accounted for using the equity method (Note 13)	<u>1,279,015</u>	<u>22</u>	<u>1,531,152</u>	<u>64</u>
Total non-operating income and expenses	<u>1,335,702</u>	<u>23</u>	<u>1,523,939</u>	<u>64</u>
PROFIT BEFORE INCOME TAX	1,367,118	23	1,257,773	53
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(17,480)</u>	<u>-</u>	<u>(5,498)</u>	<u>-</u>
NET PROFIT FOR THIS YEAR	<u>1,349,638</u>	<u>23</u>	<u>1,252,275</u>	<u>53</u>
OTHER COMPREHENSIVE LOSS				

(Continued)

# TAIWAN COGENERATION CORPORATION

## STANDALONE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan (Note 20)	\$ 13,373	-	\$ (5,685)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Note 30)	(1,497)	-	(7,066)	-
Share of remeasurement of defined benefit plans of subsidiaries and associates accounted for using the equity method	6,462	-	(229)	-
Share of unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income of associates accounted for using the equity method	(40,956)	-	5,255	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 25)	<u>(2,674)</u>	<u>-</u>	<u>1,137</u>	<u>-</u>
	<u>(25,292)</u>	<u>-</u>	<u>(6,588)</u>	<u>-</u>
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	1,747	-	3,720	-
Share of other comprehensive income of associate accounted for using the equity method - gain on hedging instruments	<u>17,583</u>	<u>-</u>	<u>3,032</u>	<u>-</u>
	<u>19,330</u>	<u>-</u>	<u>6,752</u>	<u>-</u>
Other comprehensive (loss) income, net of income tax	<u>(5,962)</u>	<u>-</u>	<u>164</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 1,343,676</u>	<u>23</u>	<u>\$ 1,252,439</u>	<u>53</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 1.85</u>		<u>\$ 1.82</u>	
Diluted	<u>\$ 1.84</u>		<u>\$ 1.82</u>	

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, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized (Loss) Gain on Financial Assets at Fair Value through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	
BALANCE AT JANUARY 1, 2023	\$ 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 27)	-	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
Appropriation of 2023 earnings									
Legal reserve	-	-	126,025	-	(126,025)	-	-	-	-
Reversal of special reserve	-	-	-	(287,029)	287,029	-	-	-	-
Cash dividends	-	-	-	-	(1,409,444)	-	-	-	(1,409,444)
	-	-	126,025	(287,029)	(1,248,440)	-	-	-	(1,409,444)
Net profit for the year ended December 31, 2024	-	-	-	-	1,349,638	-	-	-	1,349,638
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	17,161	1,747	(42,453)	17,583	(5,962)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,366,799	1,747	(42,453)	17,583	1,343,676
BALANCE AT DECEMBER 31, 2024	\$ 7,302,820	\$ 2,621,919	\$ 1,954,986	\$ 2,148,332	\$ 1,388,059	\$ (66,159)	\$ 22,618	\$ 11,229	\$15,383,804

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, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 1,367,118	\$ 1,257,773
Adjustments for:		
Depreciation expense	49,540	50,750
Amortization expense	2,946	2,941
Finance costs	26,990	42,630
Interest income	(9,503)	(9,924)
Dividend income	(10,000)	(8,000)
Compensation cost of employee share options (Notes 4 and 27)	-	96,426
Share of profit of subsidiaries and associates accounted for using the equity method	(1,279,015)	(1,531,152)
Gain on disposal of investment accounted for using the equity method	(586)	-
Write-down of inventories	-	301
Unrealized loss on foreign currency exchange	564	424
Realized gain on transactions with subsidiaries and associates	(29,367)	(29,367)
Loss on lease modification	15	168
Changes in operating assets and liabilities		
Contract assets	(1,458,332)	(322,727)
Accounts receivable	(508,544)	51,397
Accounts receivable from related parties	8,991	22,191
Other receivables	(3,407)	852
Inventories	(159)	9,852
Prepaid construction costs	-	284,186
Other current assets	1,746	(3,614)
Prepaid value-added tax	(2,240)	4,971
Contract liabilities	-	(284,135)
Accounts payable	11,950	(54,841)
Accounts payable to related parties	-	(696)
Construction costs payable	1,628,320	521,820
Other payables	9,493	11,055
Other current liabilities	25	(31)
Net defined benefit liabilities	1,413	1,727
Provisions	14,126	-
Cash (used in) generated from operations	(177,916)	114,977
Interest received	10,841	8,444
Dividends received	1,176,724	628,336
Interest paid	(25,715)	(42,727)
Income tax (paid) refund	(916)	5,985
Net cash generated from operating activities	<u>983,018</u>	<u>715,015</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in financial assets at amortized cost	-	(450,000)
Decrease in financial assets at amortized cost	300,000	-

(Continued)

# TAIWAN COGENERATION CORPORATION

## STANDALONE STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Disposal of investments accounted for using the equity method	\$ 141,337	\$ -
Payments for property, plant and equipment (Note 28)	(5,557)	(29,818)
Decrease in refundable deposits	106	8
Payments for computer software	(460)	(707)
Decrease in finance lease receivables	10,275	10,608
Increase in prepayments for equipment	<u>(15,052)</u>	<u>-</u>
Net cash generated from (used in) investing activities	<u>430,649</u>	<u>(469,909)</u>
CASH FLOWS FROM FINANCING ACTIVITIES (Note 28)		
Decrease in short-term bills payable	(500,000)	-
Proceeds from long-term borrowings	-	2,920,000
Repayments of long-term borrowings	-	(5,020,000)
(Decrease) increase in guarantee deposits received	(1,043)	5,687
Repayments of the principal portion of lease liabilities	(27,706)	(27,913)
Dividends paid to owners of the Corporation	(1,409,444)	(618,501)
Issuance of new corporation's shares	-	3,025,799
Reduction of capital of subsidiary	<u>-</u>	<u>80,000</u>
Net cash (used in) generated from financing activities	<u>(1,938,193)</u>	<u>365,072</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(564)</u>	<u>(1,061)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(525,090)	609,117
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,072,266</u>	<u>463,149</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 547,176</u>	<u>\$ 1,072,266</u>

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

(Concluded)

**Attachment (V)****Taiwan Cogeneration Corporation****Earnings Distribution Table****2024**

Unit: NT\$

Item	Amount	Remarks
Undistributed earnings at the beginning of the period	21,260,015	Note 1
Adjustments to the retained earnings based on the remeasurement of the defined benefit plan	<u>17,160,744</u>	
Adjusted undistributed earnings	38,420,759	
Net profit for the year	1,349,637,627	
Voluntary reversal of special reserve (IPP_IFRS effects_beginning of the period)	360,133,752	Note 2
Supplementary provision of legal reserve (10%)	(36,013,375)	Note 2
Provision of legal reserve	(136,679,837)	Note 3
Provision of special reserve in accordance with the law (negative value of other equity)	(18,181,544)	
Total distributable earnings	1,557,317,382	
Items to be distributed:		
Cash dividend (NT\$2.1/share)	(1,533,592,200)	Note 4
Undistributed earnings at the end of the period	23,725,182	

Note 1: Arrangements were made in accordance with Article 37 of the Articles of Incorporation.

Note 2: Refer to the voluntary reversal of provisions from prior years. According to the interpretation order Jing-Shang-Zi No. 10902005780, regarding the provision of the special reserve, if the legal reserve is provided, the legal reserve is not required to be provided repeatedly upon the subsequent reversal for earning distribution. However, if no legal reserve is provided for, a supplementary provision of the legal reserve shall be made upon the subsequent reversal for earning distribution. The Company made a reversal for earning distribution during the year. The special reserve with no legal reserve provided for was NT\$360,133,752; therefore, a supplementary provision of the legal reserve of NT\$36,013,375 was made.

Note 3: Refer to 10% of the adjustments to the net profit of the period and undistributed earnings.

Note 4: Dividends are distributed on a last-in, first-out basis.

Chairman: Shun-I Huang

Manager: Yi-Tong Chen

Chief Accounting Officer:  
Shang-Heng Chou



## Attachment (VI)

### Taiwan Cogeneration Corporation

#### Comparison Table for Amendments to the “Articles of Incorporation”

After amendment	Before amendment	Description
<p>Article 8</p> <p>The stocks of the Company shall be signed or sealed by a Director <u>who represents</u> the Company, numbered, and issued after being certified by <u>a bank that can be the certifier of stock issuance according to the law</u>. For the public issuance of the stocks of the Company, the printing of such stocks may be exempted after they are registered with a centralized securities depository enterprise.</p>	<p>Article 8</p> <p>The stocks of the Company shall be signed or sealed by <u>at least three Directors</u> of the Company, numbered, and issued after being certified by <u>the competent authority or an issuance registration institution that it approved</u>. For the public issuance of the stocks of the Company, the printing of such stocks may be exempted after they are registered with a centralized securities depository enterprise.</p>	<p>Amended in accordance with Article 162 of the Company Act.</p>
<p>Section 4 Directors and <u>Functional</u> Committees</p> <p>Article 23</p> <p>The Company has 13 Directors who are elected by the shareholders’ meeting from among capable persons, and the number of Independent Directors shall be no less than three persons and no less than one-fifth of the number of Directors.</p> <p>The candidate nomination system is adopted for the election of Directors of the Company, and the shareholders’ meeting shall elect them from the list of candidates. Independent Directors and non-Independent Directors shall be elected together; however, the elected quota shall be calculated separately.</p> <p>The total shares under the registered shares held by all Directors shall be no less than the ratio stated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.”</p> <p>The Company has established its Audit Committee in accordance with the Securities and Exchange Act, which consists of all Independent Directors. The exercise of the powers of the Audit Committee and its members and relevant matters are subject to the requirements of the competent authority for securities.</p> <p><u>The Company may establish other functional committees. The number of members, term of office, and powers of the committee shall be stipulated in the charter and implemented by the resolution of the Board.</u></p>	<p>Section 4 Directors and the <u>Audit</u> Committee</p> <p>Article 23</p> <p>The Company has 13 Directors who are elected by the shareholders’ meeting from among capable persons, and the number of Independent Directors shall be no less than three persons and no less than one-fifth of the number of Directors.</p> <p>The candidate nomination system is adopted for the election of Directors of the Company, and the shareholders’ meeting shall elect them from the list of candidates. Independent Directors and non-Independent Directors shall be elected together; however, the elected quota shall be calculated separately.</p> <p>The total shares under the registered shares held by all Directors shall be no less than the ratio stated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.”</p> <p>The Company has established its Audit Committee in accordance with the Securities and Exchange Act, which consists of all Independent Directors. The exercise of the powers of the Audit Committee and its members and relevant matters are subject to the requirements of the competent authority for securities.</p>	<p>Pursuant to Article 26 of the Company's Corporate Governance Best Practice Principles:</p> <p>To optimize the supervisory function and strengthen the management system, the Board may establish the audit, remuneration, nomination, risk management, or other functional committees by taking into account the scale of the Company, business nature, and the number of Board members, may establish the environmental protection, corporate social responsibility, or other committees based on the philosophy of corporate social responsibility and sustainable operations, and stipulate them in the Articles.</p>

After amendment	Before amendment	Description
<p>Article 36</p> <p>If the Company records profits of the year, it shall allocate no less than 0.5% and no more than 1% of such profits as the remuneration of employees and the remuneration of Directors, respectively, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees. However, if the Company has accumulated losses, the amount shall be preserved for compensation, and the remuneration of employees and Directors shall be calculated based on the balance. <u>1% of the remuneration of employees shall be distributed to non-executive employees, and the remaining part shall be distributed to all employees.</u></p> <p>The remuneration of employees in the preceding paragraph may be made in stock or cash and shall be reported to the shareholders' meeting after being resolved by the Board. The distribution of the remuneration of employees shall be subject to the regulations for the distribution of the Company's remuneration of employees, and the distribution counterparties may include employees of subordinates in which the Company holds 100% shareholding.</p>	<p>Article 36</p> <p>If the Company records profits of the year, it shall allocate no less than 0.5% and no more than 1% of such profits as the remuneration of employees and the remuneration of Directors, respectively, and the appropriation ratio of remuneration of Directors may not be higher than the appropriation ratio of remuneration of employees. However, if the Company has accumulated losses, the amount shall be preserved for compensation, and the remuneration of employees and Directors shall be calculated based on the balance.</p> <p>The remuneration of employees in the preceding paragraph may be made in stock or cash and shall be reported to the shareholders' meeting after being resolved by the Board. The distribution of the remuneration of employees shall be subject to the regulations for the distribution of the Company's remuneration of employees, and the distribution counterparties may include employees of subordinates in which the Company holds 100% shareholding.</p>	<p>In accordance with paragraph 6, Article 14 of the Securities and Exchange Act, the Articles of Incorporation stipulates the appropriation of a certain ratio of annual earnings as the salary adjustment or remuneration distribution for non-executive employees.</p>
<p>Article 41</p> <p>The 1st amendment was made on September 20, 1995. The 2nd amendment was made on January 28, 1997. The 3rd amendment was made on June 25, 1998. The 4th amendment was made on December 29, 1998. The 5th amendment was made on June 21, 2000. The 6th amendment was made on October 12, 2000. The 7th amendment was made on October 12, 2000. The 8th amendment was made on June 27, 2002. The 9th amendment was made on June 19, 2003. The 10th amendment was made on June 18, 2004. The 11th amendment was made on June 24, 2005. The 12th amendment was made on June 28, 2007. The 13th amendment was made on June 16, 2009. The 14th amendment was made on June 22, 2011. The 15th amendment was made on June 20, 2012. The 16th amendment was made on June 21, 2013. The 17th amendment was made on June 27, 2016. The 18th amendment was made on June 21, 2017. The 19th amendment was made on June 20, 2019. The 20th amendment was made on June 26, 2023. <u>The 21st amendment was made on May 29, 2025.</u></p>	<p>Article 41</p> <p>The 1st amendment was made on September 20, 1995. The 2nd amendment was made on January 28, 1997. The 3rd amendment was made on June 25, 1998. The 4th amendment was made on December 29, 1998. The 5th amendment was made on June 21, 2000. The 6th amendment was made on October 12, 2000. The 7th amendment was made on October 12, 2000. The 8th amendment was made on June 27, 2002. The 9th amendment was made on June 19, 2003. The 10th amendment was made on June 18, 2004. The 11th amendment was made on June 24, 2005. The 12th amendment was made on June 28, 2007. The 13th amendment was made on June 16, 2009. The 14th amendment was made on June 22, 2011. The 15th amendment was made on June 20, 2012. The 16th amendment was made on June 21, 2013. The 17th amendment was made on June 27, 2016. The 18th amendment was made on June 21, 2017. The 19th amendment was made on June 20, 2019. The 20th amendment was made on June 26, 2023.</p>	<p>Amended the date of the Articles.</p>

## **IV. Appendix**

### **Appendix (I)**

#### **Taiwan Cogeneration Corporation**

#### **Rules of Procedure for Shareholders Meetings**

Formulated by the Shareholders Meeting on May.31.2022

1st amendment was made on June 26, 2023

Article 1 To establish a strong governance system and sound supervisory capabilities for the Corporation's shareholders meetings, and to strengthen management capabilities, the "Rules of Procedure for Shareholders Meetings" are adopted pursuant to Article 5 of the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies."

Article 2 The rules of procedures for the Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 Unless otherwise provided by law or regulation, the Corporation's shareholders meetings shall be convened by the board of directors.

In addition to "Criteria Governing Handling of Stock Affairs by Public Companies", the convention of shareholders meeting by means of virtual communication network for the Corporation shall be stipulated in the Articles of Incorporation upon adoption of a resolution by a majority voting of the directors present at a meeting of board of directors attended by two-thirds of the Directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. The Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, 15 days before the date of the shareholders meeting, the Corporation shall have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be

displayed at the Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Corporation 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Corporation 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After the service of the power of attorney of a proxy to the Corporation, if the shareholders intend to attend to the meeting by means of virtual communication network, a proxy rescission notice shall be filed with the Corporation two days prior to the date of the shareholders meeting as scheduled in the shareholders meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of the Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 6 The Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders and the proxy of the shareholders (hereinafter referred to as “shareholders” collectively) shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker’s slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1 To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. When the Corporation convenes a virtual-only shareholders meeting, in addition to 6th Paragraph of Article 44-9 in “Criteria Governing Handling of Stock Affairs by Public Companies”, there shall be at least online equipment and necessary assistance provided to the shareholders, and shall stipulate that the period that the shareholders may apply to the Corporation with other relevant notices.

Article 7 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Corporation. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with the power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend the shareholders meeting in a non-voting capacity.

Article 8 The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairperson shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and the number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with

statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chairperson shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

**Article 11** Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairperson and the shareholder that has the floor; the chairperson shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

**Article 12** Voting at a shareholders meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Corporation, that shareholder may not vote on that item, and may not exercise voting rights as a proxy for any other shareholder.



The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Corporation avoids the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Corporation 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of the Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and the number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 16 On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Corporation, the chairperson may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at the shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21 In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22 When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. When the Corporation convenes a virtual-only shareholders meeting, in addition to 6th Paragraph of Article 44-9 in “Criteria Governing Handling of Stock Affairs by Public Companies”, there shall be at least online equipment and necessary assistance provided to the shareholders, and shall stipulate that the period that the shareholders may apply to the Corporation with other relevant notices.

Article 23 The “Rules of Procedure for Shareholders Meetings” shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall take effect in the same manner.

## Appendix (II)

# Taiwan Cogeneration Corporation

Articles of Incorporation (before revision)

## Chapter I General Provisions

- Article 1 The Corporation is incorporated as a company limited by shares in accordance with the Company Act and other applicable laws of the Republic of China in the name of 台灣汽電共生股份有限公司 in Chinese or Taiwan Cogeneration Corporation in English.
- Article 2 The Corporation shall conduct business in the following areas:
- (1) D101050 Combined Heat and Power
  - (2) D101040 Non-Public Electric Power Generation
  - (3) D401010 Thermal Energy Supply
  - (4) IG03010 Energy Technical Services
  - (5) E601010 Electric Appliance Construction
  - (6) I102010 General Investment Consulting
  - (7) I103060 Management Consulting
  - (8) F401010 International Trade
  - (9) E604010 Machinery Installation
  - (10) JE01010 Rental and Leasing
  - (11) IF02010 Electricity Equipment Checking and Maintenance
  - (12) E603050 Automatic Control Equipment Engineering
  - (13) F113020 Wholesale of Electrical Appliances
  - (14) F113010 Wholesale of Machinery
  - (15) F113030 Wholesale of Precision Instruments
  - (16) EZ05010 Instrument and Meters Installation Engineering
  - (17) E603040 Fire Safety Equipment Installation Engineering
  - (18) E603090 Lighting Equipments Construction
  - (19) J101030 Waste Disposing
  - (20) J101040 Waste Treatment
  - (21) E599010 Piping Engineering
  - (22) E502010 Fuel Catheter Installation Engineering
  - (23) E603010 Cable Installation Engineering
  - (24) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The company is located in Taipei City, Republic of China, and may establish its branch office, representative office, or factory anywhere domestically or overseas as required.
- Article 4 The Corporation shall make public announcements by publishing announcement in the conspicuous location of daily news in the municipalities or local counties (cities) where the Corporation is located, except as otherwise specified by the securities management authorities.
- Article 5 The Corporation may provide guarantee for and lend to a third party for business purpose in accordance with the regulations for endorsements, guarantees and lending of the Corporation and the Company Act. The regulations for endorsements, guarantees and lending shall be established by the Board of Directors and approved by the meeting of shareholders.

- Article 6 The total amount of the Corporation's reinvestments shall not be subject to the restriction of not more than forty percent (40%) of the Corporation's paid-in capital as provided for in Article 13 of the Company Act. Matters regarding reinvestments shall be proceeded in accordance with the resolutions of the Board of Directors.

## Chapter II Shares

- Article 7 The total authorized capital of the Corporation is New Taiwan Dollar Ten Billion (NT\$10 billion) divided into one billion (1,000,000,000) shares with a par value at New Taiwan Dollar Ten (NT\$10) each. The board of directors is authorized to issue such shares in common stocks in a series of issuance.
- Article 8 Stocks of the Corporation shall be signed by or affixed with the personal seal of at least three directors and serially numbered. These stocks shall be certified by the competent authorities or a certifying institution appointed by the competent authorities prior to issuance. After recordation by the centralized securities custody enterprise/ institution, the Corporation may issue shares without printing a share certificate.
- Article 9 Stocks issued by the Corporation are registered stocks. The real name of holders shall be indicated on the stock (share certificate). Where the holder is a corporation, the real name and address of all shareholders and/or the statutory representative shall be recorded in the list of shareholders of the Corporation. Where there are two more holders, one of them shall be designated as the representative.
- Article 10 After a stock is lost or extinguished, the shareholder or legal holder shall report to the law enforcement agency and complete the lost stock report and submit it to the Corporation for examination and registration. This shareholder or legal holder shall also apply for public summons to the jurisdiction district court in accordance with the procedure for public summons in the Taiwan Code of Civil Procedure. After the ex-right judgement, this shareholder or legal holder shall apply for the re-issuance of the lost stock to the Corporation with the court decision.
- Article 11 When re-issuing stocks for ownership transfer or lost/extinguished stocks, the Corporation may charge an appropriate fee adequate for printing the stock.
- Article 12 Shareholders shall complete their real name and address, affix their personal seals to the signature specimen card, and submit the photocopy of their identity card (corporate shareholders shall submit the photocopy of the company license and business registration certificate issued by the Ministry of Economic Affairs and the photocopy of the identity card of the statutory representative and his/her signature specimen card) to the Corporation or the shareholder services agent for cross examination when shareholders collect their dividends or exercise their rights. The same shall apply to any change of such.
- Article 13 Shareholders shall immediately notify the Corporation in writing when they lost their seal of the previous Article registered at the Corporation. Shareholders shall also bring the original copy of any identity documents and the new seal to the Corporation to register their new seals. When shareholders assign an agent to register their new seals, apart from bringing the original copy of the identity documents, the new seal, and a power of attorney of the shareholder, the agent shall also bring the original copy of their own identify card and personal seal to register the new seal for the shareholder.
- Article 14 Registration for transfer of shares shall be suspended sixty (60) days prior to the date of the annual general shareholders meeting, thirty (30) days prior to the date of a provisional meeting of shareholders, or within five (5) days prior to the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.
- Article 15 Matters not provided for in this section shall be implemented in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authorities.

## Chapter III Meetings of Shareholders

Article 16 Meetings of shareholders include the following two types:

1. the annual general shareholders meeting; and
2. the provisional meeting of shareholders.

The former shall be convened once a year within six (6) months after the end of each accounting year; and the latter shall be convened according to the law where necessary. Shareholders meeting may be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 17 Written notices shall be sent to all shareholders at the last known address registered at the Corporation at least thirty (30) days prior to the annual general shareholders meeting and at least fifteen (15) days prior to the provisional meeting of shareholders. The reasons for calling a meeting of shareholders shall be specified in the written notice.

Article 18 Except as otherwise a higher percentage is specified in the Company Act, a meeting of shareholders shall be called to order if attended by shareholders representing over half of the total issued shares, and resolutions shall be adopted by a majority of the votes held by shareholders present at the meeting.

Article 19 Each share of stock shall be entitled to one vote.

Article 20 Where a shareholder is unable to attend a meeting of shareholders, he/she may assign a proxy to attend the meeting and exercise, all rights at the meeting on his/her behalf in accordance with Article 177 of the Company Act. A proxy does not need to be a shareholder of the Corporation.

Article 21 When a meeting of shareholders is convened by the Board of Directors, the chairman of the board shall preside on that meeting of shareholders. Where the chairman is unable to carry out his duty, he shall designate a director to act on his behalf. Where the chairman does not appoint an agent, directors shall elect one from amongst themselves to act on behalf of chairman. Where a meeting of shareholders is convened by a party with the power to convene that is not the BOD, the meeting shall be chaired by this party. When there are two parties, elect one to be the chairperson.

Article 22 The resolutions made by the meeting of shareholders shall be recorded in the minutes. After the chairman of the Corporation or the chairman of the meeting of shareholders signs the minutes, such minutes shall be distributed to all shareholders. The distribution of the minutes may be replaced by public announcements. In addition, such minutes shall be retained permanently during the existence of the Corporation.

## Chapter IV Directors and Audit Committee

Article 23 The Corporation shall have thirteen (13) directors, including a minimum of three independent directors and one fifth of all seats, elected by the meeting of shareholders among competent shareholders.

The candidate nomination system shall apply to the directorial election which includes both directors and independent directors, with separate calculation of seats. Shareholders shall elect directors from among the nominees.

The total number of registered shares held by all directors shall not be lower than the ratio specified in the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.

The Corporation shall establish an audit committee seated by all independent directors in accordance with the Securities and Exchange Act. The committee and committee members shall exercise their authority and implement relevant affairs in accordance with



the rules and regulations prescribed by the competent authorities governing securities and exchange.

- Article 24 The term of each director is three (3) years. They shall be elected by the meeting of shareholders by the law. The Board of Directors shall buy liability insurance for the directors of the Corporation.
- Article 25 Directors shall elect from amongst themselves a chairman with the consent of over half of directors at a board meeting attended by over two-third of all directors.
- Article 26 Externally, the chairman represents the Corporation, and internally, he presides on the meeting of shareholders and board meetings, and administers corporate business in accordance with the law, the articles of incorporation of the Corporation, and the resolutions made by the meeting of shareholders and board meetings.
- Article 27 Except for the first board meeting of every term of the newly established board of directors which shall be convened by the director with the majority votes in the election, board meetings shall be convened by the chairperson of the board. The convener shall also notify all directors of the date, place, and agenda of the board meeting by mail or email at least seven (7) days in advance. However, the board may convene a provisional board meeting at any time.
- Article 28 The chairman shall chair the board meeting. Where the chairman is unable to carry out his duty, he shall designate a director to act on his behalf. Where the chairman does not appoint an agent, directors shall elect one from amongst themselves to act on behalf of chairman.
- Article 29 The Board of Directors shall convene a board meeting at least once a quarter. Except as otherwise a higher percentage is specified by the Company Act or the Articles of Incorporation, the following board meetings shall be called to order with the attendance of over half of all directors, and resolutions shall be made by over half of the directors attended the meeting.
1. Proposal for dissolution and liquidation of the company or merger with other companies.
  2. Proposal for procurement of major assets of the Corporation.
  3. Appointment, discharge, and remunerations of managerial officers.
  4. Proposal for the amendment of the Articles of Incorporation.
  5. Proposal for profit distribution or covering up deficits.
  6. Production of the budget and final accounting of the Corporation.
  7. Approval for re-investments in other businesses.
  8. Establishment and withdrawal of branches.
  9. Application for the approval of public offering or listed at the OTC or stock market.
  10. Approval, revision, and termination of suggestions or expansion investment projects.
  11. The acquisition, transfer, and licensing of special technology and patent rights and the approval, revision, and termination of the technological cooperation contracts.
  12. Proposal for capital increase or reduction.
  13. Approval of contracts with a certain term or a certain credit or value.
  14. Approval of capital expenditures over a certain credit or value within the approved budget or over a certain amount outside of the credit or value outside of the approved budget. For expenditure of the same purpose, do not break down the cost and disburse without prior notice.
  15. Approval of the regulations for endorsements, guarantees, and lending of the Corporation.
  16. Approval of the Corporation's application to the bank for financing, guarantee, acceptance, and other lending and loans, and advances complying with Article 15 of the Company Act at a certain credit or value.
  17. Determination or revision of the term, credit, and value specified in items 13-16.

18. Proposal for the pawning, sale, lease, pledge, mortgage, or other forms of disposal of the Corporation's major property or assets.
  19. Appointment, discharge, and fees for CPAs and permanent legal advisors.
  20. Approval and correction of the Corporation's organization system.
  21. Approval and amendment of major company regulations and documents.
  22. Approval of the regulations governing transactions with affiliates or their shareholders, directors, or relatives.
  23. Authority assigned by the law or resolutions made by the meeting of shareholders.
- Article 30 A director may authorize another director to represent him/her at a board meeting by written authorization. Such authorization may include exercising the voting rights of the assignor for all proposals discussed at the board meeting. Each director shall only represent one other director at a board meeting.
- Article 31 The resolutions made by the board meeting shall be recorded in the minutes. After the chairman of the Corporation or the chairman of the board meeting of signs the minutes, such minutes shall be distributed to all directors. Minutes may be distributed electronically. In addition, such minutes shall be retained permanently during the existence of the Corporation.
- Article 32 The board of director may have several secretaries or assistants to keep custody of the minutes of board meetings and meetings of shareholders and important documents and contracts.

## Chapter V Managerial Officers

- Article 33 The Corporation shall have one general manager and several vice general managers and department/division heads. The chairman shall nominate the general manager, and the general manager shall nominate vice general managers and department/division heads. In addition to the provisions specified in Article 29, the appointment, discharge and compensations shall be subject to Article 29 of the Company Act.
- Article 34 The general manager shall administer the business of the Corporation according to the chairman's order and supervise, execute, and administer the operations of the Corporation. Vice general managers shall assist the general manager to carry out his/her duties.

## Chapter VI Financial Statements

- Article 35 The account year of the Corporation begins on January 1 and ends on December 31 in the same year. After the end of each accounting year, the Board of Directors shall produce the following reports and submit them to the meeting of shareholders for adoption.
1. Business report.
  2. Financial statements.
  3. Proposal for profit distribution or covering up deficits.
- Article 36 If there is a profit after the annual closing of books, the Corporation shall appropriate no less than 0.5% as compensations for employees and not more than 1% as remunerations for directors, and the ratio of appropriation of the latter shall not be higher than that of the former. If there are accumulative deficits, the amount for covering the losses of previous years shall first be retained, and the above compensations and remunerations shall be calculated afterwards.
- Compensations for employees described above shall be distributed in either stock or cash. After the approval of the BOD, the proposal for distribution shall be reported to the annual general shareholders meeting. Compensations for employees shall be distributed

according to the Employee Compensation Distribution Regulations of the Corporation. Compensations for employees shall also be distributed to employees of affiliates of which the Corporation holds 100% shares.

Article 37 Each accounting year after the annual closing of books, after deducting accumulative deficits from the net profit, the Corporation shall first appropriate 10% of the balance as the legal reserve before reverting the balance to special reserves according to the laws and regulations or the rules of competent authorities. If there is still a balance, it shall be combined with the unappropriated retained earnings at the beginning of the year for the BOD to draw up the proposal of profit distribution at no less than 70% of distributable profit and submit the proposal to the annual general shareholders meeting for resolution. When drawing up the dividend policy, the Corporation 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 Corporation's medium- and long-term planning and financial stability. Shareholder dividends include stock dividends and cash dividends and shall be distributed based on the dividend equalization policy. This shall include cash dividends of no less than 20% of the total amount of dividends, and the remaining part shall be distributed in stock dividends. Where there are new major investment products valued NT\$300 million or higher and there are no other fund sources, the Corporation may report to the annual general shareholders meeting to reduce the ratio of distribution of cash dividends to 0-19% and distribute the remaining part in stock dividends. When the amount of legal reserve described above has reached the paid-in capital of the Corporation, no profit will be allocated anymore.

Article 38 The board of directors is authorized to discuss and determine the remunerations for directors according to their involvement in the Corporation's operations, their contributions to the Corporation, and the general level in the same industry. Directors may claim travel allowance each month. The board of directors shall determine the amount of the travel allowance. Shareholders or directors of the Corporation who are concurrently a managerial officer or employee of the Corporation shall be paid according to general employees.

## Chapter VII Addenda

Article 39 Matters not provided for herein shall be subject to the law of the Republic of China.

Article 40 This Articles of Incorporation was established by all initiators on April 14, 1992 and can be amended with the resolution made by the meeting of shareholders.

Article 41

1<sup>st</sup> amendment was made on September 20, 1995.

2<sup>nd</sup> amendment was made on January 28, 1997.

3<sup>rd</sup> amendment was made on June 25, 1998.

4<sup>th</sup> amendment was made on December 29, 1998.

5<sup>th</sup> amendment was made on June 21, 2000.

6<sup>th</sup> amendment was made on October 12, 2000.

7<sup>th</sup> amendment was made on October 12, 2000.

8<sup>th</sup> amendment was made on June 27, 2002.

9<sup>th</sup> amendment was made on June 19, 2003.

10<sup>th</sup> amendment was made on June 18, 2004.

11<sup>th</sup> amendment was made on June 24, 2005.

12<sup>th</sup> amendment was made on June 28, 2007.  
13<sup>th</sup> amendment was made on June 16, 2009.  
14<sup>th</sup> amendment was made on June 22, 2011.  
15<sup>th</sup> amendment was made on June 20, 2012.  
16<sup>th</sup> amendment was made on June 21, 2013.  
17<sup>th</sup> amendment was made on June 27, 2016.  
18<sup>th</sup> amendment was made on June 21, 2017.  
19<sup>th</sup> amendment was made on June 20, 2019.  
20<sup>th</sup> amendment was made on June 26, 2023.

## Appendix (III)

### Taiwan Cogeneration Corporation Shareholding of Directors

1. The paid-in capital of the Corporation is NT\$7,302,820,000 to issue a total of 730,282,000 shares.
2. The number of shares that all directors of the Company are authorized to hold is 23,369,024.
3. The shares held by individual and all directors shown in the shareholders' register on Mar. 31, 2025 are listed in the following table.

Title	Name	Elected date	Term	Shares held at election	Shares currently held	
				Shares	Shares	Shareholding ratio %
<b>Chairman</b>	Shun-I Huang	26 Jun. 2023	3 yrs.	162,954,279 shares, representing Taiwan Power Company Ltd.	200,918,361 shares, representing Taiwan Power Company Ltd.	27.51%
<b>Director</b>	Jenn-Yeong Wang	26 Jun. 2023	3 yrs.			
<b>Director</b>	Sheng-Jen Hsiao	26 Jun. 2023	3 yrs.			
<b>Director</b>	Ming-Teh Chiang	26 Jun. 2023	3 yrs.			
<b>Director</b>	Ching-Hung Cheng	26 Jun. 2023	3 yrs.			
<b>Director</b>	Yun-Chun Wang	26 Jun. 2023 (note1)	3 yrs.			
<b>Director</b>	Kuo-Hsiang Chao	26 Jun. 2023	3 yrs.	15,719,000 shares, representing Jiansheng Investment Company Ltd.	19,141,591 shares, representing Jiansheng Investment Company Ltd.	2.62%
<b>Director</b>	Sheng-Chun Wang	26 Jun. 2023	3 yrs.	345,000 shares, representing Yuanjun Investments.	415,304 shares, representing Yuanjun Investments.	0.06%
<b>Director</b>	Sung-Pin Chang	26 Jun. 2023	3 yrs.	11,527,432 shares, representing TECO Electric & Machinery Co., Ltd.	12,217,245 shares, representing TECO Electric & Machinery Co., Ltd.	1.67%
<b>Director</b>	Yu-Feng Huang	26 Jun. 2023 (note2)	3 yrs.	9,060,384 shares, representing Formosa Heavy Industries Co., Ltd.	9,602,567 shares, representing Formosa Heavy Industries Co., Ltd.	1.31%
<b>Independent director</b>	Han-Shen Li	26 Jun. 2023	3 yrs.	0	0	0.00%
<b>Independent director</b>	Ji-Sheng Ye	26 Jun. 2023	3 yrs.	0	0	0.00%
<b>Independent director</b>	Jiann-Fuh Chen	26 Jun. 2023	3 yrs.	0	0	0.00%
<b>Total of all directors</b>				<b>199,606,095 shares</b>	<b>242,295,068 shares</b>	<b>33.17%</b>

Note1: Ms. Yun-Chun Wang was appointed by the Corporation on Dec. 4, 2024.

Note2: Mr. Yu-Feng Huang was appointed by the Corporation on Oct. 1, 2024.

## Appendix (IV)

## **Appendix (IV)**

### **Acceptance of Shareholders' Proposals**

The following shows the handling of proposals made by shareholders at the present annual general shareholders meeting.

1. According to Article 172-1 of the Company Act, "Shareholders holding more than one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words."
2. The Corporation accepts proposals made by shareholders for the present annual general shareholders meeting during Mar. 21 to Mar. 31, 2025. All proposals have been published on the Market Observation Post System (MOPS) according to the law.
3. No shareholder proposal was received this year.