

Stock Code: 5603

陸海股份有限公司
SEA & LAND INTEGRATED CORP.

Handbook for the 2024 Annual Meeting of
Shareholders

Meeting type : physical shareholders meeting

Time: 9 am on June 12 (Wednesday), 2024

Venue: 9F, No. 359, Section 7, Zhongxiao East Road, Nangang
District, Taipei

(Wind Hall & Light Hall, Courtyard Hotel Taipei)

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Sea & Land Integrated Corp.

Procedure for the 2024 Annual Meeting of Shareholders

- I. Calling the meeting to order
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Agenda of 2024 Annual Meeting of Shareholders, Sea & Land Integrated Corp.

Time: 9 am on June 12 (Wednesday), 2024

Venue: 9F, No. 359, Section 7, Zhongxiao East Road, Nangang District, Taipei
(Wind Hall & Light Hall, Courtyard Hotel Taipei)

Shareholders meeting will be held by means: Physical shareholders meeting

* Opening of the meeting: Address by the Chairman

I. Matters for Reporting:

- (I) Report on the 2023 business status.
- (II) 2023 Review Report of the Audit Committee.
- (III) Report on the 2023 distribution of employees' remuneration and directors' remuneration.

II. Matters for Recognition:

- (I) Recognition of the 2023 final accounts.
- (II) Recognition of the 2023 earnings distribution.

III. Extemporaneous Motions

IV. Meeting adjournment

Matters for Reporting:

I. 2023 business report.

The operating conditions of each business division of the Company in 2023 are as follows:

Container Inland Haulage Service:

Inland container transport is closely related to the global goods trade scene, In recent years, it has been affected by factors such as inflation, consumption contraction and major international events (such as competition between the United States and China, geopolitical conflicts, and the Ukraine-Russia war), Resulting in continued slump in import and export volume, It is not conducive to freight rates, and it also intensifies the price competition among container transportation industries. And the competition for market share has a direct impact on the company's revenue., The continued high oil prices, labor shortages and wage increases, labor law challenges, and increases in equipment costs and warranty fees are all important factors affecting profitability. However, medium and large customers have begun to pay attention to ESG issues, Our company has also been actively promoting this in advance and has begun to be recognized by customers, which will surely make the relationship between customers and the company closer, and reduce the impact of price competition among peers.The Division made a profit of NT\$53,804 thousand

Heavylift Haulage & Erection Servic:

In recent years, it has successively received equipment renewal and transportation projects for multiple sets of generator sets from major power plants in Xingda, Taichung, Senba and Datan. At the same time, Offshore wind power generation is an important green energy promotion project for the government to achieve energy transition, The company has extensive experience in the transportation and hoisting of heavy machinery, and has obtained a number of projects for offshore wind power generation equipment and dock shore lifting and transportation. In terms of coastal ship transportation, the number of ships it owns includes powered tugboats, work boats, and unpowered platform barges. The current number has reached eight vessels, Make the transportation method more flexible in operation, arrangement and matching, and provide more diversified choices for the transportation of large heavy machinery parts.With years of experience, we have established ourselves as a preferred partner for both domestic and international clients.,the Business Division made a profit of NT\$89,977thousand.

Gas station business: The Business Division made a profit of NT\$2,479 thousand.

Foreign wine business:

Professional agent for importing foreign wine , with a distribution network throughout the province, With professional logistics and distribution from central warehousing and diversified marketing channels, we provide immediate and comprehensive services. In recent years, as inflation has pushed up the cost of raw materials and transportation, the price of imported alcoholic beverages has increased, which has tightened consumer demand. In 2023, the alcohol retail market has become cooler month by month. With the diversification of products and strategic application, the business has made a profit of NT\$12,547 thousand.

To sum up, the consolidated operating income in 2023 is NT\$1,803,062 thousand, the net operating profit is NT\$88,189 thousand, the net profit before income tax is NT\$227,292 thousand, the net profit after income tax is NT\$207,619 thousand, the current net profit after tax attributed to the owner of the parent company is NT\$202,909 thousand, and the net profit per share is NT\$1.93.

I would like to express my sincere thanks to all the shareholders. Please continue giving us guidance and advice.

I would like to wish you all
good health and good luck.

Chairman: Ho, Ying-Chin

Profit before income tax

II. 2023 Review Report of the Audit Committee.

Review Report of the Audit Committee, Sea & Land Integrated Corp.

The Company's Board of Directors prepared and submitted the business report, financial statements, consolidated financial statements and earnings distribution proposal for 2023. The financial statements and consolidated financial statements were already audited and certified by CPAs Hsu, Ming-Chuan and Gary Chih of PwC Taiwan, and an Independent Auditor's Report was issued accordingly.

The above-mentioned books and statements from the Board of Directors have been reviewed by the Audit Committee, with no discrepancy detected. Therefore, this report is issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act; kindly review and approve.

To : 2024 Annual Meeting of Shareholders, Sea & Land Integrated Corp.

The Audit Committee

Convener: Tung, Young-Cheng

March 12, 2024

III. Report on the 2023 distribution of employees' remuneration and directors' remuneration.

(I) Remuneration Policy

1. In accordance with Article 31 of the Articles of Association of the Company, if the Company has a surplus (the pre-tax net profit before the distribution of employees' remuneration and directors' remuneration), it shall allocate 5% as the employees' remuneration and up to 5% as the directors' remuneration.
2. The profit of the Company in 2023 (before the distribution of employees' remuneration and directors' remuneration), is NT\$243,649,409.
3. It is proposed to allocate 5% as the employees' remuneration for 2023, in the amount of NT\$12,182,470.
4. It is proposed to allocate 5% as the directors' remuneration for 2023, in the amount of NT\$12,182,470

(II) General and Independent Directors' Remuneration

Title	Name	Directors' Remuneration						Relevant remuneration received by part-time employees				Total amount of items A, B, C, D, E, F and G as a proportion of the net profit after tax		Remuneration from reinvestment enterprises other than subsidiaries or parent company						
		Remuneration (A)		Retirement pension (B)		Directors' remuneration (C)		Business execution expenses (D)		Salary, bonus and special expenses (E)		Retirement pension (F)			Employees' remuneration (G)					
		The Company's financial report	All the companies in the Company's financial report	The Company's financial report	All the companies in the Company's financial report	The Company's financial report	All the companies in the Company's financial report	The Company's financial report	All the companies in the Company's financial report	The Company's financial report	All the companies in the Company's financial report	The Company's financial report	All the companies in the Company's financial report		The Company's financial report	All the companies in the Company's financial report				
Director	Ho, Ying-Jin	0	0	0	0	1,354	1,354	60	60	5,652	5,652	0	0	585	0	585	0	3.77%	3.77%	0
Director	Chien, Chung-Jung	0	0	0	0	1,354	1,354	60	60	400	400	0	0	133	0	133	0	0.96%	0.96%	0
Director	Hung, Keng-Shu	0	0	0	0	1,354	1,494	60	60	0	2,750	0	0	0	0	0	0	0.70%	0.70%	0
Director	Lien, Chin-Chih	0	0	0	0	1,354	1,354	60	60	1,813	1,813	0	0	142	0	142	0	1.66%	1.66%	0
Director	Lin, Hsiu-Hung	0	0	0	0	1,354	1,354	30	30	0	0	0	0	0	0	0	0	0.70%	0.70%	0
Director	Corporate representative of Ever Glory Transportation – Wu, Bo-Hsiao	0	0	0	0	0	0	60	60	0	0	0	0	0	0	0	0	0.03%	0.03%	0
Independent Director	Tung, Young-Cheng	0	0	0	0	1,354	1,354	60	60	0	0	0	0	0	0	0	0	0.70%	0.70%	0
Independent Director	Lin, Jy-Shemp	0	0	0	0	1,354	1,354	60	60	0	0	0	0	0	0	0	0	0.70%	0.70%	0
Independent Director	Lee, Yeh-Chung	0	0	0	0	1,354	1,354	60	60	0	0	0	0	0	0	0	0	0.70%	0.70%	0
Independent Director	Chiang, Kuo-Cheng	0	0	0	0	1,354	1,354	35	35	0	0	0	0	0	0	0	0	0.68%	0.68%	0

1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid. : The company's independent directors' remuneration and other related payment policies are the same as those of general directors in accordance with the articles of association.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): This is not the case.

Note 1: Institutional director- Ever Glory Transportation Inc. ,Resigned on January 15, 2024

Matters for Recognition

Case 1: Proposed by the Board of Directors

Subject: Recognition of the 2023 final accounts.

Description:

1. The Company's business report, individual financial statements and consolidated financial statements for 2023 have been prepared by the Board of Directors.
2. The final accounts have been submitted to the Audit Committee for review, and it considers that there is no discrepancy.
3. The individual financial statements and consolidated financial statements were already audited and certified by CPAs Hsu, Ming-Chuan and Gary Chih of PwC Taiwan, who issued an Independent Auditor's Report with an unqualified opinion plus the "Other Matters" section (please see Appendix 5 for details).

Please recognize.

Resolution:

Case 2: Proposed by the Board of Directors

Subject: Recognition of the 2023 earnings distribution proposal.

Description:

1. The Company plans to distribute cash dividends NT\$125,851,928 (1.2/share) from the earnings of 2023. The cash dividend of each shareholder will be distributed to NT\$1, and the amount less than NT\$1 will not be paid but will be posted in other income of the Company.
2. After the cash dividend proposal is approved by the general shareholders' meeting, the Board of Directors is authorized to set the ex-date of dividend distribution and other related matters.
3. If later the number of outstanding shares is affected by factors such as capital increase, conversion of convertible corporate bonds, buyback of the shares of the Company, or transfer of treasury shares, conversion or cancellation, and the shareholders' interest distribution ratio therefore changes and needs to be revised, it is proposed to request the general shareholders' meeting to authorize the Board of Directors to deal with full powers (Please see Appendix 2 for details of the profit distribution statement).

Please recognize.

Resolution:

Extempore Motions

Meeting adjournment

Appendices

Appendix 1

Shareholdings of Directors of Sea & Land Integrated Corp.

1. The paid-in capital of the Company is NT\$1,048,766,070, and the number of issued shares is 104,876,607.
2. In accordance with Article 26 of the Securities and Exchange Act, the minimum number of shares to be held by all directors is 8,000,000.
3. The number of shares held by individual and all directors recorded in the register of shareholders as of the book-close date of this shareholders' meeting is stated as follows, and has reached the percentage required in Article 26 of the Securities and Exchange Act.

Book-close date: April 14, 2024

Title	Name	Date elected	Term	Director	
				Shareholding	Shareholding ratio
Chairman	Ho, Ying-Chin	June 2022	Three years	11,115,162	10.60%
Director	Chien, Chung-Jung	June 2022	Three years	0	0%
Director	Hung, Keng-Shu	June 2022	Three years	41,190	0.04%
Director	Lien, Chin-Chih	June 2022	Three years	12,652	0.01%
Director	Lin, Hsiu-Hung	June 2022	Three years	787,930	0.75%
Independent Director	Lin, Jy-Shenp	June 2022	Three years	0	0%
Independent Director	Tung, Young-Cheng	June 2022	Three years	0	0%
Independent Director	Lee, Yeh-Chung	June 2022	Three years	0	0%
Independent Director	Chiang, Kuo-Cheng	June 2023	Two years	0	0%
Shareholding of all directors				11,956,934	11.40%

Appendix 2

Sea & Land Integrated Corp.
Earnings Distribution statement
Year of 2023

Item	Amount	Remark
Opening undistributed earnings	261,754,949	
Retained earnings adjustment	4,270,581	
Net profit after tax of the year	202,908,744	
Legal reserve appropriation	(20,717,933)	
Special reserve appropriation	(6,093,984)	
Undistributed earnings	442,122,357	
Distribution items		
Dividend to shareholders (cash)	(125,851,928)	NT\$1.2 per share
Dividend to shareholders (stock)	0	
Undistributed earnings at the end of the period	316,270,429	

Chairman: Ho, Ying-Chin Manager: Ho, Ying-Chin Accounting Head: Hu, Li-Hua

Appendix 3

Sea & Land Integrated Corp. Rules of Procedure of Shareholders' Meeting

Article 1

In order to establish a good governance system of the shareholders' meeting of the Company, improve the supervision function and strengthen the management function, the Rules are formulated in accordance with Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2

Unless otherwise provided by laws and regulations, the shareholders' meeting of the Company shall be handled in accordance with the Rules.

Article 3

Unless otherwise provided in laws and regulations, the shareholders' meeting of the Company shall be convened by the board of directors, and the following provisions shall be followed.

1. The Company shall, 30 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the notice of the shareholders' meeting, the form of the power of attorney, and reasons and explanations of the proposals of recognition cases, discussion cases and election or dismissal of directors and supervisors, and transmit it to the MOPS.
2. The Company shall also, 21 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the handbook and supplementary information of the shareholders' meeting, and transmit it to the MOPS.
3. Fifteen days before the shareholders' meeting, the Company shall make available the handbook and supplementary information of the meeting for the shareholders to read at any time; the Company shall also have them displayed at the Company and the professional stock affairs agency appointed by the Company, and distribute them at the shareholders' meeting.

On the day of the shareholders' meeting, the Company shall provide shareholders with the proceedings manual and supplementary information of the meeting referred to in the preceding paragraph in the following ways:

1. Distribute them at the site of the shareholders' meeting when convening a physical shareholders' meeting.
2. Distribute them at the site of the shareholders' meeting and transmit the electronic file to the videoconference platform when convening a videoconference assisted shareholders' meeting.
3. Transmit the electronic file to the videoconference platform when convening a shareholders' meeting by videoconference.

The meeting notice and announcement shall contain the reasons for convening the meeting; the notice may be sent by electronic means if approved by the counterparties.

Article 4

Any shareholder holding more than 1% of the total issued shares may submit to the Company in writing a proposal for the general shareholders' meeting. However, each such shareholder is limited to making only one proposal, otherwise the excess proposals will not be included in the agenda. In addition, the board of directors may not list the proposal from a shareholder in case of any of the circumstances in item 4, Article 172-1 of the Company Act. Shareholders may submit proposals to urge the Company to promote public interests or to fulfill social responsibilities. Procedure-wise, the number of such proposals shall be limited to one according to the relevant provisions of Article 172-1 of the Company Act, otherwise the excess proposals will not be included in the agenda.

The Company shall, before the book-close date of the general shareholders' meeting, announce the acceptance of proposals, the written or electronic method accepted, and the location and period of acceptance; the period of acceptance shall not be less than 10 days.

The proposal made by a shareholder is limited to 300 words, and those exceeding 300 words will not be included in the agenda. The Company shall notify the proposing shareholder of the results of the acceptance before the date the convening notice is sent, and shall include in the meeting notice the proposals compliant with the requirements of this article. For shareholders' proposals not included in the agenda, the board of directors shall explain the reasons for non-inclusion.

Article 5

At each shareholder's meeting, the shareholder may issue a power of attorney in the form printed by the Company to specify the scope of authorization, and sign or seal it and entrust an agent to attend.

Each shareholder is limited to issuing one power of attorney and entrusting only one person, and shall have the power of attorney delivered to the Company five days before the date of the shareholders' meeting. If the entrustment is repeated, the first one delivered shall prevail. However, the above does not apply if a declaration is made on the revocation of the entrustment previously delivered.

After the power of attorney is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting personally or wishes to exercise the voting right in writing or electronically, a notice of revocation shall be delivered to the Company in writing two days before the date of the shareholders' meeting; if the power of attorney is cancelled after the time limit, the voting right exercised by the entrusted agent shall prevail.

Article 6 (Principle of place and time for holding shareholders' meeting)

The place of the meeting shall be the place where the Company is located or where it is convenient for the shareholders to attend. The meeting time shall not be before 9 a.m. or after 3 p.m., and the opinions of the independent directors shall be taken into full account when considering the meeting place and time.

When the Company holds a video shareholders' meeting, it is not subject to the restrictions on the place of the meeting in the preceding paragraph.

Article 7 (Preparation of registration documents)

The Company shall specify in the meeting notice the time and place for accepting the registration of shareholders, solicitors and entrusted agents (hereinafter collectively referred to as shareholders) and other matters needing attention.

The time for the shareholder's registration referred to in the preceding paragraph shall be at least 30 minutes before the meeting; the registration office shall be clearly marked, and sufficient qualified personnel shall be sent to handle the registration. For a videoconference of the shareholders' meeting, the acceptance of registration shall start 30 minutes before the meeting at the videoconference platform of the shareholders' meeting. The shareholders who complete the registration shall be deemed to be present at the shareholders' meeting in person.

The shareholders shall attend the shareholders' meeting based on the attendance card, sign-in card or other attendance certificates. The Company shall not arbitrarily add other supporting documents to the certification documents based on which the shareholders attend the meeting. The solicitor of the power of attorney for attending the meeting shall carry an identity certificate for verification, and sign in after the verification of attendee identity.

The Company adopts the sign-in cards of attending shareholders for signing in. The Company shall deliver the meeting handbook, annual report, attendance card, speech slip, voting ballots and other meeting materials to the shareholders present at the shareholders' meeting; if there is a re-election of directors, the electing ballots shall also be attached. When the government or a legal person is a shareholder, the number of its representatives present at the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend.

If the shareholders' meeting is held by videoconference, shareholders who wish to attend by video shall register with the Company two days before the shareholders' meeting.

If the shareholders' meeting is held by videoconference, the Company shall upload the proceedings manual, annual report and other relevant materials to the videoconference platform of the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose them until the end of the meeting.

Article 7-1 (Matters to be included in the notice of convening a shareholders' meeting by video)

When the Company holds the shareholders' meeting by videoconference, the following matters shall be specified in the notice of convening the shareholders' meeting:

1. Methods for shareholders to participate in videoconferences and exercise their rights.
2. The handling methods in case of obstacles to the videoconference platform or participation by video due to natural disasters, incidents or other force majeure shall at least include the following matters:
 - (1) The time of the meeting to be postponed or resumed due to the continuous failure to remove the obstacles above, and the date of the postponed or resumed meeting if required.
 - (2) Shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or resumed meeting.
 - (3) If the video assisted shareholders' meeting cannot be resumed, the shareholders' meeting shall be continued if, after deducting the number of shares attending the shareholders' meeting by video, the total number of shares attending the shareholders' meeting reaches the quorum of the shareholders' meeting. The number of shares

attending the shareholders' meeting by video shall be included in the total number of shares of the shareholders attending the meeting, but shall be deemed to waive on the voting on all proposals at the shareholders' meeting.

- (4) The handling method in the event that the results of all proposal have been announced, but no extemporary motion has been processed.
3. When convening a shareholders' meeting by videoconference, the convening notice shall specify appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video.

Article 8 (Chairman of the shareholders' meeting and non-voting participants)

If the shareholders' meeting is convened by the board of directors, the Chairman shall serve as the chairman of the meeting. When the Chairman is on leave or unable to exercise his functions and powers for some reason, the Chairman shall appoint a director to act as the deputy. If the Chairman fails to appoint a deputy, the directors shall elect one person among themselves to act as the deputy.

If the chairman of the preceding paragraph is deputized by a director, the person shall have served for more than six months and understands the Company's financial and business conditions. The same applies if the chairman is the representative of a corporate director.

For the shareholders' meeting convened by the board of directors, the Chairman of the board shall preside in person, and more than half of the directors of the board and at least one member of each functional committee shall attend; the attendance shall be recorded in the minutes of the shareholders' meeting.

If the shareholders' meeting is convened by a person with the power to convene other than a member of the board of directors, the convener shall be the chairman of the meeting. If there are two or more conveners, one of them shall be elected to be the chairman.

The Company may appoint its designated lawyers, accountants or related personnel to attend the shareholders' meeting as non-voting delegates.

Article 9 (Audio or video recording of the shareholders' meeting)

The Company shall continuously audio and video record the whole process of shareholders' registration, the meeting and vote counting starting from the time of accepting shareholders' registration.

The recording above shall be kept for at least one year. However, if any shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

If the shareholders' meeting is held by videoconference, the Company shall keep records of the shareholders' registration, sign-in, check-in, questioning and voting and the vote counting results, and continuously audio and video record the whole process of the videoconference.

The information and audio and video recordings referred to in the preceding paragraph shall be properly kept by the Company during its existence, and the audio and video recordings shall be provided to those entrusted to handle videoconference affairs for preservation.

Where the shareholders' meeting is held by videoconference, It is advisable that the Company audio and video records the background operation interface of the videoconference platform.

Article 10

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares present shall be calculated according to the number of shares registered or the sign-in cards submitted and on the videoconference platform, plus the number of shares exercising voting rights in writing or electronically.

The chairman shall call the meeting to order at the specified meeting time; however, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a meeting postponement, provided that the number of such postponements is no more than two, and the total time no more than one hour. If the attending shareholders still do not represent one third of the total number of issued shares after two postponements, the chairman shall declare the meeting aborted. If the shareholders' meeting is held by videoconference, the Company shall also announce the meeting being aborted on the videoconference platform of the shareholders' meeting.

If the quorum is still 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 paragraph 1, Article 175 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. If the shareholders' meeting is to be held by videoconference, shareholders who wish to attend by video shall re-register with the Company in accordance with Article 7.

Prior to the conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for voting at the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 11

If a shareholders' meeting is convened by the board meeting, the meeting agenda shall be set by the board meeting, and the resolutions of related motions (including extraordinary motions and amendments to original motions) shall be made on a case-by-case basis by voting. The meeting shall proceed in the order set in the agenda, which may not be changed without a resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a convening party other than the board of directors, the provisions of the preceding paragraph shall apply.

The chairman may not declare the meeting adjourned prior to completion of the meeting agenda (including extempore motions) of the preceding two paragraphs except by a resolution of the shareholders' meeting. If the chairman 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 chairman in accordance with statutory procedures, and then continue the meeting based on the agreement of a majority of the votes represented by the attending shareholders.

The chairman shall allow ample opportunities during the meeting for explanation and discussion of motions and their amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a motion has been discussed sufficiently for voting, the chairman may announce a cessation of the discussion and call for a vote, and arrange sufficient time for voting.

Article 12 (Shareholders' speech)

Before speaking, an attending shareholder shall specify on the speaker's slip his/her speech summary, shareholder account number and account name. The order in which shareholders speak shall be set by the chairman.

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 contents of the speech do not correspond to the subject given on the speaker's slip, the content of the speech shall prevail.

Without the consent of the chairman, each shareholder who speaks on the same motion shall not speak more than twice, and the speech each time shall not exceed five minutes. If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the chairman 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 chairman and the shareholder that has the floor; the chairman shall stop any violations.

After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond. When a legal person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives appointed may speak on the same proposal.

If the shareholders' meeting is held by videoconference, the shareholders participating by video may ask questions in writing on the videoconference platform of the shareholders' meeting after the chairman calls the meeting to order and before the adjournment of the meeting. The number of questions for each proposal shall not be more than two, and each question shall be limited to 200 words. The provisions of paragraphs 1 to 5 shall not apply.

Article 13 (Calculation of voting shares and avoidance system)

Attendance at shareholders' meetings shall be calculated based on the number of shares.

The shares held by shareholders with no voting right shall not be counted in the total number of issued shares while adopting a resolution at the shareholders' meeting. When a shareholder has personal interests in items at the meeting which may cause harmful results to the interests of the Company, he shall not participate in the voting and shall not exercise voting rights on behalf of other shareholders.

The number of shares that may not exercise voting rights referred to in the preceding paragraph shall not be counted in the number of voting rights of the shareholders present. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by him/her shall not exceed 3% of the total number of voting shares of the Company, otherwise, the portion of excessive voting rights shall not be counted.

Article 14

Each shareholder has one voting right per share, but this does not apply to those who are restricted or have no voting rights as specified in paragraph 2, Article 179 of the Company Act. When the Company holds a shareholders' meeting, the voting rights exercised by electronic means or in writing are allowed; the exercise method shall be specified in the notice of the shareholders' meeting. The shareholders who exercise the voting rights in writing or by electronic means shall be deemed to attend the shareholders' meeting in person. However, for

extempore motions and amendments to the original motions of the shareholders' meeting, such shareholders shall be deemed to have waived their voting rights.

If the voting rights are exercised in writing or by electronic means as in the preceding paragraph, the intention of the said expression shall be delivered to the Company two days before the shareholders' meeting. If the intention is repeated, the first one delivered shall prevail. However, the above does not apply if a declaration is made on the revocation of the entrustment previously delivered.

After the shareholder exercises the voting right in writing or by electronic means, if he wants to attend the shareholders' meeting in person, he shall make a revocation of the intention previously delivered in the same manner as the revocation of the voting intention in the previous paragraph two days before the shareholders' meeting; if the revocation is made after the deadline, the voting right exercised in writing or by electronic means shall prevail. If the voting right is exercised in writing or by electronic means and the agent entrusted via a power of attorney is present at the shareholders' meeting, the voting right of the entrusted agent shall prevail.

Unless otherwise provided by law or the Company's Articles of Association, a proposal shall be approved with the consent of more than half of the voting rights of the shareholders present. When voting, the shareholders shall then vote on the proposals one by one. The results of shareholders' consent, objection and waiver shall be entered on the MOPS on the same day after the shareholders' meeting.

When there is an amendment or replacement to a proposal, the chairman shall determine the order of voting together with that of the original proposal. If one of the proposals is approved, the other proposals shall be deemed to be rejected and no more voting shall be needed. The persons who supervise and calculate the votes on proposals shall be appointed by the chairman, but the vote supervisor shall have the status of shareholder.

The vote counting operation of voting or election at the shareholders' meeting shall be conducted in a public place of the venue of the shareholders' meeting, and the voting results, including the number of voting rights, shall be announced on the spot after the completion of the counting and recorded accordingly.

If the Company holds the shareholders' meeting by videoconference, after the chairman calls the meeting to order, the shareholders participating by video shall vote on various proposals and election proposals through the videoconference platform, and shall complete the voting before the chairman announces the end of the voting. If the voting is delayed, they shall be deemed to have abstained.

If the shareholders' meeting is convened by videoconference, the votes shall be counted in one go after the chairman announces the end of voting, and the voting and election results shall be announced.

When the Company holds the video-assisted shareholders' meeting, the shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 7 and want to attend the physical shareholders' meeting in person shall cancel the registration in the same way as for the registration two days before the shareholders' meeting; if the cancellation is overdue, the shareholders' meeting can only be attended by video.

Those who exercise their voting rights in written or electronic form, have not withdrawn their expression of intention, and have participated in the shareholders' meeting by video shall not exercise their voting rights on, except for temporary motions, the original motion or propose

amendments to the original motion, or exercise their voting rights on the amendments to the original motion.

Article 15 (Election related matters)

When there is an election at the shareholders' meeting, it shall be handled in accordance with the relevant election rules prescribed by the Company, and the election results shall be announced on the spot, including a list of elected members and the number of voting rights won. The ballots for the election referred to in the preceding paragraph shall be sealed and signed by the monitoring personnel and properly kept for at least one year. However, if any shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 16

The resolutions of the shareholders' meeting shall be recorded in the meeting minutes, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The production and distribution of the minutes may be done electronically, and shall be retained permanently.

If the shareholders' meeting is held by videoconference, in addition to the items required to be recorded in accordance with the preceding paragraph, the minutes shall record the start and end time of the shareholders' meeting, the method of holding the meeting, the name of the chairman and the recorder, appropriate alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video, and the handling methods and results in case of obstacles to the videoconference platform or participation by video due to force majeure. If convening a shareholders' meeting by videoconference, the Company shall, in addition to the provisions of the preceding paragraph, specify in the minutes the alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video.

Article 17 (Public announcement)

The Company shall clearly disclose in the meeting venue and in the prescribed format the number of shares acquired by solicitors, the number of shares represented by entrusted agents and the number of shares of shareholders attending in writing or electronically on the day of the meeting.

If the shareholders' meeting is held by of videoconference, the Company shall upload the aforementioned materials to the videoconference platform of the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose them until the end of the meeting.

When the shareholders' meeting is held by videoconference, the Company shall disclose on the videoconference platform the number of shareholders' rights present when the meeting is called to order. The same applies if there are other statistics on the total number of shares held by the shareholders present and the number of voting rights.

The resolutions of the shareholders' meeting shall be transmitted to the MOPS according to law before the prescribed deadline.

Article 18 (Maintenance of the order of the venue)

The meeting affair staff of the shareholders' meeting shall wear identification cards or armbands.

The chairman may command the picket (or security personnel) to assist in maintaining the order of the meeting venue. When assisting in maintaining order, the picket (or security personnel) shall wear an armband or identification card with the word "picket." If sound amplification equipment is available at the meeting venue, the chairman may stop shareholders from speaking if they speak on equipment not prepared by the Company.

If a shareholder violates the rules of procedure and fails to comply with the chairman's correction, and hinders the meeting from proceeding, the chairman may direct the picker or the security personnel to ask him to leave the meeting venue.

Article 19 (Break and continuation of meeting)

When the meeting is in progress, the chairman may announce a break at his discretion. In case of force majeure, the chairman may rule to suspend the meeting and announce the time for continuation of the meeting as the case may be.

Before the conclusion of the proceedings (including extempore motions) scheduled for the shareholders' meeting, if the venue for the meeting cannot continue to be used, another venue may be found to continue the meeting upon the resolution of the shareholders.

The shareholders' meeting may, in accordance with Article 182 of the Company Act, decide to postpone or renew the meeting within five days.

Article 20 (Information disclosure at videoconference)

If the shareholders' meeting is held by videoconference, the Company shall immediately disclose the voting results of various proposals and election results on the videoconference platform of the shareholders' meeting after the voting is completed, and shall continue to disclose them for at least 15 minutes after the chairman announces the adjournment of the meeting.

Article 21 (Location of the chairman and minute taker of a video shareholders' meeting)

If the Company holds the shareholders' meeting by videoconference, the chairman and the recorders shall be in the same place in Taiwan, and the chairman shall announce the address of the place at the meeting.

Article 22 (Handling of signal interruption)

Where the shareholders' meeting is held by video, the Company may provide a simple connection test for shareholders before the meeting, and provide relevant services immediately before and during the meeting to assist in handling technical problems of communication.

If the shareholders' meeting is held by videoconference, the chairman shall, when calling the meeting to order, announce that there is no need to postpone or continue the meeting per paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Before the chairman announces the adjournment of the meeting, if there is any obstacle to the videoconference platform or participation by video for more than 30 minutes due to any natural disaster, accident or other force majeure, the provisions of Article 182 of the Company Act shall not apply if the meeting should be postponed or resumed within five days.

In the event of a postponed or resumed meeting referred to in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or resumed meeting.

If the meeting should be postponed or resumed in accordance with paragraph 2, for the shareholders who have registered to participate in the original shareholders' meeting by video and have completed their registration but have not participated in the postponed or resumed meeting, their number of shares present, voting rights and election rights exercised at the original shareholders' meeting shall be included in the total number of shares, voting rights and election rights of shareholders attending the postponed or resumed meeting.

When handling the postponed or resumed shareholders' meeting in accordance with paragraph 2, there is no need to re-discuss and adopt resolutions on the proposals for which the voting and vote counting have been completed and the voting results or the list of directors elected has been announced.

When the Company holds a video-assisted shareholders' meeting and it is impossible to resume the video meeting in paragraph 2, if the total number of shares present at the shareholders' meeting by video is still meets the quorum of the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by video, the shareholders' meeting shall continue without postponing or resuming the meeting in accordance with paragraph 2.

In the event that the meeting should be continued in accordance with the preceding paragraph, the number of shares represented by shareholders participating in the shareholders' meeting by video shall be included in the total number of shares represented by shareholders, but such shares shall be deemed to have abstained from all proposals at the shareholders' meeting.

When the Company postpones or resumes the meeting in accordance with paragraph 2, relevant pre-processing operations shall be handled in accordance with the provisions of paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and in accordance with the date of the original shareholders' meeting and the various provisions of the same Article.

Article 23 (Treatment of digital Gap)

When convening a shareholders' meeting by videoconference, the convening notice shall specify appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video.

Article 24

The Rules and any amendments hereto shall be implemented after adoption by the shareholders' meeting. The same procedure applies to the revision.

Article 25

The amendment to this Rules of Procedure was approved by the Shareholders' Meeting on June 15, 2017.

The amendment to this Rules of Procedure was approved by the Shareholders' Meeting on July 23, 2021.

The amendment to this Rules of Procedure was approved by the Shareholders' Meeting on June 27, 2022.

Appendix 4

Articles of Association of Sea & Land Integrated Corp.

Chapter I General Provisions

Article 1: The Company is organized under the provisions on Limited Company of the Company Act, and is named Sea & Land Integrated Corp.

Article 2: The business scope of the Company is as follows:

1. G101081 Automobile Container Transport.
2. JA01990 Other Automobile Services.
3. G801010 Warehousing.
4. JA01010 Automobile Repair.
5. EZ99990 Other Engineering.
6. EZ02010 Crane and Hoist Services Engineering.
7. H701010 Housing and Building Development and Rental.
8. F401010 International Trade.
9. G405010 Container Rental.
10. JE01010 Rental and Leasing.
11. IZ06010 Tally Packaging.
12. E603040 Fire Fighting Equipments Construction.
13. E901010 Painting Engineering.
14. E599010 Pipe Lines Construction
15. E604010 Machinery Installation.
16. CC01110 Computer and Peripheral Equipment Manufacturing.
17. F113050 Wholesale of Computers and Clerical Machinery Equipment.
18. F213030 Retail of Computers and Clerical Machinery Equipment.
19. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery.
20. CC01080 Electronics Components Manufacturing.
21. F119010 Wholesale of Electronic Materials.
22. F219010 Retail Sale of Electronic Materials.
23. G301011 Vessel Carriers.
24. G403011 Ship Rental and Leasing.
25. J101070 Radwaste Disposing Service.
26. EZ13010 Nuclear Engineering.
27. J101040 Waste Treatment.
28. J101030 Waste Disposing.
29. G402011 Ocean Freight Forwarders.
30. CD01030 Motor Vehicles and Parts Manufacturing.
31. E502010 Fuel Catheter Installation Engineering.
32. EZ05010 Instrument and Meters Installation Engineering.
33. F112040 Wholesale of Petrochemical Fuel Products.
34. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
35. F203010 Retail sale of Food Products and Groceries.
36. F203020 Retail Sale of Tobacco and Alcohol.
37. F206020 Retail Sale of daily commodities.
38. F207030 Retail Sale of Cleaning Supplies.
39. F212050 Retail Sale of Petrochemical Fuel Products.
40. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
41. F399010 Convenience Stores.
42. G202010 Parking area Operators.

- 43. IF03010 Liquefied Petroleum Steel Cylinder Checking Services.
- 44. JA01040 Liquefied Petroleum Gas Automobile Refitting.
- 45. CR01010 Gas Apparatus and Parts Manufacturing.
- 46. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- 47. F212011 Gas Stations.
- 48. F212061 Automobile Liquefied Petroleum Gas Station.

Article 3: The Company has its head office in Taipei. If necessary, the board of directors may decide to establish branches at home or abroad.

Article 4: Deleted.

Article 5: The Company may provide guarantees to external parties.

Article 6: In order to implement diversified operation, the Company may engage in the operation of and reinvestment in various businesses. The total amount of reinvestment shall not exceed 40% of the Company's paid-in capital as prescribed in Article 13 of the Company Act.

Chapter II Shares

Article 7: The total capital of the Company is set at NT\$1.23 billion, divided into 123 million shares at NT\$10 per share; the board meeting is authorized to issue the unissued shares in installments.

Article 8: The Company may be exempted from printing physical shares, but the shares shall be registered with the Taiwan Depository and Clearing Corporation for registration.

Article 9: The Company shall establish a register of shareholders and keep it in the Company according to law.

Article 10: The shareholders shall send the specimen of their seals to the Company for filing. The shareholders' receipt of dividends, exchange of shares or exercise of their equity rights in writing shall be based on the seal specimen.

Article 11: Except as otherwise provided by laws and regulations and securities regulations, shareholders of the Company shall handle stock affairs such as stock transfer, establishment of pledge of rights, loss reporting, inheritance and gift, and change of seal or address, in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies."

Article 12: The name change and transfer of shares shall be suspended within 60 days before the general shareholders' meeting, 30 days before the extraordinary shareholders' meeting, or 5 days before the ex-date of the Company's decision to distribute dividends, bonuses or other benefits.

Chapter III Shareholders' Meetings

Article 13: The Company's shareholders' meetings are divided into the two types in the left column:
I. General shareholders' meeting is convened at least once a year and within six months after the end of each fiscal year by the board of directors.

II. Extraordinary shareholders' meeting: convened when necessary in accordance with the law.

Article 13-1

The shareholders' meeting of the Company may be held by videoconference or other means announced by the central competent authority.

Article 14: Unless otherwise provided by the Company Act, the shareholders' meeting shall be convened by the board of directors. The chairman of the board shall preside over the meeting. When the chairman is on leave, he/she shall appoint one director shall as the proxy. When

no proxy is appointed, one director shall be elected among the directors as the proxy. If the meeting is convened by a person other than a member of the board of directors but with the power to convene, then the person shall act as the chairman. If there are more than two conveners, one of them shall be elected as the chairman.

- Article 15: All shareholders shall be notified 30 days before the convening of a general shareholders' meeting, or 15 days before the convening of an extraordinary shareholders' meeting. The notice and announcement shall specify the reasons for convening the meeting.
- Article 16: Unless otherwise provided in the Company Act, the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authority shall apply.
- Article 17: The shareholders of the Company have one voting right per share; however, this restriction shall not apply to those who have no voting rights in accordance with the provisions of the Company Act and relevant laws and regulations.
- Article 18: Unless otherwise provided in relevant laws and regulations, the proposal of a shareholders' meeting shall be adopted by a majority vote of the shareholders or proxies present, who represent more than half of the total number of voting shares. If the aforementioned quorum is not met, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted with the consent of more than half of the voting rights of the shareholders present. All shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month. If the meeting is still attended by more than one-third of the total number of issued shares, a resolution shall be adopted with the consent of more than half of the voting rights of the shareholders present.
- Article 19: The resolutions of the shareholders' meeting shall be recorded into minutes and signed or stamped by the chairman, and distributed to the shareholders within 20 days after the meeting. The Company may make a public announcement to replace the distribution of the minutes.

Chapter IV Directors and Audit Committee

- Article 20: The Company has 7 to 15 directors, who shall be selected by the shareholders' meeting among people with the capacity for conduct. The term of office is three years, and re-election is allowed. The number of independent directors shall not be less than 3, and shall not be less than one-fifth of the total number of directors. The candidate nomination system is adopted for the election of directors (including independent directors), who shall be selected by shareholders from the list of candidates. Independent directors and non-independent directors shall be elected together, and the number of elected directors shall be calculated separately. The total shareholding ratio of all directors shall be in accordance with the provisions of the securities regulatory authority. Not more than half of the directors of the Company shall have any of the following relationships:

1. Spouse.
2. Relatives within the second degree of kinship.

Where the elected directors of the Company do not comply with the provisions of the preceding paragraph, Article 26-3 of the Securities and Exchange Act shall apply.

The Company established its Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act by the 17th-term Board of Directors. The Audit Committee is composed of all independent directors. The provisions of the Securities and Exchange Act and other laws and regulations on supervisors shall apply mutatis mutandis after the establishment of the Audit Committee.

- Article 21: The Board of Directors shall elect a Chairman by a majority vote in a board meeting attended

by more than two-thirds of the directors. The Chairman shall represent the Company externally.

- Article 22: When the number of director vacancies reaches one-third, the Board of Directors shall convene an extraordinary shareholders' meeting within 60 days to hold a by-election. The term of office shall be limited to the original directors' term of office. If directors are dismissed from office for any reason and there are less than five directors, a by-election shall be held at the most recent shareholders' meeting.
- Article 23: When the term of office of directors expires and a re-election cannot be held in time, the executive duties of the director shall be extended until the re-elected director takes office. However, the competent authority may order the Company to conduct a re-election before a specified deadline within their powers and responsibilities; if no re-election is held after the specified deadline, the directors shall be removed from office after the deadline.
- Article 24: The Company's business policies and other important matters shall be decided in the board meeting. Except for the first board meeting which shall be convened in accordance with Article 203 of the Company Act, the rest of the board meetings shall be convened and chaired by the Chairman.
- Article 25: Unless otherwise provided by the Company Act, a board resolution shall be adopted in a meeting attended by more than half of the directors, and the proposal shall be approved by more than half of the directors present. A board meeting may be held by videoconference, and the directors participating in the meeting by videoconference shall be deemed to be present in person. A director may entrust another director to attend the board meeting on his/her behalf in accordance with Article 205 of the Company Act. The convening of the board meeting shall be conducted in accordance with the provisions of the Company Act. The convening notice of a board meeting may be sent in writing or by email or fax to notify the directors.
- Article 26: (deleted)
- Article 27: The resolutions of the board meeting shall be recorded into minutes and signed or stamped by the Chairman, and distributed to the directors within 20 days after the meeting. The minutes shall record the essentials of the proceedings and the results of the proceedings, and shall be kept by the Company together with the sign-in book of the directors present and the power of attorney for proxy.
- Article 28: For the remuneration of the directors, the board meeting is authorized to make a decision according to the general level of the industry. The directors may also be paid monthly travel expenses, and the amount shall be determined by the board meeting.

Chapter V Managers

- Article 29: The Company may appoint several managers, whose appointment and removal shall be in accordance with the provisions of Article 29 the Company Act.

Chapter VI Accounting

- Article 30: The accounting year of the Company is from January 1 to December 31. At the end of each fiscal year, the board of directors shall prepare the following books and records. After being sent to the Audit Committee for review and approval by the Board of Directors, it will be submitted to the shareholders' meeting for recognition.
1. Business report.
 2. Financial statements.
 3. Proposal for earnings distribution or loss compensation.
- Article 31: If the Company makes a profit in the year, the employees' remuneration shall be 5% of the

pre-tax earnings of the current year. The employees' remuneration may be paid in cash or stock; if the employees' remuneration is paid in stock, the payees may include employees of affiliated companies who meet certain conditions. The board meeting is authorized to determine such conditions and the distribution method. The maximum remuneration of directors is 5% of the pre-tax earnings of the current year. However, if the Company still has a cumulative loss, it shall reserve the amount to cover the loss before allocation.

Article 32: If the Company has any surplus in the annual final accounts, in addition to paying taxes and making up for the losses of previous years according to law, it shall first set aside 10% as the legal reserve, except when the legal reserve has reached the total capital amount, and then set aside or reverse the special reserve in accordance with laws and regulations and the regulations of the competent authority. The accumulated undistributed earnings in the previous period shall then be added, and the balance is the accumulated distributable earnings. After considering the funds needed for the growth of the Company, the aforesaid accumulated distributable earnings shall be submitted to the shareholders' meeting for resolution by the board of directors. For the dividend distribution policy, the Company's current and future investment environment, capital demand, market competition and capital budget factors, as well as the interests of shareholders, balanced dividends and the Company's long-term financial planning shall be taken into account. The board of directors shall prepare a distribution plan according to law, and submit it to the shareholders' meeting every year. For the distribution of shareholders' dividends, cash dividends shall be 20%–100% of the total dividends, and the rest shall be stock dividends.

Chapter VII Supplemental Provisions

Article 33: Matters not covered in these Articles of Association shall be handled in accordance with the provisions of the Company Act.

Article 34: The Articles of Association was established on June 22, 1973 with the approval of all sponsors.

The 1st amendment was made on June 27, 1976.

The 2nd amendment was made on July 15, 1978.

The 3rd amendment was made on July 31, 1978.

The 4th amendment was made on December 12, 1979.

The 5th amendment was made on August 15, 1980.

The 6th amendment was made on January 30, 1981.

The 7th amendment was made on February 22, 1982.

The 8th amendment was made on July 30, 1982.

The 9th amendment was made on May 2, 1983.

The 10th amendment was made on May 4, 1985.

The 11th amendment was made on June 2, 1986.

The 12th amendment was made on May 6, 1988.

The 13th amendment was made on October 12, 1989.

The 14th amendment was made on February 28, 1991.

The 15th amendment was made on March 27, 1992.

The 16th amendment was made on May 20, 1992.

The 17th amendment was made on July 5, 1993.

The 18th amendment was made on November 18, 1993.

The 19th amendment was made on October 22, 1994.

The 20th amendment was made on April 27, 1995.

The 21st amendment was made on August 31, 1995.

The 22nd amendment was made on May 11, 1996.

The 23rd amendment was made on May 19, 1997.
The 24th amendment was made on May 29, 1998.
The 25th amendment was made on March 25, 1999.
The 26th amendment was made on December 23, 1999.
The 27th amendment was made on May 22, 2000.
The 28th amendment was made on May 23, 2001.
The 29th amendment was made on June 17, 2002.
The 30th amendment was made on June 16, 2003.
The 31st amendment was made on June 24, 2004.
The 32nd amendment was made on June 13, 2006.
The 33rd amendment was made on June 21, 2007.
The 34th amendment was made on June 19, 2008.
The 35th amendment was made on September 17, 2008.
The 36th amendment was made on June 18, 2010.
The 37th amendment was made on November 12, 2010.
The 38th amendment was made on June 13, 2012.
The 39th amendment was made on June 12, 2015.
The 40th amendment was made on June 16, 2016.
The 41st amendment was made on June 20, 2018.
The 42nd amendment was made on July 23, 2021.
The 43rd amendment was made on June 27, 2022.
The 43rd amendment was made on June 27, 2022.
The 44th amendment was made on June 9, 2023.

Sea & Land Integrated Corp.

Chairman: Ho, Ying-Chin

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Sea & Land Integrated Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Sea & Land Integrated Corp. (the “Company”) as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Machinery transportation and hoisting revenue recognition - assessment on the stage of completion

Description

The Company's machinery transportation and hoisting revenue amounted to NT\$565,705 thousand, constituting 34.75% of operating revenue for the year ended December 31, 2023. Refer to Note 4(25) for the accounting policy on revenue recognition; Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to revenue recognition and Note 6(16) for details.

The Company's heavy machinery transportation and hoisting revenue is calculated by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract. The aforementioned estimated total costs are assessed based on the estimated construction projects, which are planned for the heavy machinery transportation and hoisting services engaged by the client, and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses.

Given that the estimate of total cost affects the stage of completion and the recognition of revenue, and the complexity of aforementioned total cost estimation usually

involves subjective judgement and contains a high degree of uncertainty, we consider the assessment on the stage of completion applied on revenue recognition a key audit matter.

How our audit addressed the matter

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

1. Obtained an understanding on the nature of the Company's business and industry, and assessed the consistency of the estimate method and the internal process applied to estimate total cost, including the process for estimating the costs for each construction project (subcontract charges and material and labour expenses) that is planned for the heavy machinery transportation and hoisting services engaged by the client.
2. Assessed and tested the internal controls used by the management to recognise revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed in the period.
3. Performed onsite observations of or inquired into major construction projects still in progress at the year end.
4. Performed substantive procedures relating to the year-end construction profit or loss statement, including sampling and verifying the costs incurred in the period against the appropriate evidence, verifying the additional or reduced constructions in the period against the supporting documents and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Impairment assessment of accounts receivable

Description

The Company's net accounts receivable amounted to NT\$216,314 thousand, constituting 8.29% of total assets as at December 31, 2023. Refer to Notes 4(8) and (9) for accounting policies, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to accounts receivable, and Note 6(4) for details.

The Company manages the collections of accounts receivable and overdue accounts and takes on relevant credit risk. The management periodically assesses the credit quality and collection status of customers, and adjusts the credit policies for customers in due course. In addition, impairment assessment of accounts receivable was implemented in accordance with IFRS 9 using the simplified approach to estimate expected credit losses. The management uses the ageing of receivables as of the balance sheet date and the payment history of an individual customer, financial position and economic situation of the customer and many other factors that would affect the payment ability of the customer as well as includes the forward-looking information to assess the default possibility of accounts receivable.

Given that the amount of accounts receivable was material, and the determination of loss rates was subjected to the management's judgement, we consider the estimates of expected credit losses on accounts receivable a key audit matter.

How our audit addressed the matter

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

1. Obtained an understanding of the Company's credit quality control policy in order to evaluate the reasonableness of the Company's expected credit loss provision policies and procedures on accounts receivable.
2. Assessed the appropriateness of provision rate of allowance for accounts receivable through referring to historical loss rate and taking into consideration the forecastability, and obtained and examined relevant data provided by the management.
3. Tested changes in the ageing of accounts receivable and checked the supporting documents relating to due dates of accounts receivable to ascertain the accuracy of the classification for accounts receivable aging.
4. Identified the reasons of past due accounts, examined the subsequent collections and discussed the adequacy of expected credit loss provision policies with the management, in particular for accounts receivable that are overdue and material.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates and the information disclosed in Note 13, is based solely on the reports of the other auditors. The balance of these investments accounted for using the equity method amounted to NT\$104,481 thousand and NT\$105,150 thousand, constituting 4.00% and 4.28% of total assets as at December 31, 2023 and 2022, respectively, and the comprehensive income (loss) recognised from associates and joint ventures accounted for using the equity method amounted to NT(\$625) thousand and NT(\$721) thousand, constituting (0.31%) and (0.41%) of total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hsu, Ming-Chuan

Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2024

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

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

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 79,090	3	\$ 83,392	3
1120	Financial assets at fair value through other comprehensive income - current	6(2)	17,220	1	19,560	1
1136	Financial assets at amortised cost - current	6(3)	32,567	1	32,529	1
1140	Contract assets - current	6(16)	31,424	1	22,969	1
1150	Notes receivable, net	6(4)	20,340	1	19,488	1
1160	Notes receivable - related parties	7	2,637	-	2,637	-
1170	Accounts receivable, net	6(4)	215,930	8	256,575	11
1180	Accounts receivable - related parties	7	384	-	3,449	-
130X	Inventories		1,861	-	2,268	-
1410	Prepayments		37,795	2	40,878	2
1470	Other current assets		699	-	1,708	-
11XX	Total current assets		<u>439,947</u>	<u>17</u>	<u>485,453</u>	<u>20</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non- current	6(2)	79,762	3	85,762	4
1550	Investments accounted for using equity method	6(5)	698,058	27	563,760	23
1600	Property, plant and equipment	6(6) and 8	1,298,105	50	1,247,872	51
1755	Right-of-use assets	6(7) and 7	18,202	1	25,756	1
1780	Intangible assets		406	-	134	-
1840	Deferred income tax assets	6(6)	9,544	-	9,362	-
1900	Other non-current assets	7 and 8	65,944	2	35,987	1
15XX	Total non-current assets		<u>2,170,021</u>	<u>83</u>	<u>1,968,633</u>	<u>80</u>
1XXX	Total assets		<u>\$ 2,609,968</u>	<u>100</u>	<u>\$ 2,454,086</u>	<u>100</u>

(Continued)

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(9) and 8	\$ 120,000	5	\$ 50,000	2
2130	Contract liabilities - current	6(16)	5,000	-	-	-
2150	Notes payable		107,193	4	108,773	4
2160	Notes payable - related parties	7	20,940	1	20,926	1
2170	Accounts payable		81,387	3	93,561	4
2180	Accounts payable - related parties	7	7,487	-	14,810	1
2200	Other payables	6(10)	79,943	3	79,810	3
2220	Other payables - related parties	7	385	-	400	-
2230	Current income tax liabilities		6,255	-	12,492	1
2280	Lease liabilities - current	6(7) and 7	9,448	1	10,685	-
2320	Long-term liabilities, current portion	6(11) and 8	43,840	2	88,875	4
2399	Other current liabilities, others		1,573	-	1,314	-
21XX	Total current liabilities		<u>483,451</u>	<u>19</u>	<u>481,646</u>	<u>20</u>
Non-current liabilities						
2540	Long-term borrowings	6(11) and 8	232,140	9	170,583	7
2570	Deferred income tax liabilities	6(6)	35,723	1	35,285	1
2580	Lease liabilities- non-current	6(7) and 7	9,152	-	15,481	1
2600	Other non-current liabilities	6(12)	11,413	1	13,774	-
25XX	Total non-current liabilities		<u>288,428</u>	<u>11</u>	<u>235,123</u>	<u>9</u>
2XXX	Total liabilities		<u>771,879</u>	<u>30</u>	<u>716,769</u>	<u>29</u>
Equity						
Share capital						
3110	Common stock	6(13)	1,048,766	40	1,048,766	43
Capital surplus						
3200	Capital surplus	6(14)	87,926	3	83,363	3
Retained earnings						
3310	Legal reserve	6(15)	238,556	9	218,155	9
3320	Special reserve		85,415	3	66,693	3
3350	Unappropriated retained earnings		468,934	18	405,755	16
Other equity interest						
3400	Other equity interest		(91,508)	(3)	(85,415)	(3)
3XXX	Total equity		<u>1,838,089</u>	<u>70</u>	<u>1,737,317</u>	<u>71</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 2,609,968</u>	<u>100</u>	<u>\$ 2,454,086</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(16) and 7	\$ 1,627,886	100	\$ 1,725,599	100
5000	Operating costs	6(4)(5)(17) and 7	(1,415,734)	(87)	(1,498,875)	(87)
5900	Gross profit		<u>212,152</u>	<u>13</u>	<u>226,724</u>	<u>13</u>
	Operating expenses	6(4)(5) and 7				
6100	Selling expenses		(52,619)	(3)	(54,492)	(3)
6200	General and administrative expenses		(89,093)	(6)	(77,437)	(5)
6450	Expected credit impairment loss		(5)	-	-	-
6000	Total operating expenses		(141,717)	(9)	(131,929)	(8)
6900	Operating profit		<u>70,435</u>	<u>4</u>	<u>94,795</u>	<u>5</u>
	Non-operating income and expenses					
7100	Interest income	6(3)(18)	728	-	583	-
7010	Other income	6(1) and 7	21,880	1	14,399	1
7020	Other gains and losses	6(2)	5,288	-	(89)	-
7050	Finance costs	6(3) and 7	(4,457)	-	(4,665)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	<u>125,411</u>	<u>8</u>	<u>114,745</u>	<u>6</u>
7000	Total non-operating income and expenses		<u>148,850</u>	<u>9</u>	<u>124,973</u>	<u>7</u>
7900	Profit before income tax		<u>219,285</u>	<u>13</u>	<u>219,768</u>	<u>12</u>
7950	Income tax expense	6(6)	(16,376)	(1)	(21,264)	(1)
8200	Profit for the year		<u>\$ 202,909</u>	<u>12</u>	<u>\$ 198,504</u>	<u>11</u>
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	(Loss) gain on remeasurements of defined benefit plans	6(12)	(\$ 285)	-	\$ 5,588	1
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(2)	2,158	-	(31,750)	(2)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(5)	122	-	496	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(6)	<u>57</u>	-	(1,118)	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>2,052</u>	-	(26,784)	(1)
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(2,877)	-	4,985	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(2,877)	-	4,985	-
8300	Other comprehensive loss for the year		(\$ 825)	-	(\$ 21,799)	(1)
8500	Total comprehensive income for the year		<u>\$ 202,084</u>	<u>12</u>	<u>\$ 176,705</u>	<u>10</u>
	Basic earnings per share	6(7)				
9750	Basic earnings per share		<u>\$ 1.93</u>		<u>\$ 1.89</u>	
	Diluted earnings per share	6(7)				
9850	Diluted earnings per share		<u>\$ 1.92</u>		<u>\$ 1.88</u>	

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars)

Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Retained earnings			Other equity interest		Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	
Year 2022								
	\$ 806,743	\$ 86,902	\$ 144,107	\$ 66,693	\$ 840,515	(\$ 31,929)	(\$ 26,009)	\$ 1,887,022
Balance at January 1, 2022	-	-	-	-	198,504	-	-	198,504
Profit for the year	-	-	-	-	4,470	4,985	(31,254)	(21,799)
Other comprehensive income (loss) for the year	-	-	-	-	202,974	4,985	(31,254)	176,705
Total comprehensive income (loss)	-	-	-	-	-	-	-	-
Appropriations of 2021 earnings:								
Legal reserve	-	-	74,048	-	(74,048)	-	-	-
Cash dividends	-	-	-	-	(322,697)	-	-	(322,697)
Stock dividends	242,023	-	-	-	242,023	-	-	-
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	1,208	-	(1,208)	-
Changes in ownership interests in subsidiaries, associates and joint ventures accounted for using the equity method	-	(3,539)	-	-	(174)	-	-	(3,713)
Balance at December 31, 2022	\$ 1,048,766	\$ 83,363	\$ 218,155	\$ 66,693	\$ 405,755	(\$ 26,944)	(\$ 58,471)	\$ 1,737,317
Year 2023								
Balance at January 1, 2023	\$ 1,048,766	\$ 83,363	\$ 218,155	\$ 66,693	\$ 405,755	(\$ 26,944)	(\$ 58,471)	\$ 1,737,317
Profit for the year	-	-	-	-	202,909	2,877	2,280	202,909
Other comprehensive income (loss) for the year	-	-	-	-	(228)	(2,877)	(2,280)	(825)
Total comprehensive income (loss)	-	-	-	-	202,681	(2,877)	2,280	202,084
Appropriations of 2022 earnings:								
Legal reserve	-	-	20,401	-	(20,401)	-	-	-
Special reserve	-	-	-	18,722	(18,722)	-	-	-
Cash dividends	-	-	-	-	(104,877)	-	-	(104,877)
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	4,498	-	(4,498)	-
Changes in ownership interests in subsidiaries, associates and joint ventures accounted for using the equity method	-	4,563	-	-	-	-	(998)	3,565
Balance at December 31, 2023	\$ 1,048,766	\$ 87,926	\$ 238,556	\$ 85,415	\$ 468,934	(\$ 29,821)	(\$ 61,687)	\$ 1,838,089

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 219,285	\$ 219,768
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(6)(7)(22)	100,219	90,923
Amortisation expense	6(22)	417	440
Expected credit impairment loss	6(22)	5	-
Interest expense	6(21)	4,457	4,665
Interest income	6(18)	(728)	(583)
Dividend income	6(19)	(16,973)	(10,084)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(125,411)	(114,745)
Gains on disposals of property, plant and equipment	6(20)	(6,699)	(6,308)
Gains arising from lease modification	6(20)	-	(7)
Losses on disposals of investments	6(20)	-	3,976
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets - current		(8,455)	30,348
Notes receivable, net		(852)	9,823
Notes receivable - related parties		-	2,414
Accounts receivable		40,640	252,417
Accounts receivable - related parties		3,065	(3,208)
Other receivables - related parties		-	19
Inventories		407	473
Prepayments		3,083	11,567
Other current assets		1,067	(614)
Other non-current assets		480	-
Changes in operating liabilities			
Contract liabilities - current		5,000	-
Notes payable		(700)	(107,879)
Notes payable - related parties		14	(28,445)
Accounts payable		(12,174)	(18,366)
Accounts payable - related parties		(7,323)	4,543
Other payables		317	(47,638)
Other payables - related parties		(15)	(7,373)
Other current liabilities		259	(1,275)
Other non-current liabilities		(553)	(589)
Net defined benefit liabilities		(2,193)	(2,404)
Cash inflow generated from operations		196,639	281,858
Interest received		669	540
Dividends received		61,473	34,071
Interest paid		(4,350)	(4,562)
Income taxes paid		(22,299)	(20,050)
Net cash flows from operating activities		<u>232,132</u>	<u>291,857</u>

(Continued)

SEA & LAND INTEGRATED CORP.
SUMMARY STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION, AMORTIZATION
EXPENSES BY FUNCTION(COUNTINUE)
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of financial assets at fair value through other comprehensive income - non-current	6(2)	\$ -	(\$ 34,935)
Proceeds from disposal of financial assets at fair value through other comprehensive income		10,498	15,364
Acquisition of financial assets at amortised cost - current		(38)	(29)
Acquisition of investments accounted for using equity method	6(5)	(52,172)	-
Proceeds from capital reduction of investments accounted for using equity method	6(5)	-	28,133
Acquisition of property, plant and equipment	6(26)	(141,143)	(338,329)
Proceeds from disposal of property, plant and equipment		6,689	13,171
Decrease in refundable deposits		1,269	3,254
Acquisition of intangible assets		(689)	(232)
Decrease in other non-current assets		2,582	2,580
(Increase) decrease in prepayments for business facilities		(34,288)	29,864
Net cash flows used in investing activities		(207,292)	(281,159)

CASH FLOWS FROM FINANCING ACTIVITIES

Increase in short-term borrowings	6(27)	730,000	50,000
Decrease in short-term borrowings	6(27)	(660,000)	-
Proceeds from long-term borrowings	6(27)	152,000	85,000
Repayments of long-term borrowings	6(27)	(135,478)	(109,340)
Decrease in guarantee deposits received	6(27)	-	(2)
Increase in guarantee deposits received	6(27)	100	-
Lease principal repayment	6(27)	(10,887)	(10,563)
Cash dividends paid	6(15)	(104,877)	(322,697)
Net cash flows used in financing activities		(29,142)	(307,602)
Net decrease in cash and cash equivalents		(4,302)	(296,904)
Cash and cash equivalents at beginning of year		83,392	380,296
Cash and cash equivalents at end of year		\$ 79,090	\$ 83,392

Representation Letter

In connection with the Consolidated Financial Statements of Affiliated Enterprises of Sea & Land Integrated Corp. (the “Consolidated FS of the Affiliates”), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2023 in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the Consolidated Financial Statements of Sea & Land Integrated Corp. and its subsidiaries (the “Consolidated FS of the Group”) in accordance with International Financial Reporting Standard 10. In addition, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, Sea & Land Integrated Corp. does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,

Sea & Land Integrated Corp.

By

Ying-Jin Ho, Chairman

March 12, 2024

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Sea & Land Integrated Corp.

Opinion

We have audited the accompanying consolidated balance sheets of Sea & Land Integrated Corp. and its subsidiaries (the “Group”) as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

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

Machinery transportation and hoisting revenue recognition - assessment on the stage of completion

Description

The Group's machinery transportation and hoisting revenue amounted to NT\$ 565,705 thousand, constituting 31.37 % of operating revenue for the year ended December 31, 2023. Refer to Note 4(31) for the accounting policy on revenue recognition; Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to revenue recognition and Note 6(19) for details.

The Group's heavy machinery transportation and hoisting revenue is calculated by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract. The aforementioned estimated total costs are assessed based on the estimated construction projects, which are planned for the heavy machinery transportation and hoisting services engaged by the client, and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses.

Given that the estimate of total cost affects the stage of completion and the recognition of revenue, and the complexity of aforementioned total cost estimation usually

involves subjective judgement and contains a high degree of uncertainty, we consider the assessment on the stage of completion applied on revenue recognition a key audit matter.

How our audit addressed the matter

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

1. Obtained an understanding on the nature of the Group's business and industry, and assessed the consistency of the estimate method and the internal process applied to estimate total cost, including the process for estimating the costs for each construction project (subcontract charges and material and labour expenses) that is planned for the heavy machinery transportation and hoisting services engaged by the client.
2. Assessed and tested the internal controls used by the management to recognise revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed in the period.
3. Performed onsite observations of or inquired into major construction projects still in progress at the year end.
4. Performed substantive procedures relating to the year-end construction profit or loss statement, including sampling and verifying the costs incurred in the period against the appropriate evidence, verifying the additional or reduced constructions in the period against the supporting documents and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Impairment assessment of accounts receivable

Description

The Group's net accounts receivable amounted to NT\$ 223,819 thousand, constituting 7.99 % of total assets as at December 31, 2023. Refer to Notes 4(10) and (11) for accounting policies, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to accounts receivable, and Note 6(5) for details.

The Group manages the collections of accounts receivable and overdue accounts and takes on relevant credit risk. The management periodically assesses the credit quality and collection status of customers, and adjusts the credit policies for customers in due course. In addition, impairment assessment of accounts receivable was implemented in accordance with IFRS 9 using the simplified approach to estimate expected credit losses. The management uses the ageing of receivables as of the balance sheet date and the payment history of an individual customer, financial position and economic situation of the customer and many other factors that would affect the payment ability of the customer as well as includes the forward-looking information to assess the default possibility of accounts receivable.

Given that the amount of accounts receivable was material, and the determination of loss rates was subjected to the management's judgement, we consider the estimates of expected credit losses on accounts receivable a key audit matter.

How our audit addressed the matter

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

1. Obtained an understanding of the Group's credit quality control policy in order to evaluate the reasonableness of the Group's expected credit loss provision policies and procedures on accounts receivable.
2. Assessed the appropriateness of provision rate of allowance for accounts receivable through referring to historical loss rate and taking into consideration the forecastability, and obtained and examined relevant data provided by the management.
3. Tested changes in the ageing of accounts receivable and checked the supporting documents relating to due dates of accounts receivable to ascertain the accuracy of the classification for accounts receivable aging.
4. Identified the reasons of past due accounts, examined the subsequent collections and discussed the adequacy of expected credit loss provision policies with the management, in particular for accounts receivable that are individually assessed to be material.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries and an associate and the information disclosed in Note 13, is based solely on the reports of the other auditors. Total assets, including the investments accounted for using the equity method, of those consolidated subsidiaries and an associate amounted to NT\$ 108,828 thousand and NT\$ 109,798 thousand, constituting 3.88% and 4.20% of the consolidated total assets as of December 31, 2023 and 2022, respectively, total operating revenues amounted to NT\$ 1,859 thousand and NT\$ 1,945 thousand, constituting 0.10% and 0.10% of the consolidated total operating revenues for the years then ended, respectively, and the comprehensive income (loss) recognised from investments accounted for using the equity method amounted to NT(\$302) thousand and NT(\$305) thousand, constituting (0.15%) and (0.16%) of the consolidated total comprehensive income for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Sea & Land Integrated Corp. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement,

whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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 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 audit. We remain solely responsible for our audit opinion.

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

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

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

Hsu, Ming-Chuan

Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2024

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

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

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 117,949	4	\$ 175,280	7
1110	Financial assets at fair value through profit or loss - current	6(2)	-	-	2	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	17,340	1	19,680	1
1136	Financial assets at amortised cost - current	6(4) and 8	32,567	1	32,529	1
1140	Contract assets - current	6(19)	31,424	1	22,969	1
1150	Notes receivable, net	6(5)	21,705	1	27,612	1
1160	Notes receivable - related parties	7	2,637	-	2,637	-
1170	Accounts receivable, net	6(5)	223,461	8	266,837	10
1180	Accounts receivable - related parties	7	358	-	3,428	-
1220	Current income tax assets	6(27)	-	-	1,998	-
130X	Inventories	6(6)	178,911	6	84,319	3
1410	Prepayments		51,361	2	53,063	2
1470	Other current assets		1,940	-	1,719	-
11XX	Total current assets		<u>679,653</u>	<u>24</u>	<u>692,073</u>	<u>26</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	79,762	3	85,762	3
1550	Investments accounted for under equity method	6(7)	381,790	14	247,319	10
1600	Property, plant and equipment	6(8) and 8	1,440,576	51	1,392,898	53
1755	Right-of-use assets	6(9) and 7	48,993	2	59,383	2
1760	Investment property - net	6(11) and 8	84,787	3	83,084	3
1780	Intangible assets		406	-	134	-
1840	Deferred income tax assets	6(27)	12,868	-	11,705	1
1900	Other non-current assets	7 and 8	73,698	3	43,864	2
15XX	Total non-current assets		<u>2,122,880</u>	<u>76</u>	<u>1,924,149</u>	<u>74</u>
1XXX	Total assets		<u>\$ 2,802,533</u>	<u>100</u>	<u>\$ 2,616,222</u>	<u>100</u>

(Continued)

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12) and 8	\$ 203,350	7	\$ 50,500	2
2120	Financial liabilities at fair value through profit or loss - current	6(2)	25	-	-	-
2130	Contract liabilities - current	6(19)	7,451	-	21,380	1
2150	Notes payable		107,193	4	108,773	4
2160	Notes payable - related parties	7	20,858	1	20,839	1
2170	Accounts payable		90,564	3	107,716	4
2180	Accounts payable - related parties	7	7,487	-	14,810	1
2200	Other payables	6(13)	94,679	3	111,814	4
2220	Other payables - related parties	7	188	-	373	-
2230	Current income tax liabilities	6(27)	9,734	-	23,405	1
2280	Lease liabilities - current	6(9) and 7	11,259	1	12,731	1
2320	Long-term liabilities, current portion	6(14) and 8	43,840	2	88,875	3
2399	Other current liabilities, others		1,742	-	1,659	-
21XX	Total current liabilities		<u>598,370</u>	<u>21</u>	<u>562,875</u>	<u>22</u>
Non-current liabilities						
2540	Long-term borrowings	6(14) and 8	232,140	8	170,583	6
2570	Deferred income tax liabilities	6(27)	35,723	1	35,285	1
2580	Lease liabilities - non-current	6(9) and 7	10,169	1	17,162	1
2600	Other non-current liabilities	6(15)	16,605	1	18,770	1
25XX	Total non-current liabilities		<u>294,637</u>	<u>11</u>	<u>241,800</u>	<u>9</u>
2XXX	Total liabilities		<u>893,007</u>	<u>32</u>	<u>804,675</u>	<u>31</u>
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(16)	1,048,766	37	1,048,766	40
Capital surplus						
3200	Capital surplus	6(17)	87,926	3	83,363	3
Retained earnings						
3310	Legal reserve	6(18)	238,556	9	218,155	8
3320	Special reserve		85,415	3	66,693	3
3350	Unappropriated retained earnings		468,934	17	405,755	15
Other equity interest						
3400	Other equity interest		(91,508)	(3)	(85,415)	(3)
31XX	Total equity attributable to owners of the parent		<u>1,838,089</u>	<u>66</u>	<u>1,737,317</u>	<u>66</u>
36XX	Non-controlling interest		<u>71,437</u>	<u>2</u>	<u>74,230</u>	<u>3</u>
3XXX	Total equity		<u>1,909,526</u>	<u>68</u>	<u>1,811,547</u>	<u>69</u>
Significant contingent liabilities and unrecognised contract commitments						
3X2X	Total liabilities and equity	6(9)(10) and 9	<u>\$ 2,802,533</u>	<u>100</u>	<u>\$ 2,616,222</u>	<u>100</u>

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

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Year ended December 31				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(19) and 7	\$ 1,803,062	100	\$ 1,957,328	100
5000	Operating costs	6(20)(25)(26) and 7	(1,529,408)	(85)	(1,642,821)	(84)
5900	Gross profit		273,654	15	314,507	16
	Operating expenses	6(25)(26) and 7				
6100	Selling expenses		(66,166)	(4)	(71,391)	(3)
6200	General and administrative expenses		(119,294)	(6)	(115,319)	(6)
6450	Expected credit impairment loss		(5)	-	-	-
6000	Total operating expenses		(185,465)	(10)	(186,710)	(9)
6900	Operating profit		88,189	5	127,797	7
	Non-operating income and expenses					
7100	Interest income	6(21)	1,287	-	717	-
7010	Other income	6(22) and 7	24,842	1	35,150	2
7020	Other gains and losses	6(23)	4,989	-	(2,619)	-
7050	Finance costs	6(24)	(5,421)	-	(4,979)	-
7060	Share of profit of associates and joint ventures accounted for using equity method	6(7)	113,406	6	91,256	4
7000	Total non-operating revenue and expenses		139,103	7	119,525	6
7900	Profit before income tax		227,292	12	247,322	13
7950	Income tax expense	6(27)	(19,673)	(1)	(31,074)	(2)
8200	Profit (loss) for the year		\$ 207,619	11	\$ 216,248	11
	Other comprehensive (loss) income					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	(Loss) gain on remeasurements of defined benefit plans	6(15)	(\$ 285)	-	\$ 5,588	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other	6(3)	2,158	-	(31,750)	(1)
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(7)	122	-	496	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	57	-	(1,118)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		2,052	-	(26,784)	(1)
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(2,877)	-	4,985	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(2,877)	-	4,985	-
8300	Other comprehensive loss for the year		(\$ 825)	-	(\$ 21,799)	(1)
8500	Total comprehensive income for the year		\$ 206,794	11	\$ 194,449	10
	Profit attributable to:					
8610	Owners of the parent		\$ 202,909	10	\$ 198,504	10
8620	Non-controlling interest		4,710	1	17,744	1
			\$ 207,619	11	\$ 216,248	11
	Comprehensive income attributable to:					
8710	Owners of the parent		\$ 202,084	11	\$ 176,705	9
8720	Non-controlling interest		4,710	-	17,744	1
			\$ 206,794	11	\$ 194,449	10
	Basic earnings per share	6(28)				
9750	Basic earnings per share		\$ 1.93		\$ 1.89	
	Diluted earnings per share	6(28)				
9850	Diluted earnings per share		\$ 1.92		\$ 1.88	

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

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent										Total equity	
	Retained earnings				Other equity interest							
	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Non-controlling interest	Total			
Year 2022												
Balance at January 1, 2022	\$ 806,743	\$ 86,902	\$ 144,107	\$ 66,693	\$ 840,515	(\$ 31,929)	(\$ 26,009)	\$ 1,887,022	\$ 60,036	\$ 1,947,058		
Profit for the year	-	-	-	-	198,504	-	-	198,504	17,744	216,248		
Other comprehensive income (loss) for the year	-	-	-	-	4,470	4,985	(31,254)	(21,799)	-	(21,799)		
Total comprehensive income (loss)	-	-	-	-	202,974	4,985	(31,254)	176,705	17,744	194,449		
Appropriations of 2021 earnings:												
Legal reserve	-	-	74,048	-	(74,048)	-	-	-	-	-		
Cash dividend	-	-	-	-	(322,697)	-	-	(322,697)	-	(322,697)		
Stock dividend	242,023	-	-	-	(242,023)	-	-	-	-	-		
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	1,208	-	(1,208)	-	-	-		
Changes in ownership interests in associates and joint venture for using equity method	-	(3,539)	-	-	(174)	-	-	(3,713)	-	(3,713)		
Cash paid from non-controlling interest of liquidation of a subsidiary	-	-	-	-	-	-	-	-	(171)	(171)		
Cash dividend paid to non-controlling interest by subsidiaries	-	-	-	-	-	-	-	-	(3,379)	(3,379)		
Balance at December 31, 2022	\$ 1,048,766	\$ 83,363	\$ 218,155	\$ 66,693	\$ 405,755	(\$ 26,944)	(\$ 58,471)	\$ 1,737,317	\$ 74,230	\$ 1,811,547		
Year 2023												
Balance at January 1, 2023	\$ 1,048,766	\$ 83,363	\$ 218,155	\$ 66,693	\$ 405,755	(\$ 26,944)	(\$ 58,471)	\$ 1,737,317	\$ 74,230	\$ 1,811,547		
Profit for the year	-	-	-	-	202,909	-	-	202,909	4,710	207,619		
Other comprehensive income (loss) for the year	-	-	-	-	(228)	(2,877)	2,280	(825)	-	(825)		
Total comprehensive income (loss)	-	-	-	-	202,681	(2,877)	2,280	202,084	4,710	206,794		
Appropriations of 2022 earnings:												
Legal reserve	-	-	20,401	-	(20,401)	-	-	-	-	-		
Special reserve	-	-	-	18,722	(18,722)	-	-	-	-	-		
Cash dividend	-	-	-	-	(104,877)	-	-	(104,877)	-	(104,877)		
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	4,498	-	(4,498)	-	-	-		
Changes in ownership interests in associates and joint venture for using equity method	-	4,563	-	-	-	-	(998)	3,565	-	3,565		
Cash dividend paid to non-controlling interest by subsidiaries	-	-	-	-	-	-	-	-	(7,503)	(7,503)		
Balance at December 31, 2023	\$ 1,048,766	\$ 87,926	\$ 238,556	\$ 85,415	\$ 468,934	(\$ 29,821)	(\$ 61,687)	\$ 1,838,089	\$ 71,437	\$ 1,909,526		

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

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 227,292	\$ 247,322
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation and miscellaneous disbursements	6(8)(9)(11)	112,756	102,334
Amortization expense	6(25)	417	440
Expected credit impairment loss	6(25)	5	-
Net loss on financial assets or liabilities at fair value through profit or loss	6(2)(23)	27	-
Gains on disposal of property, plant and equipment	6(23)	(6,699)	(6,308)
Gains arising from lease modification	6(23)	-	(7)
Share of profit of associates and joint ventures accounted for using equity method	6(7)	-	-
Allowance for inventory valuation losses	6(6)	(113,406)	(91,256)
Losses on disposal of investments	6(23)	2,209	3,468
Interest income	6(21)	-	3,976
Dividend income	6(22)	(1,287)	(717)
Interest expense	6(24)	(16,973)	(10,694)
Changes in operating assets and liabilities		5,421	4,979
Changes in operating assets			
Contract assets - current		-	-
Notes receivable		(8,455)	30,348
Notes receivable - related parties		5,907	4,611
Accounts receivable		-	2,414
Accounts receivable - related parties		43,371	262,358
Other receivable - related parties		3,070	(3,230)
Inventories		-	19
Prepayments		(96,801)	(18,356)
Other current assets		1,702	12,564
Other non-current assets		(163)	2,967
Changes in operating liabilities		480	-
Contract liabilities - current		-	-
Notes payable		(13,929)	19,033
Notes payable - related parties		(700)	(107,878)
Accounts payable		18	(28,496)
Accounts payable - related parties		(17,152)	(25,028)
Other payables		(7,323)	4,543
Other payables - related parties		(16,951)	(34,706)
Other current liabilities		185	(7)
Other non-current liabilities		83	(1,542)
Net defined benefit liabilities		(553)	(589)
		(2,193)	(2,404)
Cash inflow generated from operations		99,988	370,158
Interest received		1,228	674
Dividend received		52,172	30,249
Interest paid		(5,314)	(4,876)
Income taxes paid		(31,218)	(20,053)
Net cash flows from operating activities		<u>116,856</u>	<u>376,152</u>

(Continued)

SEA & LAND INTEGRATED CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income	6(3)	-	34,935
Acquisition of financial assets at amortised cost		38	29
Acquisition of investments accounted for using equity method		52,172	-
Proceeds from disposal of financial assets at fair value through other comprehensive income		10,498	15,364
Acquisition of property, plant and equipment	6(29)	145,342	346,423
Proceeds from disposal of property, plant and equipment		6,689	13,171
Acquisition of investment property	6(11)	6,274	-
Acquisition of intangible assets		689	232
Decrease in refundable deposits		2,100	433
(Increase) decrease in prepayments for business facilities		34,288	29,864
Decrease in other non-current assets		1,874	5,826
Net cash flows used in investing activities		<u>217,642</u>	<u>316,961</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(30)	876,293	50,000
Decrease in short-term borrowings	6(30)	723,443	14,552
Proceeds from long-term borrowings	6(30)	152,000	85,000
Repayments of long-term borrowings	6(30)	135,478	109,340
Increase in guarantee deposits received	6(30)	296	4,725
Lease principal repayment	6(30)	12,932	12,396
Decrease in other non-current liabilities	6(30)	-	2,617
Cash dividends paid	6(18)	104,877	322,697
Cash paid from non-controlling interest of liquidation of a subsidiary		-	171
Cash dividend paid to non-controlling interest by subsidiaries		7,503	3,379
Net cash flows from (used in) financing activities		<u>44,356</u>	<u>325,427</u>
Net effect of changes in foreign currency exchange rates		901	5,389
Net decrease in cash and cash equivalents		57,331	271,625
Cash and cash equivalents at beginning of year		<u>175,280</u>	<u>446,905</u>
Cash and cash equivalents at end of year		<u>117,949</u>	<u>175,280</u>

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