

Great Wall Enterprise Co., Ltd.

Minutes for the 2024 General Shareholders Meeting

Time: Friday, 10 a.m. June 7, 2024.

Venue: Auditorium at the Company, No.3, Niasong 2nd St., Yongkang Dist., Tainan City

Chairperson: Chia-Yau Han, the chairman of the board of directors. Recorder:

Chia-Lun Lu.

The total shares issued: 894,767,222, Outstanding Shares: 843,666,753,

Total shares represented by shareholders present in person or by proxy: 502,502,866,

(374,814,190 shares exercised via electronic transmission),

Percentage of shares held: 59.56%.

Directors present: Chairman Han Chia-Yau, Director Han Jia-Chen, Director Han Chia-Yin, Chiao Thai Hsing Investment Company Limited, Representative: Director Chao Tien-Hsing, Director Wang Zi-Lin, Independent Director Ting Yu-Shan (Chairman of the Audit Committee), Independent Director Tao Chuang-Chen, Independent Director Chien-Ming Wei.

Sit-in Members: Han Fang-Hao (President), Chung Tan-Tan (CPA), Lin Zheng-Xian Attorney).

The aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The chairman called the meeting to order.

A. Chairman's Address (omitted)

B. Report Items

I. 2023 Business Operation

II. Audit Committee's Review Report of 2023 Financial Statements

III. 2023 Employees' and Directors' Remuneration

IV. The Company's Endorsements and Guarantees

V. 2023 Cash Dividends Distribution

VI. Report on the implementation of share buyback program

VII. Others

C. Ratifications

Report 1

proposed by the Board of Director

Subject: To ratify 2023 Financial Statements.

Description: I. The Company's 2023 parent-only and consolidated financial statements have been audited by Mr. Li Feng-Hui and Ms. Chung Tan-Tan of KPMG.

II. The Business Report and the Financial Statements have been reviewed by the Audit Committee.

III. The Business Report and the Financial Statements (refer to the appendices).

IV. Please ratify the proposal.

Resolution: Voting Result:

Shares represented at the time of voting: 501,923,376

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor	476,508,016votes	94.93%
Votes against	348,401votes	0.06%
Votes invalid	0votes	0.00%
Votes abstained / No votes	25,066,959votes	4.99%

The proposal was approved after voting.

Report 2

proposed by the Board of Director

Subject: To ratify 2023 Profit Distribution.

Description: I. Table of 2023 Distribution of Surplus Earnings was prepared in accordance with Article 34 of the Company's Article of Incorporation, and had been resolved by the Board of Directors and reviewed by the

Audit Committee.

III. Please ratify the proposal.

Resolution: Voting Result:

Shares represented at the time of voting: 501,923,376

Voting Results (including votes casted electronically)		% of the total represented share present
Votes in favor	475,369,171votes	94.70%
Votes against	2,021,805votes	0.40%
Votes invalid	0votes	0.00%
Votes abstained / No votes	24,532,400votes	4.88%

The proposal was approved after voting.

D. Special Motion:

There being no other business and special motion, and no motion was raised by shareholders, upon a motion duly made and seconded, the meeting was adjourned.

E. Adjournment.

Appendices

Report to Shareholders

Dear ladies and gentlemen:

Thank you all for participating in this year's annual general meeting, and on behalf of the Company, I would like to express my most sincere gratitude for your persistent support.

Having experienced the changes in the past such as the severe COVID-19 pandemic, the insularity policy adopted by various countries around the world, the Brexit, the US trade disputes with China and the EU, elevation of the trading protectionism, African swine fever, and the Russia-Ukraine War, along with the appreciation of the US dollar due to the continuous rate hikes by the Fed to suppress the inflations in the U.S. in the past two years, the Company has had more frequent changes in the operation, procurements of raw materials, interest rates, and exchange rate hedges; although the prices of bulk cereal increased significantly, but currently, the prices declined again. As COVID-19 restrictions were gradually lifted around the world, the demands for chicken, pork, and edible oil for food and beverage, night markets, and street foods have been elevated gradually. It is expected that the Company's profit will return to the pre-COVID level.

Driven by the mission to uphold business integrity and provide healthy life and safe food for consumers, DaChan Group continues to publish corporate social responsibility report this year. The Company is committed to enforcing traceability for all products sold, and has established its own farm-to-table system. The DaChan Quality Inspection Center not only passes food safety certification of the Ministry of Health and Welfare, but also takes part in the government's Food Safety Alliance Program as a way to raise consumers' confidence in DaChan products.

The Company reported consolidated net operating revenues of NT\$111.1 billion for 2023, down NT\$2.2 billion or -1.93% from 2022; net income attributable to parent company's shareholders amounted to NT\$4.07 billion for 2023, up NT\$1.88 billion or 85.55% from 2022.

All of the Company's factories have passed international and Taiwan's quality and safety certifications, including but not limited to EU HACCP and ISO22000. In addition to having a national grade laboratory featuring the most advanced instruments and systems, the Company also passes food certification of the Ministry of Health and Welfare and completed a modern food processing factory in Machouhou that expanded production capacity for precooked frozen foods. Gradual expansion of production capacity. Furthermore, the Company has acquired land at Machouhou Industrial Park

through tender for phase 2 expansion of food processing capacity as well as the production of plant-based meat. In a collaboration with Showa Sangyo Co., Ltd. from Japan, a major joint venture is being created for the production of eggs and flour; the factory of modernized auto egg washing and sorting and liquid egg auto storage in Erlin, Changhua start the production in Q1 2023; we have increased the capacity and quality of washed and liquid eggs and was the first manufacturer in Taiwan to launch raw food-grade eggs. We have established standards and quality production for washed eggs and liquid eggs. Through cooperation between Kouchan Mill Company and Showa Foods, we have upgraded the flour production and technology to strengthen the competitive advantage among the peers. With high standards of food safety, the Company's brand image is established and the confidence of customers and consumers is enhanced.

Business Report

I. Report on the 2023 business and financial performance

(I) Business performance

Unit: NTD thousands

Item	2023 - actual	2022 - actual	Variation (%)
Operating revenues	111,108,929	113,297,286	-1.93%
Operating profit	6,020,280	3,058,204	96.86%
Profit/loss before tax	5,968,599	3,425,707	74.23%
After-tax EPS	NT\$4.81	NT\$2.59	85.71%

(II) Business plan and budget execution

The Company did not make any public financial forecast in 2023, but there was no significant difference between actual operational performance and what the Company had internally planned.

(III) Revenues, expenses, and profitability analysis

(1) Profit and loss

- (a) Interest income amounted to NT\$136,147 thousand in 2023, which were generated from bills and demand deposits.
- (b) Interest expenses amounted to NT\$652,496 thousand in 2023, which had incurred due to short-term and long-term borrowings.

(2) Profitability analysis

Item	2023	2022
Return on assets (%)	8.33%	5.38%
Return on equity (%)	15.82%	10.06%
Operating profit as a percentage of paid-up capital (%)	67.28%	34.18%
Profit before tax as a percentage of paid-up capital (%)	66.71%	38.29%
Net profit margin (%)	4.32%	2.52%
After-tax EPS (NTD)	NT\$4.81	NT\$2.59

(IV) Research and development

DaChan Group continues to increase the level of vertical integration in agricultural and animal food products. Meanwhile, additional efforts are being made to expand into related fields such as: feeds, fats, meats, seafoods, processed foods, biotech, plant-based meat, pet foods, vaccines and dietary supplement. This expanding diversity means that R&D efforts have to be adjusted at the group level to accommodate the Company's future opportunities and market demand, and that more manpower and resources will have to be committed into developing technologies and products that are relevant to the sustainability of the Company's growth.

Sustainability and environmental protection is an issue that modern businesses have to take note of, and besides improving product features, it is also necessary to direct research and development efforts toward the needs of consumers, the environment, and the society as a whole, and contribute to the sustainability of the Earth's environment by addressing waste reduction, carbon reduction, energy conservation, and environmental protection issues.

To ensure ongoing advancement of production technology, the Company not only invests resources and manpower persistently into research and development, the brand new biotech R&D center for food and animal nutrition start the operation in 2023, and continuously expands the testing facilities including: closed-up farm

of vaccine-producing eggs, testing farm of poultry, testing farm of pigs, and aquatic producing testing field. Meanwhile, collaborations are being made with local and foreign research institutions such as: National Taiwan University, National Cheng Kung University, National Chung Hsing University, National Pingtung University of Science and Technology, National Taiwan Ocean University, Taiwan Livestock Research Institute, Animal Health Research Institute, and Research center Schothorst Feed Research in Holland to acquire critical technologies and develop application capacity.

II. Summary of 2024 business plan

(I) Operational guidelines

DaChan Group has long specialized in the development of animal and aquaculture feeds, meat products, and restaurant brands. It currently surpasses peers in the market share of compound feeds and electricuted chicken. In addition to pursuing sales growth, the Company places great emphasis on improving feed quality and tightening control over its products, and caters for consumers' health at the source. By venturing into biotechnology, the Company aims to develop biotech products that meet the nutritional requirements of animals in different environments. In terms of egg production, the Company will support the government's policies on washed eggs by adopting total monitoring of feed nutrition, proper egg farm management, regular disease inspection for hens, random inspection of egg quality, and rigorous testing of the final product. With the help of professional cold chain logistics partners, these products will be delivered to customers in the optimal condition. The Company has even established a food development center to oversee research of new machinery, refinement of production process, as well as the development, production, and marketing of plant-based meats. Additionally, the continuously rapid development of the pet food market in the recent years, the Company has decided to invest more resources to the R&D of the pet feed products and market development, while planning to build the brand new pet food production plant, to produce the dry and wet food, snacks, and healthcare product, to develop the product with unique edges and enter the pet market swiftly by utilizing the Group's integrated advantages, as one of the key fields of the Company in the future.

With respect to food processing, the Company's new food processing factory located in Machouhou Industrial Park, Chiayi, commenced mass production at the end of 2021. This modern food processing factory, equipped with multifunctional

equipment, performs a wide variety of tasks from frying, roasting, stewing, quality control to automated packaging, and has the capacity to provide local consumers with processed foods of the highest quality and safety.

The Company continues to focus on agricultural and animal products as the main business activity with corporate social responsibilities in mind. Through vertical integration and ongoing improvements to product quality and safety, we strive to raise customers' satisfaction and embrace a brighter future while adhering to our values of integrity and modesty.

(II) Expected sales volume and basis

Based on past performance and changes in market demand, the Company has estimated sales volume for 2024 as follows:

Item	Sales volume (tonnes)
Feeds	3,200,000
Meat (regular + free range chicken)	450,000
Food	230,000
Commodity	1,400,000

(III) Key production/sales policies

In terms of edible oil, DaChan's soybean oil has always been a trusted brand and preferred product for commercial use, particularly in night markets and food stalls. In terms of the soybean powder, it complements the Company's continuously growing sales of feeds. Regarding the raw material, the stability of the imported soybean is still a great challenge. The arrived soybeans are more than the demand in summers, but in winters, the arrival and demand of soybeans reverse. It is a target for the long-term efforts to maintain the stable domestic supply and demand of oil and powder.

In Taiwan, total deregulation on the import of poultry products combined with slow growth in the demand for animal protein have intensified price competition. As a response, the Company is actively integrating research, development, production, and marketing resources throughout the organization to increase product quality and create differentiation as well as competitive advantage that will lessen the threat of price competition. With the help of animal protein studies from the biotech facility, the Company hopes to provide customers with better quality and safer products that are free of antibiotics.

Regarding the hogs, facing pressures of hogs' environmental diseases, the

Company has worked with the team of ATRI to engage the foreign advisers for coaching the production technologies and practices of hog farms, establishing the management team and the management program of germplasm, establishing the SOP for the raising and management of hog farm, to improve the raising results and the tracking of the descendant results, so that the performance of sows' reproduction and the hog growth performance are improved for the better overall raising effectiveness and reduced costs of meat production, and the stable profit is made based on the raising and management.

Regarding the native chicken, we have implemented maternal weight grading, upgraded contract farmers' house equipment, stabilized the supply of feather chickens, improved product quality at all stages. Furthermore, we have integrated upstream, midstream and downstream resources, enabling feed, contract and live chicken channels to steadily cooperate with DaChan, so as to maintain a high market share in the chicken market. DaChan's Lu Ye Free-Range Chicken brand was also awarded the National Brand Yushan Award this year. Consumers can now feel at ease about DaChan chicken products when purchasing from the terminal.

The Company has achieved significant success with respect to festive meal and home meal replacement in recent years, particularly with the introduction of new brands such as Yummy Dots. Additional safety inspections and preparation techniques were introduced to food processing to ensure the safety and taste of this new line of products. In light of the fundamental changes in consumers' shopping behaviors, the Company has devoted greater attention into e-commerce besides existing channels; some of its products even managed to top the best-selling chart.

(IV) Future development strategies

1. The Company will continue devoting attention to food safety in light of how consumers local and abroad have become more aware of issues concerning ractopamine, drug residue, the pandemic, and the safety and health of meat and egg products. A food development center has been established to oversee research of existing and new machinery, refinement of production process, as well as the development, production, and marketing of plant-based meats. In terms of feeds, the Company operates complete yet diversified product lines to minimize business risks, and offers biotech solutions to help customers improve feed efficiency. The Company actively explores vertical integration within the industry as a way to secure advantage and dominance in the supply chain, and is constantly expanding its own ecosystem. After extensive research and development, DaChan is able to make layer feeds, late-stage swine feeds, and late-stage chicken feeds without any antibiotics while achieving zero drug residue. Through introduction of environment-friendly and low pollution feeds for swine and layers, the Company not only promotes productive interactions with the industry, but also strengthens sustainability and competitiveness in feed

supply.

As for fresh poultry supply, the Company has made extensive vertical integrations from the chicken farm, hatchery, contract farmers, feed suppliers, electrocution slaughterhouse, processing factories all the way to the distribution channels, and markets its own poultry products under the brand - "DaChan Poultry." In doing so, the Company is able to exercise total control in such a way that reduces production cost and ensures the quality and consistency of chicken supply.

With respect to food processing, the Company produces processed poultry goods that can be stored in room temperature, chilled, and frozen, which are distributed nationwide through a variety of channels.

2. The COVID-19 pandemic has fundamentally changed consumers' dining habits. As people become more receptive of cooking at home, they start looking for frozen food options that are easy to store and cook. Satisfying customers' needs to cook and eat at home thus presents a new challenge to food producers, but it also means that there are greater opportunities to innovate.

By incorporating modern production technologies, the Company continually introduces new and differentiated products that taste good and are safe to eat, thereby bringing customers pleasant dining experience with each meal. Changes have also been made to accommodate the smaller dining size per household today; by shifting design emphasis towards smaller volume and greater variety, the Company hopes to appeal to the young population with a new brand image and fresh elements.

Demand for plant-based foods in Asia is expected to grow by 200% over the next five years as vegetarian diet increases in popularity with rising environmental awareness. Having noticed the sizable percentage of vegetarians in Taiwan and the abundant opportunities they represent, the Company has committed significant R&D resources into improving the texture, flavor, and pricing of plant-based meat, as the flavor is what draws consumers to try, while affordability is the key to making plant-based meat popular. Pro-active actions will be taken to expand global market presence in the future.

(V) Impacts of the competitive environment, regulatory environment, and macroeconomic environment

Trade agreements have given rise to several regional markets around the world, allowing goods, services, and information to be delivered free of border limitations. As a result, the Company now faces competition from all over the world. Not only does the Company compete to offer the best product in the global market, it also competes with producers around the world for supply of low-cost materials and services. Faced with such a competitive environment, the Company will play to its size advantage and make bulk purchases worldwide to reduce raw material costs, so that more resources can be directed towards improving product quality and after-sale service.

In light of ongoing food safety issues and consumers' concerns about bird flu and drug residues in agricultural/animal products, the Company will be making adjustments to the product portfolio while undergoing more extensive upstream-downstream integration to diversify feed risks, and thereby ensure profit stability. DaChan Group remains persistent at promoting safety and traceability for pork, poultry, processed foods, and egg products. Our efforts to ensure "quality and safety" of the food supply chain have been rewarded with favorable results, and we are proud to be able to meet the government's requirements as well as the public's expectations for healthy and safe meats and eggs. By offering 100% assurance, we hope to build DaChan's prestige in the field of food safety and convince consumers of the quality of our products.

Lastly, we wish for your wellbeing and give you our best regards for the future ahead!

Chairman Han Chia-Yau

President Han Fang-Hao

Vice President Liu Chien-Chung

Great Wall Enterprise Co., Ltd.

Audit Committee Review Report

The Board of Directors has prepared the Company's 2023 Business Operation Report, Financial Statements and Proposal for Profit Distribution, among which the Financial Statements have been audited by KPMG, Taiwan, by whom an audit report has been issued accordingly. The Business Operation Report, Financial Statements and the proposed profit distribution have been reviewed by us, the Audit Committee of the Company. We have not found any inconsistencies with applicable laws in our review of the aforementioned documents. Therefore, we, the Audit Committee, hereby issue this report in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Convener of the Audit Committee: Ting Yu-Shan

Date: March 14, 2024

Independent Auditors' Report

To the Board of Directors of Great Wall Enterprise Co., Ltd.:

Opinion

We have audited the financial statements of Great Wall Enterprise Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

Regarding the significant accounting policies for revenue recognition, please refer to Note 4(n) and Note 6(u) "Revenue from contracts with customers" from the financial statements.

Description of key audit matter:

Due to the industry characteristics of the Company and following the rules set by competent authorities to announce operating income monthly, revenue recognition timing risk is increased.

How the matter was addressed in our audit:

Our principal audit procedures include:

- Understanding whether the accounting policies and methods for revenue recognition of the audited company are appropriate

- Testing the Company' s controls and transaction cycle from order to payment regarding revenue recognition
- Performing substantive procedure of revenue, and sampling payments or certified documents for sale transactions
- Selecting the appropriate sample size from the detail in the ending balance of the trade receivable and sending external confirmations to debtors
- Assessing whether revenues are recognized in the appropriate timing

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Lee, Feng-Hui and Chung, Tan-Tan.

KPMG

Taipei, Taiwan (Republic of China)

March 14, 2024

(Expressed in Thousands of New Taiwan Dollars)

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREAT WALL ENTERPRISE CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4, 6(u) and 7)	\$ 37,686,965	100	38,771,998	100
5000	Operating costs (Notes 4, 6(e) and 7)	32,492,840	86	35,659,529	92
5900	Gross profit from operations	5,194,125	14	3,112,469	8
6000	Operating expenses:				
6100	Selling expenses	1,511,529	4	1,410,656	4
6200	Administrative expenses	551,813	1	444,456	1
6300	Research and development expenses	110,965	-	106,502	-
6450	Expected credit impairment loss/reversal of impairment loss (Note 6(d))	(71,193)	-	23,140	-
	Total operating expenses	2,103,114	5	1,984,754	5
6900	Net operating income	3,091,011	9	1,127,715	3
7000	Non-operating income and expenses: (Notes 6(w) and 7)				
7100	Interest income	29,228	-	6,910	-
7020	Other gains and losses, net	331,486	1	755,801	2
7050	Finance costs	(237,968)	(1)	(211,188)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	1,506,888	4	816,765	2
	Total non-operating income and expenses	1,629,634	4	1,368,288	3
7900	Profit from continuing operations before tax	4,720,645	13	2,496,003	6
7950	Less: Income tax expenses (Note 6(r))	651,441	2	302,942	1
8200	Profit	4,069,204	11	2,193,061	5
8300	Other comprehensive income (loss):				
8310	Items that may not be subsequently reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	3,446	-	12,379	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	26,813	-	(312,812)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	689	-	2,047	-
	Items that may not be subsequently reclassified to profit or loss	29,570	-	(302,480)	(1)
8360	Items that may be subsequently reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(218,909)	(1)	57,176	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Items that may be subsequently reclassified to profit or loss	(218,909)	(1)	57,176	-
8300	Other comprehensive income	(189,339)	(1)	(245,304)	(1)
8500	Total comprehensive income	\$ 3,879,865	10	1,947,757	4
	Basic earnings per share (Notes 4 and 6(t))				
9750	Basic earnings per share (NT dollars)	\$ 4.81		2.59	
9850	Diluted earnings per share (NT dollars)	\$ 4.80		2.59	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREAT WALL ENTERPRISE CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange difference on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity
Balance on January 1, 2022	\$ 8,521,593	3,294,766	2,796,437	42,994	4,113,449	6,952,880	(920,308)	2,471,954	1,551,646	(219,132)	20,101,753
Profit for the year ended December 31, 2022	-	-	-	-	2,193,061	2,193,061	-	-	-	-	2,193,061
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	10,332	10,332	57,176	(312,812)	(255,636)	-	(245,304)
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	2,203,393	2,203,393	57,176	(312,812)	(255,636)	-	1,947,757
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	187,191	-	(187,191)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,278,239)	(1,278,239)	-	-	-	-	(1,278,239)
Stock dividends of ordinary share	426,080	-	-	-	(426,080)	(426,080)	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	11,519	-	-	-	-	-	-	-	-	11,519
Adjustment of capital surplus for company's cash dividends received by subsidiaries	-	70,085	-	-	-	-	-	-	-	-	70,085
Balance on December 31, 2022	8,947,673	3,376,370	2,983,628	42,994	4,425,332	7,451,954	(863,132)	2,159,142	1,296,010	(219,132)	20,852,875
Profit for the year ended December 31, 2023	-	-	-	-	4,069,204	4,069,204	-	-	-	-	4,069,204
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	2,757	2,757	(218,909)	26,813	(192,096)	-	(189,339)
Total comprehensive income	-	-	-	-	4,071,961	4,071,961	(218,909)	26,813	(192,096)	-	3,879,865
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	220,340	-	(220,340)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,342,150)	(1,342,150)	-	-	-	-	(1,342,150)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	226,402	-	-	-	-	-	-	-	-	226,402
Adjustment of capital surplus for company's cash dividends received by subsidiaries	-	73,589	-	-	-	-	-	-	-	-	73,589
Balance on December 31, 2023	\$ 8,947,673	3,676,361	3,203,968	42,994	6,934,803	10,181,765	(1,082,041)	2,185,955	1,103,914	(219,132)	23,690,581

See accompanying notes to financial statements.

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

GREAT WALL ENTERPRISE CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Profit before tax	\$ 4,720,645	2,496,003
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	672,658	605,573
Depreciation expense-biological assets	153,991	153,397
Amortization expense	14,754	10,563
(Reversal of) expected credit impairment loss	(71,193)	23,140
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(63,658)	(1,361,513)
Interest expense	237,968	211,188
Interest income	(29,228)	(6,910)
Dividend income	(99,475)	(98,595)
Share of (profit) loss of subsidiaries, associates and joint ventures accounted for using equity method	(1,506,888)	(816,765)
Gain on disposal of property, plant and equipment	(14,258)	(5,958)
Change in fair value of biological assets	(104,587)	(1,107)
Total adjustments to reconcile profit (loss)	(809,916)	(1,286,987)
Changes in operating assets and liabilities:		
Decrease in financial assets or liabilities at fair value through profit or loss	161,784	1,266,801
Decrease (increase) in notes receivable	10,404	(139,253)
Decrease (increase) in trade receivable	118,263	(402,050)
Decrease (increase) in inventories	14,523	(979,426)
Change in biological assets	41,534	(449,026)
Decrease (increase) in prepayments	92,108	(44,457)
Decrease in other current assets	28,278	68,915
Decrease (increase) in other financial assets	25,806	(1,357)
Decrease (increase) in net defined benefit asset	(1,402)	(653)
Decrease (increase) in notes payable	(441,722)	159,477
Increase (decrease) in trade payable	(3,044)	702,234
Increase in other payable	209,491	113,464
Increase in other current liabilities	105,788	77,364
Total changes in operating assets and liabilities	361,811	372,033
Total adjustments	(448,105)	(914,954)
Cash inflow generated from operations	4,272,540	1,581,049
Interest received	27,729	7,918
Interest paid	(264,154)	(166,748)
Income taxes paid	(302,039)	(404,299)
Net cash flows from operating activities	3,734,076	1,017,920
Cash flows used in investing activities:		
Acquisition of investments accounted for using equity method	(224,070)	(250,000)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,107
Acquisition of property, plant and equipment	(1,267,729)	(1,072,491)
Proceeds from disposal of property, plant and equipment	22,182	13,528
Decrease (increase) in other receivables due from related parties	574,910	(1,212,443)
Increase in other non-current assets	(287,867)	(268,920)
Dividends received	245,594	175,988
Net cash flows used in investing activities	(936,980)	(2,610,231)
Cash flows (used in) from financing activities:		
Decrease (increase) in short-term loans	(1,460,220)	2,168,517
Increase in short-term notes and bills payable	200,000	700,000
Increase in guarantee deposits received	5,086	399
Payment of lease liabilities	(46,284)	(46,196)
Decrease (increase) in other non-current liabilities	(186,510)	56,510
Cash dividends paid	(1,342,150)	(1,278,239)
Net cash flows (used in) from financing activities	(2,830,078)	1,600,991
Net increase (decrease) in cash and cash equivalents	(32,982)	8,680
Cash and cash equivalents at beginning of period	253,987	245,307
Cash and cash equivalents at end of period	\$ 221,005	253,987

See accompanying notes to financial statements.

Independent Auditors’ Report

To the Board of Directors of Great Wall Enterprise Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Great Wall Enterprise Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

Revenue recognition

Please refer to Note 4(p) and Note 6(z) “Revenue from contracts with customers” from the financial statements.

Description of key audit matter: Due to the industry characteristics of the Company and following the rules set by competent authorities to announce operating income monthly, revenue recognition timing risk is increased.

Our principal audit procedures include:

- Understanding whether the accounting policies and methods for revenue recognition of the audited company are appropriate

- Testing the Company's controls and transaction cycle from order to payment regarding revenue recognition
- Performing substantive procedure of revenue, and sampling payments or certified documents for sale transactions
- Selecting the appropriate sample size from the detail in the ending balance of the trade receivable and sending external confirmations to debtors
- Assessing whether revenues are recognized in the appropriate timing

Other Matter

Great Wall Enterprise Co., Ltd. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Lee, Feng-Hui and Chung, Tan-Tan.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

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

GREAT WALL ENTERPRISE CO., LTD.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022			December 31, 2023		December 31, 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and Equity				
1100 Cash and cash equivalents (Notes 4 and 6(a))	\$ 221,005	1	253,987	1	21XX Current liabilities:				
1110 Current financial assets at fair value through profit or loss (Note 6(b))	11,100	-	94,473	-	2100 Short-term borrowings (Note 6(m))	\$ 7,560,923	21	9,021,143	25
1150 Notes receivable, net (Notes 4, 6(d) and 7)	1,338,580	3	1,348,984	4	2110 Short-term notes and bills payable (Note 6(n))	3,400,000	9	3,200,000	9
1170 Trade receivable, net (Notes 4, 6(d) and 7)	3,221,706	8	3,268,776	9	2120 Current financial liabilities at fair value through profit or loss (Note 6(b))	32,648	-	17,895	-
1210 Other receivables due from related parties (Note 7)	1,133,070	3	1,707,980	5	2150 Notes payable (Note 7)	657	-	442,379	1
130x Inventories (Notes 4 and 6(e))	2,513,101	7	2,527,624	7	2170 Trade payable (Note 7)	1,585,524	4	1,588,568	4
1400 Current biological assets (Notes 4 and 6(f))	1,200,199	4	1,263,591	3	2200 Other payables (Note 7)	1,183,859	3	1,000,554	3
1410 Prepayments (Note 6(g))	95,464	-	187,572	1	2230 Current income tax liabilities	489,835	1	111,470	-
1476 Other current financial assets	53,614	-	77,921	-	2280 Current lease liabilities (Note 6(o))	48,642	-	47,549	-
1479 Other current assets, others	15,740	-	44,018	-	2399 Other current liabilities, others (Note 7)	407,802	1	488,522	2
	9,803,579	26	10,774,926	30		14,709,890	39	15,918,080	44
1517 Non-current financial assets at fair value through other comprehensive income (Notes 4 and 6(c))	2,272,981	6	2,249,855	6	25XX Non-Current liabilities:				
1550 Investments accounted for using equity method (Notes 4 and 6(h))	15,334,898	40	13,665,289	37	2570 Deferred income tax liabilities (Note 6(r))	53,903	-	67,713	-
1600 Property, plant and equipment (Notes 4 and 6(i))	9,441,924	24	8,805,256	24	2580 Non-current lease liabilities (Note 6(o))	37,795	-	85,172	-
1755 Right-of-use assets (Notes 4 and 6(j))	84,048	-	129,498	-	2645 Guarantee deposits received	87,272	-	82,186	-
1760 Investment property, net (Notes 4 and 6(k))	280,742	1	284,813	1	2670 Other non-current liabilities, others	122,195	-	122,195	-
1830 Non-current biological assets (Notes 4 and 6(f))	321,303	1	348,849	1		301,165	-	357,266	-
1840 Deferred income tax assets (Notes 4 and 6(r))	80,653	-	66,189	-	2XXX Total liabilities	15,011,055	39	16,275,346	44
1975 Net defined benefit asset, non-current (Notes 4 and 6(q))	124,224	-	119,376	-	Equity attributable to owners of parent: (Notes 4 and 6(s))				
1990 Other non-current assets, others (Notes 6(l) and 8)	957,284	2	684,170	1	3110 Ordinary share	8,947,673	24	8,947,673	24
	28,898,057	74	26,353,295	70	3200 Capital surplus	3,676,361	9	3,376,370	9
					3300 Retained earnings (Note 6(s))	10,181,765	26	7,451,954	20
					3400 Other equity interest	1,103,914	3	1,296,010	4
					3500 Treasury shares	(219,132)	(1)	(219,132)	(1)
					3XXX Total equity	23,690,581	61	20,852,875	56
1XXX Total assets	\$ 38,701,636	100	37,128,221	100	2-3XX Total liabilities and equity	\$ 38,701,636	100	37,128,221	100

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREAT WALL ENTERPRISE CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4, 6(u) and 7)	\$ 37,686,965	100	38,771,998	100
5000	Operating costs (Notes 4, 6(e) and 7)	32,492,840	86	35,659,529	92
5900	Gross profit from operations	5,194,125	14	3,112,469	8
6000	Operating expenses:				
6100	Selling expenses	1,511,529	4	1,410,656	4
6200	Administrative expenses	551,813	1	444,456	1
6300	Research and development expenses	110,965	-	106,502	-
6450	Expected credit impairment loss/reversal of impairment loss (Note 6(d))	(71,193)	-	23,140	-
	Total operating expenses	2,103,114	5	1,984,754	5
6900	Net operating income	3,091,011	9	1,127,715	3
7000	Non-operating income and expenses: (Notes 6(w) and 7)				
7100	Interest income	29,228	-	6,910	-
7020	Other gains and losses, net	331,486	1	755,801	2
7050	Finance costs	(237,968)	(1)	(211,188)	(1)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method	1,506,888	4	816,765	2
	Total non-operating income and expenses	1,629,634	4	1,368,288	3
7900	Profit from continuing operations before tax	4,720,645	13	2,496,003	6
7950	Less: Income tax expenses (Note 6(r))	651,441	2	302,942	1
8200	Profit	4,069,204	11	2,193,061	5
8300	Other comprehensive income (loss):				
8310	Items that may not be subsequently reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	3,446	-	12,379	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	26,813	-	(312,812)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	689	-	2,047	-
	Items that may not be subsequently reclassified to profit or loss	29,570	-	(302,480)	(1)
8360	Items that may be subsequently reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(218,909)	(1)	57,176	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Items that may be subsequently reclassified to profit or loss	(218,909)	(1)	57,176	-
8300	Other comprehensive income	(189,339)	(1)	(245,304)	(1)
8500	Total comprehensive income	\$ 3,879,865	10	1,947,757	4
	Basic earnings per share (Notes 4 and 6(t))				
9750	Basic earnings per share (NT dollars)	\$ 4.81		2.59	
9850	Diluted earnings per share (NT dollars)	\$ 4.80		2.59	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREAT WALL ENTERPRISE CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Share capital	Retained earnings					Other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity
Balance on January 1, 2022	\$ 8,521,593	3,294,766	2,796,437	42,994	4,113,449	6,952,880	(920,308)	2,471,954	1,551,646	(219,132)	20,101,753
Profit for the year ended December 31, 2022	-	-	-	-	2,193,061	2,193,061	-	-	-	-	2,193,061
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	10,332	10,332	57,176	(312,812)	(255,636)	-	(245,304)
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	2,203,393	2,203,393	57,176	(312,812)	(255,636)	-	1,947,757
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	187,191	-	(187,191)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,278,239)	(1,278,239)	-	-	-	-	(1,278,239)
Stock dividends of ordinary share	426,080	-	-	-	(426,080)	(426,080)	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	11,519	-	-	-	-	-	-	-	-	11,519
Adjustment of capital surplus for company's cash dividends received by subsidiaries	-	70,085	-	-	-	-	-	-	-	-	70,085
Balance on December 31, 2022	8,947,673	3,376,370	2,983,628	42,994	4,425,332	7,451,954	(863,132)	2,159,142	1,296,010	(219,132)	20,852,875
Profit for the year ended December 31, 2023	-	-	-	-	4,069,204	4,069,204	-	-	-	-	4,069,204
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	2,757	2,757	(218,909)	26,813	(192,096)	-	(189,339)
Total comprehensive income	-	-	-	-	4,071,961	4,071,961	(218,909)	26,813	(192,096)	-	3,879,865
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	220,340	-	(220,340)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,342,150)	(1,342,150)	-	-	-	-	(1,342,150)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	226,402	-	-	-	-	-	-	-	-	226,402
Adjustment of capital surplus for company's cash dividends received by subsidiaries	-	73,589	-	-	-	-	-	-	-	-	73,589
Balance on December 31, 2023	\$ 8,947,673	3,676,361	3,203,968	42,994	6,934,803	10,181,765	(1,082,041)	2,185,955	1,103,914	(219,132)	23,690,581

See accompanying notes to financial statements.

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

GREAT WALL ENTERPRISE CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Profit before tax	\$ 4,720,645	2,496,003
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	672,658	605,573
Depreciation expense-biological assets	153,991	153,397
Amortization expense	14,754	10,563
(Reversal of) expected credit impairment loss	(71,193)	23,140
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(63,658)	(1,361,513)
Interest expense	237,968	211,188
Interest income	(29,228)	(6,910)
Dividend income	(99,475)	(98,595)
Share of (profit) loss of subsidiaries, associates and joint ventures accounted for using equity method	(1,506,888)	(816,765)
Gain on disposal of property, plant and equipment	(14,258)	(5,958)
Change in fair value of biological assets	(104,587)	(1,107)
Total adjustments to reconcile profit (loss)	(809,916)	(1,286,987)
Changes in operating assets and liabilities:		
Decrease in financial assets or liabilities at fair value through profit or loss	161,784	1,266,801
Decrease (increase) in notes receivable	10,404	(139,253)
Decrease (increase) in trade receivable	118,263	(402,050)
Decrease (increase) in inventories	14,523	(979,426)
Change in biological assets	41,534	(449,026)
Decrease (increase) in prepayments	92,108	(44,457)
Decrease in other current assets	28,278	68,915
Decrease (increase) in other financial assets	25,806	(1,357)
Decrease (increase) in net defined benefit asset	(1,402)	(653)
Decrease (increase) in notes payable	(441,722)	159,477
Increase (decrease) in trade payable	(3,044)	702,234
Increase in other payable	209,491	113,464
Increase in other current liabilities	105,788	77,364
Total changes in operating assets and liabilities	361,811	372,033
Total adjustments	(448,105)	(914,954)
Cash inflow generated from operations	4,272,540	1,581,049
Interest received	27,729	7,918
Interest paid	(264,154)	(166,748)
Income taxes paid	(302,039)	(404,299)
Net cash flows from operating activities	3,734,076	1,017,920
Cash flows used in investing activities:		
Acquisition of investments accounted for using equity method	(224,070)	(250,000)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,107
Acquisition of property, plant and equipment	(1,267,729)	(1,072,491)
Proceeds from disposal of property, plant and equipment	22,182	13,528
Decrease (increase) in other receivables due from related parties	574,910	(1,212,443)
Increase in other non-current assets	(287,867)	(268,920)
Dividends received	245,594	175,988
Net cash flows used in investing activities	(936,980)	(2,610,231)
Cash flows (used in) from financing activities:		
Decrease (increase) in short-term loans	(1,460,220)	2,168,517
Increase in short-term notes and bills payable	200,000	700,000
Increase in guarantee deposits received	5,086	399
Payment of lease liabilities	(46,284)	(46,196)
Decrease (increase) in other non-current liabilities	(186,510)	56,510
Cash dividends paid	(1,342,150)	(1,278,239)
Net cash flows (used in) from financing activities	(2,830,078)	1,600,991
Net increase (decrease) in cash and cash equivalents	(32,982)	8,680
Cash and cash equivalents at beginning of period	253,987	245,307
Cash and cash equivalents at end of period	\$ 221,005	253,987

See accompanying notes to financial statements.

Great Wall Enterprise Co., Ltd.		
Profit Distribution		
2023		
Currency Unit: NT\$		
Balance as of January 1, 2023		2,862,841,890
Add (Less):		
Welfare project revaluation variable	2,757,123	
Income after taxes for the year	4,069,203,285	
Earnings available for distribution		6,934,802,298
Less (Add):		
Legal reserve	407,196,041	
Distribution items		
Shareholder dividends - cash (NT\$2.2 per share).	1,968,487,888	
Undistributed earnings at the end of the period		4,559,118,369

Note: (1) Dividend distribution for the year shall not exceed the amount available for distribution in the period.

(2) Dividends will be distributed preferentially based on the after-tax benefits in 2023.