



# Sunjuice Holdings Co., Limited

Annual report of the year 2023



Printed on April 30, 2024

Keeping safe quality and making health 100 points  
——Catering supplier

Annual Report is available at <http://www.myfreshjuice.com>  
Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>

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Director	HUANG,HSUN-YI	Taiwan	Responsible Person of UNITOP-APEX Co., Ltd. Chairman of Wan-Neng Senior Industrial and Commercial Vocational School . Chairman of Hospitality Management, Wufeng University. Special Assistant to President of Fresh Juice Industry (Kunshan) Co., Ltd.
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Independent Director	LIN, FENG-I	Taiwan	Director and vice president of Want Want China Holdings Limited
Independent Director	CHEN, YUNG-LUNG	Taiwan	Senior Manager, PwC Taiwan Vice President, Fulagai Consulting and Trading Ltd. Vice President, Keysheen (Cayman) Holdings Co., Ltd

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## One. To shareholders' report

The summary of the 2023 annual operating performance and future outlook is as follows:

### I. 2023 Business report

#### (I) Business plan implementation results:

Unit: New Taiwan Dollars (thousand)

Year Items	2023	2022	Increase (decrease) amount	Changes percentage (%)
Operating income	4,631,966	4,101,393	530,573	12.94%
Operating costs	3,328,805	2,931,835	396,970	13.54%
Gross profit	1,303,161	1,169,558	133,603	11.42%
Operating expenses	736,746	616,066	120,680	19.59%
Operating net profit	566,415	553,492	12,923	2.33%
Net non-operating income and expenses	83,044	76,582	6,462	8.44%
Net Income before Taxes	649,459	630,074	19,385	3.08%
Income tax expenses	169,728	165,382	4,346	2.63%
Net income for the year	479,731	464,692	15,039	3.24%

(II) Budget implementation situation: not applicable to undisclosed financial forecast.

(III) Financial income and profitability analysis: The Company focuses on high quality products investments and integration, steady financial operations with good income status.

Unit: New Taiwan Dollars (thousand)

Year					
Items		2023	2022	Increase (decrease) amount	Changes percentage (%)
Financial income	Operating income	4,631,966	4,101,393	530,573	12.94%
	Gross profit	1,303,161	1,169,558	133,603	11.42%
	Interest income	52,853	35,951	16,902	47.01%
	Interest expense	1,524	1,332	192	14.41%
	Net income for the year	479,731	464,692	15,039	3.24%
Profitability	Return on assets (%)	10.04%	9.81%	0.23%	2.34%
	Return on shareholders' equity (%)	11.45%	11.44%	0.01%	0.09%
	Net profit rate (%)	10.36%	11.33%	(0.97%)	(8.56%)
	Basic earnings per share (NTD)	12.41	11.92	0.49	4.11%

## II. Development of the China Market

### 1. Income levels

According to data from the National Bureau of Statistics of China, the per capita disposable income of Chinese residents in 2023 was RMB 39,218, a nominal increase of 6.3% compared to 2022. After adjusting for price factors, the actual increase was 6.1%. The per capita disposable income of urban residents was RMB 51,821, a nominal increase of 5.1% compared to the previous year. After deducting price factors, the actual growth was 4.8%. For rural residents, the per capita disposable income was RMB 21,691, a nominal increase of 7.7% compared to the previous year. After deducting price factors, the actual growth was 7.6%. The national median per capita disposable income was RMB 33,036, a nominal growth of 5.3% compared to the previous year.

### 2. Consumer profiling

With the pursuit of healthy life and the appreciation of traditional culture, new teas combining traditional culture with modern trend elements and are warmly embraced by consumers. New teas have become a lifestyle habit for young people. The consumers of new tea drinks are mainly young people, who have a strong demand for fashion, personalization, and health, and are more receptive to tea drinks. At the same time, the new tea brand focuses on building a young and fashionable brand image, and has attracted the attention and participation of young consumers through social media and offline events, further expanding their consumer base. Females account for nearly 70% of tea consumers, and the post-90s and post-2000s generation have become the main consumers of new teas, accounting for approximately 75% of the market. According to the census data of China, the total population of the post-90s and post-2000s generations exceeds 330 million. The post-90s generation is entering a golden period of career development, while the first batch of post-2000s has already entered society. Among the new tea consumers, 44.3% have an income of RMB 5,001 to 10,000, and 29.9% of them have an income of RMB 10,001 to 15,000. They are willing to spend, generally value quality and service, are intrigued by new things, and pursue personalization, diverse, and experiential consumption. At the same time, with the upgrading of consumption, new tea drinks are also iterated continuously, developing in a healthier, more natural, and safer path. New tea brands have launched some drinks suitable for children and middle-aged and elderly people, further expanding the consumer base. The vast consumer base brings broad development space for the new tea beverage market.

### 3. Development opportunities for the food and beverage industry:

2023 was a year marked by the waning influence of the pandemic and the restoration of economic order, as well as a year of recovery for the catering industry. Despite the ups and downs throughout the year, the return to the normal rhythms of life and the pursuit of happiness were gradually coming back into people's focus. According to data released by the National Bureau of Statistics of China, the catering revenue in China was RMB 5.289 trillion in 2023, a year-on-year increase of 20.4%. Under the background of the gradual

recovery of the catering industry and the dual boost from cultural confidence and supply chain capacity overflow, the trend of going global became “phenomenal” in 2023.

The gradually improving macroeconomic environment is the foundation for confidence in future catering development. With consumer willingness steadily rising to historic highs, the catering consumption continues to recover rapidly, driving an increasingly stronger domestic demand. The continuous increase in the chain restaurant penetration rate indicates promising prospects. Looking ahead, enterprises are actively adjusting their operational strategies to embrace new development opportunities.

#### 4. Competitive Landscape:

After enduring three years of pandemic induced hardships, the consumer market witnessed a comprehensive recovery in 2023. However, the slogan of “revenge consumption” did not seem to manifest within the tea beverage market. A trend towards rational and healthy consumption has emerged, promoting increasing doubt among consumer about questionable characteristics such as high sugar, high fat, and high trans fatty acids in the tea beverages, which has compelled the market to introduce new tea drinks.

In 2023, the new tea beverage industry experienced a year of “involution”, including aspects such as “pricing”, “product”, “scenario”, “experience”, “marketing”, “listing”, and “overseas expansion”, etc. However, it is precisely because of this internal competition that the industry has accelerated its standardization and normalization, promoting the mutual progress of consumption and the market.

In 2024, it is foreseeable that new tea beverage brands will continue to fiercely compete in various directions such as “second-tier”, “10 thousand store plans”, “sinking”, and “overseas expansion”. However, in these tracks, it is destined that the disruptors will advance and the conservatives will be eliminated. The new tea beverage market will also accelerate the survival of the fittest and enter a new round of reshuffling.

### III. Summary of 2024 Operational Plan

#### 1. Business guidelines

The Company is a full-service provider of raw materials for new tea beverages. The Company mainly engages in the R&D, production, and sales of juice products, fruit pulps, and textured granule products, playing an important role in the supply chain of the new tea beverage industry. The Company has always been committed to producing natural, healthy, safe, and delicious products, and is dedicated to the development and upgrading of high-quality products. The Company continuously meets the personalized needs of new tea beverage companies and provides customized products and full-process services to customers.

#### 2. Sales target and the basis

In 2023, China's full-year GDP exceeded RMB 126 trillion, an increase of 5.2% over

the previous year. The economic growth rate is higher than the global economic growth rate of about 3%, ranking first among the world's major economies, contributing more than 30% to world economic growth, being the largest engine of world economic growth. Goldman Sachs predicts that China's GDP growth rate in 2024 is expected to reach 4.8%, and consumption and investment will become the engines of economic growth.

According to the data of the "2023 New Tea Beverage Research Report" published by the China Chain Store & Franchise Association, in the first half of 2023, the "new tea beverages" consumer market rebounded strongly in the first quarter, grew steadily in the second quarter, and performed well in the summer. The annual new tea beverage consumer market scale is expected to reach 149.8 billion, recovering the 3-year compound growth rate of nearly 20%. By 2025, the domestic consumer market is expected to further expand to NTD 201.5 billion. In terms of the number of stores, as of August 31, 2023, there were approximately 515 thousand new tea beverage stores in operation, compared to 378 thousand at the end of 2020, representing a growth of over 36%. Judging from the proportion of beverage stores included in Meituan, Dianping and Meituan's takeaway platform, in June 2023, new tea stores accounted for 57.7% of the total number of beverage stores, a decrease of 2.2% from the end of 2022.

The new tea beverage industry has a high level of standardization and strong reproducibility, and is the category in the catering industry with the highest chain store rate. According to the forecast of the CUBA Research Institute, the chain store rate of China's new tea beverage industry will reach 63.89% in 2023. Judging from the changes in the number of new tea brand stores of different scales, the number of small-scale brand stores has continued to decrease in the past three years. The growth in the number of stores of large-scale chain brands in 2023 is accelerated, and the "Ten Thousand Stores Plan" has become an inevitable goal.

As the macroeconomic recovery in China has restored public confidence, the willingness to consume gradually increased, and the new tea beverages will usher in stable growth. In 2024, based on the current status of the industry and the Company's plans, the growth target in line with the overall interest of the Company has been formulated to maintain the continuous growth of the Company's performance .

### 3. Policy and market factors

In 2024, the international environment will continue to be extremely complex, due to ongoing conflicts of Russia-Ukraine and Palestine-Israel. The rapid development of artificial intelligence has triggered ethical disputes, while the increasingly severe challenges of climate change demand collective action. Multiple global dynamics are evolving simultaneously, accelerating the evolution of international order. Many areas are still facing significant uncertainties. The economic development in China is still faced with the triple pressure of demand contraction, supply shocks and weakening expectations. This is why China's economic work in 2024 will still be based on "adhering to the general principle of seeking progress while maintaining stability", emphasizing "consolidation and

enhancement of the positive trend of economic recovery, and continuous promotion of economic qualitative and efficient improvements as well as reasonable growth in quantity.” Currently, China is at a crucial stage of economic recovery and industrial transformation and upgrading. Under the strong leadership of the central government of China, local governments are implementing high-quality decision-making arrangements to promote sustained and healthy economic development.

The middle-income group in China continues to expand, and there is great potential for people’s needs for clothing, food, shelter, transportation, and cultural consumption. As consumption upgrades and consumer confidence increases, the consumption attributes of new tea beverages in 2024 will allow more people to consume, dare to consume, and willing to consume. With the implementation of various policies, new impetus will be injected into the development of the Chinese economy. The new tea beverages industry will flourish as a pioneering force in the catering industry.

#### **IV. Important Strategies for 2024**

##### **1. Production strategy:**

The Company continues to deepen the lean production management concept, optimizes the warehouse management (WMS) system and adds the transportation management (TMS) system based on the original office system. We continue to improve and deploy automated and intelligent production lines to improve production efficiency and create a smart chemical plant. In order to meet the diversified needs of customers, the Company not only realizes the production requirements of customers in multiple varieties, small batches, multiple batches, and various specifications, but also strategically position ourselves to address requirements for large-scale production, large batch orders, and continuous production. The Company's WMS system, SAP system, and TMS system are connected to achieve product traceability throughout the process of production, warehousing, and transportation, and provide high-quality and efficient supply chain services for new tea customers. Currently, the Company has four factories, located in Kunshan Jiangsu, Zhaoqing Guangdong, Tianjin Binhai, and Base Guangxi. The Kunshan, Guangdong, and Tianjin production bases serve customers in their respective regions, allowing for shorter transportation distances. This not only improves the efficiency of raw materials distribution to customers but also effectively reduces transportation costs. The Company's three production facilities have a unified standard production process, which ensures stable product quality. This allows the Company to serve customers located throughout the country through its nationwide sales network. This provides customers with strong supply chain support so they can expand their business throughout the country while maintaining stable product quality. The upstream raw material factory in Guangxi supplies the advantageous raw materials to the factories in Kunshan, Guangdong, and Tianjin to ensure the quality and price of raw materials, while also providing customized products for some of the new tea customers.

##### **2. Sales strategy:**

The Company's current sales model primarily focuses on direct sales, with some coverage in distribution channels. Through years of strategic planning, the Company has established a relatively complete marketing network system with efficient and high-quality sales channels, and maintains close cooperative relationships with various channels. As the new tea brand becomes a chain store, the proportion of direct selling customers has exceeded 70%. For direct selling customers, the Company has established dedicated customer service teams at all three factories. These teams are capable of providing exclusive formulas and packaging based on customer requirements, ensuring product differentiation. They also offer customized sales and distribution services to guarantee the stability of product supply quality and maintain the order of customer chain operations, which helps establish long-term partnerships built on mutual trust. For distribution customers, the Company has established a comprehensive network of distributors nationwide. In the context of competition in mature markets, the Company regularly provides market information and new product training to distributors. This enables distributors to quickly introduce the Company's new products to regional markets, expanding the Company's product visibility and influence.

Customer development aspect: The Company will segment the market into different customer groups and position them according to their needs and characteristics. For example, catering enterprises, coffee system, tea beverage chain, etc., design and customize sales plans for different customer groups, and provide targeted products and services.

Market research aspect: Understand the development trends, demand characteristics, and the competitive landscape of the tea beverage market, obtain market information through methods such as market research, product studies, and data analysis; understand consumer demand and preferences for tea raw materials, and identify market opportunities and potential customers.

Pricing strategy aspect: Formulate a reasonable pricing strategy based on product costs, market demand, and competitive conditions and develop a reasonable pricing strategy that considers the balance between price and value; strive to achieve customer satisfaction while maintaining profitability for the Company. Meanwhile, according to the level, scale and positioning of customers, we will offer specific pricing and contract binding to attract and retain customers and increase our sales share.

### 3. R&D strategy:

The Company has a specialized R&D department that has established a comprehensive R&D system. The R&D department has a solid understanding of the fresh and healthy development trends in the beverage market and focuses on the development of nutritious and healthy products. The R&D Office is equipped with advanced experimental equipment that can conduct basic research, overcome technical difficulties, reserve innovative technologies, optimize production processes and technologies, and improve product quality and diversification. This setup facilitates the efficient development and mass production of new products, driving market trends. The Company can complete the entire process from

R&D creativity or responding customer demand proposal, to sample production, cost accounting, beverage application testing, rapid response testing in the pilot workshop, and marketing trial within one month. The Company's R&D team regularly visits the market and maintains close contact with customers to deepen customer cooperation and provide comprehensive solutions. At the same time, the Company can also develop new products in collaboration with various types of customers, providing tailored customized formulas to enable customers to have differentiated and competitive products in the channel.

Over the years of research and innovation, the Company has developed a robust product line, producing close to 2,000 different specifications and categories of products each year. Regarding product quality, the Company offers products with various amounts of fruit juice or pulp. In terms of taste, the Company offers popular flavors such as strawberry, mango, passion fruit, lemon, grape, and peach, as well as less common ones such as Chinese berry, mulberry, Orahmandarin, Hawthorn Berry, and *Chaenomeles speciosa*. The Company also offers a variety of fruit-flavored complex tastes. In the direction of beverage upgrades, real tea, milk, fruit, sugar, and zero additives have become selling points for major brands in marketing, and they have also become preferred choice for consumers when buying beverages. At the same time, the texture granules have played a crucial role in promoting the popularity of new tea additives. The Company has upgraded its texture granules products and launched the Red Bean Pearls and shaped crystal balls. With the continuous expansion of new tea beverage channels, the Company has launched new tea beverage products suitable for new retail channels, such as Mango Pomelo Sago, Chinese berry sago, flavored lemon tea, and lime juice, with advanced technology and food safety management. The Company's extensive and comprehensive product line can meet the diverse needs of the market and provide customers with diversified choices.

In response to the needs of the rapid development of the new tea beverage market, the Company newly deployed R&D centers for key customers this year. The marketing department's proposals, customer needs and R&D implementation are connected to meet customer product needs accurately and quickly develop new products and new flavors to cater for changing consumer needs.

#### 4. Environmental protection strategy

In response to national requirements for ecological protection boundaries, environmental quality standards, resource utilization limits, and goals for ecological zoning control to promote sustainable economic and social development, the Company has installed new sewage treatment equipment and systems to enhance sewage treatment capacity. Industrial wastewater generated during the production process is treated at the Company's own wastewater treatment plant, which ensures that the COD content of discharged water is less than 50% of local discharge standards set by the country. Additionally, the treated water is used for landscaping irrigation within the factory premises and solid waste cleaning, thereby reducing emissions.

The Company continues to improve its processes and upgrade its equipment annually,

reducing the amount of solid waste generated during production. Solar energy is used to power outdoor lights, and it is increasingly used in newly built companies. Different energy-saving and emission-reduction measures are formulated according to the geographical location and temperature differences of different factories, in order to reduce energy consumption and reduce pollution to the environment.

## 5. Quality strategy

The Company's products are raw materials for beverages that have a direct impact on consumers' health. Food safety has always been a top priority for the Company, and thus the Company has obtained certifications for ISO 9001 quality control system, ISO 22000 food safety management system, FSSC 22000 food safety system, HACCP management system, and ISO 14001 environmental management system. The Company has established a food safety management system that includes supplier evaluation, inbound inspection, raw material usage, production process monitoring, and product release inspection to guarantee product quality and safety. Every step is meticulously executed according to relevant quality standards to maintain quality control throughout the procurement, production, and sales processes. The Company's quality control system is effective and product quality is stable.

## **V. Affected by the economic environment, external competitive environment, and regulatory environments**

### 1. Influence of the economic environment

- ① In 2023, China's economy withstood external pressures and internal difficulties, with an overall recovery in economic development, and major targets were successfully achieved. Whether it was a horizontal comparison with major global economies, or a vertical comparison with China in the past few years, China's economic "report card" in 2023 was indeed hard-won. Entering 2024, the uncertainties of the international situation, including trade protectionism, technological blockade and geopolitical tension will affect the global supply chain system, and the global economy will fall into a period of slow growth for the long-term. These factors will bring greater pressure to the economy in China.
- ② Climate changes and environmental protection pose global challenges in 2024. The uncertainties in geopolitics and extreme weather conditions leads to fluctuations in energy, food, and commodity prices. Inflation will continue to drive up consumer prices, resulting in increased consumer spending for residents. However, with no significant growth in income, non-essential expenses may face reductions.
- ③ The year 2024 marks the 75th anniversary since the founding of the People's Republic of China and is a critical year for the implementation of the "14th Five-Year Plan". China government's economic work conference has made important arrangements for economic work in 2024, emphasizing the principles of seeking progress while maintaining stability, promoting stability through progress, and addressing challenges in a proactive manner Through innovation in science and technology, we aim to lead

the construction of a modernized industrial system. We will strengthen policy coordination to ensure that macroeconomic policies are aligned and synergized, accelerating the establishment of a unified national market and achieving a higher level of supply-demand balance. We will further expand high-level and opening-up to the outside world, promote urban-rural integration and regional coordinated development, effectively safeguard and improve people's lives, ensure stable employment for key groups, and vigorously promote the sustained improvement of the employment situation. By promoting more abundant and higher-quality employment opportunities, we aim to increase the income of workers and ensure that the people truly feel the tangible benefits. With the support of these favorable policies, new tea is ushering in a new growth point with its social attributes and the emotional needs of young people.

- ④ On the positive side, there are many opportunities for China's economic development. First, China has the super large-scale market with the most potential in the world. As social expectations gradually improve, high savings will gradually shift to consumption and investment. Second, macroeconomic policies will continue to provide support for economic recovery. This year, China will continue to issue RMB 1 trillion government bonds, and the effects of policies such as cutting reserve requirement ratio, reduce taxes, and fee reductions will continue to be released in Q2 and Q3. Additionally, new measures will be introduced, with incremental and stock policies working together to effectively promote economic recovery. Third is to increase efforts to attract foreign investment and continue to optimize the business environment. Last but not least, the new round of global technological revolution and industrial reform contains new opportunities. Technology breakthroughs in big data, artificial intelligence, new energy, quantum technology, bio-manufacturing and other fields are accelerating, driving faster transformation in production and consumption. Such developments will foster industrial changes, providing a broader stage for economic development in China.

## 2. Influence of the competitive environment

The impact of China's external competitive environment in 2024 will largely depend on global economic development, trade policies, technology competition, human resource markets, and geopolitical risks. The catering industry is affected by factors such as changes in consumer demand, market innovation and competitor strategies. Tea and beverage companies should pay attention to consumers' health awareness and needs, continue to innovate and launch products in line with market trends, and build diversified sales channels to maintain competitiveness and sustainable development.

## 3. Influence of the legal environment

- ① From January 1, 2024, China has adjusted the import and export tariffs of some commodities to promote a high-level of opening-up, a domestic and international circular economy, as well as sound economic development.
- ② Announcement of the "Decision of the State Council on Amendment of the Rules for Implementation of the Patent Law of the People's Republic of China", will come into

effect on January 20, 2024. This aims to improve the patent application system, facilitate patent acquisition for applicants, strengthen patent protection, safeguard the legitimate rights and interests of patents, and encourage innovation in enterprises research and development.

- ③ On January 21, the State Taxation Administration issued a new version of the "Taxation Policy Guidelines to Stabilize Foreign Trade and Foreign Investment", updates the relevant taxation support policies and tax collection service measures currently in effect. This way, taxpayers can better understand and apply to the policies, and create a framework for the development of foreign trade and foreign investment, therefore creating a favorable tax environment for the development of foreign trade and investment.
- ④ On January 22, the State Council held an executive meeting to listen to a report on the operation of the capital market and work considerations. The meeting emphasized the need to further improve the basic system of the capital market, pay more attention to the dynamic balance of investment and financing, and vigorously improve the quality of listed companies and investment value, increase the influx of mid- and long-term funds into the market, and strengthen the inherent stability of the market.

## **VI. Development strategies**

- ①. The Company's main customers are new tea beverages and new retail businesses. To better serve these customers, the Company has mobilized experienced R&D personnel to form a dedicated R&D team for main customers. This team works closely with the marketing, sales, production, quality control, and supply chain departments to swiftly respond to customer needs. They provide exclusive formulas and packaging for customers to ensure product differentiation. Additionally, the Company is optimizing their distribution network, collaborating deeply with high-quality distributors to offer customized products that meet the diverse customer demands. Empower traditional sales channel distributors to use the fresh online ordering platform to provide distributors with customer acquisition tools and product distribution solutions, to achieve complementary advantages with distributors, multi-win-win, and jointly serve customers. The Company will also continue to expand and deepen the sales channels of coffee, baking, and Chinese cuisines in the future. The Company will be committed to expanding the sales network coverage from first- and second-tier cities to new first-tier cities and third- and fourth-tier cities in order to increase the market breadth of the products and the number of customer groups, ultimately increasing the scale of the its product and sales.
- ②. The Company will consistently adhere to a market and customer-based approach, continuously broaden its product lines and upgrade its product technology, to enhance its ability to quickly respond to customized customer needs. Furthermore, the Company will leverage AI, big data, and other analytical tools to deepen the understanding of industry trends and regional differences in the evolving new tea beverage market while

serving customers. Combine new raw materials, new formulas, and new technologies to develop new products to meet the diversified needs of the market, leading the market trend, and enhance the core competitiveness of the Company.

- ③. In order to meet the needs of business development and improve production efficiency and timeliness of delivery, the Company has upgraded the refrigeration capacity of its three factories in Kunshan, Guangdong and Tianjin this year. Additionally, we have optimized the layout of production lines and equipment at the raw material factory in Guangxi Base, to adapt to the production and processing requirements of different products. In the future, the Company will continue to further upgrade and optimize the production lines and equipment of Factory No. 4 to deploy smarter production workshops. The Company will enhance the scale effect of production and manufacturing while ensuring product quality, better promoting the Company's business development and increase profits, and enhance the Company's competitiveness.
- ④. The Company considers human resources as the most valuable asset, and will actively promote localization, youthfulness, and professionalism of talent teams based on existing workforce. The Company will focus on cultivating internal talents and looking for professionals with relevant experience and skills to join the team and build a diverse talent team. The Company will further strengthen the corporate culture construction, improve employment mechanism, stabilize core team, and lay a solid talent foundation for the Company's development.
- ⑤. Adhering to the foundation principle of maximizing shareholder value, the Company will, when conditions permit, pursue acquisitions of other related enterprises or merge with resources within the industry. This strategy aims to achieve expansion at low cost, improve product structure and market layout, increase market shares, extend the industrial chain, and reduce operational costs.
- ⑥. Layout for overseas incremental markets, conduct market research on targeted overseas markets, and understand consumer needs, competition patterns, and regulatory requirements in the markets. Cooperate with local distribution partners and select target markets for products with potential to achieve mid- and long-term overseas market development.
- ⑦. As China's economy continues to grow and consumer preferences for beverages evolve, the Company plans to further strengthen its focus on the emerging retail market and develop a range of organic, healthy, nutritious, and delicious ready-to-drink products. At the same time, the Company will further optimize product structure based on existing product lines, enabling the products to be widely used in the food industry, catering channels, everyday life, entertainment, and other applicable scenarios. By capturing consumer trends, and steadily improving brand awareness and influence, the Company aims to become a leading brand in the beverages supply chain.

On behalf of all our colleagues, we would like to thank our shareholders for long-standing care and support. The Company has always been committed to producing natural,

healthy, safe, and delicious products, and is dedicated to the development and upgrading of high-quality products. The Company continuously meets the personalized needs of new tea beverage companies and provides customized products and full-process services to customers. The Company will continue to strive to become an excellent supply chain supplier for the food and beverage industry and create maximum benefits for shareholders.

To all shareholders

in good health and good business

Sunjuice Holdings Co., Ltd.

CHAIRMAN: HUANG, KUO-HUANG

GENERAL MANAGER: WU, MING-HSIEN

## Two. Company Introduction

### I. Group Foundation and Introduction:

Sunjuice Holdings Co., Limited (hereinafter referred to as SUNJUICE or The Company) was founded in Cayman Islands on Jan 12, 2010 as the primary listing entity. Main operating locations of the Company are Sunjuice Co., Ltd. in China, Sunjuice Industry (Tian Jin) Co., Ltd., Guangdong Fresh Juice Biotechnology Co., Ltd., as well as Guangxi Fresh Juice Biotechnology Co., Ltd.. The Company is a full-service provider of raw materials for new tea beverages. The Company has always been committed to producing natural, healthy, safe, and delicious products, and is dedicated to the development and upgrading of high-quality products. The Company continuously meets the personalized needs of new tea beverage companies and provides customized products and full-process services to customers.

### II. Company History:

Time	Important Events
Feb 1998	Fresh Life (Kunshan) Food Industry Co., Ltd. was founded at Kunshan City, Jiangsu Province.
Oct 2002	Fresh Life (Kunshan) Food Industry Co., Ltd. Shanghai Branch was founded.
May 2009	Sunjuice (Hong Kong) Limited was founded at Hong Kong.
Sep 2009	Fresh Juice Industry (Kunshan) Co., Ltd. was founded at Kunshan City, Jiangsu Province.
Dec 2009	ERP management system was officially implemented.
Dec 2009	Power Keen Limited was set up at Samoa.
Jan 2010	Sunjuice Holdings Co., Ltd. was established at Cayman Islands.
May 2010	Qualified supplier providing raw materials to World Expo restaurants for customized drinks.
Mar 2011	Official plant relocation to Jujin Road, Zhangpu Township, Kunshan City, Jiangsu Province.
Sep 2011	Fresh Juice Industry (Kunshan) Co., Ltd. was accredited as the leader guiding the agriculture industrialization in Suzhou.
Aug 2012	Fresh Life (Kunshan) Food Industry Co., Ltd. was renamed as Fresh Food (Kunshan) Co. Ltd.
Sep 2012	Sunjuice Holdings Co., Ltd. was officially listed on Taipei Exchange (TPEX, formerly GTSM).
Dec 2013	Fresh Juice Industry (Kunshan) Co., Ltd. was appraised for “Suzhou Foreign-Funded R&D Institution”.
Dec 2013	Fresh Juice Industry (Kunshan) Co., Ltd. was certified as “Agricultural Science and Technology Enterprise” of Jiangsu Province.
May 2014	Sunjuice Industry (Tian Jin) Co., Ltd. was founded at Tianjin Municipality.
Oct 2014	Guangdong Fresh Juice Biological Technology Co., Ltd. was founded at Guangdong Province.

Time	Important Events
Oct 2014	Sense International Limited was set up at Samoa.
Dec 2014	Shanghai Sense Beverage Co., Ltd. was built at Shanghai Municipality.
Dec 2014	Fresh Juice Industry (Kunshan) Co., Ltd. was certificated for “Carbon Footprint Certification” by CQC.
Feb 2015	Fresh Juice Industry (Kunshan) Co., Ltd. Shanghai Branch was founded.
Mar 2016	The Company was formally listed on TWSE.
Oct 2016	Sunjuice I International Limited was built at Hong Kong.
Nov 2016	Fresh Juice Group was awarded for “Top 100 CSR Business in China Food Industry” as well as “Employee Care” by China National Food Industry Association and China Food Newspaper jointly.
Apr 2017	Suzhou Sunjuice I International Limited was founded at Kunshan City, Jiangsu Province.
Aug 2017	Fresh Juice Industry (Kunshan) Co., Ltd. was awarded for “Enterprise with Harmonious Labor Relations” by the city committee as well as administration of Kunshan City.
Sep 2017	Fresh Juice Industry (Kunshan) Co., Ltd. was accredited as the leader corporation guiding the agriculture industrialization in Jiangsu Province.
Nov 2017	Fresh Juice Industry (Guongdong) Co., Ltd. was certificated for Chinese High-tech Enterprise Certification.
Dec 2017	Sunjuice Industry (Tian Jin) Co., Ltd. was certificated for Chinese High-tech Enterprise Certification.
Feb 2018	Fresh Juice Industry (Kunshan) Co., Ltd. was accredited as “2016 & 2017 Top 10 Enterprises of Production Safety” of Kunshan City.
Dec 2018	“Fresh Juice Industry (Kunshan) Co., Ltd.” was renamed as “Sunjuice Co., Ltd.”
Jan 2019	Sunjuice Co., Ltd. was accredited as Top 10 Taiwan Enterprises of Development by the administration of Kunshan City.
Dec 2019	Fresh Juice Industry (Kunshan) Co., Ltd. is accredited as a High-End Beverage Fermentation Engineering Technology R&D Center in Suzhou City
Feb 2020	Sunjuice Co., Ltd. was awarded for “Top Ten Enterprise with Harmonious Labor Relations 2019” by Kunshan City.
Mar 2020	Sunjuice Co., Ltd. is accredited as a “Top 10 Tax-Paying Enterprise” of Kunshan City in 2019.
Mar 2020	Sunjuice Co., Ltd. is accredited as a “Top 10 Taiwan-funded Enterprise” of Kunshan City in 2019.
Dec 2020	Sunjuice Co., Ltd. is honored with an “Award for Outstanding Contributions in the Field of High-Quality Development” in Kunshan City.
Dec 2020	Fresh Juice Industry (Guangdong) Co., Ltd. is accredited as a “Top 10 Star Enterprise in the Field of Culturedness and Integrity” in 2019.
Nov 2021	Sunjuice Co., Ltd. was awarded with the 3rd Jiangsu Province Purple Mount Award - Growth Enterprise.
Dec 2021	Guangxi Fresh Biotechnology Co., Ltd. was founded at Guangxi Province.
Dec 2021	Fresh Juice Industry (Guangdong) Co., Ltd. was awarded the title of “Key Agricultural Industry Leader of Zhaoqing City”
Nov 2022	Sunjuice Co., Ltd. was awarded the title of "Advanced Demonstration Unit for

Time	Important Events
	Creativity of Safe Consumption" by the Suzhou Municipal Government.
May 2023	Co-hosted Chinese Modern Barista Competition with China Association Of Bakery & Confectionery Industry.
Feb 2024	Sunjuice Co., Ltd. is accredited as a “Top 10 Tax-Paying Enterprise” of Kunshan City in 2023.

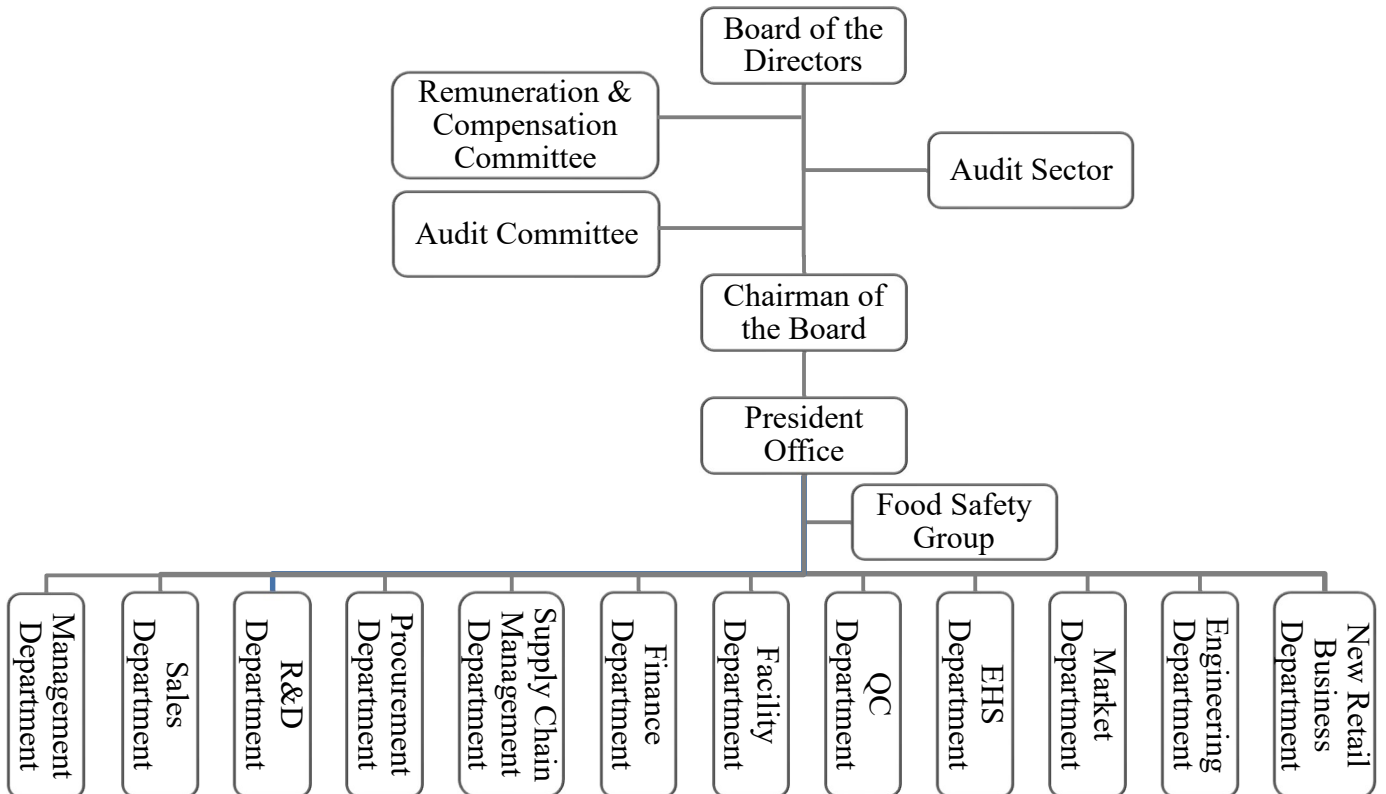
III. Group Organization: Please refer to Chapter 8 “Special Notices” in this Annual Report.

IV. Risk Items: For the details of risk items concerning macroeconomics, environmental fluctuation of politics and economics, exchange control, taxation, as well as other related laws and regulations, please refer to Chapter 7 “Descriptions for Risk Evaluation and Other Important Matters” in this Annual Report.

### Three. Company Administration Report

#### I. Organization

##### (I) Corporate Organizational Structure



(II) Business Tasks of Each Major Department

Title of Department	Main Duties
Board of the Directors	Establishing the operating policies, goals as well as strategies of the company, supervising whether it is practical and executive for each operation, and reviewing, improving as well as making the countermeasure for those fail to achieve the goals.
Remuneration & Compensation Committee	Building and reviewing the performance evaluation of Chairman and managers, as well as the policies, systems, criteria and structure of remuneration and compensation; also, periodically assessing the remuneration and compensation for Chairman and managers.
Audit Committee	Assists the Board of Directors in the effective execution of its powers and authorities in the field of supervision in compliance with the Company Act, Securities and Exchange Act, and other relevant laws and regulations.
Audit Sector	Discussing, auditing, maintaining the internal control system, as well as assisting each unit in solving the problems in order to improve the operating procedures and work efficiency.
President Office	Performing the resolutions by the Board, and managing the company affairs such as human resources, information, administration, etc.
Food Safety Group	Building a food safety system in writing, including food safety handbooks, procedures, standards (operating standards, operation instructions, specifications, etc.) and documents, in accordance with FSSC 22000 for Food Safety Management Systems.
Management Department	Being responsible for the assets, general affairs, transportation management, as well as maintaining the public relationship.
Sales Department	Being in charge of making the annual budgets for each business and ensuring the achievement, managing and maintaining the customer relationships, developing the sales business, and recovering the receivables.
R&D Department	Conducting the R&D and technique programs of the company, as well as assisting QC department to configure the relational inspection standards.
Procurement Department	Responsible for the procurement of raw materials required for production and operations, fixed assets, and various supplies.
Supply Chain Management Department	Responsible for company materials, product safekeeping, and supply and coordination of customer demands in the field of logistics services.
Finance Department	Handling the schemes, management and distribution of the company funds; measuring the costs, generating all kinds of managerial reports as well as planning for the taxation.

Title of Department	Main Duties
Facility Department	Being responsible for the facility production as well as coordinating the sales and company products, and controlling the stock to be maintained at a reasonable range.
QC Department	Implementing the sequence control over the production processes from raw material to final product, dealing with the customer services as well as founding and maintaining the quality systems.
EHS Department	Being responsible for the environmental protection as well as occupational safety and health of the company, for example: industrial wastewater treatment, and safety production management.
Market Department	Scheming and arranging for the annual new product designs, development projects, promotion projects, product application instructions, as well as overall plans for annual exhibition of the company.
Engineering Department	Being in charge of the innovative constructions, expansions, reconstructions, constructional projects and designs, overall plans and coordinations, building permit applications as well as tenders/ bids management of the company.
New Retail Business Department	In charge of the development and sales of new tea drinks and new retail products, establishment of new business system and new supply chain models, to initiate the brand new C-end mode and build a terminal brand.

## II. Personal Information of Directors, Presidents, Vice Presidents, and Chiefs of Each Department as well as Branch

### (I) Directors

#### 1. Information of Directors

April 8, 2024

Title	Nationality or Registration	Name	Gender Age	Date of Election	Term of Office	First Election Date	Number of Shares at Election		Number of Shares Current		Number of Shares Current of Spouse and Minor Children		Number of Shares in the Name of Others		Major Education and Experiences	Concurrent Positions of the Company or Other Companies	Other Chiefs, Directors or Supervisors Who Have Relationships as Spouse, or Second-degree Relatives			NOT E
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
Chairman of the Board	Taiwan	HUANG,KUO-HUANG	Male 62	May 26,2023	3 years	Jan 12,2010	9,247,849	27.33%	9,093,849	26.87%	6,134,264	18.12%	NA	NA	Department of Agricultural Mechanical Engineering, National Chiayi Institute of Agriculture Responsible Person of Taiwan Fresh Life Co., Ltd. Business Manager of Agricultural Monarch Trade Co., Ltd. Teacher of Wan-Neng Senior Industrial and Commercial Vocational School Kendo Referee of Taiwan Sports Vice Director of R.O.C. Kendo Association Executive Director as well as President of Fresh Food (Kunshan) Co. Ltd Executive Director of Sunjuice Industry (Tian Jin) Co., Ltd.	Director of Power Keen Limited Director of Sunjuice (HK) Limited. General Manager as well as Chairman of Sunjuice Co., Ltd. Director of Sense International Limited Executive Director of Shanghai Sense Beverage Co., Ltd. Executive Director of Guangdong Fresh Juice Biotechnology Co., Ltd. Director of Sunjuice I International Limited Director of Laowang Holding Limited Director of the Fulagai Foundation, a Consortium Corporation	Director	LIN,LI-LIN	Spouse	NA
																	Director	HUANG, HSUN-YI	Brother	NA
Director	Taiwan	LIN,LI-LIN	Female 61	May 26,2023	3 years	Jun 29,2011	6,178,264	18.25%	6,134,264	18.12%	9,093,849	26.87%	NA	NA	Department of Agricultural Economics, National Chiayi Institute of Agriculture Financial Officer of Fresh Life (Kunshan) Food Industry Co., Ltd. Special Assistant to President of Fresh Life (Kunshan) Food Industry Co., Ltd. Executive Director as well as President of Kunshan Jianghang Ecological Agriculture Science &	Director as well as Special Assistant to Chairman of Sunjuice Co., Ltd. Director of Sunjuice I International Limited. Executive Director as well as President of Suzhou Sunjuice I International Limited. Executive Director of Guangxi Fresh Juice Biotechnology Co., Ltd. Executive Director as well as President of IM Trade (Kunshan) Co., Ltd.	Chairman of the Board	HUANG, KUO-HUANG	Spouse	NA
																	Director	HUANG, HSUN-YI	Second-degree Relative	NA

Title	National ity or Registra tion	Name	Gender Age	Date of Election	Term of Offic e	First Election Date	Number of Shares at Election		Number of Shares Current		Number of Shares Current of Spouse and Minor Children		Number of Shares in the Name of Others		Major Education and Experiences	Concurrent Positions of the Company or Other Companies	Other Chiefs, Directors or Supervisors Who Have Relationships as Spouse, or Second-degree Relatives			NOT E
							Number of Shares	Sharehold ing Ratio	Number of Shares	Sharehold ing Ratio	Number of Shares	Sharehold ing Ratio	Numb er of Shares	Sharehol ding Ratio			Title	Name	Relationship	
															Technology Development Co., Ltd.	Executive Director as well as President of Sun Philippe Trade (Kunshan) Co., Ltd. Director of Shine Energy Limited				
Director	Taiwan	HUANG,HSU N-YI	Male 53	May 26,2023	3 years	Jun 29,2011	297,879	0.88%	319,879	0.95%	NA	NA	NA	NA	Mater of Business Administration, The University of Houston, USA Ph.D. of Hospitality and Travel Marketing, Victoria University, AUS Responsible Person of UNITOP-APEX Co., Ltd. Chairman of Wan-Neng Senior Industrial and Commercial Vocational School Chairman of Hospitality Management, Wufeng University Special Assistant to President of Fresh Juice Industry (Kunshan) Co., Ltd. President of Guangdong Fresh Juice Biotechnology Co., Ltd.	Director as well as Chief Engineer of Sunjuice Co., Ltd. Director of Sunjuice I International Limited. President of Guangxi Fresh Juice Biotechnology Co., Ltd. Executive Director as well as president of Sunjuice Industry (Tian Jin) Co., Ltd. Director of Wan-Neng Senior Industrial and Commercial Vocational School	Chairma n of the Board	HUANG, KUO- HUANG	Brother	NA
																	Director	LIN,LI- LIN	Second- degree Relative	NA
Director	Taiwan	WU,MING- HSIEN	Male 63	May 26,2023	3 years	Jun 29,2011	1,247,406	3.67%	1,224,406	3.62%	255,072	0.75%	NA	NA	Mater of Business Administration, National Chung Cheng University Sales Executive of Aphrodite Industry Co., Ltd. Responsible Person of Modern Era Digital Technology Inc. General Manager of Management Department of Fresh Life (Kunshan) Food Industry Co., Ltd. Vice President of Fresh Food (Kunshan) Co. Ltd.	Director of Sunjuice I International Limited. President of Sunjuice Holdings Co., Ltd.	NA	NA	NA	NA

Title	National ity or Registra tion	Name	Gender Age	Date of Election	Term of Offic e	First Election Date	Number of Shares at Election		Number of Shares Current		Number of Shares Current of Spouse and Minor Children		Number of Shares in the Name of Others		Major Education and Experiences	Concurrent Positions of the Company or Other Companies	Other Chiefs, Directors or Supervisors Who Have Relationships as Spouse, or Second-degree Relatives			NOT E
							Number of Shares	Sharehold ing Ratio	Number of Shares	Sharehold ing Ratio	Number of Shares	Sharehold ing Ratio	Numb er of Shares	Sharehol ding Ratio			Title	Name	Relationship	
															Vice President of Fresh Juice Industry (Kunshan) Co., Ltd. Director of Axis 3D Technology, Inc. Executive Director as well as President of Kunshan Jianghang Ecological Agriculture Science & Technology Development Co., Ltd. President of Sunjuice Industry (Tian Jin) Co., Ltd. Executive Director as well as President of Suzhou Sunjuice I International Limited.					
Director	Taiwan	LIU,HSUAN- CHE	Male 56	May 26,2023	3 years	May 26,2023	NA	NA	NA	NA	NA	NA	NA	NA	Master of Business Administration, Industrial Management Technology Program, Department of Engineering and Technology Research, National Taiwan University of Science and Technology Vice President of Investment Banking Business Group at First Securities Inc. Vice President of Capital Market Business Division, Mega Securities Co., Ltd.	Special Assistant to the Chairman of Sunjuice Holdings Co., Ltd. Director of Sinew Pharma Inc. Independent Director of 3D Global Biotech Inc. Independent Director of Stemcyte International, Ltd. Director of Yong-Chun- Cheng Enterprise Co., Ltd.	NA	NA	NA	NA
Independent Director	Taiwan	LO,SHIH-WEI	Male 58	May 26,2023	3 years	Jun 29,2011	NA	NA	NA	NA	NA	NA	NA	NA	Bachelor of Accounting, Chung Yuan Christian University Executive Master Program in Business Management, National Chiao Tung University Vice President of PricewaterhouseCoopers (PwC) Taiwan Independent Director, Commissioner of	Senior Vice President as well as Chief Financial Officer of Management Center of Chipbond Technology Corp. Independent Director, Commissioner of Remuneration & Compensation as well as Audit of Giga Solar Materials Corp.	NA	NA	NA	NA

Title	Nationality or Registration	Name	Gender Age	Date of Election	Term of Office	First Election Date	Number of Shares at Election		Number of Shares Current		Number of Shares Current of Spouse and Minor Children		Number of Shares in the Name of Others		Major Education and Experiences	Concurrent Positions of the Company or Other Companies	Other Chiefs, Directors or Supervisors Who Have Relationships as Spouse, or Second-degree Relatives			NOTE
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
															Remuneration & Compensation as well as Audit of Dreamtek International Corp. Supervisor of Feature Integration Technology Inc. Supervisor of VATEk	Independent Director, Commissioner of Remuneration & Compensation as well as Audit of Hua Hsu Silicon Materials Co., Ltd. Legal person and director representative of Hefei Chipmore Co., Ltd. Legal person and director representative of Hefei Chipfilm Materials Technology Co., Ltd. Chairman of Qicheng Investment Co., Ltd. Legal person and director representative of Orient Semiconductor Electronics Limited				
Independent Director	Taiwan	LIN,FENG-I	Male 69	May 26,2023	3 years	Jan 18,2022	NA	NA	NA	NA	NA	NA	NA	NA	Bachelor of Accounting, Soochow University Master of Economics, Nankai University Director and VP, Want Want China Holdings Limited Independent Director, Joudier Precision Industry (Kunshan) Co., Ltd. Independent Director, Digiwin Software Co., Ltd.	Independent Director, Grape King Bio Ltd. Independent Director, Wafer Works Corp. Director, Shanghai Karon Eco-Valve Manufacturing Co., Ltd.	NA	NA	NA	NA
Independent Director	Taiwan	CHEN, YUNG-LUNG	Male 52	May 26,2023	3 years	May 26,2023	NA	NA	NA	NA	NA	NA	NA	NA	Bachelor of Accounting, Fu Jen Catholic University Senior Manager, PwC Taiwan Vice President, Fulagai Consulting and Trading Ltd. Vice President, Keysheen (Cayman) Holdings Co., Ltd	CEO of Sinture Holding (Vietnam) Ltd. Independent Director of B'in Live Co., Ltd. CEO of Qixin Liben Management Consulting Co., Ltd. Independent Director of Tong Ming Enterprise Co., Ltd.	NA	NA	NA	NA

2、Information disclosure for the professional qualification and experience of the directors, and the independence of the independent directors:

(1) Professional qualification and experience of directors

Name	Professional qualification and experience
Chairman HUANG,KUO-HUANG	Graduated from Department of Agricultural Mechanical Engineering, National Chiayi Institute of Agriculture. Currently serving as Vice Chairman of the New Retail Drinking Branch of the China Beverage Industry Association; Chairman of the Company, and Chairman of Sunjuice Co., Ltd. and many other companies. Owning the work experience of commercial and required by the company business for more than five years, committed to the new tea field for more than 20 years, and the abilities of professional leadership, marketing, operation management, and strategic planning, to lead the Company to become the pioneer in the industry and for the sustainable operation.
Director LIN,LI-LING	Graduated from Department of Agricultural Economics, National Chiayi Institute of Agriculture, currently serving as the Special Assistant to Chairman of Sunjuice Co. Ltd., and Executive Director as well as President of Suzhou Sunjuice I International Limited Owning the work experience of commercial, finance and required by the company business for more than five years, and the abilities of corporate financial planning and innovative leadership.
Director HUANG,HSUN-YI	Mater of Business Administration, The University of Houston, USA and Ph.D. of Hospitality and Travel Marketing, Victoria University, Australia; currently serving as President of Sunjuice Industry (Tian Jin) Co., Ltd. Chief Engineer of Sunjuice Co., Ltd., Director of Wan-Neng Senior Industrial and Commercial Vocational School, and President of Guangxi Fresh Biotechnology Co., Ltd. Owning the work experience required for the commercial and company business, and the abilities of marketing and innovative leadership.
Director WU,MING-HSIEN	MBA of National Chung Cheng University. currently serving as President of Sunjuice Holdings Co., Ltd. Used to serve as Vice President of Fresh Juice Industry (Kunshan) Co., Ltd., President of Sunjuice Industry (Tian Jin) Co., Ltd., Director of Axis 3D Technology, Inc., and Executive Director as well as President of Suzhou Sunjuice I International Limited Owning the work experience of commercial and required by the company business for more than five years, and the abilities of market strategy and operation management.
Director LIU, HSUAN-CHE	MBA, the management technology program of the Institute of Engineering Technology, National Taiwan University of Science and Technology; Former Vice President of the Investment Banking Group of First Securities; Vice President of Capital Market Business Division of Mega Securities; and Special Assistant of the Chairman of Sunjuice Holdings Co., Ltd., with more than five years' work experience in commerce, finance, and company operations, and capable of planning corporate finance and business management.

Independent Director LO,SHIH-WEI	EMBA of National Chiao Tung University, and serving as the convener of the Audit and Remuneration Committee, Chairman of Qi Cheng Investment Limited, Senior Vice President as well as Chief Financial Officer of Management Center of Chipbond Technology Corp., Director, Hefei Chipmore Co., Ltd. and many other companies; used to serve as Vice President of PricewaterhouseCoopers (PwC) Taiwan. Owning the work experience and qualifications required for the commercial, finance, accounting and company business. Possessing the expertise in business operation, financial planning, and accounting, with rich industrial experience.
Independent Director LIN, FENG-I	Master of Economics, Nankai University; serving as the member of the Audit and Remuneration Committee, Independent Director, Grape King Bio Ltd., Independent Director, Wafer Works Corp., Director, Shanghai Karon Eco-Valve Manufacturing Co., Ltd.; used to serve as Director and VP, Want Want China Holdings Limited. Owning the work experience and qualifications required for the commercial, finance, accounting and company business. Possessing the expertise in business operation, financial planning, and accounting, with rich industrial experience.
Independent Director CHEN, YUNG-LUNG	Graduated from Department of Accounting, Fu Jen Catholic University; serving as the CEO of Keysheen (Vietnam) Ltd.; the CEO of Qixin Liben Management Consulting Co., Ltd.; used to serve as Senior Manager of PwC Taiwan; Vice President of Fulagai Consulting and Trading Ltd., Owning the work experience and qualifications required for the commercial, finance, accounting and corporate operations, specialized in business administration, financial planning and accounting professional affairs, and capable of market strategy and business management.

## (2) Director Independence Information

Name	Independent case	Number of occupation for independent director of other listed companies concurrently
Chairman of the Board HUANG,KUO-HUANG	Not been a person under any of the circumstances as defined in Article 30 of the Company Act.	0
Director LIN,LI-LIN	Not been a person under any of the circumstances as defined in Article 30 of the Company Act.	0
Director HUANG,HSUN-YI	Not been a person under any of the circumstances as defined in Article 30 of the Company Act.	0

Director WU,MING- HSIEN	Not been a person under any of the circumstances as defined in Article 30 of the Company Act.	0
Director LIU, HSUAN- CHE	Not been a person under any of the circumstances as defined in Article 30 of the Company Act.	1
Independent Director LO,SHIH-WEI	<p>All of the director and supervisor who conforms to the conditions two years before he/she is elected, or during his/her tenure, the following independence assessment conditions have been met:</p> <p>(1) Not an employee of the Company or any of its affiliates.</p> <p>(2) Not a director or supervisor of the company or any of its affiliates (The same does not apply, however, in cases where the person is an independent director appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).</p> <p>(3) Not a natural-person shareholder whose shareholding ratio is more than an aggregate of 1% of the total issued shares of the company held by the person's spouse, minor children or held by the person under others' names, or, whose shareholding ratio, occupies one of the ten highest proportions amongst all by the person.</p>	2
Independent Director LIN,FENG-I	<p>(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer as described in (1) or any of the persons as described in (2) and (3).</p> <p>(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act (The same does not apply, however, in cases where the person is an independent director appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).</p> <p>(6) Directors not of the company or more than half of the shares with voting rights are directors, supervisors or employees of other companies controlled by the same person (The same does not apply, however, in cases where the person is an independent director appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).</p>	2
Independent Director CHEN, YUNG- LUNG	<p>(7) The chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are not the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution. (The same does not apply, however, in cases where the person is an independent director appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).</p> <p>(8) Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company (The same does not apply, however, in cases where the specified company or institution holds an aggregate of more than 20% of the company's issued shares, not more than 50%; and, where the person is an independent director appointed in accordance with the Act or the laws</p>	2

	<p>and regulations of the local country by, and concurrently serving as such at, a company and its parent or subsidiary or a subsidiary of the same parent).</p> <p>(9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof. However, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(10) Does not have a marital relationship, or a relative within the second degree of kinship to any other director of the company.</p> <p>(11) Not been a person under any of the circumstances as defined in Article 30 of the Company Act.</p> <p>(12) Not been a person elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company A.</p>	
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### 3 、 Diversity and independence of the board of directors

#### (1) Diversity of the board of directors

Pursuant to Article 20 of the “Corporate Governance Best Practice Principles,” the composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. Each board member shall have the necessary knowledge, skill, and experience to perform their duties. To achieve the ideal goals of corporate governance, the board of directors as a whole shall have the following abilities: I. Ability to make operational judgments. II. Accounting and financial analysis ability. III. Business management ability. IV. Crisis management ability. V. Knowledge of the industry. VI. An international market perspective. VII. Leadership ability. VIII. Decision-making ability.

Current Board of the directors of the Company consists of eight directors (including three independent directors), the independent directors account for 37.5%. They have the expertise background of accounting, laws and hospitality, and one of them have the degrees of Ph.D. Candidates nomination system is adopted when electing the directors and independent directors, where the shareholders will elect the nominees from the candidates list. As of the end of 2023, the average age of the board member is 59 years old. The Company emphasized the gender equality of the board’s composition; the goal is that 25% of the board members are female. Among the current eight board members, one is female director, and the female director accounts for 12.5% of all members. All independent directors are qualified as required by Securities and Futures Bureau of FSC . The following abilities owned by the board of directors as a whole:

Diversification Names of Directors	Gender	Operating and Manageme nt	Leading and Making Policies	Industrial Knowledge	Accounting	Laws
HUANG,KUO-HUANG	Male	v	v	v		
LIN,LI-LIN	Female	v	v	v		
HUANG,HSUN-YI	Male	v	v	v		
WU,MING-HSIEN	Male	v	v	v		
LIU, HSUAN-CHE	Male	v	v			
LO,SHIH-WEI	Male	v			v	
LIN,FENG-I	Male	v		v	v	
CHEN,YUNG-LUNG	Male	v			v	

## (2) Independence of the board

Among the board members, except for the spousal relationship between Chairman Huang Guo-Huang and Director Lin Li-Ling, and the sibling relationship between Chairman Huang Guo-Huang and Director Huang Xun-Yi, there are 3 independent directors, which complies with Article 14-2 of the Securities and Exchange Act which states that the number of appointed independent directors shall not be less than two, and less than one-fifth of the total number of directors; A spousal relationship and a familial relationship within the second degree of kinship also do not exist among more than half of a company's directors. The independence of the board of directors as a whole is maintained.

(II) Personal Information of Presidents, Vice Presidents, Assistant Vice Presidents, and Chiefs of Each Department as well as Branch

April 8, 2024

Title	Nationality	Name	Gender	Date of Election	Number of Shares		Spouse and Minor Children Number of Shares		Use the Name of Others Number of Shares		Major Education and Experiences	Concurrent Positions of Other Companies	Managers Who Have Relationships as Spouse or Second-degree Relatives			Note
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
President	Taiwan	WU, MING-HSIEN	Male	June 2023	1,224,406	3.62%	255,072	0.75%	NA	NA	Mater of Business Administration, National Chung Cheng University Sales Executive of Aphrodite Industry Co., Ltd. Responsible Person of Modern Era Digital Technology Inc. General Manager of Management Department of Fresh Life (Kunshan) Food Industry Co., Ltd. Vice President of Fresh Food (Kunshan) Co. Ltd. Vice President of Fresh Juice Industry (Kunshan) Co., Ltd. Director of Axis 3D Technology, Inc. Executive Director as well as President of Kunshan Jianghang Ecological Agriculture Science & Technology Development Co., Ltd. President of Sunjuice Industry (Tian Jin) Co., Ltd. Executive Director as well as President of Suzhou Sunjuice I International Limited.	Note1	NA	NA	NA	NA
President of Sunjuice Co., Ltd.	Taiwan	HUANG,KUO-HUANG	Male	Sept 2009	9,093,849	26.87%	6,134,264	18.12%	NA	NA	Department of Agricultural Mechanical Engineering, National Chiayi Institute of Agriculture Responsible Person of Taiwan Fresh Life Co., Ltd. Business Manager of Agricultural Monarch Trade Co., Ltd. Teacher of Wan-Neng Senior Industrial and Commercial Vocational School Kendo Referee of Taiwan Sports Vice Director of R.O.C. Kendo Association Executive Director as well as President of Fresh Food (Kunshan) Co. Ltd. Executive Director of Sunjuice Industry (Tian Jin) Co., Ltd.	Note2	President of Sunjuice Industry (Tian Jin) Co., Ltd.	HUANG,HSU N-YI	Brother	NA

April 8, 2024

Title	Nationality	Name	Gender	Date of Election	Number of Shares		Spouse and Minor Children Number of Shares		Use the Name of Others Number of Shares		Major Education and Experiences	Concurrent Positions of Other Companies	Managers Who Have Relationships as Spouse or Second-degree Relatives			Note
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
President of Sunjuice Industry (Tian Jin) Co., Ltd.	Taiwan	HUANG,HSUN-YI	Male	Dec 22023	319,879	0.95%	NA	NA	NA	NA	Mater of Business Administration, The University of Houston, USA Ph.D. of Hospitality and Travel Marketing, Victoria University, AUS Responsible Person of UNITOP-APEX Co., Ltd. Chairman of Wan-Neng Senior Industrial and Commercial Vocational School Chairman of Hospitality Management, Wufeng University Special Assistant to President of Fresh Juice Industry (Kunshan) Co., Ltd. President of Guangdong Fresh Juice Biotechnology Co., Ltd.	Note 3	President of Sunjuice Co., Ltd.	HUANG,KUO-HUANG	Brother	NA
President of Guangdong Fresh Juice Biotechnology Co., Ltd.	Taiwan	CHEN, CHIEN-SHENG	Male	Dec 2023	112,164	0.33%	NA	NA	NA	NA	National Chiayi University, Department of Agricultural Machinery Responsible person of Liuchuan Foods Co., Ltd. Vice President of Great Eastern Food Co., Ltd.	Note 4	NA	NA	NA	NA
Chief of Accounting Department	Taiwan	CHEN,YI-JU	Female	Aug 2017	11,000	0.03%	15,093	0.04%	NA	NA	Bachelor of Accounting, Soochow University Deputy Manager of Deloitte Touche Tohmatsu Limited (DTTL)	NA	NA	NA	NA	NA
Chief of Audit Department	Taiwan	LUO, RONG-MAO	Male	Aug 2021	13,000	0.04%	NA	NA	NA	NA	National Chiayi University, Department of Food Science Manager, Chen Hsiang Food Product Corporation Chief, R&D Department, Nichigyoku Food Co., Ltd. Assistant VP, Dicos Food Ltd. Assistant VP, Dacheng Gourment Ltd. Assistant VP, Dinghung Food Co., Ltd.	NA	NA	NA	NA	NA

Note 1: Director of Sunjuice Holdings Co., Ltd., Director of Sunjuice I International Limited.

Note 2: Chairman of Sunjuice Holdings Co., Ltd., Chairman of Sunjuice Co., Ltd., Director of Power Keen Limited, Director of Sunjuice (HK) Limited, Director of Sunjuice I International Limited, Executive Director of Guangdong Fresh Juice Biotechnology Co., Ltd., Executive Director of Shanghai Sense Beverage Co., Ltd., Director of Laowang Holding Limited, Director of the FULAGAI Foundation, a consortium corporation.

Note 3: Director of Sunjuice Holdings Co., Ltd., Director as well as Chief Engineer of Sunjuice Co., Ltd., Director of Sunjuice I International Limited, President of Guangxi Fresh Juice Biotechnology Co., Ltd., Director of Wan-Neng Senior Industrial and Commercial Vocational School, and Executive Director of Sunjuice Industry (Tian Jin) Co., Ltd.

Note 4: Director as well as Vice President of Sunjuice Co., Ltd.

### (III) Remunerations for Directors, Presidents and Vice Presidents, etc. Last Year

#### 1. Remunerations for directors and independent directors

unit: thousand (NTD)

Title		Name	Remunerations for Directors								Proportion of the Sum of A, B, C and D to Net Income after Taxes		Related Remunerations for Employees with Concurrent Employment								Proportion of the Sum of A, B, C, D, E, F and G to Net Income after Taxes		Any Remuneration Acquired from Reinvestments or Parent Company besides Subsidiaries	
			Compensation (A)		Pensions (B)		Remunerations for Directors (C)		Operating Expenses (D)				Salaries, Bonuses and Special Disbursements (E)		Pensions (F)		Remunerations for Employees (G)							
			The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company		All the Companies Included in the Financial Reporting		The Company	All the Companies Included in the Financial Reporting		
																		Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Director	Chairman of the Board	HUANG,KUO-HUANG	459	459	-	-	489	489	13	13	961 0.23%	961 0.23%	486	6,470	-	-	-	-	3,274	-	1,447 0.34%	10,705 2.55%	NA	
	Director	LIN,LI-LIN																						
	Director	WANG,MING-CHIH(Note)																						
	Director	WU,MING-HSIEN																						
	Director	HUANG,HSUN-YI																						
	Director	LIU, HSUAN-CHE(Note)																						
Independent Director	Independent Director	LO,SHIH-WEI	1,418	1,418	-	-	731	731	211	211	2,360 0.56%	2,360 0.56%	-	-	-	-	-	-	-	-	2,360 0.56%	2,360 0.56%	NA	
	Independent Director	CHEN,PO-TSANG (Note)																						
	Independent Director	LIN,FENG-I																						
	Independent Director	CHEN, YUNG-LUNG(Note)																						

1. Please explain the policy, system, standards and structure of payments for the directors' remunerations, and explain the relationship of the amount of remunerations given based on the factors, such as, the responsibility and accountability, risks, and time invested: Remunerations for independent directors should be precisely defined in the Articles of Incorporation, which the level of participation, contribution and value brought to the Company's operations by each of the director should be reviewed by the Remuneration & Compensation Committee. The Committee should make the review with reference to the Company's operations performance and industry's standards to create a recommendation, which shall be submitted for a resolution by the board of directors.

2. Except for the table disclosure as above, remunerations acquired by the directors for providing the services (for example, serve as a consultant to the parent company/ any of the companies listed in the financial reporting /non-employees of the reinvested business and so on, to last year: NA.

3. Note: The terms of office of Director WANG,MING-CHIH and Independent Director Chen, Po-Tsang expired on May 26, 2023, and Director LIU, HSUAN-CHE and Independent Director CHEN, YUNG-LUNG will be re-elected on May 26, 2023.

## Remuneration

### Brackets

Brackets of Remunerations Paid to Each Director of the Company	Names of Directors			
	Total Amount of Remunerations by (A+B+C+D)		Total Amount of Remunerations by (A+B+C+D+E+F+G)	
	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting
Less than NT\$1,000,000	HUANG,KUO-HUANG, LIN,LI-LIN, WANG,MING-CHIH, HUANG,HSUN-YI, WU,MING-HSIEN, LIU, HSUAN-CHE, LO,SHIH-WEI, CHEN,PO-TSANG, LIN,FENG-I, CHEN, YUNG-LUNG	HUANG,KUO-HUANG, LIN,LI-LIN, WANG,MING-CHIH, HUANG,HSUN-YI, WU,MING-HSIEN, LIU, HSUAN-CHE, LO,SHIH-WEI, CHEN,PO-TSANG, LIN,FENG-I, CHEN, YUNG-LUNG	HUANG,KUO-HUANG, LIN,LI-LIN, WANG,MING-CHIH, HUANG,HSUN-YI, WU,MING-HSIEN, LIU, HSUAN-CHE, LO,SHIH-WEI, CHEN,PO-TSANG, LIN,FENG-I, CHEN, YUNG-LUNG	WANG,MING-CHIH, WU,MING-HSIEN, LIU, HSUAN-CHE, LO,SHIH-WEI, CHEN,PO-TSANG, LIN,FENG-I, CHEN, YUNG-LUNG
NT\$1,000,000 (including 1,000,000) ~ NT\$2,000,000 (excluding 2,000,000)	NA	NA	NA	NA
NT\$2,000,000 (including 2,000,000) ~ NT\$3,500,000 (excluding 3,500,000)	NA	NA	NA	HUANG,KUO-HUANG, LIN,LI-LIN
NT\$3,500,000 (including 3,500,000) ~ NT\$5,000,000 (excluding 5,000,000)	NA	NA	NA	HUANG,HSUN-YI
NT\$5,000,000 (including 5,000,000) ~ NT\$10,000,000 (excluding 10,000,000)	NA	NA	NA	NA
NT\$10,000,000 (including 10,000,000) ~ NT\$15,000,000 (excluding 15,000,000)	NA	NA	NA	NA
NT\$15,000,000 (including 15,000,000) ~ NT\$30,000,000 (excluding 30,000,000)	NA	NA	NA	NA
NT\$30,000,000 (including 30,000,000) ~ NT\$50,000,000 (excluding 50,000,000)	NA	NA	NA	NA
NT\$50,000,000 (including 50,000,000) ~ NT\$100,000,000 (excluding 100,000,000)	NA	NA	NA	NA
More than NT\$100,000,000	NA	NA	NA	NA
Total	10 (persons)	10 (persons)	10 (persons)	10 (persons)

## 2. Remunerations for Presidents and Vice Presidents

unit: thousand (NTD)

Title	Name	Salaries (A)		Pensions (B)		Bonuses and Special Disbursements (C)		Remunerations for Employees (D)				Proportion of the Sum of A, B, C and D to Net Income after Taxes (%)		Any Remuneration Acquired from Reinvestments or Parent Company besides Subsidiaries
		The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company	All the Companies Included in the Financial Reporting	The Company		All the Companies Included in the Financial Reporting		The Company	All the Companies Included in the Financial Reporting	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	WANG,MING-CHIH(Note1)	482	3,803	-	-	-	7,300	-	-	4,242	-	482 0.11%	15,345 3.65%	NA
President	WU, MING-HSIEN(Note1)													
President of Sunjuice Co., Ltd.	HUANG,KUO-HUANG													
President of Sunjuice Industry (Tian Jin) Co., Ltd.	PAN,CHIH-WEN(Note2)													
President of Sunjuice Industry (Tian Jin) Co., Ltd.	HUANG,HSUN-YI(Note2)													
President of Guangdong Fresh Juice Biotechnology Co., Ltd.	CHEN,CHIEN-SHENG(Note3)													

Note 1: As of June 6, 2023, Mr. WU, MING-HSIEN replaced WANG, MING-CHIH as the new president of the Company due to the internal position adjustment.

Note 2: As of December 1, 2023, Mr. HUANG, HSUN-YI replaced Mr. PAN, CHIH-WEN as the new president of Sunjuice Industry (Tian Jin) Co., Ltd. due to the internal position adjustment.

Note 3: As of December 1, 2023, Mr. CHEN, CHIEN-SHENG replaced Mr. HUANG, HSUN-YI as the new president of Guangdong Fresh Juice Biotechnology Co., Ltd. due to the internal position adjustment.

### Remuneration Brackets

Brackets of Remunerations Paid to Each President and Vice President of the Company	Names of Presidents and Vice Presidents	
	The Company	All the Companies Included in the Financial Reporting
Less than NT\$1,000,000	WU, MING-HSIEN WANG, MING-CHIH	NA
NT\$1,000,000 (including 1,000,000) ~ NT\$2,000,000 (excluding 2,000,000)	NA	NA
NT\$2,000,000 (including 2,000,000) ~ NT\$3,500,000 (excluding 3,500,000)	NA	HUANG, KUO-HUANG,
NT\$3,500,000 (including 3,500,000) ~ NT\$5,000,000 (excluding 5,000,000)	NA	HUANG, HSUN-YI, CHEN, CHIEN-SHENG, PAN, CHIH-WEN
NT\$5,000,000 (including 5,000,000) ~ NT\$10,000,000 (excluding 10,000,000)	NA	NA
NT\$10,000,000 (including 10,000,000) ~ NT\$15,000,000 (excluding 15,000,000)	NA	NA
NT\$15,000,000 (including 15,000,000) ~ NT\$30,000,000 (excluding 30,000,000)	NA	NA
NT\$30,000,000 (including 30,000,000) ~ NT\$50,000,000 (excluding 50,000,000)	NA	NA
NT\$50,000,000 (including 50,000,000) ~ NT\$100,000,000 (excluding 100,000,000)	NA	NA
More than NT\$100,000,000	NA	NA
Total	2(persons)	4 (persons)

3. Names of Managers Who Distribute Remunerations to Employees and Distribution Status:

31 Dec, 2023; unit: thousand (NTD)

Title		Name	Carrying Amount of Stock	Amount of Cash	Total	Proportion of the Sum to Net Income after Taxes
Manager	President	WANG,MING-CHIH	-	4,264	4,264	1.02%
	President	WU,MING-HSIEN				
	President - Sunjuice Co., Ltd.	HUANG,KUO-HUANG				
	President - Sunjuice Industry (Tian Jin) Co., Ltd.	PAN,CHIH-WEN				
	President - Sunjuice Industry (Tian Jin) Co., Ltd.	HUANG,HSUN-YI				
	President - Guangdong Fresh Juice Biotechnology Co., Ltd.	CHEN,CHIEN-SHENG				
	Chief of Accounting Department	CHEN,YI-JU				

(IV) Respective comparisons and descriptions are made for the analysis of proportion of the sums of remunerations paid to the directors, supervisors, presidents and vice presidents, etc. by The Company and all the companies listed in the consolidated financial statements in the past two years, to the net income after taxes by an entity or individual financial reporting. Also, the explanations are drawn for policies, criteria and combinations of the remunerations, procedures of how to define the remunerations, as well as the relativity between operational performance and future risks.

1. Proportion of the Sums of Remunerations Paid to Directors, Presidents and Vice Presidents by The Company and All Companies Listed in Consolidated Financial Statements, to Net Income after Taxes in Consolidated Financial Statements

unit: thousand (NTD)

Title	Sums of Remunerations and Proportion of them to Net Income after Taxes in Consolidated Financial Statements							
	The Company				All Companies in Consolidated Financial Statements			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Remunerations for Directors (Note)	3,807	0.90%	3,336	0.83%	13,065	3.11%	11,175	2.77%
Remunerations for Presidents and Vice Presidents	482	0.11%	-	-	15,345	3.65%	13,630	3.38%

2. Note: Related remunerations for the employees with concurrent employment are included.
3. 2. Policies, Criteria and Combinations of Remunerations, Procedures of How to Define Remunerations, as well as Relativity between Operational Performance and Future Risks

#### A. Directors

Remunerations for the directors, including compensation, operating expenses as well as profit status of the current year, should be precisely defined in the articles; in addition, basis of remuneration referred from the same filed, as well as the participation and devotion on one's own to The Company should also be taken into consideration.

#### B. Presidents and Vice Presidents

Remunerations for the presidents and vice presidents consist of salaries and bonuses, which are distributed based on the positions, responsibilities assumed, relativity between operational performance and future risks, as well as the regular basis for the same position referred from the same filed.

#### C. Procedures for determining remuneration

The remuneration to directors and managers is regularly evaluated based on the Company's annual operating status and the applicable managerial and employee remuneration system. The remuneration committee and the board of directors assess and review the reasonableness of remuneration to the Company's directors and managers on a yearly basis with reference to individual achievements and contributions to the Company, as well as the Company's overall operating performance, future industry risks, and development trends. The remuneration system is also reviewed from time to time depending on the actual business operation to provide reasonable remuneration for the Company to achieve the balance of sustainable operation and risk management. The actual remuneration amount to the directors and managers each year was reviewed by the remuneration committee and presented to the board of directors for final decision.

#### D. Correlation between business performance and future risks

The review of the payment standard and system related to the Company's remuneration policy takes the overall operation of the Company as the main consideration, and the payment standard's approval is based on the achievement of performance and contribution to improve the overall organizational efficiency of the board of directors and management. In addition, reference is made to industry standards to ensure that the remuneration to the Company's management is competitive in the industry in order to retain outstanding management talents. The important decisions of the Company's management are based on balanced consideration of various risk factors. The performance of related decisions is reflected in the Company's profitability where the management's remuneration is related to the performance of risk control.

### III. Corporate Governance and Operation

#### (I) Board Operation:

In the last year and until the date of publication of the Annual Report, the Board meeting had been held for (A) 9 times in total, and the attendance of directors is as below:

Title	Name	Count for Actual Attendance (B)	Count for Attendance by Trust	Actual Attendance Rates (%) [B/A]	Note
Chairman of the Board	HUANG,KUO-HUANG	9	0	100	May 26, 2023 Reelection
Director	LIN,LI-LIN	9	0	100	May 26, 2023 Reelection
Director	WANG,MING-CHIH	3	0	100	May 26, 2023 Expiration
Director	WU,MING-HSIEN	9	0	100	May 26, 2023 Reelection
Director	HUANG,HSUN-YI	8	0	89	May 26, 2023 Reelection
Director	LIU, HSUAN-CHE	6	0	100	May 26, 2023 By-election
Independent Director	LO,SHIH-WEI	9	0	100	May 26, 2023 Reelection
Independent Director	CHEN,PO-TSANG	3	0	100	May 26, 2023 Expiration
Independent Director	LIN,FENG-I	9	0	100	May 26, 2023 Reelection
Independent Director	CHEN, YUNG-LUNG	6	0	100	May 26, 2023 By-election

#### Other Recorded Items:

- I. If any of the circumstances as described below had occurred during the operation of the Board of Directors Meeting, the date, term, topics of discussion of the Board Meeting, the handling of all the comments of the independent directors, and the comments by the Company to the independent directors should be described in details.

##### (I) Matters Listed in Article 14-3 in Securities and Exchange Act:

In 2023, and as of the date of Annual Report printing, the Board meeting had been held for nine times in total. All the resolution contents are explained from page 70 to page 71 in the Annual Report, and all the independent directors pass the resolutions without any objections against those matters listed in Article 14-3 of Securities and Exchange Act.

(II) Besides the descriptions in item (I), any recordings or proclamations in writing of objection or qualified opinion by an independent director: NA.

- II. Avoidance of Resolutions Due to Self-interest by Directors:

Bills of remunerations distribution to the directors, managers and employees of The Company 2022 and 2023 had been passed by the Board resolution on March 24, 2023 and March 8, 2024, respectively. The two Board meetings had been recorded by sound as well as video in compliance with Article 18 in the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and none of the directors, his/her spouses and second-degree relatives participated in

the resolution concerning his/her own remunerations distribution .

III. Frequency, period, scope of evaluation, method, evaluation details and other information on the directors' self-evaluation (or evaluation of peers):

Frequency	Period	Scope of evaluation	Evaluation method	Evaluation details	
Once every year	January 1 to December 31, 2023	Performance evaluation of the Board of Directors	Internal self-evaluation of the Board of Directors	Assessment Items	Assessment Results
				Level of Participation in Company Operations	Good
				Quality Improvement of Board Policies	Good
				Composition and Structure of Board	Good
				Election and Further Education of Board	Good
				Internal Control	Good
Once every year	January 1 to December 31, 2023	Performance evaluation of each director	Self-evaluation by the director	Assessment Items	Assessment Results
				Full understanding of the Company's targets and mission	Good
				Director's understanding of his/her own duties	Good
				Level of Participation in Company Operations	Good
				Internal relationship management and communications	Good
				Professionalism and Continuing Education of the director	Good
				Internal Control	Good
Once every year	January 1 to December 31, 2023	Performance Assessment of the Audit and Remuneration Committee	Self-Assessment of the Audit and Remuneration Committee	Assessment Items	Assessment Results
				Level of Participation in Company Operations	Good
				Awareness of the duties of the Audit and Remuneration Committee	Good
				Improvement of quality of decisions made by the Audit and Remuneration Committee	Good
				Makeup of the Audit and Remuneration Committee and election of the members	Good
				Internal Control	Good

The Company has completed the 2023 self-evaluation of board performance, the outcomes of evaluation were reported in the first board meeting on March 8, 2024, as the basis for review and improvement. The average score of the board performance self-evaluation is 4.75 points (total 5

points); the overall self-evaluation by individual board member is 4.94 points (total 5 points), showing that the board operates well. The outcomes of the Audit and Remuneration Committee's self-evaluations have the average score of 4.65 points (total 5 points), showing the overall operation of the Audit and Remuneration Committee are good, complying with the corporate governance, and the functions of the board are effectively improved.

IV. Target of Reinforcing Board Functions for the Current Year and Last Year, as well as Execution Assessment:

1. The current board of directors of the company has 8 directors, including 3 independent directors, which is more than one third of the total number of directors. The audit committee and remuneration committee are composed by all independent directors to assist the board of directors to perform their supervisory duties and report the operation status to the board of directors regularly.
2. The Company complies with "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to define "Rules and Procedures of Board of Directors Meetings", follows the relational regulations to convene the Board meetings of the Company, as well as reporting the attendance of the directors; where the execution is well.
3. The Company will upload every material resolution to Market Observation Post System in real time after the Board meetings, in order to preserve the equity of shareholders.

(II) Information on audit committee operations

1. Audit Committee authorities and key annual tasks

- (1) Adoption or amendment of an internal control system pursuant to the provisions set forth in Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Adoption or amendment, pursuant to the provisions set forth in Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- (4) Matters bearing on the personal interests of directors.
- (5) Material asset or derivatives transactions.
- (6) Material monetary loans, endorsements, or provision of guarantees.
- (7) Offering, issuance, or private placement of any equity-type securities.
- (8) Hiring or dismissal of an attesting CPA, or the compensation given thereto.
- (9) Appointment or discharge of a chief financial, accounting, or internal auditing executive.
- (10) Quarterly and annual financial reports.
- (11) Any material matter so required by the other Company or the Competent Authority.

2. Term of office of the current committee members: The term of office of the independent directors who were elected by the General Shareholders' Meeting on May 26, 2023 and formed an Audit Committee runs from May 26, 2023 to May 25, 2026. In 2023 and as of the date of printing of the annual report, the Audit Committee has convened eight times [A]. Attendance by independent directors in these four meetings was as follows:

Title	Name	Count for Actual Attendance [B]	Count for Attendance by Trust	Actual Attendance Rates (%) [B/A]	Note
Coordinator	LO,SHIH-WEI	8	0	100	May 26, 2023 Reelection
Commissioner	CHEN,PO-TSANG	3	0	100	May 26, 2023 Expiration
Commissioner	LIN,FENG-I	8	0	100	May 26, 2023 Reelection
Commissioner	CHEN, YUNG- LUNG	5	0	100	May 26, 2023 By-election
<p>Other Recorded Items:</p> <p>I. If any of the following circumstances occurs during Audit Committee, the meeting date, term, the proposal contents, opposition, reservation or major proposal of independent directors, the resolutions adopted by the Audit Committee, and the handling of the opinions of the committee members by the Company shall be described in detail.</p> <p>(I) Matters Listed in Article 14-5 of the Securities and Exchange Act:</p> <p>In 2023 and as of the date of printing of the Annual Report, the Audit Committee has convened a total of eight times. All the resolution contents are explained in Note 1. The resolutions with regard to the matters listed in Article 14-5 of Securities and Exchange Act were approved unanimously by the Audit Committee members.</p> <p>(II) Matters other than the aforementioned that have not been approved by the audit committee members but have been ratified by resolution adopted by two-thirds or more of all directors: NA.</p> <p>II. Where independent directors recuse themselves since they are interested parties in relation to a proposal, the name(s) of the independent director(s), proposal contents, reasons for recusal, and participation in voting procedures shall be described in detail: NA.</p> <p>III. Communication between independent directors, Chief Audit Executive, and CPA:</p> <ol style="list-style-type: none"> <li>1. Monthly compiled "Schedule of Audit Report" shall be submitted together with copies of the Audit Reports to each audit committee member for review.</li> <li>2. After reviewing the Audit Reports, audit committee members will reply to the review comments. they will call or email the audit supervisor to inquire or inform them to deal with them If have any questions or instructions.</li> <li>3. Every Audit Report shall track improvements of internal control deficiencies and anomalies and quarterly tracking reports shall be submitted to each audit committee member.</li> <li>4. The Chief Audit Executive shall attend Audit Committee meetings every quarter to report auditing operations pursuant to relevant regulations and engage in communications with the audit committee and independent directors.</li> <li>5. he CPA hired by this Company shall sit in on the audit committee or hold an independent meeting with the independent directors on a quarterly basis and report the audit results of the annual financial statements and other communication matters required by relevant laws and regulations at the annual audit committee meeting.</li> <li>6. In conclusion, independent directors can gain a clear understanding of the state of operations (incl. financial and business status) and auditing conditions through audit reports provided by the Board of Directors, Audit Committee, and audit units on a regular basis. They can communicate with the CPA via various reports and channels (e.g., phone, e-mail etc.).</li> <li>7. For a summary of previous communications in 2023 and as of the date of printing of this report see Note 2 and 3.</li> </ol>					

Note 1: Major resolutions of the Audit Committee in 2023 and as of the date of printing of this report:

Meetings	Proposal contents	Resolution outcome	Handling of Audit Committee
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			opinions by the company
The 1 <sup>st</sup> Term 18 <sup>th</sup> Meeting 20230309	<ol style="list-style-type: none"> <li>1. Proposal to establish the "Regulations Governing the Pre-approval of Non-Assurance Services Provided by CPAs" of the Company</li> <li>2. Issuance of the "Statement of Internal Control" of the Company for January 1, 2022 to December 31, 2022</li> <li>3. Assessment of the independence and competency of the CPAs for the financial statements</li> <li>4. Proposal to amend the "Investment Cycle Operating System" of the Company's Subsidiaries</li> <li>5. Proposal to amend the "Accounting System" of the Company's Subsidiaries</li> <li>6. Proposal to amend the "Corporate Governance Best Practice Principles" of the Company</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 1 <sup>st</sup> Term The 19 <sup>th</sup> Meeting 20230324	<ol style="list-style-type: none"> <li>1. 2022 Business Report and Consolidated Financial Statements</li> <li>2. 2022 Disposition of Earnings of the Company</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 1 <sup>st</sup> Term 20 <sup>th</sup> Meeting 20230511	<ol style="list-style-type: none"> <li>1. 2023 Q1 Consolidated Financial Statements</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 2 <sup>st</sup> Term The 1 <sup>th</sup> Meeting 20230818	<ol style="list-style-type: none"> <li>1. 2023 Q2 Consolidated Financial Statements</li> <li>2. The proposal for the Company's loaning of funds to the subsidiary, Power Keen Limited.</li> <li>3. The proposal for the amendments to "Management Procedures of Acquisition or Disposal of Assets" of the Company and its subsidiaries.</li> <li>4. The proposal for the amendments to the "Rules Governing Financial and Business Matters Between the Affiliated Enterprises and Groups" of the Company and its subsidiaries.</li> <li>5. The proposal for the amendments to the "Regulations Governing the Preparation Process of Financial Statements" of the Company and its subsidiaries.</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 2 <sup>st</sup> Term The 2 <sup>th</sup> Meeting 20231110	<ol style="list-style-type: none"> <li>1. 2023 Q3 Consolidated Financial Statements</li> <li>2. The proposal for the amendments to the "Regulations Governing Loaning of Funds to Others" of the Company and its subsidiaries.</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 2 <sup>st</sup> Term 3 <sup>th</sup> Meeting 20231228	<ol style="list-style-type: none"> <li>1. The proposal for establishment of the Company's 2024 internal audit plan.</li> <li>2. The proposal for preparation of the Company's 2024 budget plan.</li> <li>3. The proposal for the salary structure and payment amount for managers per month of the Company and its subsidiaries.</li> <li>4. The proposal for distribution of estimated year-end bonuses to managers of the Company and its subsidiaries in 2023.</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 2 <sup>st</sup> Term	<ol style="list-style-type: none"> <li>1. The Company's plan to increase the shareholding in the subsidiary, Sunjuice Co., Ltd.</li> </ol>	After the Chairperson inquires the	Submitted to the Company's Board of

4 <sup>th</sup> Meeting 20240217		attending members, the resolutions passed without any objections	Directors and resolution passed
The 2 <sup>st</sup> Term 5 <sup>th</sup> Meeting 20240308	<ol style="list-style-type: none"> <li>2023 Business Report and Consolidated Financial Statements of the Company.</li> <li>2023 earnings distribution proposal of the Company</li> <li>The Company's distribution of remuneration to employees and directors in 2023.</li> <li>Issuance of the "Statement of Internal Control System" of the Company for January 1, 2023 to December 31, 2023.</li> <li>Assessment on the independence and competency of the independent auditors for the financial statements.</li> <li>The proposal for establishment of the Company's "Organization Rules of Audit Committee."</li> <li>The proposal for the amendments to the "Regulations for Board of Directors' Meetings" of the Company.</li> <li>The proposal for the Company's cash capital increase in the subsidiary, Power Keen Limited.</li> </ol>	After the Chairperson inquires the attending members, the resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed

Note 2: Summary of communications between independent directors and Chief Audit Executive

Date	Communication meeting	Communication items	Result
March 9, 2023	Audit Committee	<ol style="list-style-type: none"> <li>2022 Q4 Report on the Execution of Audit Operations</li> <li>Report on the Statement of Internal Control</li> </ol>	No objections in this meeting
May 11, 2023	Audit Committee	<ol style="list-style-type: none"> <li>2023 Q1 Audit Report</li> </ol>	No objections in this meeting
August 18, 2023	Audit Committee	<ol style="list-style-type: none"> <li>2023 Q2 Audit Report</li> </ol>	No objections in this meeting
November 10, 2023	Audit Committee	<ol style="list-style-type: none"> <li>2023 Q3 Audit Report</li> </ol>	No objections in this meeting
December 28, 2023	Audit Committee	<ol style="list-style-type: none"> <li>Proposed 2024 Internal Audit Plan of the Company</li> <li>2023 Work Summary and 2024 Work Plan</li> </ol>	No objections in this meeting
March 8, 2024	Audit Committee	<ol style="list-style-type: none"> <li>2023 Q4 Report on the Execution of Audit Operations</li> <li>Report on the Statement of Internal Control</li> </ol>	No objections in this meeting

Note 3: Summary of communications between independent directors and CPA

Date	Communication meeting	Communication items	Result
March 24, 2023	Audit Committee	Explanations and communication by the CPA with regard to the report items of the 2022 Consolidated Financial Statements	No objections in this meeting
November 10, 2023	Audit Committee	Report on Q3 key audit matters by CPAs	No objections in this meeting
March 8, 2024	Audit Committee	Explanations and communication by the CPA with regard to items of the 2023 Consolidated Financial Statements	No objections in this meeting

(III) Difference between Actual Corporate Governance and Operation, and, Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
I. Does The Company accord with “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and disclose the best practice principles of corporate governance itself?	√		The Company had referred to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” on Nov 8, 2018 and therefore defined “Best Principles of Corporate Governance” of the Company. All the related articles are disclosed on Market Observation Post System.	No material difference.
II. Shareholding Structure and Shareholders Equity of the Company (I) Does The Company define an internal operating procedure to treat the comments, doubts, debate as well as lawsuits from the shareholders, and accord with this procedure? (II) Does The Company actually grasp the list concerning major shareholders as well as their final controllers of the Company?  (III) Does The Company establish and exercise a firewall system of risk control toward its associates?	√		(I) 1. The Company has designated the spokesmen as the service windows to deal with all the comments or debate of the shareholders. 2. The Company has installed the service area as well as email box specially for the investors on the website; also, the specialists are in-service to handle the comments or debate of the shareholders.  (II) The Company maintains the good relations with its major shareholders and is capable of grasping the list of all material shareholders and the ultimate controller of the major shareholders. Also, The Company periodically registers the equity variation of every insider (directors, managers as well as shareholders whose shareholding ratio is more than 10% of total issues shares), to Market Observation Post System per month.  (III) All the assets, business as well as financial accounting of the Company and its associates are operating independently. Also, The Company stipulates “Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises” as well as “Supervision and Management of Subsidiaries” in compliance with “Regulations Governing Establishment of Internal Control Systems by Public Companies”, practicing the risk control system on the subsidiaries. Mutual risk control system as well as firewall have been properly established.	No material difference.

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
(IV) Does The Company define an internal regulation, forbidding The Company insiders to use the undisclosed information in the market to transact the securities?			(IV) The Company has built the operating systems of “Prevention of Insider Trading” as well as “Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Presidents”, to practically avoid the insiders using the undisclosed information in the market to transact the securities.	
<p>III. Composition and Duties of Board of Directors</p> <p>(I) Has the board of director formulated the diversity policy and specific management targets, and implement thoroughly?</p> <p>(II) Does The Company voluntarily found the committees with other diverse functions besides Remuneration &amp; Compensation Committee?</p> <p>(III) Does The Company define a criterion and method to evaluate the Board performance, and actually perform them periodically every year and report to the Board of Directors regarding the evaluation outcome, and apply it as a reference on matters concerning each of the director’s remuneration and re-nomination?</p> <p>(IV) Does The Company periodically assess the independence of the certified accountants?</p>	√		<p>(I) In the “Corporate Governance Best Practice Principles,” the diversity policy of board member is established, and the specific management targets are established based on the policy for implementation. Please refer page 26 “Diversity and independence of the board of directors” for the implementation.</p> <p>(II) The Company has established the Remuneration &amp; Compensation Committee in September 2011 and the Audit Committee in May, 2020; Other committees with diverse functions are yet to be formed.</p> <p>(III) The the board of directors of the Company has made “Evaluation Method of Board Performance” in Feb 2012, and has performed it at the end of every year. Also, the evaluation results will be submitted during the Board meeting in the next first quarter, where the assessed objects include the entire Board operations, the overall operation of the functional committee, as well as the performance of each Board member. The last evaluation results of the Board performance have been reported in the Board meeting on Mar 8, 2024.</p> <p>(IV) The audit committee of the Company regularly evaluates the independence of CPAs on a yearly basis, and reports the results of the evaluation to the board of directors. Besides requesting the “Statement of Independence Spirit” from the CPAs and referring to the audit quality indicators (AQIs) to assess the independence and competency of the CPAs, the</p>	No material difference.

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons																																												
	YES	NO	Summary																																													
			<p>Company conducts evaluations according to the following criteria. The latest evaluation has been resolved and approved by the audit committee on March 8, 2024, and reported to the board of directors for resolution and approval on March 8, 2024. Elected certified accountants have no stakes with The Company, and the independence is therefore followed restrictedly. Independence assessment criteria of the Company are as below:</p> <table><tr><th>Items</th><th>Specific Indices</th><th>Evaluati on Results</th><th>Complying with Independence or Not?</th></tr><tr><td>1</td><td>Does the accountant have any direct or materially indirect financial relationships with The Company?</td><td>NO</td><td>YES</td></tr><tr><td>2</td><td>Does the accountant have the interaction of financing or guarantee with The Company or the directors of the Company?</td><td>NO</td><td>YES</td></tr><tr><td>3</td><td>Does the accountant have any relationships concerning intimate commercial behaviors or potential employment?</td><td>NO</td><td>YES</td></tr><tr><td>4</td><td>Does the account or any of his/her audit team members, currently or over the past two years, have ever occupied a position of the Company such as director or manager, which may lead the material influence upon the audit?</td><td>NO</td><td>YES</td></tr><tr><td>5</td><td>Does the accountant provide the non-audit service projects to The Company which might influence the audit?</td><td>NO</td><td>YES</td></tr><tr><td>6</td><td>Does the accountant broker the issued stock or other securities of the Company?</td><td>NO</td><td>YES</td></tr><tr><td>7</td><td>Does the accountant serve the post of defender for The Company, or, negotiate with the third party for a conflict on behalf of the Company?</td><td>NO</td><td>YES</td></tr><tr><td>8</td><td>Does the accountant have any relatives who occupy a position of the Company such as directors, managers, or any material employees who may influence the audit?</td><td>NO</td><td>YES</td></tr><tr><td>9</td><td>Does the accountant involve with any managerial positions who can make the policies of the Company?</td><td>NO</td><td>YES</td></tr><tr><td>10</td><td>Does the accountant's tenure continuity exceed seven years?</td><td>NO</td><td>YES</td></tr></table>	Items	Specific Indices	Evaluati on Results	Complying with Independence or Not?	1	Does the accountant have any direct or materially indirect financial relationships with The Company?	NO	YES	2	Does the accountant have the interaction of financing or guarantee with The Company or the directors of the Company?	NO	YES	3	Does the accountant have any relationships concerning intimate commercial behaviors or potential employment?	NO	YES	4	Does the account or any of his/her audit team members, currently or over the past two years, have ever occupied a position of the Company such as director or manager, which may lead the material influence upon the audit?	NO	YES	5	Does the accountant provide the non-audit service projects to The Company which might influence the audit?	NO	YES	6	Does the accountant broker the issued stock or other securities of the Company?	NO	YES	7	Does the accountant serve the post of defender for The Company, or, negotiate with the third party for a conflict on behalf of the Company?	NO	YES	8	Does the accountant have any relatives who occupy a position of the Company such as directors, managers, or any material employees who may influence the audit?	NO	YES	9	Does the accountant involve with any managerial positions who can make the policies of the Company?	NO	YES	10	Does the accountant's tenure continuity exceed seven years?	NO	YES	
Items	Specific Indices	Evaluati on Results	Complying with Independence or Not?																																													
1	Does the accountant have any direct or materially indirect financial relationships with The Company?	NO	YES																																													
2	Does the accountant have the interaction of financing or guarantee with The Company or the directors of the Company?	NO	YES																																													
3	Does the accountant have any relationships concerning intimate commercial behaviors or potential employment?	NO	YES																																													
4	Does the account or any of his/her audit team members, currently or over the past two years, have ever occupied a position of the Company such as director or manager, which may lead the material influence upon the audit?	NO	YES																																													
5	Does the accountant provide the non-audit service projects to The Company which might influence the audit?	NO	YES																																													
6	Does the accountant broker the issued stock or other securities of the Company?	NO	YES																																													
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8	Does the accountant have any relatives who occupy a position of the Company such as directors, managers, or any material employees who may influence the audit?	NO	YES																																													
9	Does the accountant involve with any managerial positions who can make the policies of the Company?	NO	YES																																													
10	Does the accountant's tenure continuity exceed seven years?	NO	YES																																													
IV. Has the listed company assigned competent and suitable number of person/s as corporate governance personnel/s , and	√		<p>The Company has assigned the personnel responsible for providing information to the directors and members of the Audit Committee that are necessary for them to perform their work, assisting directors board and members of the Audit Committee in legal compliance, organizing related matters for the board of directors and shareholders' meetings accordingly</p>	No material difference.																																												

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
designated a corporate governance chief to take charge of related matters (including but not limited to providing information to the directors board and supervisors that are necessary for them to perform their work, assisting directors board and supervisors in legal compliance, organizing related matters for the board of directors and shareholders' meetings accordingly to legal requirements, and creating meeting minutes for these meetings, and so on)?			to legal requirements, and creating meeting minutes for these meetings, and so on.	
V. Does the company establish the communication channels with stakeholders (shareholders, employees, customers and suppliers excluded), install a special area for stakeholders on the company website, and response to the stakeholders concerning the material corporate social responsibility (ESG) about what they care?	√		The Company has assigned the spokesmen and contact information of each concerning department on the website. Also, The Company has installed a special web page due to ESG, in responding to the stakeholders concerning the material ESG about what they care. <a href="http://www.myfreshjuice.com/about/?159.html">http://www.myfreshjuice.com/about/?159.html</a>	No material difference.
VI. Does the company authorize a professional agent for stock affairs to deal with the affairs of shareholders meeting?	√		The Company does authorize a professional agent for stock affairs, to make sure that the shareholders meeting can be convened under the prerequisites of legality, efficiency as well as safety.	No material difference.
VII. Information Disclosure	√			No material difference.

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, as well as the Reasons
	YES	NO	Summary	
<p>(I) Does the company install a website to disclose the information concerning financial business and corporate governance?</p> <p>(II) Does the company conduct any other information disclosure methods? (for example, installation of English website, assignment of special personnel to collect and disclose company information, practicing spokesman system, or, uploading procedures of institutional investor conference to company website)</p> <p>(III) Has the Company published and reported its annual financial report within two months after the end of the fiscal year, and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</p>			<p>(I) The Company has installed the website and disclose the information of company financing as well as governance in the area “Investor Relations”.  <a href="http://www.myfreshjuice.com/about/?145.html">http://www.myfreshjuice.com/about/?145.html</a></p> <p>(II)</p> <ol style="list-style-type: none"> <li>1. Assigning Special Personnel to Collect as well as Disclose Company Information: Finance department of the Company has assigned the special personnel to be responsible for collecting as well as disclosing the company information, which is operating well.</li> <li>2. Spokesman system is fulfilled by assigning a spokesman and a deputy spokesman.</li> <li>3. Procedures of the institutional investor conference are to be uploaded to the company website and Market Observation Post System, for the investors to refer.</li> </ol> <p>(III) The Company has published and reported its financial reports for the first, second, and third quarters as well as its operating status for each month before the deadline.</p>	
VIII.	√			No material difference.
<p>VIII. Does the company have any other information which may be helpful with understanding the corporate governance as well as operation? (including but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholders’ rights, further education of directors and supervisors, implementation of risk management policies as well as risk assessment criteria, execution of customer policies, or, purchase of liability insurance for directors and supervisors by company)</p> <p>(I) Stakeholders Rights</p> <p>A. Employee Rights and Care:</p> <ol style="list-style-type: none"> <li>1. The Company believes in “Humanity First”, and has founded the Union to establish many benefit systems; for example: gifts for Chinese New Year, Dragon Boat Festival and Moon Festival, solatium for wedding or funeral.</li> </ol>				

Evaluation Items	Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, as well as the Reasons
	YES	NO	Summary	

2. Employee health examination is held periodically every year, and the employee health certificate is also updated.
3. Fire drills and lectures on fire safety knowledge are held periodically. Also, workplace safety education is carried out to eliminate the potential dangers of production process as well as facility equipment. Hence, occupational health and safety of the employees can be ensured and workplace accidents can be lowered down to the minimum.
4. Employee comments are valued, and the labor relations are harmonious. Any employees can maintain a good relation with The Company through an opening communication channel with the human resource department, or a proper senior executive. Therefore there has been no material labor disputes so far. Any measure of the Company considering labor relations complies with the relational laws and regulations, and the results are well. Any amendments or revisions to the measures of labor relations will be sufficiently negotiated and communicated between the labor and management and then be resolved, hence, the win-win situation can be met.
5. The trade union has established a channel to help employees with difficulties, provide assistance funds and organize donations.

**B. Investors:**

1. The Company convenes the institutional investor conference at least once a year and annual shareholders general meeting, explaining the status of company operating. Also, website of the Company has been installed of the special area of "Investor Relations", disclosing the concerning information of corporate governance, business announcements, material information, as well as institutional investor conferences, in order to sustain the fluent communication channels, and to maintain the legal rights of investors.
2. The Company has designated the spokesmen, as well as the agents for litigious and non-litigious matters, to respond to the investors problems, expecting a highly transparent financial information can be provided for all the investors as well as stakeholders.

**C. Suppliers:**

The Company keeps a fluent communication channel with its suppliers to transact under the prerequisite of mutual interests and trust, aiming at long-term interests instead of the short-term. Moreover, The Company exactly executes the supplier selection system, visiting the supplier plants periodically or non-periodically, in order to ensure their qualities.

**D. Execution of Customer Policies:**

The Company makes the contracts for every business with the customers, in order to protect the rights as well as obligation for both sides. Customer service personnel are assigned to answer and handle the problems what the customers reflect. Furthermore, periodic customer satisfaction survey is to be carried out annually, in order to comprehend the problems from customers about products qualities, products packages, lead times, after-sales services as well as technique instructions of the Company. Hence, improvement can be achieved and customer policies can be met.

**(II) The Advanced Studies of Directors**

Title Name	Date of Advanced Studies		Organizer	Program Title	Advanced Studies Hours
	from	till			
Chairman HUANG, KUO-HUANG	2023/09/04	2023/09/04	Financial Supervisory Commission	The 14th Taipei Corporate Governance Forum	6
Director LIN, LI-LIN	2023/09/04	2023/09/04	Financial Supervisory Commission	The 14th Taipei Corporate Governance Forum	6

Evaluation Items		Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, as well as the Reasons
		YES	NO	Summary	
Director HUANG, HSUN-YI	2023/11/29	2023/11/29	Taiwan Securities & Futures Institute	2023 Promotional seminar for the compliance regarding insider equity trading	3
	2023/12/08	2023/12/08	Taiwan Securities & Futures Institute	2023 Promotional seminar for the compliance regarding insider equity trading	3
Director WU, MING-HSIEN	2023/11/15	2023/11/15	Taiwan Securities & Futures Institute	2023 Promotional seminar for the compliance regarding insider equity trading	3
	2023/11/22	2023/11/22	Taiwan Securities & Futures Institute	2023 Promotional seminar for the compliance regarding insider equity trading	3
Director LIU, HSUAN-CHE	2023/10/25	2023/10/25	Taiwan Corporate Governance Association	Corporate governance and securities laws and regulations	3
	2023/10/26	2023/10/26	Taiwan Corporate Governance Association	Corporate Governance and Legal Compliance Practices and Development	3
	2023/11/15	2023/11/15	Taiwan Securities & Futures Institute	2023 Promotional seminar for the compliance regarding insider equity trading	3
Independent Director LO, SHIH-WEI	2023/03/03	2023/03/03	Taiwan Corporate Governance Association	Annual Report key information and duties analysis: From the directors and supervisors' perspectives	3
	2023/04/25	2023/04/25	Taiwan Corporate Governance Association	Offensive and defensive strategies for dispute over the right of management and the legal liability risk over the Company's responsible person (independent directors)	3
	2023/07/25	2023/07/25	Taiwan Corporate Governance Association	Common legal issues in M&A contracts	3
	2023/09/01	2023/09/01	Taiwan Corporate Governance Association	Unleash the professional functions of independent directors with a prosperous mindset	3
Independent Director LIN, FENG-I	2023/08/09	2023/08/09	Taiwan Institute of Directors	AI explosion - business opportunities for Chat GPT technology development and application	3
	2023/11/09	2023/11/09	Taiwan Institute of Directors	Taiwan's Economic Outlook under International Changes	3
Independent Director CHEN, YUNG-LUNG	2023/08/22	2023/08/22	Taiwan Corporate Governance Association	From CSR to ESG Corporate Management	3
	2023/11/08	2023/11/08	Taiwan Corporate Governance Association	Corporate Sustainability and Performance Reward Practices	3
	2023/11/09	2023/11/09	Taiwan Securities & Futures Institute	Advanced Seminar on Directors, Supervisors (including Independent Directors) and Chief Corporate Governance Officer Practices [How to Exercise the Benefits of the Functional Committees of the Board of Directors]	3
	2023/11/09	2023/11/09	Taiwan Securities & Futures Institute	Advanced Seminar for Directors and Supervisors (including Independent Directors) and Chief Corporate Governance Officer Practices [Corporate Governance Updates from Corporate Governance Evaluation Indicators]	3

(III) Further Education concerning Corporate Governance of Managers, Chiefs of Each Department as well as Branch

Title Name	Further Education Date		Organizer	Program Title	Further Education Hours
	from	till			
Chief of Audit Department	2023/11/01	2023/11/01	Accounting Research and Development Foundation	Internal auditors' practices on "information security" audit control	6

Evaluation Items		Operation			Difference by Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
		YES	NO	Summary	
LO, RONG-MAO	2023/11/08	2023/11/08	Accounting Research and Development Foundation	Corporate fraud investigation practices and case analysis	6
Accounting Executive CHEN,YI-JU	2023/07/19	2023/07/19	Accounting Research and Development Foundation	Tax laws and practices about controlled foreign enterprise (CFC)	3
	2023/07/20	2023/07/20	Accounting Research and Development Foundation	Business Tax Laws and Practices	3
	2023/09/14	2023/09/14	Accounting Research and Development Foundation	Enterprises' "Compliance with Labor Laws" Practice and Case Studies	6

Note: The previous audit officer, Huang, An-Yeh was replaced by Lo, Rong-Mao from August 27, 2021 due to internal position adjustment.

(IV) Execution of Risk Management Policies as well as Risk Assessment Criteria:

The Company has concluded the management procedures of acquisition or disposal of an asset, management of endorsement and guarantee, management of loaning the capital to others, as well as operating procedures of interactive financial business between each corporation inside the group. Where they can be used for the basis of risk control as well as risk assessment criteria for the administration or audit sector.

(V) Attendance of Board Meeting of Directors:

The Company convenes the Board meeting at least once a quarter, and the convention is also to be carried out anytime if there are any emergent circumstances. Attendance of the Directors is still well.

(VI) Purchase of Liability Insurance for Directors and Managers by Company:

The Company had authorized the liability insurance for the directors which has commenced since May 2012 through the Board meeting in the third quarter of 2011, and had formally insured in order to comply with the corporate governance and protect the shareholders' equity. Insurance renewal is to be updated every May.

IX. Please explain the improvement for corporate governance evaluation results last year by Corporate Governance Center of TWSE, and provide the reinforcement in advance and measures for the non-improved matters. (no need to fill in if the company is not listed for evaluation)

(I) According to the results of the 10<sup>th</sup> Corporate Governance Evaluation 2023, the situations improved are listed below:

Items	Assessment Indices	Improvement
1	Does the company publish important information in English simultaneously?	The company began to publish major information in English simultaneously in 2024.

(II) According to the results of the 10<sup>th</sup> Corporate Governance Evaluation 2023, the reinforcement in advance and measures for the non-improved matters are listed as below:

Items	Assessment Indices	Improvement Measures
1	Is the Company invited to convene (or convenes voluntarily) at least two institutional investor conferences, and the interval between the two institutional investor conferences convened at the beginning and end of the evaluated year is more than three months?	The Company will convene at least two institutional investor conferences each year, and the interval between the two institutional investor conferences convened at the beginning and end of the evaluated year is more than three months.

(IV) Disclosure of Organization, Duty and Operations for Remuneration & Compensation

Committee of Corporation, If There Is One:

1. Member Information of Remuneration & Compensation Committee

Identity	Name	Independence conformity and professional credentials	Number of occupation for member of Remuneration & Compensation Committee of other listed companies concurrently
Independent Director	LO,SHIH-WEI	Please refer to pages 21 to 27 for information on directors	2
Independent Director	LIN,FENG-I		2
Independent Director	CHEN, YUNG-LUNG		2

2. Terms of Reference

(1) Making and reviewing the performance assessment of directors and managers, as well as the policies, systems, criteria and structures of remuneration & compensation periodically.

(2) Evaluating the remuneration & compensation of the directors and managers periodically.

3. Operating Information of Remuneration & Compensation Committee

(1) There are three commissioners in the Remuneration & Compensation Committee of the Company.

(2) Current Term of Office of Commissioners: From June 6, 2023 till May 25, 2026. The meeting of Remuneration & Compensation Committee had been held for three times (A) in total in the most recent year and up to the date of printing of the annual report, and the attendance of each commissioner is as below:

Title	Name	Count for Actual Attendance (B)	Count for Attendance by Trust	Actual Attendance Rates (%) [B/A]	Note
Coordinator	LO,SHIH-WEI	3	0	100	May 26, 2023 Reelection
Commissioner	CHEN,PO-TSANG	1	0	100	May 26, 2023 Expiration
Commissioner	LIN,FENG-I	3	0	100	May 26, 2023 Reelection
Commissioner	CHEN, YUNG-LUNG	2	0	100	May 26, 2023 By-election

Other Recorded Items:

- I. If the Board meeting rejects or revises any suggestions from the Remuneration & Compensation Committee, then the dates, periods, bill contents and resolution results of the Board meeting, as well as solutions by The Company to the suggestions (or, if the Board meeting passed the suggestions, the diversity and reasons, should be described in details):

Remuneration & Compensation Committee	Proposal and subsequent handling of matters	Resolution outcome	Handling of Remuneration & Compensation Committee comments by the company
The 4 <sup>th</sup> Term The 6 <sup>st</sup> Meeting 2023.03.24	The Company's Remuneration Distribution to Employees and Directors in 2022.	Resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 5 <sup>th</sup> Term The 1 <sup>nd</sup> Meeting 2023.12.28	<ol style="list-style-type: none"> <li>Review of Remuneration &amp; Compensation for Directors and Managers of the Company.</li> <li>Discussion on Distribution of Estimated Year-end Bonuses for Managers of the Company and Its Subsidiaries in 2023.</li> <li>Discussion on Salary Structure and Payment Amount for Managers per Month of the Company and Its Subsidiaries</li> </ol>	Resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed
The 5 <sup>th</sup> Term The 2 <sup>st</sup> Meeting 2024.03.08	<ol style="list-style-type: none"> <li>The Company's Remuneration Distribution to Employees and Directors in 2023.</li> </ol>	Resolutions passed without any objections	Submitted to the Company's Board of Directors and resolution passed

- II. Any matters resolved in the Remuneration & Compensation Committee which are recorded or proclaimed in writing with objections or qualified opinions by a commissioner, should be described in details of dates, periods, bill contents, other comments from each independent director, as well as solutions by The Company to this opposite opinion: NA.

(V) Comparing the Company's promotion Sustainable Development with Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies - the Differences and Reasons

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
I. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior management, and the supervision situation of the Board of Directors?	√		Following the adoption of the Sustainable Development Policy by the Board of Directors in the first Board Meeting of 2012, the Company has established a special unit (sole or concurrent duty) to drive ESG activities after the Board resolution in the first quarter of 2012, where the members of this unit consist of the president and chiefs from each department. They will convene the meeting regularly to communicate each promise concerning ESG for the fulfillment, and deliver the report to the Board each year. ESG unit includes: team of corporate governance, team of employee care, team of customer service, team of sustainable environment, and, team of community charity. Where they will be responsible for spreading the ideal of ESG to every organization and coordinating with each department, gathering all the relational information of ESG reports, as well as positively pushing and exactly practicing ESG. After the completion of the ESG report, relevant content on economic, environmental, and social issues will be reported to the board of directors. The date of the report to the board of directors in 2023 is November 10, 2023. Please refer to the Company's ESG report on stakeholder communications and major issues in "Chapter 1 - About Sunjuice-1.4 Stakeholder communication and major issues."	No material diversity.
II. Has the Company conducted risks assessment on related environmental, social and corporate governance issues to the Company's operations based on major principles, and define related risks management policies or strategies?	√		The company conducts risk assessment related to the company's operations in accordance with the principle of materiality, and formulates relevant risk management policies or strategies. Conduct risk assessments on the Company and each of its key subsidiaries (Sunjuice Co., Ltd., Sunjuice Industry (Tian Jin) Co., Ltd., Guangdong Fresh Juice Biotechnology Co., Ltd., etc.). The major assessment items include: expected changes in market conditions, supply risks, changes in relevant laws and regulations, and social management by the government, etc. In addition, the Company has established an annual budget mechanism to set the Company's business goals, investment strategies, and cost control for the next year. The Company has a smooth and effective communication mechanism in place as it modifies the subsequent operating strategies through the analysis on the business environment conducted by the marketing, sales, legal and related departments. The management of the Company remains highly dedicated and professional, and adjusts its operational strategies and corporate governance in response to changes in risks in a timely manner. Please refer to the Company's ESG report on stakeholder communications and major issues in "Chapter 1 - About Sunjuice-1.2 Business strategy and Risk management."	No material diversity.
III. Environmental issues (I) Has the company built an environmental	√		(I) The Company is committed to upholding environmental quality and promoting sustainable development. To achieve this goal, the Company has installed new sewage treatment equipment and systems to improve its sewage treatment	No material diversity.

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
management system which is appropriate based on the industrial characteristics?			<p>capabilities. All industrial wastewater generated during the production process is treated at the Company's self-built wastewater treatment plant. The COD content of the discharged water is lower than 50% of the national standard for local discharge. Moreover, the treated water is recycled for greening and irrigation within the factory premises, as well as for solid waste cleaning, which helps reduce the wastewater discharged. The Company continues to improve its processes and upgrade its equipment annually, reducing the amount of solid waste generated during production. Solar energy is used to power outdoor lights, and it is increasingly used in newly built companies. Different energy-saving and emission-reduction measures are formulated according to the geographical location and temperature differences of different factories, in order to reduce energy consumption and reduce pollution to the environment.</p> <p>Internal quality management system of The Company is strictly followed according to the Food Safety Management Systems Certification of ISO22000 as well as FSSC22000.</p> <p>The company has obtained ISO14000 environmental management system certification certificate on February 21, 2022, valid until March 11, 2025.</p> <p>(II) The Company continues to drive various supplementary measures for resource efficiency and carbon reduction, in response to environmental changes impacts:</p> <p>1. Reuse and renew resources: Use of recycled papers in the office; Recycle and reuse waste materials from production, have the discarded old machines or equipment disassembled and reassembled to optimize the usage; Two rainwater collection pools were set up. According to the CODcr and SS indexes of water quality, the rainwater is used for greening, road cleaning, landscape water supplement, vehicle washing and entertainment waterscape respectively after re-treatment , so as to achieve water resource savings and high efficiency usage.</p> <p>2. Resource recycling: Wastes are separated to realize resource recycling; The Company has set up recycling centers at various spots to gather the wasted batteries. Employees are encouraged to bring the old batteries to these recycling centers from their homes to reduce environmental contamination.</p> <p>3. Energy savings: Video conferences to replace business trips; Started the online administration system in 2020 gradually moving towards paperless office. Based on a minimum of 60% savings on paper use as standard calculation, an estimated savings of more than 390,000 pieces of paper throughout the whole year; Regarding savings at the employee canteen, employees are encouraged to finish the plates. By adjusting meal arrangements and active promotion methods, this has seen significant results, the daily food waste has been reduced by 60% as compared to before the campaign. More environmental protection materials and design are used in the new plant. Such as: erecting solar panels to convert into electric energy for the use of street lamps in the plant area, adopting external wall insulation design, installing hollow broken bridge aluminum glass and roof skylight to increase natural lighting and reduce the use of lamps in the daytime.</p> <p>4. Green procurement: to respond to the responsible and sustainable forest management, and thoroughly implement the engagement in environment protection.</p>	
(II) Does the company take an effort to increase the use efficiency of each resource, and use recyclable materials to reduce impacts towards environment?				

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons						
	YES	NO	Summary							
(III) Does the company assess potential risks and opportunities of climate change to the enterprise for now and future, and take countermeasures towards climate change related issues?			<p>the Company requires the carton suppliers to procure cardboards from original paper producers certified by the Forest Stewardship Council (FSC), to manufacture the cartons supplied to the Company. In 2023, the procurement amount of FSC-certified cartons accounted for 61.4% of the total procurement amount of cartons for the whole year.</p> <p>Among the raw materials purchased by the company in 2023, there are 221 suppliers with ISO22000, HACCP, FSSC22000 and other international certifications, and the purchase amount is about NT\$1,284,261 thousand, accounting for 95% of the total purchase amount of raw materials.</p> <p>The proportion of raw materials procured locally is 97%, and the Company has established good interaction and partnership with local fruit production bases, to shorten the mileage of raw material transportation and reduce carbon emissions from transportation. The renewable raw materials accounted for approximately 98.2% of the total raw material consumption in 2023; the renewable packaging materials accounted for about 47% of the total packaging materials consumption.</p> <p>5. In 2022, the Guangdong Factory made full use of the idle roof to install solar power generation units, which can directly supply power to the Factory and help mitigate power consumption problems. The installation area reaches 5,515 square meters. In 2023, the solar energy would generate the power totaling 494,503.5 kW, helping reducing carbon by 632 metric tons.</p> <p>(III) Convening various departmental meetings on a yearly basis to discuss the climate change risks with a significant impact on the company and identify through questionnaires.</p> <table><tr><th>Potential Risks and Opportunities</th><th>Countermeasures</th></tr><tr><td>The quality, price, and supply stability of agricultural raw materials affected by climate or seasonal changes.</td><td>Strengthen the integration of supply chain resources, develop more product supply bases, comprehensively consider the market and sales demand, establish a comprehensive procurement forecast mechanism, and sign long-term contracts with suppliers to ensure the stability of supply and costs of the raw material.</td></tr><tr><td>In order to remediate the environment, the national environmental protection policy has become stricter which led to the increase of energy cost.</td><td>Set up a dedicated environmental safety department, establish an internal environmental protection responsibility system, promote energy conservation and emission reduction measures, and increase investment in environmental protection and technologies upgrade, for instance: improving management standards, formulating environmental accident contingency plans; improving sewage treatment capacity, process the industrial wastewater generated during production phases in the self-constructed wastewater treatment station which reduces the COD content of discharged water by 50% - below the local discharge standard set by the state. At the same time, the treated water is used for plant irrigation and solid waste cleaning to reduce the discharge amount;</td></tr></table>	Potential Risks and Opportunities	Countermeasures	The quality, price, and supply stability of agricultural raw materials affected by climate or seasonal changes.	Strengthen the integration of supply chain resources, develop more product supply bases, comprehensively consider the market and sales demand, establish a comprehensive procurement forecast mechanism, and sign long-term contracts with suppliers to ensure the stability of supply and costs of the raw material.	In order to remediate the environment, the national environmental protection policy has become stricter which led to the increase of energy cost.	Set up a dedicated environmental safety department, establish an internal environmental protection responsibility system, promote energy conservation and emission reduction measures, and increase investment in environmental protection and technologies upgrade, for instance: improving management standards, formulating environmental accident contingency plans; improving sewage treatment capacity, process the industrial wastewater generated during production phases in the self-constructed wastewater treatment station which reduces the COD content of discharged water by 50% - below the local discharge standard set by the state. At the same time, the treated water is used for plant irrigation and solid waste cleaning to reduce the discharge amount;	
Potential Risks and Opportunities	Countermeasures									
The quality, price, and supply stability of agricultural raw materials affected by climate or seasonal changes.	Strengthen the integration of supply chain resources, develop more product supply bases, comprehensively consider the market and sales demand, establish a comprehensive procurement forecast mechanism, and sign long-term contracts with suppliers to ensure the stability of supply and costs of the raw material.									
In order to remediate the environment, the national environmental protection policy has become stricter which led to the increase of energy cost.	Set up a dedicated environmental safety department, establish an internal environmental protection responsibility system, promote energy conservation and emission reduction measures, and increase investment in environmental protection and technologies upgrade, for instance: improving management standards, formulating environmental accident contingency plans; improving sewage treatment capacity, process the industrial wastewater generated during production phases in the self-constructed wastewater treatment station which reduces the COD content of discharged water by 50% - below the local discharge standard set by the state. At the same time, the treated water is used for plant irrigation and solid waste cleaning to reduce the discharge amount;									

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
(IV) Does the company gather statistics on the greenhouse gas emissions, water usage and aggregate amount of wastes over the past two years, and formulate policies on resource efficiency and carbon reduction, greenhouse gases reduction, water use efficiency, or other types of waste management?				the Company continues to improve the process every year and upgrading equipment to reduce the amount of solid waste generated in the production process. Solar energy is used to supply power for outdoor lighting and new plants are built to increase the consumption of solar energy, and the Company establishes different energy saving and emission reduction measures according to different plant regions and temperatures. The Company fully utilizes the advantages of 3 plants, maneuvering and allocating production capacity and concentrating productions with sales forecast to reduce production line changeovers, and reduce energy consumption and water discharge.
			Product Storage/Transportation Risks and Increased Costs	Strengthen the reserve of products and materials and storage management, and develop contingency plans to ensure quality and logistics.
			(IV) The company established a greenhouse gas inventory task force in February 2018. The Company adopts the operations control approach to check the Scope 1 and Scope 2 greenhouse gas emissions for the total emissions and removal of greenhouse gas, using ISO 14064-1 as the standard. The Company also adopts the GWP value announced in the Fifth Assessment Report published by IPCC in 2014 as the basis for inventory calculation. The Company has completed the 2016-2023 greenhouse gas inventory, and obtained the data from the CQC (2016-2018) and Deloitte Taiwan (2019-2021) and set up standards to check the direct greenhouse gas emissions (Scope 1) and indirect emissions of the input energy (Scope 2)	
			The Company actively promotes clean and safe production. Through the diverse measures, the Company has achieved an interim result in terms of energy conservation as well as production process optimization, and has been certificated successfully by the local environmental protection department. A coordinator is assigned by the management department to be in charge of greening the work environment, and to understand carbon emissions during the production process from selection of the upstream raw materials to packaging as well as recycling of the products. Therefore, environmental policies can be further defined and earth-friendly products can be provided. The company strengthens the garbage classification and recycling in the factory, conducts garbage classification training for employees, and classifies production garbage, kitchen waste, and cartons from the workshop and office, so as to reduce the waste of resources and storage space caused by improper garbage classification, improve the factory environment, and increase the recovery rate of articles.	
			For greenhouse gases emissions, water usage and aggregate amount of wastes over the past two years, and related management policies, please refer to “Chapter 6 - Sustainable Environment” of the Company’s ESG report.	
			2022-2023 GHG emissions	
			Emissions in 2022	Emissions in 2023

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons			
	YES	NO	Summary				
				Metric tons of CO2e/per year	Metric tons of CO2e/per year		
			Category 1	2,096.898	2,418.47		
			Category 2	13,345.036	15,745.02		
			Total emissions	15,441.934	18,163.49		
			Note : The data only covers Kunshan factory.				
			2022-2023 Water consumption				
			Divided by source	2022 (Million liters)	2023 (Million liters)		
			Third party water (all fresh water)	317.572	419.808		
			Total water consumption	317.572	419.808		
			Note : The data covers Kunshan/Guangdong and Tianjin factory.				
			2022-2023 Water use intensity (Quantity of water usage for unit sales)				
				2022	2023		
			Tap water (kg/NTD(thousand dollars))	51.29	48.06		
			Note : The data only covers Kunshan factory.				
			2022-2023 Amount of waste produced				
			category	Name of waste	The amount of waste produced in 2022 ( metric ton )		The amount of waste produced in 2023 ( metric ton )
			General solid waste	General solid waste ( Cardboard/plastic/sugar bags )	4,131.09		5,584.877
				Scrap metal	96.22		216.03
				Solid waste from beverage production ( Peel, pomace, scrap raw materials, scrap finished products, and semi-finished products )	693.258		463.9
			Hazardous waste	Waste empty bottle	0.275		0.352
				Waste packaging bags	0.7017		0.6614
Laboratory waste liquid	0.5234	0.2408					
Note : The data only covers Kunshan factory.							

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
IV. Social issues (I) Does the company obey the related regulations as well as International Bill of Human Rights to make its management policies and procedures?  (II) Does the Company define and implement reasonable employees benefits measures (including remunerations, days off and other benefits), and appropriately reflect operation performance or results on the employees remuneration?	√		(I) The Company not only respects but also defends human rights of the labors, and fully complies with the related laws and regulations in “Labor Contract Law,” as well as the principles of International Bill of Human Rights. Where The Company forbids any forms of employment discrimination, strictly follows the rules of Equal Pay for Equal Work no matter what gender, and restricts child labor and forced labor. Furthermore, labor contracts are to be signed in accordance with the relational laws regulating the labor contract. Hire as well as resignation of an employee should be in compliance with the local laws and regulations in where The Company operates. Also, various social insurance should be covered for the employees according to the laws, and The Company is actively to establish the platform for employee growth. The Company was accredited as an “Enterprise with Harmonious Labor Relationships” by Zhangpu Town Government in 2021, in recognition of its achievements in the field of harmonious labor-management relations. It has established a labor union and signs “Special Collective Contracts on Wages” with its employees pursuant to relevant provisions set forth in the Labor Contract Law, Trade Union Law, and Group Contract Statute to safeguard the rights of its employees.  (II) Each department of the Company is to design a complete system of remuneration and compensation, enabling an employee to enjoy the results of corporate operations as well as their own performances. The calculation of bonus is based on the Company’s performance of the year; it is ensured that the employees have sufficient paid leaves. The Company conducts regular annual evaluation of the system, standard and structure of the employee remuneration and compensation policy, combining with related work performance indicator to ensure the remuneration and compensation plan meets the strategy goals. The Company adjusts the salary every year depending on the market salary level, economic trends and personal performance, to retain the overall compensation competitiveness.	No material diversity.

Evaluation Items	Operation				Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons	
	YES	NO	Summary			
(III) Does the company provide a safe and healthy work environment for its employees, and regularly implement the safety and health education to them?			Nursing-Leave	25	Regular employees	
			Annual Performance Bonus	77	Personnel at the level of deputy section supervisor and above	
			Parental Leave	114	Regular employees	
			Holiday Gifts	1,039	Regular employees	
			In addition to the above basic benefits, the company organizes a variety of staff activities every year, such as: staff sports meeting, Mid-Autumn Festival party, Spring Festival party, staff raffle, fishing competition, etc. The company also has staff canteen, staff activity center, monthly birthday party for staff and pay attention to staff diet and health; For employees' children, the company specializes in English classes, kendo classes and day-care, providing free teaching, so that employees can work with peace of mind, and make a contribution to the education of employees' children.For the employee welfare measures, please refer to 2.1 Implementing Employee Care in "Chapter 2: Energetic Workplace" of the Company's ESG Report.			
			2. Workplace Diversity and Equality - Proportion of Female Employees and Supervisors.			
			2023	item	Number of people	percentage
			All staff	male	462	44.47%
				female	577	55.53%
			manager（Personnel at the level of deputy section supervisor and above）	male	57	54.81%
				female	47	45.19%
			(III) The Company has conducted the activities inside the organization every year: (1) Employee Health Examination; (2) Campaign for Safety and Production Training; (3) Prevention of Pest and Rodent; (4) Management and Control over Hazardous Chemicals; and (5) Train the Trainer Program on Employee Fire Safety Training and Drills via External Hire of Professional Fire Safety Trainer. In order to lower the risks of occupational injuries to the minimum, as well as provide the protection for personal safety and health of the staffs from all dimensions. Kunshan factory was awarded “Safety Production Standardization (2 <sup>nd</sup> -Class Enterprise)” by Jiangsu Provincial Academy of Safety in Production Science, and “Top 10 Enterprises of Production Safety” by Kunshan City. Guangdong factory was awarded “Safety Production Standardization (3 <sup>nd</sup> -Class Enterprise)” by Zhaoqin Association of Work Safety.			
			In 2023, total 18 occupational accidents occurred, accounting for 1.80 % of all employees, as of end of 2023. In order to reduce the rate of occupational accidents, the Company has conducted safety production training for all employees every month. Additionally, as required by laws, the enhanced monthly trainings have been conducted for special works, the personal protection products are distributed, and			

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons																												
	YES	NO	Summary																													
(IV) Does the company set up efficient training programs for its employees for developing capabilities along their career path?			their uses are inspected and supervised, to ensure the safety of employees in work and life, establish safety awareness, and prevent problems before occurrence. The Company asks a qualified unit of the third-party contractor to conduct occupational hazard factor testing on the workplaces of employees (Jiangsu United Testing Service- Factors of Occupational Hazard Testing and Evaluation Report), and the dust and noise positions have passed in the texts. The Company conduct safety education and occupational health education for new employees every tear. The Company's occupational safety trainings and promotions in 2023:																													
			<table><tr><th>Year</th><th>Number of educational training</th><th>Per capita hours of educational training</th></tr><tr><td>2023</td><td>3,638</td><td>3,713</td></tr></table>		Year	Number of educational training	Per capita hours of educational training	2023	3,638	3,713																						
			Year		Number of educational training	Per capita hours of educational training																										
			2023		3,638	3,713																										
			The number of fires in 2023 was 0, and there were no related casualties.																													
			(IV) The core capacity of the Company requires the cultivation of excellent and expertized professional talents. Based on the education, work experience, potential, and special skills, as well as, management level of an employee, the Company formulates the annual training programs, carries out diverse training courses such as program for new recruitment training, program for special skills training, program for trainers, program for tabletop exercises, and program for cadre training. Structuring an effective career capabilities development platform for the employees providing different levels of education and trainings. In addition, the Company has, in 2018, implemented programs helping employees in need to continue the completion of their education and learning new knowledge obtaining higher education degrees successfully.																													
			The first batch of participants have obtained graduation certificates in 2021.																													
			<table><tr><th>Year</th><th>Number Of Applicants</th><th>Estimated Subsidized Tuition Fee (RMB)</th><th>Estimated Graduation Date</th></tr><tr><td>2018</td><td>26</td><td>146,880</td><td>2021.07</td></tr><tr><td>2019</td><td>18</td><td>95,095</td><td>2022.07</td></tr><tr><td>2020</td><td>18</td><td>90,400</td><td>2023.07</td></tr><tr><td>2021</td><td>8</td><td>46,420</td><td>2024.07</td></tr><tr><td>2022</td><td>10</td><td>30,620</td><td>2025.07</td></tr><tr><td>2023</td><td>7</td><td>34,590</td><td>2026.07</td></tr></table>		Year	Number Of Applicants	Estimated Subsidized Tuition Fee (RMB)	Estimated Graduation Date	2018	26	146,880	2021.07	2019	18	95,095	2022.07	2020	18	90,400	2023.07	2021	8	46,420	2024.07	2022	10	30,620	2025.07	2023	7	34,590	2026.07
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(V) Does the Company comply with related laws and international standards on customers health and safety, customer privacy, marketing																																
(V) Our company controls the quality and safety of our products in accordance with the Food Safety Law and product execution standards (national and enterprise standards). The labeling is in accordance with GB7718 and GB28050, and the marketing and labeling are strictly implemented in accordance with the relevant regulations and standards (advertising laws) of the place of operation, and we fully control regulatory changes. Our company has set up a customer service quality assurance specialist to be responsible for following any complaints from the customers, and in no time reply to the complaints as well as solving the problems to meet the demands from the customers. Furthermore, The Company internal will																																

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	
and labelling of its products and services, and formulate related policies to protect consumers rights and complaint procedures? (VI) Does the Company specify its suppliers management policies requesting suppliers to comply with related regulations on environmental protection, EHS or labor rights related issues, and the implementation status?			designate a quality project team consisting of the representatives from concerning departments according to the actual situation, to negotiate as well as make the solutions, avoiding recurring of the same issues and satisfying the customers.  (VI) The Company requests the suppliers to provide the Raw Material Inspection Report, and engages in on-site assessment of the suppliers plants regularly. In 2023, on-site inspections have been carried out for 27 suppliers and a supplier evaluation management system has been developed for periodical assessments of the quality of supplier operations. When selecting suppliers, preference is given to businesses that are committed to enhancing corporate social responsibility. Social security conventions including prohibition of employment discrimination, equal pay for equal work for men and women, elimination of child labor, and an air pollutant emission index in conformity to national regulations during production processes are clearly stipulated in procurement agreements. Packaging materials purchased from paper box suppliers are all FSC-certified (Forest Stewardship Council). Contracts between the Company and its suppliers include the provision of Quality Inspection Reports when delivering products with the provision that the use of any transgenic materials for the manufacture of provided products is strictly prohibited. Where any ESG issues associated with food safety are involved, the Company shall be entitled to reject the delivery or adopt other measures as deemed necessary.	
V. Does the Company disclose non-financial information in a report with reference to any international reporting standards or guidelines to prepare the ESG report? Has the aforementioned report obtained assurance or assurance opinion from a third party unit?	√		The Company completed the compilation of ESG Report 2022 in September 2023 in accordance with GRI standards. It was verified and assured by Deloitte Taiwan. The information disclosed in this report is mainly dedicated to the subsidiaries under Sunjuice Holding Co., Ltd., including Sunjuice Co., Ltd., Sunjuice Industry (Tian Jin) Co., Ltd., and Guangdong Fresh Juice Biotechnology Co., Ltd. . (hereinafter referred to as "the Company" as a whole), which are located at the main places of operation, while the financial performance and other indicators cover the entire Group. For the boundaries and the scope of assured items, please refer to the table description of assured items in this report. The Tianjin and Guangdong plants have not yet established the comprehensive data collection mechanism. Some of the data are only disclosed for the Kunshan plant and noted in the report.	No material diversity.
VI. Please explain the difference between actual operations and regulated principles, if the company has complied with “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” to define its own ESG principles: No material difference.				

Evaluation Items	Operation			Difference by Comparing with Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, as well as the Reasons
	YES	NO	Summary	

VII. Other Material Information Helping with Understanding of ESG Operations:

1. The Company drives the 5S campaign to the whole staffs from the internal, targeting at the development of good habits for working as well as living for the employees. Moreover, building an ordered and clean environment together to reduce unnecessary wastes and increase work efficiency.
2. Building a green work environment for the staff, rearing all kinds of diverse plants to embellish the office as well as community environments. The Company organizes a large variety of leisure and entertainment activities for its employees each year: staff trips, team building games, fishing competitions, badminton competitions, community basketball tournaments, staff sports days, and welfare activities such as trash pickup. During break times, employees can exercise and relax at the Company's sports facilities. There are treadmills, badminton equipment, and yoga equipment available; in order to encourage and facilitate employee learning activities, the Company has established a book room with books in various categories, which can be borrowed and studied by employees and their children.
3. The Chairman of the Company always encourages the children of staffs to be more enthusiastic about learning. Also, the Chairman has established English classes for the children of SUNJUICE staffs, as well as scholarships, in order to inspire those kids to study harder with ambition and accomplish their education, becoming the future mainstay for the society. The Company has set-up special Kendo Club to provide free access to the community and the Company's staffs and their children to learn Kendo, with the hope that everyone can build a strong body and health through Kendo practice mastering one's willpower. Also, to increase parent-children interactions by participating together.
4. Department of agricultural management of The Company has signed the purchase contracts with fruit farming stations to indirectly cooperate in joint management, participating in fruits planting, monitoring the fertilization, herbicides placement, pesticides sprinkling, as well as weeding by the suppliers among the orchards. Hence, a traceable management system of quality control over the raw material origins can be built and improved step by step.
5. For other important information, please refer to our company's ESG report.

(VI) Status of Fulfilling Ethical Corporate Management of Company and its difference to Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, as well as the Reasons.

Assessment	Operation			Difference of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, as well as the Reasons
	YES	NO	Summary	
<p>I. Definition of Policies and Projects of Ethical Management</p> <p>(I) Does the Company formulate ethical management policies approved by the Board of Directors, and has specified the policies and method of ethical management in the Articles of Incorporation and publicized documents, and with active implementation of such management policies through a committed Board of Directors and senior level management?</p> <p>(II) Does the Company set up an assessment mechanism for risks in unethical conduct, regularly analyze and assess within the scope of operations for activities with higher risks of unethical conducts, and has formulated plans to prevent unethical conducts, covering the prevention measures for all types of behavior as stated in sub-section 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” as the minimum?</p> <p>(III) Does the company provide any solutions to prevent the unethical conducts, stipulate the definite procedures, conduct guidelines, punishment for violation as well as appeals system and put into practice, and review and revise on a regular basis the aforesaid solutions?</p>	√		<p>(I) The Company had defined the “Principles of Ethical Management” with approval by the Board on February 17, 2012, which had already been submitted and reported to the shareholders meeting and disclosed on the corporate website. The Company’s Board of Directors and senior level management uphold the foundation value of ethics in their supervision duties during execution of the business, creating sustainable operations for its operation environment.</p> <p>(II) The Company has built a complete and effective systems of accounting as well as internal control for every operations’ procedures, including operations that might involve possible corruptions. Whenever necessary, the Company is to review the systems, making sure that the design and implementation of both systems continue to be effective, where the internal audit unit will check the execution and compliance status of these systems regularly.</p> <p>(III) The Company has defined the solutions for prevention of unethical conducts, requesting the staffs for ethical conducts, and launching the promotion of ethical management policies through education and training.</p>	No material diversity.

Assessment	Operation			Difference of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, as well as the Reasons
	YES	NO	Summary	
<p>II. Fulfillment of Ethical Management</p> <p>(I) Does the company evaluate the ethic records of its partners, and explicitly stipulate the articles concerning ethical conducts in the contract cosigned with this partner?</p> <p>(II) Does the company build a special unit being responsible directly to the Board to promote the corporate ethical management conducts, and report to the Board on a regular basis (at least once a year) on the implementation status of the ethical management policies, unethical conducts prevention solutions, and monitoring?</p> <p>(III) Does the company make the policies to prevent a conflict of interest, provide an adequate channel for appeals, and perform them truly?</p> <p>(IV) Has the company built an effective system for accounting and internal control to put ethical management into practice, and has the internal audit unit to formulate related audit plan based on assessment results for risks in unethical conducts, for which the</p>	√		<p>(I) The Company always evaluates its suppliers, customers and other business partners to confirm their legitimacy, as well as whether they have had any unethical records, in order to avoid transacting with those who have unethical records. Audit office is to perform all kinds of internal audits regularly, supervising the operations.</p> <p>(II) Although the special unit of ethical management has yet to be founded, the Company has actively promoted the ethical management principles on its own.</p> <p>(III) The Company has regulated the policies of prevention from conflict of interest, as well as providing an appropriate channel for the directors, independent directors and managers to voluntarily explain if there are any potential conflicts of interest existing. Directors as well as independent directors of The Company should proclaim their own comments and answers, if there are any listed bills in the Board meeting involved with self-interest of a director himself/herself or the juridical person by whom is represented, where it might be a disadvantage to the interest of The Company. Additionally, this director shall be excluded from any discussions as well as resolutions, and avoidance of the voting rights should also be adopted, by any means, on behalf of himself/herself, or, as a representative for other directors.</p> <p>(IV) The Company has built the effective systems for both accounting and internal control according to the laws. Internal audit personnel will regularly audit the compliance status of each system and then the result is submitted to the directors directly for further reviewing, in order to fulfill ethical management, as well as prevent the occurrence of fraud from happening.</p>	No material diversity.

Assessment	Operation			Difference of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, as well as the Reasons
	YES	NO	Summary	
<p>plan is used to audit the status of compliance for unethical conducts prevention solutions, or has commissioned CPA to conduct the audit?</p> <p>(V) Does the company regularly host any internal/external education programs of ethical management?</p>			<p>(V) The Company promotes the idea of ethical management through irregular education and training, and complies with “Directions for the Implementation of Continuing Education for Directors of TWSE Listed and TPEx Listed Companies” to plan the programs of further education for the directors. Internal Control System of Periodic Employees Training, as well as the Management Principles Number of participants attending internal and external training programs (including compliance to laws and regulations, food hygiene and safety, internal control, and so on) which are related to ethical management, as organized by the Company in 2023 for a total of 2,758 people and the total calculation is 4,453 hours per person.</p>	
<p>III. The Company’s Operations for the Whistleblower System</p> <p>(I) Does the company specifically found a system of whistleblowing and reward, as well as building an easy channel for whistleblowing, and designate an adequate personnel specially to handle with the accused object?</p> <p>(II) Does the company formulate standard operational procedures, subsequent measures to be taken post-investigations, and related confidentiality mechanism for the investigations processes of reported misconducts?</p> <p>(III) Does the company take any measures to protect the whistleblowers from being improperly treated due to the whistleblowing?</p>	√		<p>(I) Should there be any illegal violations of ethical management, any employees who find the violations can report to the management, chiefs of internal audit sector, relational units or other channels provide by The Company. Punishment is to be executed upon those violations according to the articles of incorporation after being confirmed, and the identity of whistleblowers as well as the accusations will remain confidential.</p> <p>(II) The Company has assigned a special unit to handle with the related affairs, and to keep the confidentiality of the identity of whistleblowers as well as the accusations.</p> <p>(III) The Company upholds the confidentiality of the identity of whistleblowers as well as the accusations, protecting those whistleblowers from being improperly treated due to the whistleblowing.</p>	No material diversity.
IV. Reinforcement of Information Disclosure	√			No material diversity.

Assessment	Operation			Difference of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, as well as the Reasons
	YES	NO	Summary	
(I) Does the company disclose its own principles of ethical management as well as promotion efforts on the corporate website, or Market Observation Post System?			(I) The Company has made the principles of ethical management, and has disclosed them on the corporate website and Market Observation Post System to enhance the disclosure concerning management information. Also, The Company sets the special personnel to collect the corporate information, and uploads the information to the corporate website as well as Market Observation Post System. Hence, all the shareholders, stakeholders and authorities can grasp the current situations anytime.	
V. Please explain the diversity between actual operations and principles defined, if the company abides by “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” to make its own principles: The Company has adopted its own “Ethical Corporate Management Best Practice Principles” as a regulatory basis for its operations and business activities. It has established an Audit Committee, which is comprised of its independent directors and an Internal Auditing Department directly subordinate to the board. No material violations of these ethical management principles have occurred to date.				
VI. Other Material Information Helping with Understanding Company Operations by Ethical Management (such as reviewing or revising the principles of ethical management): The Company is to promote the determination of ethical management as well as the demands of ESG upon the vendors, through the audit system of on-site visit to the suppliers periodically. Also, control standards of the supply chain should be assessed to perform the rankings management and audit operations upon the suppliers.				

(VII) Inquiry Approaches of Any Principles of Corporate Governance as well as Relational Regulations should be Disclosed:

The Company has complied with “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” to define “Rules of Procedure for Shareholders Meetings”, “Rules and Procedures of Board of Directors Meetings”, “Procedures for Election of Directors “, as well as the full systems of both internal control and internal audit, in order to enhance the information transparency and the Board functionality as well as push the operating of corporate governance, through the amendments to concerning managerial methods in compliance with the spirits and execution of corporate governance. Please refer to the relational regulations in the special area “Corporate Governance” on the website of the Company.

(VIII) Other Material Information Helping with Further Understanding of Corporate Governance should be Disclosed: NA.

## (IX) Execution of Internal Control System

### 1. Statement of Internal Control System

SUNJUICE HOLDINGS CO., LTD.  
Statement of Internal Control System

Date: Mar 8, 2024

Statement is made here for internal control system of the Company in 2023 according to the conclusions of self-evaluation:

- I. The Company is well aware of that establishment, execution as well as maintenance of the internal control system are the responsibilities of the Board and managers. Therefore, the Company has built such a system. Where its purpose is to approach the targets concerning outcomes and efficiency of the operating (containing profit, performance, and assets protection safety), reliability, immediacy and transparency of the reports, as well as obedience to the related standards, laws and regulations, providing the reasonable protection.
- II. Internal control system has its own congenital limitation. No matter how flawless the design is, an effective internal control system can only provide the reasonable protection to the three targets described as above. Moreover, efficiency of the internal control system may change anytime due to the variation of environments or circumstances. Whereas The Company has built a self-supervision mechanism in the internal control system, and a countermeasure will be engaged immediately if there are any defects found.
- III. The Company complies with “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter “RICS”) to stipulate the assessment contents for effectiveness of an internal control system, evaluating if the design and implementation of an internal control system are effective. Assessments for an internal control system by this “RICS” divide the system into five elements in accordance with the process diversity: 1. Control Environment; 2. Risk assessment; 3. Control Operation; 4. Information and Communication and 5. Supervision. Each element is to be further subdivided into several items. Please refer to the relational regulations in “RICS” for these items.
- IV. The Company has adopted the assessment items for internal control system described as above to evaluate the effectiveness of design as well as implementation of a system.
- V. Based on the conclusions of the evaluation described as above, The Company recognizes that as of Dec 31, 2023, design as well as implementation of the internal system (containing the supervision and management to the subsidiaries), including comprehension of the operating outcomes and the approach of efficiency targets, reliability, immediacy and transparency of the reports, as well as obedience to the related standards, laws and regulations, are effective, being capable of reasonably ensuring the achievement of the targets as above.
- VI. This statement is to be the one of major contents in the Annual Report as well as Prospectus of the Company, and is to be disclosed openly. Should there be any illegal facts concerning

falsity or misprision in the open contents described as above, they will involve in the legal liabilities concerning Article 20, 32, 171 and 174 of Securities Exchange Act.

VII. This statement had been approved by the Board meeting on Mar 8, 2024, where no one had objection to it among eight attendees of the directors; all attendees in the Board meeting approved the contents of this statement. Therefore, the statement is made here.

SUNJUICE HOLDINGS CO., LTD.

CHAIRMAN: HUANG,KUO-HUANG

GENERAL MANAGER: WU, MING-HSIEN

2. Contents of an internal control system which are examined via special project by the authorized accountants, should be disclosed in the accountant`s audit report: None.

(X) Last year, and as of the printing date of Annual Report, any punishments upon the corporation or the internal personnel , or, any punishments by the company upon internal personnel who has violated internal control rules, if the result of any of such punishments might create major impacts to the shareholders rights or share prices, details of such punishments, major defects and improvement situations should be clearly stated: None.

(XI) Last Year, and as of Printing Date of Annual Report, Material Resolutions of Shareholders Meetings as well as Board Meetings:

Periods	Date	Material Resolutions of Shareholders Meeting
General Shareholders' Meeting 2023	20230526	<ol style="list-style-type: none"> <li>1. Proposal to ratify the 2022 Business Report and Financial Statements Implementation status: Relational files and statements had been submitted to the authorities for reference in accordance with the related laws and regulations.</li> <li>2. Proposal to ratify 2022 Distribution of Earnings Implementation status: Resolution was passed and carried out without any problems in compliance with the shareholders meeting, where the cash dividends at NT\$219,974,040 (NT\$6.5 per share) had been distributed on August 18, 2023.</li> <li>3. Election of the Company's directors of 5th Board of Directors Execution: Election of the new Board of Directors members.</li> <li>4. Amendments to "Articles of Incorporation" Execution: Effective after the resolution by the shareholders' meeting.</li> <li>5. Amendments to the Company's "Rules of Procedure for Shareholders' Meetings" Execution: Effective after the resolution by the shareholders' meeting, and related procedures executed in accordance with the amended regulations.</li> </ol>

Periods	Date	Material Resolutions of Board Meeting
The 4 <sup>th</sup> Term 19 <sup>th</sup> Meeting Board of the Directors	20230309	<ol style="list-style-type: none"> <li>1. Resolution Passed on the Establishment of the "Regulations Governing the Pre-approval of Non-Assurance Services Provided by CPAs" of the Company</li> <li>2. Resolution Passed on "Statement of Internal Control System" from Jan 1, 2022 to Dec 31, 2022 of the Company</li> <li>3. Resolution Passed on Assessment of the Independence and Competency of the CPAs for the Financial Statements</li> <li>4. Resolution Passed on Electing New Directors in Advance</li> <li>5. Resolution Adopted on the List of Nominated Candidates for the Directors Election (Including 3 Independent Directors) at the Annual Shareholders' Meeting in 2023</li> <li>6. Resolution Adopted on the "Removal of the Non-Competition Restrictions on Newly Elected Directors and Their Representatives"</li> <li>7. Resolution Passed on Amendment to "Investment Cycle Operating System" of the Company's Subsidiaries</li> <li>8. Resolution Passed on Amendment to "Accounting System" of the Company and Its Subsidiaries</li> <li>9. Resolution Passed on Amendment to "Best Principles of Corporate Governance" of the Company</li> <li>10. Resolution Passed on Amendment to "Articles of Incorporation" of The Company</li> <li>11. Resolution Passed on Amendment to "Rules and Procedures of Shareholders' Meeting" of the Company</li> <li>12. Resolution Passed on Date, Location and Bills for Shareholders General Meeting 2023</li> <li>13. Resolution Passed on Matters concerning Claim to Proposals of Shareholders who Possess more than 1% of Shareholding Ratio</li> </ol>
The 4 <sup>th</sup> Term 20 <sup>th</sup> Meeting Board of the Directors	20230324	<ol style="list-style-type: none"> <li>1. Resolution Adopted on 2022 Business Report and Consolidated Financial Statements of the Company</li> <li>2. Resolution Adopted on Distribution of Earnings of the Company in 2022</li> <li>3. Resolution Adopted on Remuneration Distribution to Employees and Directors of the Company in 2022</li> <li>4. Resolution Adopted on Convening the Company's 2023 Shareholders' Meeting</li> </ol>
The 4 <sup>th</sup> Term 21 <sup>th</sup> Meeting Board of the Directors	20230511	<ol style="list-style-type: none"> <li>1. Resolution Passed on 2023 Q1 Consolidated Financial Statement.</li> </ol>
The 5 <sup>th</sup> Term The 1 <sup>th</sup> Meeting Board of the Directors	20230606	<ol style="list-style-type: none"> <li>1. Resolved to pass the determination of the ex-dividend base date for 2023</li> <li>2. Resolved to pass the election of the Company's Chairman.</li> <li>3. Resolved to pass the proposed reappointment of the Remuneration Committee members upon expiration of the term of office.</li> <li>4. Resolved to pass the transfer of the Company's President.</li> <li>5. Resolved to pass the appointment of the Company's Chief Corporate Governance Officer.</li> </ol>
The 5 <sup>th</sup> Term The 2 <sup>th</sup> Meeting Board of the Directors	20230818	<ol style="list-style-type: none"> <li>1. Resolved to pass 2023 Q2 Consolidated Financial Statements.</li> <li>2. Resolved to pass the proposal for the Company's loaning of funds to the subsidiary, Power Keen Limited.</li> <li>3. Resolved to pass the Amendments to "Management Procedures of Acquisition or Disposal of Assets" of the Company and Its Subsidiaries</li> <li>4. Resolved to pass the proposal for the amendments to the "Rules Governing Financial and Business Matters Between the Affiliated Enterprises and Groups" of the Company and its subsidiaries.</li> <li>5. Resolved to pass the proposal for the amendments to the "Regulations Governing the Preparation Process of Financial Statements" of the Company and its subsidiaries.</li> </ol>

The 5 <sup>th</sup> Term The 3 <sup>th</sup> Meeting Board of the Directors	20231110	<ol style="list-style-type: none"> <li>1. Resolved to pass 2023 Q3 Consolidated Financial Statements.</li> <li>2. Resolved to pass the amendments to the “Regulations for Management of Lending Funds to Other Parties” of the Company and its subsidiaries.</li> </ol>
The 5 <sup>th</sup> Term The 4 <sup>th</sup> Meeting Board of the Directors	20231228	<ol style="list-style-type: none"> <li>1. Resolution Adopted on the 2024 Internal Audit Plan of the Company</li> <li>2. Resolution Adopted on the 2024 Budget Plan of the Company</li> <li>3. Resolution Passed on Salary Structure and Payment Amount for Managers per Month of The Company and Its Subsidiaries</li> <li>4. Resolution Adopted on the Distribution of Estimated Year-end Bonuses for Managers of the Company and Its Subsidiaries in 2023</li> <li>5. Resolution Adopted on Measures of Remunerations for Directors and Managerial Officers</li> </ol>
The 5 <sup>th</sup> Term The 5 <sup>th</sup> Meeting Board of the Directors	20240217	<ol style="list-style-type: none"> <li>1. Resolved to pass the Company's plan to increase the shareholding in the subsidiary, Sunjuice Co., Ltd.</li> </ol>
The 5 <sup>th</sup> Term The 6 <sup>th</sup> Meeting Board of the Directors	20240308	<ol style="list-style-type: none"> <li>1. Resolved to pass the 2023 Business Report and Consolidated Financial Statements of the Company.</li> <li>2. Resolved to pass the Company's 2023 earnings distribution proposal.</li> <li>3. Resolved to pass the Company's distribution of 2023 remuneration to employees and directors.</li> <li>4. Resolved to pass on the issuance of the “Statement of Internal Control System” by the Company for January 1, 2023 to December 31, 2023.</li> <li>5. Resolved to pass the assessment on the independence and competency of the independent auditors for the financial statements.</li> <li>6. Resolved to pass the amendments to the Company's “Organization Rules of Audit Committee.”</li> <li>7. Resolved to pass the amendments to the “Regulations for Board of Directors’ Meetings” of the Company</li> <li>8. Resolved to pass the proposal for the Company's cash capital increase in the subsidiary, Power Keen Limited.</li> <li>9. Resolved to pass the proposal for date, location and motions for 2024 annual general meeting.</li> <li>10. Resolved to pass the matters concerning acceptance of proposals submitted by shareholders who hold more than 1% of the shares.</li> </ol>

(XII) Last year, and as of the printing date of Annual Report, any major contents by the records or proclamation in writing of different opinions toward the material resolutions passed by the Board meeting, from any of the directors or supervisors: NA.

(XIII) Last year, and as of the printing date of Annual Report, a summary of the resignation and dismissal of the Chairman, presidents, directors of accounting, directors of financing, chiefs of internal audit sector, chiefs of corporate governance, as well as chiefs of R&D department:NA

#### IV. Information of Professional Fees of Certified Public Accountant (CPA)

unit: thousand (NTD)

Name of Accounting Firm	Accountant Name	Audit Period for Accountant	Audit Fee	Non-audit Fee	Total	Note
DTTL	HSIEH, MING-CHUNG HUANG, I-MING	2023	5,250	-	5,250	NA
DTTL	HSIEH, MING-CHUNG	2023	-	750	750	Non-audit Fee Belonging to Confirmation of ESG Report

(I) Amounts of the audit fees before and after change of the accounting firms and the reasons of change should be disclosed, if the audit payment in current financial year reduced in the last financial year before the change: No such matters.

(II) Reduction amounts, proportion as well as reasons should be disclosed, if the audit fees reduce more than 10% compared with the ones in the last financial year: No such matters.

#### V. Information of Change of Accountant : NA

VI. If the Chairman, presidents, or managers for financing or accounting of the Company have ever occupied in the accounting firm or its associates to which the CPA belongs in the past one year: NA.

VII. Last year, and as of the printing date of Annual Report, variation of transfer and pledge of the equity of the directors, supervisors, managers, and shareholders whose shareholding ratios are over 10%.

(I) Variation of Equity of Directors, Managers and Major Shareholders

Title	Name	2023		Current Year as of Apr 30	
		Shares Held Addition (reduction)	Pledged Shares Addition (reduction)	Shares Held Addition (reduction)	Pledged Shares Addition (reduction)
Chairman (major shareholder)	HUANG,KUO-HUANG	-	-	-	-
Directors (major shareholders)	LIN,LI-LIN	(44,000)	-	-	-
Director (dual general manager)	WU, MING-HSIEN	(8,000)	-	-	-
Director	HUANG,HSUN-YI	-	-	-	-
Director	LIU, HSUAN-CHE	-	-	-	-
Independent Director	LO,SHIH-WEI	-	-	-	-
Independent Director	LIN,FENG-I	-	-	-	-
Independent Director	CHEN, YUNG-LUNG	-	-	-	-
Chief of Accounting Department	CHEN,YI-JU	-	-	-	-

(II) Information of Counterparts of Transfer of Equity who are Also Related Parties

Name (Note 1)	Reasons for Equity Transfer (Note 2)	Transaction Dates	Transaction Counterparts	Relations between Trade Counterparts with Companies, Directors, Supervisors, Managers and Shareholders whose Shareholding Ratios are over 10%	Number of Shares	Transaction Prices
LIN,LI-LIN	Disposal (grant)	Dce 29, 2023	HUANG,JI AN-QUAN	Mother & Son	20,000	-
LIN,LI-LIN	Disposal (grant)	Dce 29, 2023	HUANG,JI AN-NING	Mother & Daughter	24,000	-
WU,MING- HSIEN	Disposal (grant)	July 28, 2023	WU,WEI- CHIAO	Father & Son	8,000	-

Note 1: Filling in the names of directors, managers and shareholders whose shareholding ratios are over 10% of the companies.

Note 2: Filling in the acquisition or disposal.

(III) Information of Counterparts of Pledge of Equity who are Also Related Parties: NA.

VIII. Information of Shareholders being the Ones with Top 10 Shareholding Ratios, who are Related Parties, Spouse, or Second-degree Relatives with Each Other

Date: April 8, 2024

Name	Person Himself/Herself Number of Shares		Shares Held by Spouse, or Minor Children		Shares Held in the Names of Others		Titles, Names and Relations of Shareholders being the Ones with Top 10 Shareholding Ratios, who are Related Parties, Spouse, or Second-degree Relatives with Each Other		Note
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Titles (or Names)	Relationship	
HUANG,KUO-HUANG	9,093,849	26.87%	6,134,264	18.12%	-	-	LIN,LI-LIN LIN,LI-XUE CHEN,CHIN-KUN HUANG,HSUN-YI	Spouse Second-degree Relative Second-degree Relative Brother	NA
LIN,LI-LIN	6,134,264	18.12%	9,093,849	26.87%	-	-	HUANG,KUO-HUANG LIN,LI-XUE CHEN,CHIN-KUN HUANG,HSUN-YI	Spouse Sister Second-degree Relative Second-degree Relative	NA
WU,MING-HSIEN	1,224,406	3.62%	255,072	0.75%	-	-	NA	NA	NA
WANG,MING-CHIH	989,897	2.93%	528,295	1.56%	-	-	LIU,RU-MAN	Spouse	NA
LIN,ZONG-YU	900,000	2.66%	-	-	-	-	NA	NA	NA
LIU,RU-MAN	528,295	1.56%	989,897	2.93%	-	-	WANG,MING-CHIH	Spouse	NA
LIN,LI-XUE	494,084	1.46%	372,053	1.10%	-	-	CHEN,CHIN-KUN LIN,LI-LIN HUANG,KUO-HUANG	Spouse Sister Second-degree Relative	NA
Standard Chartered Bank Dunbei Branch Entrusted Custody Investment Special Account for Royal Bank of Singapore Limited	484,000	1.43%	-	-	-	-	NA	NA	NA
TAINET Communication System Corp.	381,900	1.13%	-	-	-	-	NA	NA	NA
CHEN,CHIN-KUN	372,053	1.10%	494,084	1.46%	-	-	LIN,LI-XUE HUANG,KUO-HUANG LIN,LI-LIN	Spouse Second-degree Relative Second-degree Relative	NA

IX. Shares held and comprehensive shareholding ratios calculated combinedly of the same reinvestment by the companies, directors, supervisors or managers of the companies, or, any business controlled directly or indirectly by the companies.

Dec 31, 2023; unit: thousand shares

Reinvestment	Investment of the Company		Investment by Directors, Supervisors, Managers, or, Business Controlled Directly or Indirectly by Companies		Comprehensive Investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
Power Keen Limited	17,785	100.00%	-	-	17,785	100.00%
Sunjuice I International Limited	20,003	75.00%	-	-	20,003	75.00%
Sunjuice (Hong Kong) Limited	-	-	15,300	100.00%	15,300	100.00%
Sunjuice Co., Ltd.	-	-	313,560	87.10%	313,560	87.10%
Sun Philippe Trade (Kunshan) Co., Ltd.	-	-	(note)	100.00%	-	100.00%
IM Trade (Kunshan) Co., Ltd.	-	-	(note)	100.00%	-	100.00%
Sunjuice Industry (Tian Jin) Co., Ltd.	-	-	(note)	100.00%	-	100.00%
Guangdong Fresh Juice Biotechnology Co., Ltd.	-	-	(note)	100.00%	-	100.00%
Guangxi Fresh Juice Biotechnology Co., Ltd.	-	-	(note)	100.00%	-	100.00%
Shanghai Sense Beverage Co., Ltd.	-	-	(note)	100.00%	-	100.00%
Suzhou Sunjuice I International Limited	-	-	(note)	100.00%	-	100.00%

Note: As a limited company and no shares have been issued, therefore it does not have any shares.

## Four. Financing Situations

### I. Capital and Shares

#### (I) Sources of Share Capital

##### 1. Forming of Share Capital:

Year Month	Issuance Price (NTD)	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amounts	Shares	Amounts	Sources of Share Capital	Offset of Share Prices by Using Assets besides Cash	Others
		(thousand shares)	(thousand NTD)	(shares)	(NTD)			
Jan 2000	10	30,000	300,000	2	20	Establishment of Share Capital	NA	NA
Apr 2000	10	30,000	300,000	15,000,000	150,000,000	Share Capital Transferred to 14,999,998 Shares	NA	Shares Swap with Shareholders of Power Keen Limited
Jun 2012	10	30,000	300,000	15,840,000	158,400,000	Earnings Transferred to Capital Increase by 840,000 Shares	NA	NA
Sep 2012	10	30,000	300,000	17,640,000	176,400,000	1,800,000 Shares of Capital Increase by Cash	NA	Approval Date: Aug 8, 2012 Approval Letter No.: FSC Letter FA No.1010034869
Jun 2014	10	30,000	300,000	24,696,000	246,960,000	Earnings Transferred to Capital Increase 7,056,000 Shares	NA	Approval Date: Jul 30, 2014 Approval Letter No.: TPEx Letter JIAN No.10300189433
Jun 2015	10	30,000	300,000	27,165,600	271,656,000	Earnings Transferred to Capital Increase 2,469,600 Shares	NA	Approval Date: Jul 30, 2015 Approval Letter No.: TPEx Letter JIAN No.10400207363
Aug 2017	10	60,000	600,000	30,765,600	307,656,000	Capital Increase 3,600,000 Shares	NA	Approval Date: Jun 14, 2017 Approval Letter No.: FSC Letter FA No.1060021330

Year Month	Issuance Price (NTD)	Authorized Share Capital		Paid-in Capital		Note		
		Shares	Amounts	Shares	Amounts	Sources of Share Capital	Offset of Share Prices by Using Assets besides Cash	Others
		(thousand shares)	(thousand NTD)	(shares)	(NTD)			
Aug 2019	10	60,000	600,000	33,842,160	338,421,600	Earnings Transferred to Capital Increase 3,076,560 Shares	NA	Approval Date: Application Number 108072401 approved by TWSE on July 25, 2019

## 2. Classification of Shares:

Classification of Shares	Authorized Share Capital			Note
	Outstanding Shares	Unissued Shares	Total	
Common Shares	33,842,160	26,157,840	60,000,000	Listed Shares

## 3. Information concerning summarized registration systems: Not applicable.

### (II) Shareholder Structure

April 8, 2024

Shareholder Structure Quantity	Government Institutions	Finance Institutions	Other Juridical Persons	Individual Person	Foreign Institutions and Individuals	Total
Number of Persons (person)	-	4	15	8,197	46	8,262
Shares Held (share)	-	128,579	504,479	31,982,504	1,226,598	33,842,160
Shareholding Ratios (%)	-	0.38	1.49	94.50	3.63	100.00

Note: Shareholding Ratio of the Investments by China Investors: 0%

### (III) Shares Diversification Sheet (par value for a share is NT\$10)

#### 1. Diversification of Common Shares

April 8, 2024

Classification of Shares (share)	Number of Shareholders (person)	Shares Held (share)	Shareholding Ratios (%)
1 – 999	5,515	1,172,480	3.46%
1,000 – 5,000	2,358	4,551,170	13.45%
5,001 – 10,000	257	1,814,067	5.36%
10,001 – 15,000	53	638,594	1.89%
15,001 – 20,000	13	227,359	0.67%
20,001 – 30,000	19	468,831	1.39%
30,001 – 40,000	6	194,614	0.58%
40,001 – 50,000	2	87,500	0.26%
50,001 – 100,000	10	715,770	2.12%
100,001 – 200,000	12	1,428,280	4.22%
200,001 – 400,000	9	2,694,700	7.96%
400,001 – 600,000	3	1,506,379	4.45%
600,001 – 800,000	-	-	-
800,001 – 1,000,000	2	1,889,897	5.58%
More than 1,000,001	3	16,452,519	48.61%
Total	8,262	33,842,160	100.00%

2. Diversification of preferred shares: Not applicable.

(IV) List of Major Shareholders

April 8, 2024; unit: shares

Names of Major Shareholders		Shares Held	Shareholding Ratio
1	HUANG,KUO-HUANG	9,093,849	26.87%
2	LIN,LI-LIN	6,134,264	18.12%
3	WU,MING-HSIEN	1,224,406	3.62%
4	WANG,MING-CHIH	989,897	2.93%
5	LIN,ZONG-YU	900,000	2.66%
6	LIU,RU-MAN	528,295	1.56%
7	LIN,LI-XUE	494,084	1.46%
8	Standard Chartered Bank Dunbei Branch Entrusted Custody Investment Special Account for Royal Bank of Singapore Limited	484,000	1.43%
9	TAINET Communication System Corp.	381,900	1.13%
10	CHEN,CHIN-KUN	372,053	1.10%

(V) Information concerning Par Value, Net Value, Earnings, as well as Dividends for Each Share

unit: NTD

Items \ Year		2022	2023
Par Value per Share	Maximum	336.50	358.00
	Minimum	199.50	221.00
	Average	269.92	289.56
Net Value per Share	before Distribution	107.98	111.80
	after Distribution	101.48	105.20
Earnings per Share	Weighted Average Shares	33,842	33,842
	Earnings per Share	11.92	12.41
	Retroactive Adjustment of Earnings per Share	11.92	12.41
Dividends per Share	Cash Dividends	NT\$6.5/share	NT\$6.6/share
	Issuance of Bonus Shares	-	-
		-	-
	Cumulative Dividends in Arrears	-	-
Analyses of Return on Investment (ROI)	Price-to-Earnings Ratio (PER, Note 2)	22.64	23.33
	Price-to-Dividend Ratio (PDR, Note 2)	41.53	43.87
	Cash Dividend Yield (CDY, Note 2)	2.41%	2.28%

Note 1: Resolution on the distribution of earnings 2023 of the Company has not yet be approved by the shareholders meeting.

Note 2: Formulas for the sheet are as below:

- (1) PER = Average Closing Price per Share of the Current Year/Earnings per Share
- (2) PDR = Average Closing Price per Share of the Current Year/Cash Dividends per Share
- (3) CDY = Cash Dividends per Share/Average Closing Price per Share of the Current Year

(VI) Dividend Policies and Execution of the Company

1. Dividend Policies

Any current net profit of the Company should be compensated for the loss at the end of a financial year, and then 10% of the profit after being offset will be accounted as the legal reserve. Whereas the legal reserve which has approached the total assets is not subject to this limitation. Except for the specific regulations in the Articles otherwise, the Board meeting will scheme for resolution on earnings distribution, measured by the sum of the residual earnings (if there is any), plus the retained earnings of the last year, to distribute them later by the ordinary resolution of shareholders general meeting. Also, dividends and bonuses for the shareholders shall be distributed according to the shareholding ratios.

Whereas according to the Company Law of the Cayman Islands, as well as the regulations applied for stock exchange listing, 20% at least of the current net profit shall be distributed to the shareholders as dividends or bonuses, after considering various elements concerning finance, business and operations. Dividends for the shareholders will be distributed by stock as well as cash mutually, wherein the cash dividends should not be less than 30% of the total dividends.

Except for the legal reserve as described above, The Company shall account for the appropriated retained earnings by the ordinary resolution of shareholders meeting.

## 2. Planning for Current Dividends Distribution:

The Company passed the disposition of earnings 2023 by resolution of the Board meeting on Mar 8, 2024, which is as below: total amount of the cash dividends is NT\$223,358 thousand, and NT\$6.6 for each share; total amount of the stock dividends is NT\$0 thousand, and NT\$0 for each share. After resolving by the shareholders general meeting, the ex-dividend date is to be defined.

## (VII) Planning of Current Shareholders Meeting for Influence of issuance of bonus shares upon Operational Performance as well as Earnings per Share of the Company

The Company has not prepared and published its financial forecast, and does not have situations of issuance of bonus shares distribution, thus, not applicable.

## (VIII) Remuneration for Employees, Directors and Supervisors

### 1. Percentage or scope defined in Articles of Incorporation of the remuneration for employees and directors:

The Company should distribute the remunerations subject to the limitation of 1% at most for the employees and 2% at most for the directors according to the current profit status. Whereas the cumulative losses of the Company should be compensated first if there are any. The current profit status as above is measured by the current income before taxes, minus the income before the remunerations distributed to the employees and directors.

Remunerations for the employees are distributed by stock dividends as well as cash dividends mutually, and the targets of distribution must include the staff of any affiliated

companies who conform with the certain conditions.

2. Accounting treatment for the basis of estimate on the current remunerations for the employees, directors and supervisors, when there is a difference between the calculation as well as the actual amount of the shares distributed as the employee remunerations, and the estimation:

Estimated amount for the remunerations of employees and directors of the Company depends on the current profit status, and is measured by the percentage defined in Articles of Incorporation. If there is any material variation of the distributed amount resolved by the Board meeting, the variations will be accounted as the annual expenses. If the amount still varies after the reporting determination date, then the variation will be treated pursuant to the accounting estimation, and be adjusted into the account in the next year.

3. Distribution of Remunerations Resolved by Boarding Meeting:

- (1) Remunerations are to be distributed by cash or stock for the employees, directors and supervisors. If there is any difference of the estimated annual expenses of recognition, the differences, reasons and treatment should be disclosed:

The Company passed the distribution of remunerations for employees, directors 2023 by resolution of the Board meeting on Mar 8, 2024, which is as below: remuneration by cash for the employees is NT\$885 thousand, as well as NT\$1,220 thousand for the directors. Where there is no diversity with the recognition amounts in the financial statements 2023.

- (2) Proportion of the sum of the current net income after taxes in the financial statements of an entity, or, a person, plus the total amount of employee remunerations, divided by the employee remunerations distributed by stock: No such matters.

4. Differences, reasons as well as treatment should be explained clearly, if there is any diversity between the actual distribution of remunerations of the last year for employees, directors, and supervisors (containing distributed shares, amounts, as well as share prices), and, the recognized ones:

The actual distribution of employee compensation and director compensation of the company in 2022 are NT\$22 and NT\$1,015 thousand. The cash compensation of employees and the compensation of directors recognized in the consolidated financial report of 2022 are NT\$ 605 thousand and NT\$ 1,248 thousand respectively, mainly due to changes in accounting estimates, which have been adjusted and recorded in the following year.

(IX) Repurchase of Shares of the Company: NA.

II. Treatment of Corporate Bonds: NA.

III. Treatment of Preferred Shares: NA.

IV. Treatment of Global Depositary Receipts (GDR): NA.

V. Treatment of Employee Share Warrant and Limitation Subject to New Shares for Employee Stock Options: NA.

VI. Treatment of Merging and Issuance of New Shares by Other Companies: NA.

VII. Execution of Capital Planning:

As of the last quarter of the printing date of Annual Report, plans as well as execution of the securities issued or placed privately for each time previously, which have not yet been completed, or, have been completed within the last three years, yet the efforts are still unseen:  
NA

## Five. Operations Overview

### I. Business Contents

#### 1. Business Scope

##### (1) Business Overview

The Company is a full-service provider of raw materials for new tea beverages. It mainly engages in the research and development, production, and sales of fruit juice, fruit granules, fruit powder, all of which are important links in the new tea beverages supply chain. The Company has always been committed to producing natural, healthy, safe, and delicious products, and is dedicated to the development and upgrading of high-quality products. The Company continuously meets the personalized needs of new tea beverage companies and provides customized products and full-process services to customers. The Company has always adhered to the concept of independent research and development, practiced lean management and guaranteed product quality, combined with years of production management experience to establish and promote the production, supply and marketing process management, and continue to provide customers with comprehensive solutions. The continuous research and development, high-efficiency smart production, excellent product quality and personalized customer service allow the Company to have a good market position. The Company produces products with nearly 2,000 types of specifications annually. Its product extensiveness and comprehensive product line can meet the diverse needs of the market and provide customers with diversified choices.

##### (2) Business Ratio

Operating revenues and the business ratios in 2023 of the products of the Company are as below:

unit: thousand (NTD)

Items	2023	
	Net Operating Income	Business Ratio (%)
Fruit Juice	2,376,550	52%
Fruit Granules	2,184,137	47%
Fruit Powder	51,835	1%
Others	19,444	0%
Net Sales	4,631,966	100%

### (3) Current Products and Services of the Company

Category	Items	Remark
Fruit Juice	Fruit and vegetable juice drinks (thickened pulp): orange juice, mango juice, etc.	Used by new tea customers and food and beverage customers to prepare fruit tea, sparkling water and light milk tea, etc.
	Flavored beverages (thickened pulp): Lemon-flavored thickened pulp.	
	Quick-frozen fruit and vegetable juice drinks: Quick-frozen strawberry, and quick-frozen mango, etc.	
Fruit Granule	Ambient-temperature jam: products such as strawberry jam and mango jam.	For making milkshakes, beverages, smoothies, fruit tea, smoothie, tea with milk, and can also be used with ice cream to make light milk tea or thickened milk tea.
	Frozen jam: such as strawberry jam, mulberry jam and cherry jam, etc.	
	Compound jam: such as cherry cranberry jam and strawberry raspberry jam, etc.	
Flavor Granules	Original flavor crystal balls, pink crystal balls, brown sugar crystal balls, shaped crystal balls, frozen pre-cooked pearls, and other products	Added into juice, fruit tea, milk tea or other trendy drinks to increase the fun and increase product value
Solid Beverages	Fruity powder, coffee powder, chocolate powder, milk tea, grain powder, nut powder and other products	Used to make hot and cold beverages, either directly or mixed with other raw materials
Flavored Syrup	Various flavored syrups, such as chocolate syrup, brown sugar syrup and caramel syrup	Combine with coffee, milk tea, desserts or beverages to adjust product flavor, and also used in milk tea products
	Sweetener, rock sugar syrup, sugar cane syrup, zero calorie sugar and other healthy sugar	Adjust the stylish drinks, fruit tea sweetness and flavor
Protein Drink	Yogurt, oat milk, almond milk, coconut milk, coconut water, cocoa milk, cheese milk and other products	Combine smoothies, milkshakes, caps, juices, milk tea, desserts, or used to make beverages, such as light milk or thick milk
Pre-Packaged Products	Mango Pomelo Sago, bayberry pomelo sago, chicken coop bergamot tea, and other products	Products with short shelf life in cups or bags, refrigerated or frozen, suitable for direct sale in high-end supermarkets, member supermarkets, and Chinese food systems.

### (4) New products (services) for project development

With the vigorous development of the new tea industry, in order to meet the diversified needs of the new tea market and in response to the changes in consumer consumption concepts,

the Company's main product lines have been continuously enriched, from traditional fruit and vegetable juice drinks (thickened pulp), flavor beverage (thickened pulp) and jam products, granular crystal ball products and frozen fruit and vegetable juice beverages, and in the context of pursuit of individuality, healthy consumption awareness, and the rising new retail channels, the Company launched the new retail products claiming health, nutrition, safety and value in a timely manner.

The Company has always mastered the development trend of the beverage market, continued to research and develop innovation, and constantly enriched the Company's product lines to meet the diversified needs of the market and provide customers with diversified options. This year, the Company plans to develop new products, such as Tetra Pak juice, small-package juice (pulp) products, and shaped crystal balls beverages. Meanwhile, in order to meet the overseas customers' needs, the Company is also proactively preparing products that meet the needs of overseas markets.

## 2. Industry Overview

### (1) Current Status of Development of the Industry

The business development of the company is closely related to the boom and bust of downstream new tea beverage market and catering industry. The development and trend of the company are explained as follows:

#### ① New Tea Beverage Market

New tea beverages refer to original tea beverages that are prepared on-site, supplemented by concentrates from various extraction methods and mixed with fresh fruits or other auxiliary materials. Given the upgrading of consumption, people's consumption needs are becoming more diversified and personalized, and the products are increasing. This trend provides many development opportunities to the new tea industry. The overall market scale of China's new tea industry tends to be rising. According to the survey data of Sullivan, the market scale of China's new tea industry has increased from RMB136 billion in 2018 to RMB383.9 billion in 2023, with a compound annual growth rate by 23.1%.

For the time being, the two most common types of beverage stores in China refer to tea shops and coffee shops. As tea is a traditional beverage in China, the ready-made tea shop industry has experienced rapid development and expansion. The market scale of the ready-

made tea beverage stores industry grew from RMB80.5 billion in 2018 to RMB247.3 billion in 2023, with a compound annual growth rate by 25.2%. The market share of the ready-made tea shops industry increased from 59.2% in 2018 to 64.4% in 2023. With the upgrading of consumption and the increasing demand for high-quality tea, it is expected that the market scale of the ready-made tea store industry will increase to RMB538.5 billion by 2028, accounting for 63.4% of the market share of the beverage store industry in China in 2028.

In 2023, the new tea beverage industry experienced a year of “involution”, including aspects such as “pricing”, “product”, “scenario”, “experience”, “marketing”, “listing”, and “overseas expansion”, etc. However, it is precisely because of this internal competition that the industry has accelerated its standardization and normalization, promoting the mutual progress of consumption and the market.

In 2024, it is foreseeable that new tea beverage brands will continue to fiercely compete in various directions such as “second-tier”, “10 thousand store plans”, “sinking”, and “overseas expansion”. However, in these tracks, it is destined that the disruptors will advance and the conservatives will be eliminated. The new tea beverage market will also accelerate the survival of the fittest and enter a new round of reshuffling.

## ② Chinese catering industry

2023 was a year marked by the waning influence of the pandemic and the restoration of economic order, as well as a year of recovery for the catering industry. Despite the ups and downs throughout the year, the return to the normal rhythms of life and the pursuit of happiness were gradually coming back into people’s focus. According to data released by the National Bureau of Statistics of China, the catering revenue in China was RMB 5.289 trillion in 2023, a year-on-year increase of 20.4%. Under the background of the gradual recovery of the catering industry and the dual boost from cultural confidence and supply chain capacity overflow, the trend of going global became “phenomenal” in 2023.

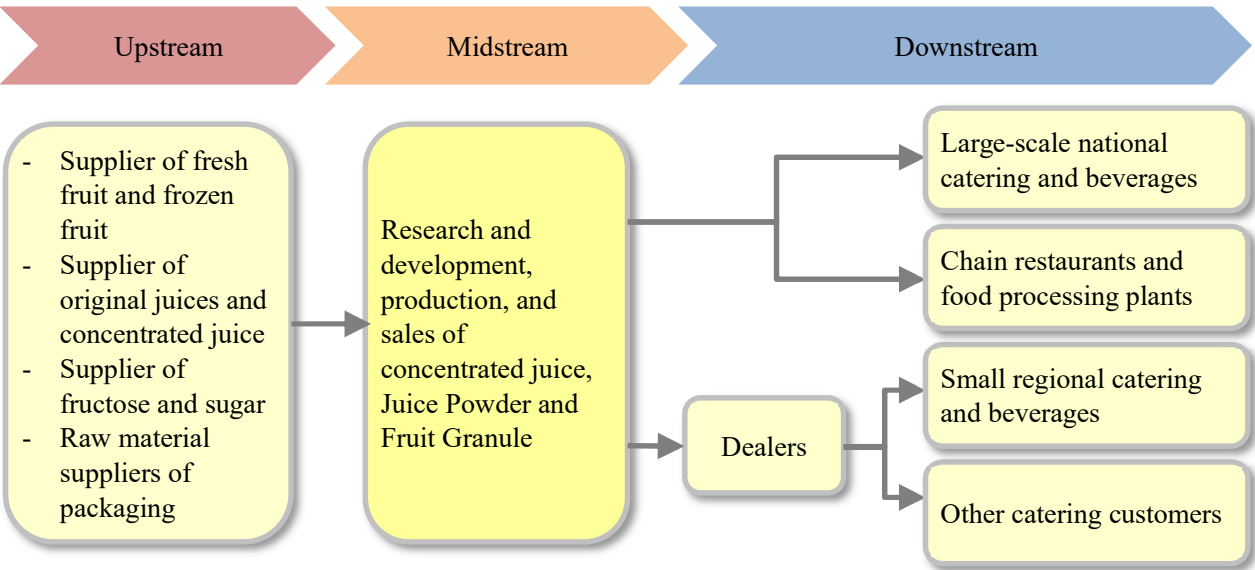
As urban residents value the improvement of the living level, they eat out increasingly, and the spending on food and beverages grows strongly. This trend can be attributed to the increase in disposable income and urbanization rate. Especially, the increase in urbanization rate, especially the growing middle class with strong spending power, and the increasing preference for dining out are expected to drive the development of new tea industry in China. Upgraded consumption drives diversified demands for catering services, including fine-quality and healthy food, dining environment, service quality, and other social and recreational

needs. Notably, in recent years, the market demand for China's new tea industry has also changed, as more and more types of stores are emerging to satisfy consumers' diversified needs.

At present, the catering industry in mainland China has entered the stage of steady recovery, and the overall growth level will be improved year by year and continue to improve in the long run. After years of development and market competition, the food and beverage industry in China has entered a new stage of diversity in investors, variety in business models, and growth in chain stores. The development of the food and beverage industry in China remains strong and the outlook is bright. As one of the growth engines of China's GDP, the healthy growth and the robust development of the food and beverage industry attracts many entrepreneurs and investors.

(2) Relevance of industry, middle and downstream

The Company has been deeply involved in the beverage raw material industry for many years, and with its outstanding R&D capabilities, stable product quality, perfected manufacturing system, and extensive marketing service network, the product quality, brand image and awareness of the Company's beverage raw materials continue to improve, satisfying the diverse needs of customers by providing customers customized research and development of beverage raw materials. The above, middle and lower reaches of the Company's industry are listed as follows:



A. Impact posed by the upstream segment on the Company

The Company primarily purchases fruit and vegetable juice, sugar, gels, packaging and other raw and auxiliary materials from the upstream segment. Given the large number of upstream raw material suppliers and the price offered through multiple channels, the Company does not rely on specific upstream suppliers. Therefore, the Company is not closely dependent on the upstream segment, and the change in upstream suppliers will not pose any significant impact on the Company's development.

#### B. Impact posed by the downstream segment on the Company

The Company sells the main and auxiliary ingredients of ready-made beverages to downstream dealers. The industries which the customers are engaged in primarily cover the new tea industry, chain restaurant industry, food industry and new retail channels, etc. The main factors critical to the customers' demand include the national economic development, level of urbanization, resident's income, resident's life quality and consumption concepts. In the next few years, China's economy will continue to grow steadily under the new normal condition, with the continuous promotion of urbanization, increasing residents' income level, increasing demand for consumption upgrading. The new tea industry will keep growing steadily so as to offer a wide market space for the Company's development.

#### (3) Various development trends of products

With its fresh ingredients, novel drinking technology, trendy product positioning and accurate grasp of the general trend of consumption upgrading, new tea beverage has become one of the industries with the fastest consumption growth in recent years.

The Company will link four factories production and research and development advantages, upgrade product packaging and storage technologies, implement a small quantity with diversified production and sales models continuously, at the same time, enhance the competitive advantage of large single products in the industry from the upstream source, to provide differentiated products for customers with different positioning, continue to develop new products, and to improve quality and stability of the existing products consistently, for better product competitiveness. The company's R&D department will work closely with the market and business departments to grasp the changes in market dynamics and consumer demand, and instantly grasp the fashion trends and market opportunities to continuously develop new products and new product categories, close to the needs of consumers and lead the beverage market trend and promote the industry.

#### (4) Market competition situation

There are many new tea beverage companies. National chain stores, regional leaders, and individual shops coexist and thrive in the competition. New tea companies at all levels have different requirements for the quality of raw materials, which makes the industry where the Company is in coexist with large-scale enterprises and small and micro enterprises. With the gradual standardization and large-scale development of new tea beverage enterprises, higher requirements will be placed on the standardization, scale, and diversification of the new tea beverage raw material suppliers. The large-scale enterprises in the industry and SMEs will withdraw from the market gradually. Due to the strong basic demand for new tea beverages, but the lower entry threshold for the industry, as well as the new influencer products are quickly copied by other beverage brands once they are launched, the homogenization competition of products in the food and beverage industry exists, which has led to serious homogenization of the products produced by some of the raw material suppliers with weaker production technology. However, with the continuous improvement of the living standards of the residents in Mainland China, the consumers' demand for differentiated beverages continues to increase, which requires the products to develop in the direction of diversification, quality and functionality. Some new leading tea beverage brands have begun to set foot in the source fruit growing business, and even deployed in the manufacturing field, resulting in increasingly fierce competition in the industry. With the demand for natural and fresh products from new tea beverage brands, as well as the requirements of cost control, some primary processing suppliers with advantages in the origin of fruit materials have begun to deploy in the new tea beverage industry to obtain value-added income. In order to better serve customers, increase the competitive advantage, and build complete industrial chains, enterprises in the industry also begin to expand upstream and downstream. The mutual permeation and integration of upstream and downstream enterprises in the industry have made the competition more fierce. On the other hand, in the case of fierce competition in the mainland China stock market, some brands have begun to layout overseas incremental markets.

With the upgrades of consumption, the market is further saturated, and the competition among brands from different level is getting fierce. The new tea beverage industry in China is growing, and only through in-depth digital insights, meeting new consumer needs, and upgrading via digital and intelligent models, new tea beverages are able to win in the competitions.

As a new tea beverage industry raw material supplier, the company has established distributor channels and established its own branded products in various regions of China. The products have gained recognition in the industry in terms of diversification, fresh taste and quality. In the process of rapid development of the catering industry, we have established a solid cooperative relationship with many well-known chain catering companies. At present, the company is a very rich supplier of juice products in the industry, coupled with leading technology and innovation capabilities, so that the company has a place in the industry. In the face of fierce market competition, the level of competition includes products, technology applications, services and sales channels. The company continues to enhance the advantages of its products. Through the investment of rich and efficient market activities, the optimization of resources, and the active interaction with customers, strengthen Market information feedback, providing customers with overall beverage solutions and enhancing added value, in-depth service to customers' market concepts, building customer loyalty while cultivating the market development capabilities of the channel system and building competitive advantage.

### 3. Technology and R&D Overview:

(1) Research and development expenses for the most recent year and the end of the annual report

unit: thousand (NTD)

Items	2023	1st Quarter in 2024
R&D Expenses	52,002	14,046

(2) Technology or products that have been successfully developed in the most recent year and up to the date of publication

①Patent items obtained by the company

Patent Names and Descriptions	Patent No. (application no.)	Application Region	Patent Genre	Date of Acquisition	Note
A high-efficiency auxiliary equipment for high-speed conveying of raw materials	20222237375.2	China	Utility model patents	2023/1/24	Obtain a patent certificate
An improved device that can improve the cooling efficiency of circulating water in a calcification pool	20222237676.5	China	Utility model patents	2023/1/24	Obtain a patent certificate
Crystal ball calcification filtering device	202222412504.7	China	Utility model patents	2023/1/24	Obtain a patent certificate
A material and liquid recovery device	202222467517.4	China	Utility model patents	2023/1/24	Obtain a patent certificate
Storage device for inspection tools of perfusion machine	202222467475.4	China	Utility model patents	2023/1/24	Obtain a patent certificate
Constant pressure device for water treatment system	202222325737.3	China	Utility model patents	2023/1/24	Obtain a patent certificate
Jelly (crystal balls)	202230523610.5	China	appearance patent	2023/4/21	Obtain a patent certificate
Stone fruit stone removal equipment with front air-drying device	2023213786271	China	Utility model patents	2023/9/12	Obtain a patent certificate
A kind of preparation method of non-leakage water-soluble pigment gel microspheres	202210236436.5	China	Invention patent	2023/9/22	Obtain a patent certificate
A kind of immobilized enzyme reaction device for continuous production	2023215318365	China	Utility model patents	2023/11/17	Obtain a patent certificate
Testing device for capping effect of capping machine	2023216656848	China	Utility model patents	2023/11/17	Obtain a patent certificate
Inverter device with external speed regulation	2023215318416	China	Utility model patents	2024/1/19	Obtain a patent certificate
Water circulation system device for the ozone machine	2023217765611	China	Utility model patents	2024/1/23	Obtain a patent certificate

② The Company's successful development of technology or products

Products	Items
Fruit Juice	Syrup: Cherry Blossom Syrup, White Orchid Syrup, Spearmint Syrup, etc. Beverage thickened pulp: Passion fruit, peach, and orange lactobacillus flavored beverages, compound berry juice beverages (blueberry, raspberry), etc. Tetra Pak: almond milk, etc. Ready to drink: Chicken coop Bergamot Tea, Passion Fragrant Pineapple Double Coke Cannon, and Succulent Peach, etc.
Fruit Granule	Crystal balls: Flower-shaped jasmine-flavored crystal balls, heart-shaped crystal balls, Sago crystal balls, etc. Jelly: Jasmine, Konjac, Coco, and Lychee Jelly, Passion Fruit Jelly Jam: mango jam, cantaloupe jam, green plum water chestnut jam, etc.
Quick-Frozen Products	Fruit pulp: frozen kiwifruit puree, quick-frozen persimmon puree, quick-frozen pure strawberry, etc.

Products	Items
	Jam: frozen pomelo jam, frozen kiwifruit jam, etc. Beverages: Frozen Peach Gum Beverage, Frozen Pear, White Fungus, and Goji Berry

#### 4. Short, medium and long-term business development plans

##### (1) Short-term business development plan:

- ①In response to the changes in the new tea beverages market and consumers' demand for healthy, natural, safe, and tasty products, we began to develop and produce molded crystal balls, aseptic packaging products, Tetra Pak juice, frozen juice, fruit pulp, plant protein, Flavored Syrup, New Retailing products, brew coffee, and other products. We provide frozen, chilled, preservative-free raw juice products to meet the customer's market demand for high quality, fresh fruit flavor. Under the demand of consumers for healthy, fresh, safety and delicious products, the Company continues to gain insight into consumer demands while improving quality and carrying out product innovations solely based on market trends and consumer demands.
- ②Under the trend of rising labor costs in the manufacturing sector, labor utilization is optimized to respond to the labor demand in the off-season. At the same time, new equipment is introduced and the production processes are optimized as we continue to make improvements to layout automation and smart equipment, improve production efficiency, and create smart factories.
- ③In light of the increasing market demand for frozen fruit juice and puree, and the regional advantages and production equipment of the fourth plant, the production capacity of frozen products will be increased, and at the same time, the development of niche products will be made to satisfy the needs of different customer groups.
- ④With the raw material advantages of Guangxi plant, the Company invests equipment, manpower and material resources to go deep into the upstream of raw materials to provide customers with exclusive customized products based on market demand combined with product technology application and the Company's R&D strength, to improve bulk fruit products and supply chain advantages and satisfy the diverse needs of customers.
- ⑤Applying the Company's digital systems, such as SAP, CRM, WMS, TMS, and other digitalization systems to actively improve the Company's digital management capabilities and help brand customers.
- ⑥Diversify sales channels, optimize business and regional distribution, improve the service ability and management level of national chain brands and regional leading brands, improve customer adhesion, and ensure long-term stable cooperation. And at the same time, deepen the sales channels to further cultivate regional markets, enhance the loyalty of the Company and regional distributors, and deepen product distribution channels through distributor resources, and broaden the channel products' coverage so the Company's products are able

to serve a broader market.

(2) Medium-term business development plan:

- ①As a raw material supplier for the new tea beverage industry, the Company maintains healthy interactions with local governments, industry associations and national competent authorities, to feedback the Company's operations status, market status and the end users' needs to provide suggestions and opinions for formulating new tea beverage standards, so that the management and quality control of new tea beverage stores will be provided with basis, and move towards standardization and formalization.
- ②Integrate warehousing and logistics, and upgrade the data and intelligence of the supply chain system. Supply chain system is the core standard for new tea beverages franchisers when selecting partners. Supply chain companies need to continuously optimize the warehouse and logistics system, to ensure their competitiveness among suppliers.
- ③The rise of new media such as Douyin, Little Red Book, Baidu International, and WeChat Official Accounts has changed people's consumption habits. With the further specification of the network platform enterprise, and the continuous digitization of the food and beverage industry in mainland China, the online consumption has grown more rapidly. The company set up an e-commerce team, expand sales channels, and achieve online and offline linkage.
- ④With the upgrading consumption, people have increasingly higher requirements for food health. The new tea beverage industry gradually pays more attention to the healthy raw materials and environment protection of packaging, while pursuing comprehensively healthy and eco products. The Company positions the new production lines and new equipment, and researches and develops to meet the market's demands for freshness, health and deliciousness, while providing more natural and healthy products.

(3) Long-term business development plan:

- ①Focus on R&D of new tea drink ingredients to become part of the professional supply chain for the food and beverage industry. Diversify products based on channel characteristics and requirements. Establishment of forward-looking product series and production lines by introducing new technologies and knowhow and developing new products, to maintain the Company's industry leadership.
- ②Deepen the efforts with customers and the market by integrating resources from upstream to downstream, lay out diversified sales channels and providing products with integrated services in warehousing and distribution to enhance customers' satisfaction and brand reputation.
- ③Establish strategic alliances with raw materials suppliers or regions to ensure control over procurement, build supply chain advantages, ensure stable source of important raw materials, stable quality and price advantage, and enhance the overall competitiveness of the company.

- ④The Company will consistently adhere to a market and customer-oriented approach, continuously broaden its product lines and upgrade its product technology, to enhance its ability to quickly respond to customized customer needs. Introduce international state-of-the-art equipment, technology and management software, to reduce energy consumption and intensity and create green and smart factories.
- ⑤According to the development strategy, the company makes human resource planning, forecasts and plans the future talent demand, talent introduction and training. The Company will further strengthen its corporate culture construction, improve its employment mechanism, stabilize its core team, and lay a solid talent foundation for the Company's development.
- ⑥The Company will seek to acquire or merge with businesses and technology achievements related to its main business when conditions are suitable, in line with the basic principle of maximizing shareholder value. This will help integrate market resources, achieve low-cost expansion, improve product series and market layout, increase market share, extend the industrial chain, and reduce operating costs.
- ⑦Actively layout overseas markets and become a part of the global supply chain.

## II. Market, Production and Sales Overview

### 1. Market Analysis

#### (1) Major Production Sales Region

The company's customers are all in mainland China, and through the directly owned channels and regional distributors as product channels, the company's products are sold to the new tea beverage systems, public food and beverage providers and industrial channels in various regions of mainland China, so the current products mainly focus on sales in all regions of mainland China. As many chain brands have begun to layout overseas markets, the company will cooperate with customers to provide products in accordance with the laws and regulations of the country or region.

#### (2) Market Ratio

The Company serves as a raw material supplier for the comprehensive solution of new tea beverages. In the process of rapid development of the food and beverage industry in mainland China in recent years, it has established stable cooperative relations with many well-known chain food and beverage companies and deployed distributors in various regions of mainland China. Throughout China, the beverage suppliers in the food and beverage industry in Mainland China have a wide range of products and sizes. The company is mainly engaged

in the research and development, production, and sales of fruit juice, fruit powder, fruit granules. It is difficult to clearly define the market and define its peers. However, as a whole, in terms of raw material supplies for new tea beverage the company is a very rich supplier to the industry's product line. The current positioning includes three plants and one upstream raw material production base, to correspond to the customers in the North, Middle and South China market, and the three-plant collaboration is achieved, outperforming other suppliers. Coupled with the established R&D advantages and close partnership with distributors, the Company is able to maintain a strong competitive position among the peers.

### (3) Market Future Supply, Demand and Growth

#### ① Market future supply status

The number of stores and the market size of new tea beverage grew well and continuously. Therefore, more supply chain manufacturers have been attracted to join in and jointly promote the healthy and standardized development of the industry.

The Company has the experience more than two decades in the juice beverage supply market. It has witness the development of the industry from scratch, and experience the era when milk tea was still powder sold on the street to the current new tea beverage era. The Company, in addition to the high-quality raw juice and fruit source as the backing, has a wealth of product items, and a diversified product structure, and can also customize the exclusive formula according to customer needs. Close cooperation with the channel, on the other hand, as a raw material supplier for large food processing plants, in a highly competitive supply market, the company has always maintained a competitive advantage and showed a continuous growth trend. Currently, the company relies on the production advantages of the three plants, and continues to improve the research and development capacity, production capacity and supply chain advantages of the three plants to enhance the overall competitiveness.

#### ②Market Future Demand and Growth

With its fresh ingredients, innovative beverage preparation technology, and trendy product positioning, new tea beverages have accurately grasped the general trend of consumption upgrading, making it one of the fastest recovering industries after the epidemic. With the pursuit of healthy life and the appreciation of traditional culture, new

teas combining traditional culture with modern trend elements and are warmly embraced by consumers. New teas have become a lifestyle habit for young people. The consumers of new tea drinks are mainly young people, who have a strong demand for fashion, personalization, and health, and are more receptive to tea drinks. At the same time, the new tea brand focuses on building a young and fashionable brand image, and has attracted the attention and participation of young consumers through social media and offline events, further expanding their consumer base. Females account for nearly 70% of tea consumers, and the post-90s and post-2000s generation have become the main consumers of new teas, accounting for approximately 75% of the market. According to the census data of China, the total population of the post-90s and post-2000s generations exceeds 330 million. The post-90s generation is entering a golden period of career development, while the first batch of post-2000s has already entered society. Among the new tea consumers, 44.3% have an income of RMB 5,001 to 10,000, and 29.9% of them have an income of RMB 10,001 to 15,000. They are willing to spend, generally value quality and service, are intrigued by new things, and pursue personalization, diverse, and experiential consumption. At the same time, with the upgrading of consumption, new tea drinks are also iterated continuously, developing in a healthier, more natural, and safer path. New tea brands have launched some drinks suitable for children and middle-aged and elderly people, further expanding the consumer base. The vast consumer base brings broad development space for the new tea beverage market.

#### (4) Competitive Foundation

##### ① Professional Management Team

The Company is deeply involved in the beverage raw material industry and has an experienced management team in R&D, quality assurance, marketing and sales. The Company's sales and marketing teams have extensive industry experience that can grasp market trends in time, maintain timely and efficient communication with customers, work with the Company's R&D and quality assurance teams, and actively provide customers with beverages solutions by relying on the Company's technical advantages, R&D and quality control capabilities, as they work together to rapidly promote new products to the market. The management team of the Company are all senior experts in the industry and have a profound understanding of the industry. They have been early to deploy new tea beverage supply chains, and have comprehensively planned the development strategy of the

Company with the business philosophy of integrity. The Company's team closely follows market trends and seizes market opportunities to continue to develop new products, expand new categories, stay close to market needs, lead the beverage market trend and promote industry development. The Company's advantage in highly efficient operation and management enables the Company to provide customers with comprehensive beverage solutions and increase the added value of products. It is beneficial to strengthen customer loyalty while at the same time, cultivate market development capabilities and build competitive advantages.

## ②Excellent Product Development and Innovation Capabilities

The Company has a specialized R&D department that has established a comprehensive R&D system. The R&D department has a solid understanding of the fresh and healthy development trends in the beverage market and focuses on the development of nutritious and healthy products. The R&D Office is equipped with advanced experimental equipment that can conduct basic research, overcome technical difficulties, reserve innovative technologies, optimize production processes and technologies, and improve product quality and diversification. This setup facilitates the efficient development and mass production of new products, driving market trends. The Company can complete the entire process from R&D creativity or responding customer demand proposal, to sample production, cost accounting, beverage application testing, rapid response testing in the pilot workshop, and marketing trial within one month. The Company's R&D team regularly visits the market and maintains close contact with customers to deepen customer cooperation and provide comprehensive solutions. At the same time, the Company can also develop new products in collaboration with various types of customers, providing tailored customized formulas to enable customers to have differentiated and competitive products in the channel.

Over the years of research and innovation, the Company has developed a robust product line, producing close to 2,000 different specifications and categories of products each year. Regarding product quality, the Company offers products with various amounts of fruit juice or pulp. In terms of taste, the Company offers popular flavors such as strawberry, mango, passion fruit, lemon, grape, and peach, as well as less common ones such as Chinese berry, mulberry, Orahmandarin, Hawthorn Berry, and Chaenomeles speciosa. The Company also offers a variety of fruit-flavored complex tastes. In the

direction of beverage upgrades, real tea, milk, fruit, sugar, and zero additives have become selling points for major brands in marketing, and they have also become preferred choice for consumers when buying beverages. At the same time, the texture granules have played a crucial role in promoting the popularity of new tea additives. The Company has upgraded its texture granules products and launched the Red Bean Pearls and shaped crystal balls. With the continuous expansion of new tea beverage channels, the Company has launched new tea beverage products suitable for new retail channels, such as Mango Pomelo Sago, Chinese berry sago, flavored lemon tea, and lime juice, with advanced technology and food safety management. The Company's extensive and comprehensive product line can meet the diverse needs of the market and provide customers with diversified choices.

In response to the needs of the rapid development of the new tea beverage market, the Company newly deployed R&D centers for key customers this year. The marketing department's proposals, customer needs and R&D implementation are connected to meet customer product needs accurately and quickly develop new products and new flavors to cater for changing consumer needs.

### ③Create a Win-win Cooperation Model

The Company's current sales model primarily focuses on direct sales, with some coverage in distribution channels. Through years of strategic planning, the Company has established a relatively complete marketing network system with efficient and high-quality sales channels, and maintains close cooperative relationships with various channels. As the new tea brand becomes a chain store, the proportion of direct selling customers has exceeded 70%. For direct selling customers, the Company has established dedicated customer service teams at all three factories. These teams are capable of providing exclusive formulas and packaging based on customer requirements, ensuring product differentiation. They also offer customized sales and distribution services to guarantee the stability of product supply quality and maintain the order of customer chain operations, which helps establish long-term partnerships built on mutual trust. For distribution customers, the Company has established a comprehensive network of distributors nationwide. In the context of competition in mature markets, the Company regularly provides market information and new product training to distributors. This enables distributors to quickly introduce the Company's new products to regional markets, expanding the Company's product visibility and influence.

Customer development aspect: The Company will segment the market into different customer groups and position them according to their needs and characteristics. For example, catering enterprises, coffee system, tea beverage chain, etc., design and customize sales plans for different customer groups, and provide targeted products and services.

Market research aspect: Understand the development trends, demand characteristics, and the competitive landscape of the tea beverage market, obtain market information through methods such as market research, product studies, and data analysis; understand consumer demand and preferences for tea raw materials, and identify market opportunities and potential customers.

Pricing strategy aspect: Formulate a reasonable pricing strategy based on product costs, market demand, and competitive conditions and develop a reasonable pricing strategy that considers the balance between price and value; strive to achieve customer satisfaction while maintaining profitability for the Company. Meanwhile, according to the level, scale and positioning of customers, we will offer specific pricing and contract binding to attract and retain customers and increase our sales share.

#### ④ Supply Chain Advantage, Improve Customer Loyalty

The Company is furthering the concept of lean production management, implementing office automation (OA) systems, ERP (SAP) systems, cloud warehouse management (WMS) systems, automated storage and retrieval systems (AS/RS), advanced scheduling (APS) systems, and customer relationship management (CRM) systems. The Company continues to improve and lay out automated and intelligent production lines to improve production efficiency and build an intelligent factory. The Company is able to realize production requirements of "multi-batch, small-batch, multi-variety, and multi-specification" in order to satisfy diverse customer needs. The connection between the company's WMS system and production system makes product traceability possible, as it provides end-to-end supply chain services for numerous well-known new tea beverage businesses. The Company currently has three production facilities, located in Zhaoqing, Guangdong, Kunshan, Jiangsu, and Tianjin, respectively. The recently established Baise facility in Guangxi is an upstream processing plant that specializes in producing frozen fruit puree and pulp products. The three production facilities of the Company provide customer services within their respective geographic service areas according to the designated scope

of service. This strategy can shorten the transportation distance while improving the efficiency of customer raw material delivery, and effectively reducing transportation costs. The Company's three production facilities have a unified standard production process, which ensures stable product quality. This allows the Company to serve customers located throughout the country through its nationwide sales network. This provides customers with strong supply chain support so they can expand their business throughout the country while maintaining stable product quality.

## (5) Advantages, Disadvantages and Countermeasures for the Development of the Prospects

### ① Advantages

A. Supported by the national industrial policy to promote high-quality development of the industry

As an important pillar industry of China's national economy, the food industry undertakes the important tasks of satisfying the needs of the residents, caring for citizens' health, stabilizing employment. Pursuant to the strategic deployment of the “Outline of the National Strategy of Innovation-Driven Development” in Mainland China, the “Food Safety Law of the People's Republic of China”, the “Outline of the Program for Health China 2030”, and the requirements of the “14th Five-Year Development Guidelines for Technological Progress in Light Industry”, in the future, the food industry in mainland China will focus on the development of food processing technology, intelligent manufacturing technology, biotechnology, and green and low-carbon technologies to build the core competitiveness of the food industry in China and achieve high-quality development of the food industry. The policies referred to above have brought good development opportunities to the industry and are helpful to its high-quality development, especially the fast growth of the scaled enterprises in the industry.

On the positive side, there are many opportunities for China's economic development. First, China has the super large-scale market with the most potential in the world. As social expectations gradually improve, high savings will gradually shift to consumption and investment. Second, macroeconomic policies will continue to provide support for economic recovery. This year, China will continue to issue RMB 1 trillion government bonds, and the effects of policies such as cutting reserve requirement ratio, reduce taxes, and fee reductions will continue to be released in Q2 and Q3. Additionally, new measures will be introduced,

with incremental and stock policies working together to effectively promote economic recovery. Third is to increase efforts to attract foreign investment and continue to optimize the business environment. Last but not least, the new round of global technological revolution and industrial reform contains new opportunities. Technology breakthroughs in big data, artificial intelligence, new energy, quantum technology, bio-manufacturing and other fields are accelerating, driving faster transformation in production and consumption. Such developments will foster industrial changes, providing a broader stage for economic development in China.

B. The state strictly controls food safety and promotes a healthy development of the industry

The Chinese government highly emphasizes the food quality and safety. In recent years, China has promulgated a series of policies, including the "Measures for Food Safety Evaluation and Evaluation," the "National Health Plan during the 14th Five-Year Plan" and the "Market Supervision Modernization Plan during the 14th Five-Year Plan" to ensure food safety and guide the healthy development of the industry. Meanwhile, the relevant authorities promulgated the "Outline Development Plan for the Green Food Industry under the 14th Five-Year Plan," aiming to expand the scale of the green food industry, improve the green agricultural standard system, and improve product quality and brand influence. In March 2023, the State Council of the PRC promulgated the "Regulations Governing Assessment and Evaluation on Food Safety Work" to strengthen local governments' fulfillment of the management responsibilities, improve their management capabilities from the field to the table, and continuously improve the level of food safety throughout the chain, and ensure the health and safety of the people.

C. The growth of residents' income and the sinking consumption area give the industry broad room for growth

According to data from the National Bureau of Statistics of China, the per capita disposable income of Chinese residents in 2023 was RMB 39,218, a nominal increase of 6.3% compared to 2022. After adjusting for price factors, the actual increase was 6.1%. The per capita disposable income of urban residents was RMB 51,821, a nominal increase of 5.1% compared to the previous year. After deducting price factors, the actual growth was 4.8%. For rural residents, the per capita disposable income was RMB 21,691, a nominal

increase of 7.7% compared to the previous year. After deducting price factors, the actual growth was 7.6%. The national median per capita disposable income was RMB 33,036, a nominal growth of 5.3% compared to the previous year. Beverage consumption is greatly influenced by people's spending power. With the continuous economic development in Mainland China, the new tea beverage market will grow at the same time. According to the data from the National Bureau of Statistics of Mainland China, in 2022, the national per capita disposable personal income was RMB\$36,883, a nominal growth over 5.0% 2021, or a real growth of 2.9% after deducting price factors, keeping pace with economic growth. In the future, China's GDP will continue to grow steadily. The increase in per capita disposable income provides an ever-expanding market demand for the beverage industry. Meanwhile, the third and fourth tier markets in mainland China are the fastest growing markets for new tea beverage. With the accelerated urbanization and industrialization, the per capita income gap between all levels of cities in mainland China is gradually narrowing, and consumer demand is converging toward the first and second tier cities. The vast sinking market brings sufficient potential growth space to the industry.

D. The diversified needs of end consumers promote the continuous expansion of the industry

The beverage market has gradually become one that's driven by consumer demand. In the context of upgraded consumption, consumers have increasing requirements for the taste, quality, health and variety of beverages. In order to cope with the upgraded consumption and meet the personalized and diversified needs of consumers, beverages are also changing to compound, nutritious and fresh beverages. In order to meet the needs of end consumers, beverage raw material manufacturers continue to ramp up innovation of technology, develop new beverage categories, enrich beverage flavors, and expand the types of beverage granules, so that the added value of beverages continues to increase, and the industry continues to expand. The domestic demand market in China continues to grow, and there is consumption potential in the sinking market of new tea beverages.

E. Overseas market effect

As the leading brands have achieved certain results overseas, the tea brands have begun to deploy their overseas market. For the time being, the overseas market is still in a state of blue ocean, and the huge demand will bring business opportunities for the new tea products overseas.

## ②Disadvantages and Actual Countermeasures

### A. Intense competition in the industry

Upstream suppliers directly enter the terminal pipeline, and international big companies enter the beverage industry and build their own supply chain, which makes the competition between the industry increasingly fierce. Under the pressure of fierce market competition, in addition to products that need to continue to provide price competitive advantages, it is necessary to provide customers with stable and safe product quality and diversified product selection.

#### Countermeasures:

To keep the competitiveness of the products, the Company establishes strategic alliances with raw materials supplies or regions to ensure control over procurement, create advantages in quality, quantity and pricing and boost product competitiveness. Introduce international state-of-the-art equipment, technology and management software, to reduce energy consumption and intensity and create green and smart factories. Develop fresh and healthy products with short shelf lives, to meet the diversity of demand from customers and to establish footprint in the new retail market. Integrating resources from upstream to downstream and providing products with integrated services in warehousing and distribution to enhance customers' satisfaction and brand reputation.

### B. Increase in labor costs in mainland China

With the expansion of the company's business scale, more talents will be needed in the future, and mainland China has continued to improve the economic environment in the Mainland in recent years, increasing employment opportunities in the Mainland. Many workers choose to work near home, while the development of live delivery, new media has also affected some young people's employment outlook. In order to retain the working population, enterprises have increased their wage rates. At the same time, the government of mainland China aimed at the national economic and social development to raise people's income and gradually achieve common prosperity for all. Costs continue to rise.

#### Countermeasures:

In response to the continuous increase in labor costs, the company has gradually improved the production process and optimized the production technology, gradually

introduced automatic and semi-automatic equipment, improved automation standards, and increased production efficiency to reduce the impact of rising labor costs on the company's operations. Based on upgrading of business scope and sales volume of the Company, distribute production capacity and orders to the three plants to realize the joint allocation of the three plants. This increases production capabilities, allows instant services to the customers in that region, reduces transportation costs. In addition, automatic inventory and e-commerce logistics combines with the Company's large network of dealers channels to create a logistics and distribution system.

In terms of R & D, timely launching high-quality and high value-added products, and diversifying talents. Organize more training, improve employee skills, commit to improving employee productivity, and continuously maintain the company's comprehensive competitiveness and improve operational efficiency. At the same time, the company cooperates with a number of labor companies to meet the demand for short-term employment. On the other hand, the company is a domestic demand industry in mainland China. Under the general trend of rising wages, the consumption power of the Chinese people will also increase, which will drive the growth momentum of related domestic demand industries. The Company's performance is expected to benefit.

#### C. Fluctuations of the Prices of Raw Materials

The main raw materials of the Company's products are agricultural and by-products, fruit products, primary juice, puree, fructose and sugar, as well as packaging materials, bottles and barrels. The quality and price of agricultural and by-products are affected by climate or seasonal changes. As for granulated sugar and fructose, the prices of sugar and fructose fluctuated with markets. For bottles and barrels, the environment protection and international energy affect the price for fluctuation.

#### Countermeasures:

The Company strengthens the ability to integrate supply chain resources, and partner with major primary juice suppliers for long term, and work with downstream brands to establish plants or exclusive raw material bases in fruit producing areas, to ensure the safety and quality of raw materials, and become the supply chain of large system customers, for opening up the closed loops of sales and production. timely attention to market conditions, accurate estimation of annual consumption, lock in annual demand in low price or mass

production season, and strive for excellent price; The company continues to maintain ample liquidity and strengthen customer credit Control and account recovery, use the capital advantage to shorten the payment account period to obtain more favorable material prices, thereby reducing the cost of raw materials, and report the raw material market conditions to the distributors or catering industry at any time to advance the access route Customers will have a price adjustment message.

#### D. Safety of beverage ingredients and additives

Food safety is one of the focuses of the whole society that concerns people's well-being. The Chinese government has always attached great importance to food safety and have increased crackdowns and penalties through the adoption of the “Food Safety Law of the People's Republic of China”. To a certain extent, the consumption enthusiasm of the end consumers is affected, which will bring certain negative impacts to the upstream beverage industry, especially the beverage raw material manufacturers.

#### Countermeasures:

For the revision of relevant food safety management regulations and the promulgation of new laws and regulations, the best preparation and planning shall be carried out in advance to minimize the risk of uncertainty; Arranging quality assurance personnel to learn the latest food safety related regulations, and update the markings on products and labels in a timely manner; organizing the quality assurance and R&D personnel to sort out the Company's products and standards, to ensure that all products meet the regulatory requirements. Enhancing the appraisal and management of upstream suppliers, activating the preventive mechanism, to ensure that the qualifications and raw materials meet the regulations and the acceptance standards of the Company's internal control.

#### E. Severe product homogeneity

There are many small enterprises in the new tea industry. These companies have lower production technology standards and less R&D investment. They do not focus on product innovation, but imitate new products on the market, resulting in the homogenization of the products in the beverage raw material industry, resulting in the minor differences in product category, formula and taste. The product homogenization in the industry has affected the order and development of the industry.

### Countermeasures:

With the continuous improvement of the living standards of the residents in Mainland China, the consumers' demand for differentiated beverages also continues to increase, which requires the products to develop in the direction of diversification, quality and functionality. The Company closely follows market demand and leads the market trend, increases the investment in R&D and production equipment, improves R&D and production capabilities, and obtains the first-mover advantage in the market through differentiated competition, improves the Company's brand awareness and enhances customer loyalty.

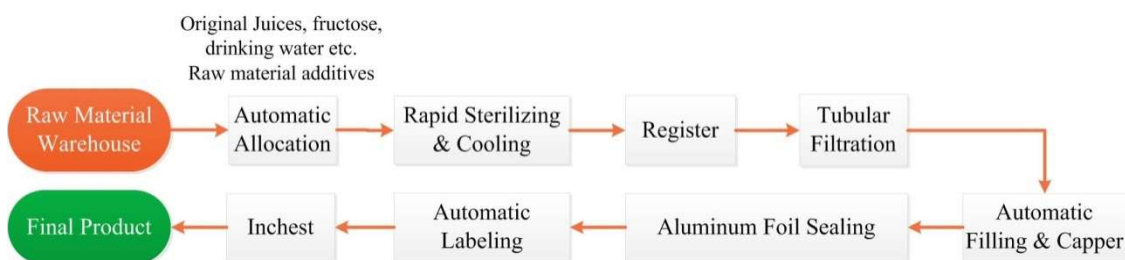
## 2. Major Purposes and Production Process of Major Products

### (1) Major Purposes of Major Products

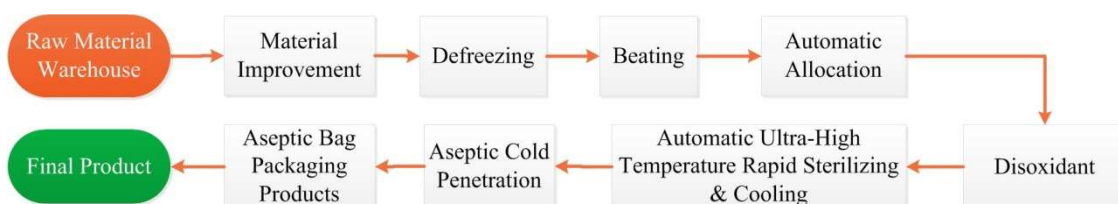
The Company's rich product assortment can effectively satisfy the diverse needs of customers. Through direct sales and regional distributors, the Company sells its products to new tea beverage markets in various regions of mainland China, as well as restaurants and new retail channels, and supplies the raw materials such as fruit juice and fruit pieces used in the production of food to the food processing plants.

### (2) Production Process of Major Products

#### ① Production Process of Juice



#### ② Production Process of Granule



### ③Production Process of Juice Power



### 3. Major Supply of Major Raw Materials

The company has established a long-term good supply relationship with major raw material suppliers. At the same time, it also pays attention to the market conditions to stabilize the purchase price of key raw materials and establish long-term strategic cooperation. The supply is stable and stable.

Major Raw Materials	Suppliers	Supply Status
Pure juice, fruit	China, Israel, Vietnam, Korea, Spain	Stable
Sugar	China	Stable

4. The name of the customer who has accounted for more than 10% of the total (sales) of goods in the previous two years of the previous year and the amount and proportion of the goods sold and sold, and the reasons for the increase or decrease.

- (1) The name of the supplier who had accounted for more than 10% of the total purchase amount in the previous two years and the amount and proportion of the purchase amount:

In 2022 and 2023, no supplier's purchase amount accounted for more than 10% of the total purchase amount.

unit: thousand (NTD)

Items	2022				2023			
	Titles	Amount	Net annual net purchase ratio[%]	Relationship with the issuer	Titles	Amount	Net annual net purchase ratio[%]	Relationship with the issuer
1	Others	2,298,445	100.00	NA	Others	2,615,970	100.00	NA
	Net purchase	2,298,445	100.00	NA	Net purchase	2,615,970	100.00	NA

- (2) The name of the customer who has accounted for more than 10% of the total sales in the past two years and the amount and proportion of sales:

Company A's sales amount in 2022 and 2023 accounts for more than 10% of the total sales, because the customer has many direct sales and franchise stores nationwide, the brand image

is good. The sales have been good since the partnership.

unit: thousand (NTD)

Items	2022				2023			
	Titles	Amount	Net annual Net Sales ratio[%]	Relationship with the issuer	Titles	Amount	Net annual Net Sales ratio[%]	Relationship with the issuer
1	A Company	1,167,862	28.47	NA	A Company	1,997,592	43.13	NA
2	Others	2,933,531	71.53	NA	Others	2,634,374	56.87	NA
	Net Sales	4,101,393	100.00	NA	Net Sales	4,631,966	100.00	NA

#### 5. Production value of the last two years

unit: ton; thousand (NTD)

Major Commodities	2022			2023		
	Production Yield	Production Volume	Production Worth	Production Yield	Production Volume	Production Worth
Fruit Juice	50,596	36,930	1,305,485	83,044	35,781	1,244,256
Fruit Granule	80,258	47,727	1,456,044	66,518	75,354	1,997,173
Juice Powder	3,876	738	48,951	5,834	811	42,650
Total	134,730	85,395	2,810,480	155,396	111,946	3,284,079

#### 6. Sales volume in the last two years

unit: ton; thousand (NTD)

Major Commodities	2022		2023	
	Domestic sales		Domestic sales	
	Sales	Volume	Sales	Volume
Juice	38,445	1,939,875	47,645	2,377,608
Fruit Granule	48,800	2,061,405	65,150	2,185,109
Juice Powder	823	64,256	841	51,858
Others	-	35,857	-	17,391
Total		4,101,393		4,631,966

III. The number of employees, the average length of service, the average age and the academic distribution ratio of the employees in the last two years and up to the annual report.

unit: person

Year		2022	2023	As of 2024 Mar 31
Number of Employees	Direct Employees	376	399	379
	Indirect Employees	599	600	586
	Total	975	999	965
Average Age		36.33	36.76	37.05
Average Service Age		4.61	4.98	5.27
Academic distribution ratio	Ph.D.	0.10%	0.10%	0.10%
	Master Degree	1.74%	1.50%	1.66%
	Bachelor Degree	44.22%	44.94%	45.39%
	Senior High School	27.79%	26.13%	25.91%
	below Senior High School	26.15%	27.33%	26.85%
	Total	100.00%	100.00%	100.00%

IV. Expenses on environmental protection: In recent year and until publication date of annual report, losses due to environmental pollution (including compensation and violations of environmental regulations based on the findings of environmental protection audit results, its punishment date, reference number, the details of the article/s violated and its punishments, should be clearly listed), current and future possible expenses and countermeasures should be disclosed. If it is not possible to make a reasonable estimate of the expenses, the facts for not able to make a reasonable estimate should be clearly stated.

(I) In recent year and until publication date of annual report, losses due to environmental pollution (including compensation and violations of environmental regulations based on the findings of environmental protection audit results, its punishment date, reference number, the details of the article/s violated and its punishments, should be clearly listed): None.

(II) Current and future possible expenses and countermeasures: The Company complies with relevant environmental laws and regulations, abides by environmental responsibility, and has no future expenditures.

V. Labour Relations:

1. List the company's employee welfare measures, training, training, retirement system and its

implementation status, as well as the agreement between the funds and the maintenance measures of various employee rights:

(1) Employee Benefits:

SN	Employee Benefits
1	Social insurance (including pension, medical care, maternity, work injury and unemployment) , housing provident fund and commercial insurance
2	Morning exercises and kendo exercises
3	Full-time health checkup for employees over 3 years
4	Three holidays welfare
5	Wedding gold, maternity gift, funeral, hospitalization consolation fund and birthday benefits
6	Cultural and sports activities, weekend staff and children's interest classes , day-care centres
7	Organize employees to travel and enrich their lives

(2) Staff training, training system and implementation status are as follows

The company attaches great importance to the lifelong learning of all colleagues, according to the staff's academic experience, potential, professional skills and management level, draws up an annual training plan, organizes various training courses, applies different levels of education and training, and builds a long-term environment for employees.

unit: persons; hours; thousand (NTD)

Training Employees Number	Training Hours	Training Expenditures
21,694	34,965	782

- ①New employee induction training: Let employees understand the company's history, goals and mission, visit the factory, and be familiar with the working environment and related rules and regulations, and accelerate the integration into the group by understanding the working environment and its own rights and interests.
- ②Professional Skills Training: Combine the company's development strategy, focus on cultivating employees' professional skills, encourage employees to obtain functional licenses, and dispatch external training according to the needs of various departments.
- ③Training teacher training: Organize training teachers to share meetings and improve the formation of internal training teachers.
- ④Book Reading Room: The company has a book area to encourage employees to study and

borrow books and magazines.

- ⑤Manage article sharing: Regularly circulate management articles, share knowledge and experience, and promote learning growth.
- ⑥Employee education promotion: To help the employees who need to continue to improve their education and learn new knowledge to obtain higher education smoothly, and at the same time be able to apply what they have learned to provide better services for the company.
- ⑦Job skills training appraisal: Organize post skill assessment, sort out key skills of the department, strengthen the professionalism of employees in their own work, and pay skill allowance according to the passing of the assessment.

### (3) Retirement system and its implementation status

The Company's main operations are located in mainland China, and employees participate in endowment insurance in accordance with local labor regulations to protect employee benefits. According to local labor regulations, the company assists employees who have reached the retirement age to apply for retirement pension approval. All personal contributions and 3% of unit contributions are included in the individual pension account; the company has established a retirement management method. Personal willingness and job requirements, giving retirees the opportunity to return to work, the salary and benefits in principle refer to the original position, during which they pay employer liability insurance and work injury insurance, and at the same time accumulate seniority.

### (4) Labor-management agreement and various employee rights maintenance measures

The subsidiaries of the Company have maintained the lawful rights and interests of the workers in accordance with the Labor Contract Law of the main place of operation and other relevant regulations. The establishment of so far no major disputes and losses have occurred. In order to make the labor-management relationship harmonious, the Company has a well-established employee's book, which clearly defines the employee rights and obligations and welfare programs to protect the employees' rights and interests. At the same time, a trade union organization was established to establish a smooth communication channel for employees, and a suggestion box was set up in many places to answer questions and opinions of employees in a timely manner.

### (5) Working environment and personal safety of employees:

The company is committed to promoting occupational health and work safety, formulating policies, improving processes and implementing support programs, and is committed to minimizing the risk of occupational disasters.

- ①Employee Health Check: Organize employee health checkups every year and apply for employee health certificates.
- ②Safety production: The company has introduced safety production standardization and has obtained certificates, implemented safety education, eliminated safety hazards in production processes, facilities and equipment, safeguarded employees' occupational health, and minimized the probability of safety accidents.
- ③Fire drills: Regularly organize fire drills every year to promote fire protection knowledge and enhance employees' awareness of mutual rescue and self-help in the fire.
- ④Hazardous Chemicals Control: The company assigns employees with hazardous chemicals management qualifications to be responsible for special management and control over their purchase and use.
- ⑤Rodent & Pest Control: The Company is regularly monitored by professional pest control agencies and advocates prevention and treatment work to employees to maintain a clean and healthy working environment.

2. In recent year and until publication date of annual report, clearly state the losses due to labor disputes (including violations of Labor Standards Act based on the findings of labor audit, its punishment date, reference number, the details of the article/s violated and its punishments, should be clearly listed), current and future possible expenses and countermeasures should be disclosed. If it is not possible to make a reasonable estimate of the expenses, the facts for not able to make a reasonable estimate should be clearly stated.

The Company actively promotes and implements various employee welfare measures, and there is no labor dispute and suffered losses.

## VI. Information security management:

- (I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

### 1. Cyber security risk management framework

The cyber security management adopts the PDCA circular management structure, i.e. Plan, Do, Check and Act, to ensure the achievement of cyber security targets with continual improvement.

### 2. Cyber security policies

- (1) System and regulations: The Company has prescribed numerous cyber security regulations and systems within the Company to regulate the information security conducts of the personnel. Check whether the current system aligns with the operating environment from time to time, and adjust it in a timely manner as needed. Regular internal audits and external audits by accountants are conducted every year, to strengthen the operation management of the cyber security.
- (2) Equipment investment: The Company applies the industry's advanced hardware equipment and anti-virus software to manage the network, to ensure the security of the Company's information assets.
- (3) Training and promotion: The Company continues to promote the cyber security to incumbent personnel, citing actual cases to enhance internal personnel's awareness to cyber security.

### 3. Concrete management programs

The Company uses next-generation firewalls, network threat protection systems, deep threat discovery devices, network-wide management systems, email protection systems, anti-virus software, all-in-one backup machines, tape library, among other equipment; by combining with the access allocation program and information security management regulations, the security of the intranet is ensured. Establishing a formalized backup system, to ensure the confidentiality, integrity and availability of Company information.

### 4. Investments in resources for cyber security management

The Company prepares a dedicated budget for information security every year, and implements it in an orderly manner with the current network security environment. Accepting professional advices from consulting companies and strengthening information security from time to time. As of now, the Company's information facilities are running stably and reliably, providing the sustainable services for the Company's operations.

- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: No such matters.

## VII. Material Contracts:

(I) Bank Loan Contracts

Contract Characteristics	Company	Party	Credit	Start and Expiration Dates of Contracts	Major Contents	Restrictions
Bank Loans Contracts	SUNJUICE	Taishin International Bank	US\$ 10 million	March 11, 2024 to February 28, 2025	Secured Loan	NA
Bank Loans Contracts	Sunjuice Co., Ltd.	Agricultural Bank of China	RMB\$ 50 million	July 3, 2023 to July 2, 2024	Credit Loan	NA
Bank Loans Contracts	Sunjuice Co., Ltd.	ICBC	RMB\$ 50 million	November 16, 2023 to December 31, 2024	Credit Loan	NA
Bank Loans Contracts	Sunjuice Co., Ltd.	Bank of Communications Co., Ltd.	RMB\$ 200 million	September 14, 2023 to September 14, 2024	Credit Loan	NA
Bank Loans Contracts	Sunjuice Co., Ltd.	China Construction Bank (Asia) Corporation Limited	RMB\$ 130 million	January 16, 2023 to January 16, 2025	Credit Loan	NA
Bank Loans Contracts	Sunjuice Co., Ltd.	CTBC Bank	RMB\$ 100 million	August 2, 2023 to August 2, 2025	Credit Loan	NA
Bank Loans Contracts	Sunjuice Industry (Tian Jin) Co., Ltd.	Fubon Bank (China)	RMB\$ 28 million	May 30, 2022 to May 31, 2025	Credit Loan	NA
Bank Loans Contracts	Guangdong Fresh Juice Biotechnology Co., Ltd..	Fubon Bank (China)	RMB\$ 15 million	May 30, 2022 to May 31, 2025	Credit Loan	NA
Bank Loans Contracts	Guangdong Fresh Juice Biotechnology Co., Ltd.	Mega Bank	RMB\$ 15 million	September 7, 2023 to September 6, 2024	Credit Loan	NA
Bank Loans Contracts	Guangdong Fresh Juice Biotechnology Co., Ltd.	BC	RMB\$ 10 million	April 10, 2023 to June 30, 2024	Credit Loan	NA

(II) Other Contracts

Contract Characteristics	Party	Start and Expiration Dates of Contracts	Major Contents	Restrictions
Purchase Contracts	Qingdao YoKid Foods Co., Ltd.	2023.04.18-2024.03.31	Raw material procurement specification agreement	NA
Purchase Contracts	Suzhou Tengfeng Commercial Management Co., Ltd.	2024.01.01-2025.01.31	Raw material procurement specification agreement	NA
Purchase Contracts	Shiyan Haiyi Konjac Products Co., Ltd.	2024.01.05-2024.12.31	Raw material procurement specification agreement	NA

## Six. Financial Overview

I. The condensed balance sheet and consolidated income statement for the last five years, with the name of the accountant and its review

### (I) Condensed Balance Sheet and Consolidated Income Statement Information – IAS

#### 1. Concise Balance Sheet – IAS

unit: thousand (NTD)

Year Item		Recent Five-Year Financial Data (Note 1)				
		2019	2020	2021	2022	2023
Current Assets		1,402,918	1,559,431	2,446,779	2,455,248	2,655,138
Properties, Plants and		1,520,083	1,582,502	1,649,067	1,905,660	1,789,103
Intangible Assets		21,778	19,370	39,093	38,442	27,758
Other Assets		201,876	396,147	686,617	273,731	434,171
Total Assets		3,146,655	3,557,450	4,821,556	4,673,081	4,906,170
Current Liabilities	before	914,344	701,748	629,231	509,252	539,938
	after	1,124,165	1,107,854	1,069,179	729,226	763,296
Non-current Liabilities		173,942	184,967	171,140	63,779	85,894
Total Liabilities	before	1,088,286	886,715	800,371	573,031	625,832
	after	1,298,107	1,292,821	1,240,319	793,005	849,190
Attributable to the owners of the parent company		2,026,884	2,640,132	3,642,511	3,654,327	3,783,696
Share capital		338,422	338,422	338,422	338,422	338,422
Capital reserve		425,602	425,602	1,145,562	1,145,562	1,145,562
Retained Earnings	before	1,407,965	1,976,343	2,278,335	2,241,483	2,441,424
	after	1,198,144	1,570,237	1,838,387	2,021,509	2,218,066
Other Equity		(145,105)	(100,235)	(119,808)	(71,140)	(141,712)
Treasury Stock		-	-	-	-	-
Non-controlling Equity		31,485	30,603	378,674	445,723	496,642
Total Equity	before	2,058,369	2,670,735	4,021,185	4,100,050	4,280,338
	after	1,848,548	2,264,629	3,581,237	3,880,076	4,056,980

Note 1: Listed above, 2019– 2023 Financial information, verified by accountants;

Note 2: As of March 31, 2024, the earnings distribution proposal for 2023 has been approved by the Board of Directors but has not yet been submitted to the shareholders' meeting for resolution.

## 2. Condensed consolidated income statement - IAS

unit: thousand (NTD)

Item \ Year	Recent Five-Year Financial Data (Note 1)				
	2019	2020	2021	2022	2023
Operation Income	3,520,879	3,479,683	4,581,970	4,101,393	4,631,966
Operation Gross Profit	1,356,859	1,598,966	1,660,855	1,169,558	1,303,161
Operation Profit or Loss	753,151	990,006	991,293	553,492	566,415
Non-operation Income and	11,076	29,173	26,296	76,582	83,044
Net Income before Taxes	764,227	1,019,179	1,017,589	630,074	649,459
Current Net Profit of Continued	547,716	776,806	705,291	464,692	479,731
Loss of Discontinued Business	-	-	-	-	-
Current Net Profit (Loss)	547,716	776,806	705,291	464,692	479,731
Current Other Comprehensive Income (Net Amount after Taxes)	(77,907)	45,381	(21,032)	54,121	(79,469)
Total Amount of Current	469,809	822,187	684,259	518,813	400,262
Net profit attributable to the	548,142	778,199	708,708	403,294	419,915
Net profit attributable to non-	(426)	(1393)	(3,417)	61,398	59,816
Total profit and loss is attributable to the parent	471,865	823,069	689,135	451,962	349,343
Total consolidated profit and loss is attributable to non-	(2,056)	(882)	(4,876)	66,851	50,919
Earnings per Share	16.20	22.99	20.94	11.92	12.41

Note 1: Listed above, 2019– 2023 Financial information, verified by accountants;

### (II) Name of the visa accountant and review of opinions in the past five years

Year	Name of Accounting Firm	CPA Names	Audit Comments
2019	DTTL	HSIEH MINGCHUNG & LU ICHEN	No Qualified Opinions
2020	DTTL	HSIEH MINGCHUNG & LU ICHEN	No Qualified Opinions
2021	DTTL	HSIEH MINGCHUNG & HUANG IMING	No Qualified Opinions
2022	DTTL	HSIEH MINGCHUNG & HUANG IMING	No Qualified Opinions
2023	DTTL	HSIEH MINGCHUNG & HUANG IMING	No Qualified Opinions

Note: The consolidated financial statements of the 2019 – 2023 audited by the accountant.

## II. Financial analysis for the last five years

### (I) Financial Analysis – IAS

Analysis Items (Note 2)		Year (Note 1)	Financial analysis for the last five years				
			2019	2020	2021	2022	2023
Financial	Debt-to-asset ratios		34.59	24.93	16.60	12.26	12.76
Structure %	Long-term funds account for real estate, plant and equipment Ratio		146.85	180.45	254.22	218.50	244.05
Solvency %	Current Ratios		153.43	222.22	388.85	482.13	491.75
	Quick ratios		125.16	171.44	308.80	371.50	395.38
	Interest coverage ratios		67.05	200.96	952.91	474.03	427.15
Management capacity	Receivables turnover rate (times)		14.31	11.85	15.66	12.59	12.73
	Average number of days received		26	31	23	29	29
	Inventory turnover rate (times)		8.91	7.03	7.44	6.17	6.69
	Payable turnover rate (times)		13.07	9.65	15.33	15.93	16.60
	Average sales days		41	52	49	59	55
	Real estate, plant and equipment turnover rate (times)		2.74	2.24	2.84	2.31	2.51
	Total asset turnover rate (times)		1.22	1.04	1.09	0.86	0.97
Profitability	Return on assets (%)		19.34	23.29	16.85	9.81	10.04
	Return on equity (%)		28.54	32.85	21.08	11.44	11.45
	Pre-tax net profit as a percentage of paid-up capital (%)		225.82	301.16	300.69	186.18	191.91
	Net profit rate (%)		15.56	22.32	15.39	11.33	10.36
	Earnings per Share (NTD)		16.20	22.99	20.94	11.92	12.41
Cash Flows	Cash Flows Rates (%)		78.90	123.13	106.97	62.17	149.00
	Cash Equivalent Flow Rates (%)		124.69	147.30	129.36	104.51	120.71
	Cash Reinvestment Ratios (%)		19.96	19.33	5.57	(2.49)	10.86
Leverage	Operating Leverage		1.12	1.16	1.19	1.40	1.46
	Financial Leverage		1.02	1.01	1.00	1.00	1.00
Please indicate the reasons for the changes in the financial ratios in the last two years. (If the increase or decrease is less than 20%, it can be exempted from analysis)							
1. Increase in cash flow ratio and cash reinvestment ratio: Mainly due to the increase of net cash flow from operational activities.							

Note 1: Listed above, 2019– 2023 Financial information, verified by accountants;

Note 2: The calculation formula for the analysis project is as follows:

### 1. Financial Structure

- (1) Debt to asset ratio = total liabilities / total assets
- (2) Long-term capital as a percentage of real estate, plant and equipment = (total equity + non-current liabilities) / net property, plant and equipment

### 2. Solvency

- (1) Current ratio = current assets / current liabilities
- (2) Quick ratio = (current assets - inventory - prepaid) / current liabilities
- (3) Interest coverage ratio = net profit before income tax and interest expense / interest expense for the period

### 3. Management capacity

- (1) Receivables (including accounts receivable and notes receivable due to business) Turnover rate = net sales / average receivables for each period (including accounts receivable and notes receivable due to business) Balance
- (2) Average collection days = 365 / receivables turnover rate
- (3) Inventory turnover rate = cost of goods sold / average inventory amount
- (4) Payables (including accounts payable and bills payable due to business) Turnover rate = cost of goods sold / average payables for each period (including accounts payable and notes payable due to business)
- (5) Average sales days = 365 / inventory turnover
- (6) Real estate, plant and equipment turnover rate = net sales of goods / average real estate, plant and equipment net
- (7) Total asset turnover = net sales / average total assets

### 4. Profitability

- (1) Return on assets = [after-tax profit and loss + interest expense  $\times$  (1 - tax rate)] / average total assets
- (2) Return on equity = after-tax profit and loss / average equity
- (3) Net profit rate = after-tax profit and loss / net sales
- (4) Earnings per share = (profits and losses attributable to owners of parent companies - special dividends) / weighted average number of issued shares

### 5. Cash Flows

- (1) Cash flow ratio = net cash flow from operating activities / current liabilities
- (2) Net cash flow allowable ratio = net cash flow from operating activities for the last five years / the most recent five years (capital expenditure + inventory increase + cash dividend)
- (3) Cash reinvestment ratio = (net cash flow from operating activities - cash dividends) / (real estate, plant and equipment gross + long-term investment + other non-current assets + working capital)

### 6. Leverage:

- (1) Operating leverage = (net operating income - variable operating costs and expenses) / operating profit
- (2) Financial leverage = business benefit / (business profit - interest expense)

III. Audit Committee report of the most recent annual financial report

**SUNJUICE HOLDINGS CO., LTD.**

**Audit Committee Auditing Report**

The Board of Directors has sent the consolidated financial statements of the Company for the year of 2023. After consulting the auditors of Hsieh Ming-Chung and Huang I-Ming, the auditors of the company, together with the business report and the surplus allocation statement, etc., after review by the audit committee, it is considered that there is no Inconsistent, according to the provisions of Article 219 of the Law of the Republic of China on the company, prepare a report, please inspect.

Sincerely

SUNJUICE Shareholders General Meeting 2024

Convenor of Audit Committee:

Mar 8, 2024

- IV. The company's consolidated financial report for the most recent year with an accountant's check-up visa: please refer to page 153.
- V. Individual financial report of the company that has been verified by an accountant in the most recent year: Not applicable.
- VI. The company and its related companies have recently and until the annual report dated. If there is any financial turnover, the impact on the financial status of the company should be listed: NA.

## Seven. Review and analysis of financial status and financial performance and risk issues

### I. Comparative analysis of financial status

The main reasons for the significant changes in assets, liabilities and equity in the last two years and their impacts and future response plans:

unit: thousand (NTD)

Items \ Year	2023	2022	Difference of	
			Amount	%
Current Assets	2,655,138	2,455,248	199,890	8.14
Properties, Plants and Equipment	1,789,103	1,905,660	(116,557)	(6.12)
Other Intangible Assets	27,758	38,442	(10,684)	(27.79)
Other Non-current Assets	434,171	273,731	160,440	58.61
Total Assets	4,906,170	4,673,081	233,089	4.99
Current Liabilities	539,938	509,252	30,686	6.03
Non-current Liabilities	85,894	63,779	22,115	34.67
Total Liabilities	625,832	573,031	52,801	9.21
Share capital	338,422	338,422	-	-
Capital reserve	1,145,562	1,145,562	-	-
Retained Earnings	2,441,424	2,241,483	199,941	8.92
Other Equity	(141,712)	(71,140)	(70,572)	99.20
Non-controlling Equity	496,642	445,723	50,919	11.42
Total Equity	4,280,338	4,100,050	180,288	4.40
Description of major changes (differentiated proportion is 20% at least within two continuous periods):				
1. Decrease in other intangible assets: mainly due to the provision of impairment loss on intangible assets.				
2. Increase in other non-current assets: Mainly due to the increase in time deposits with original maturity date more than one year.				
3. Increase in non-current liabilities: mainly due to the recognition of deferred income tax liabilities of subsidiaries' undistributed earnings and recognition of deferred income of government subsidies for R&D production line equipment.				
4. Decrease in other equities: Mainly due to the change in the exchange difference from the conversion of the expressed currency.				

Note: The above financial information is checked by the company's 2022& 2023 accountants and issued unqualified consolidated financial statements.

## II. Financial performance review and analysis

1. The main reasons for the significant changes in operating income, operating net profit and pre-tax net profit for the last two years:

unit: thousand (NTD)

Items \ Year	2023	2022	Difference of	
			Amount	%
Operation Income	4,631,966	4,101,393	530,573	12.94
Operation Costs	3,328,805	2,931,835	396,970	13.54
Operation Gross Profit	1,303,161	1,169,558	133,603	11.42
Operation Expenses	736,746	616,066	120,680	19.59
Operation Net Profit	566,415	553,492	12,923	2.33
Non-operation Income and Expenses	83,044	76,582	6,462	8.44
Net Income before Taxes	649,459	630,074	19,385	3.08
Income tax expenses	169,728	165,382	4,346	2.63
Net Profit of Current Year	479,731	464,692	15,039	3.24
Description of major changes (differentiated proportion is 20% at least within two continuous periods):NA				

Note: The above financial information is checked by the company's 2022 & 2023 accountants and issued unqualified consolidated financial statements.

2. Expected sales quantity and its basis, as well as the possible impact on the Company's future financial business and corresponding plans:

Please refer to the "I. To shareholders' report ".

## III. Cash flow analysis

Analysis of recent annual cash flow changes, improvement plan for liquidity deficiency and cash flow analysis for the coming year:

- (I) Analysis of recent annual cash flow changes:

unit: thousand (NTD)

Items \ Year	2023	2022	Difference	
			Amount	%
Cash inflow(outflow) from operating activities	804,521	316,626	487,895	154.09
Cash inflow(outflow) from investment activities	(256,269)	(289,278)	33,009	(11.41)
Cash inflow(outflow) from Financing Activities	(180,238)	(531,754)	351,516	(66.11)

The main reasons for the recent changes in annual cash flow:

1. Increase in cash inflow from operating activities: mainly due to the decrease in the amount of prepayments.
2. Decrease in cash outflow from financing activities: mainly due to the decrease in the amount of cash dividends.

(II) Improvement plan for insufficient liquidity:

There has been no shortage of liquidity in the company's recent annual cash flow.

(III) Annual cash flow analysis for the year:

The Company still has a number of capital expenditure plans in the coming year. After measuring the financing situation and capital structure, it will evaluate whether to raise funds through the operation of the capital market to maintain the soundness of the financial structure. The company expects that in 2024 it will result in net cash inflows due to stable profit, plus good interaction with banks, sufficient financing capacity to be used, and cash outflows for investment activities and fundraising activities.

IV. The impact of recent major capital expenditures on financial operations:

(I) The use of major capital expenditures and sources of funding:

The amount paid for the purchase of real estate, plant and equipment in 2023 is NT\$110,904 thousand, mainly for the renovation and upgrading of existing workshop production lines and equipment procurement to meet market product demand, cash capital increase and liquidity through bank financing for reasonable distribution.

(II) The impact on the financial business is expected to yield benefits:

In response to market demand, the Company continued to expand its production capacity by expanding the factory, renovating the original production workshop and increasing the equipment to further increase production efficiency and meet the needs of expanding the market to increase profitability without increasing capital expenditure. The impact on the financial business of the company is adversely affected.

V. The most recent annual investment policy, the main reason for its profit or loss, the improvement plan and the one-year investment plan:

(I) The Company's Reinvestment Policy

The Company's current investment policy is based on the investment-related investment targets of the business and is not engaged in investment in other industries. The relevant executive departments follow the internal control system “investment cycle operation system” and “acquisition or disposal of asset management procedures”. The above methods or procedures are discussed and approved by the board of directors or the shareholders' meeting.

(II) The main reason for the profit or loss of investment in recent years and the improvement plan

unit: thousand (NTD)

Items \ Description	2023 (Loss) Profit from Investment	Root Causes of Profit or Loss	Improve ment
Power Keen Limited	404,667	The main source of profit is the recognition of the profit and loss of mainland subsidiaries.	NA
Sunjuice (Hong Kong) Limited	253,132	The main source of profit is the recognition of the profit and loss of mainland subsidiaries.	NA
Sun Philippe Trade (Kunshan) Co., Ltd.	481	The main source of profit is the recognition of the profit and loss of mainland subsidiaries.	NA
IM Trade (Kunshan) Co., Ltd.	481	The main source of profit is the recognition of the profit and loss of mainland subsidiaries.	NA
Sunjuice Co., Ltd.	418,129	Operational profitability is in good condition.	NA
Sunjuice Industry (Tian Jin) Co., Ltd.	84,849	Operational profitability is in good condition.	NA
Guangdong Fresh Juice Biotechnology Co., Ltd.	82,527	Operational profitability is in good condition.	NA
Guangxi Fresh Juice Biotechnology Co., Ltd.	(8,850)	The operation has not reached the economic scale	NA
Shanghai Sense Beverage Co., Ltd.	862	The main source of profit is the recognition of the interest income	NA
Sunjuice I International Limited	(6,463)	Operating expenses of the holding company.	NA
Suzhou Sunjuice I International Limited	(4,287)	The operation has not reached the economic scale	NA

(III) Investment plan for the next year: The company continues to deepen the market and expand sales channels.

VI. Risk matters should be analyzed and evaluated in the most recent year and the following matters as of the date of publication of the annual report

(I) The impact of interest rates, exchange rate changes, and inflation on the company's profit and loss and future response measures:

#### 1. Variation of Interest Rate

unit: thousand (NTD)

Items	2023
Interest payments on bank loans	872
Ratio of bank loan interest expense to net revenue	0.02%
Ratio of bank loan interest expense to net profit before tax	0.13%

Source: Consolidated financial statements for 2023 audited by an accountant

##### (1) Impact analysis on the company

The ratio of bank loan interest expense to net revenue and net profit before tax is small. It has not yet had a major impact.

##### (2) Actual Countermeasures

Under the continuous growth of the Company's business performance, we will continue to implement conservative and sound financial principles. In addition, we will maintain close contact with the bank, keep abreast of interest rate changes, and strive for preferential interest rates so that interest rate changes will not adversely affect the company.

#### 2. Fluctuation of Foreign Exchange Rates

Unit: thousand (NTD)

Items	2023
Net foreign exchange gains and losses	18,659
Net foreign exchange gains and losses accounted for the net revenue ratio	0.40%
Net foreign exchange gains and losses accounted for net profit before tax	2.87%

Source: Consolidated financial statements for 2023 audited by an accountant

##### (1) Impact analysis on the company

Foreign currency exchange gains and losses accounted for a small proportion of net revenue and before-tax net profit, so exchange rate changes benefit the company. It has not yet had a major impact.

The Company's operating entity is located in mainland China. Currently, the sales department is fully sold in mainland China, and is denominated in RMB. The purchase is mainly for the purchase of suppliers from mainland China or raw juice agents, and only a small portion of the raw juice is directly directed. Foreign suppliers import and are denominated in US dollars or Euros. Because the purchase ratio is not high and the amount is small, the fluctuation of RMB exchange rate against the US dollar will not cause exchange risk of the foreign currency parts of the Group.

The main functional currency of the Company is mainly RMB. As of now, there is no significant risk of exchange rate fluctuations. However, Cayman Holdings, which is listed for listing in Taiwan, will raise funds in the Republic of China and issue dividends to domestic investors. Therefore, there is a risk of exchange rate changes between the USD and the NTD.

## (2) Actual Countermeasures

In order to reduce the impact of exchange rate changes on the Company's profit and loss, the Company will collect exchange rate information at any time, through the online exchange rate real-time system and strengthen the relationship with financial institutions, in order to study the trend of exchange rate changes, as a reference for settlement, in terms of strategy. Balance foreign currency assets and liabilities as much as possible to achieve the effect of natural hedging and reduce the impact of exchange rate fluctuations.

## 3. Inflation:

### (1) Impact analysis on the company

In recent years, due to the impact of global related resources and materials, the overall economic environment has shown an inflation trend, but the company has not yet had an immediate and significant impact due to inflation.

### (2) Actual Countermeasures

The Company pays attention to the fluctuation of the raw material market price at any time, and maintains a good interaction with suppliers and customers, pre-judging the trend

of raw materials, pre-determining the purchase volume and centralized purchasing methods to reduce the impact of price increases.

(II) The main reasons for the high-risk, high-leverage investment, capital loan and others, endorsement guarantee and derivative commodity trading, profit or loss and future response measures:

1. Engaged in high-risk, high-leverage investment: The Company's business strategy has always been based on the principle of stable and conservative. In the most recent year and the end of the annual report, the company and its subsidiaries have not engaged in high-risk, high-leverage investment and other transactions.
2. Regarding the loan of funds and others, the Company has established the "Measures for the Management of Funds and Others". In the most recent year and the date of publication of the annual report, the company only has made loans between reinvested companies, which are handled in accordance with the relevant operation rules. The relevant operating methods are stipulated and have been written off in the consolidated financial statements, which have no significant impact on the profit or loss of the consolidated financial statements.
3. Regarding the endorsement guarantee, the Company has established the "Endorsement Guarantee Management Operation Method". In the most recent year and the end of the annual report, the Company and its subsidiaries are not engaged in the endorsement guarantee situation.
4. Regarding the transaction of derivative commodities, the Company has established "acquisition or disposal of asset management procedures". The Company and its subsidiaries have not engaged in the transaction of derivative commodities in the most recent year and the date of publication of the annual report.

(III) R&D expenses for future R&D projects and projected inputs:

In 2024, the Company's R&D department continued to improve its basic research capabilities and Practical technology research capabilities. Based on the research and development of natural fruit, it will further introduce new flavors and further expand the natural, healthy, safe and delicious products. At the same time, the Company will continue to cooperate with higher education institutions in mainland China to recruit excellent food professionals to enhance the company's research and development competitiveness.

The Company's research and development expenses for 2023 are NT\$52,002 thousand,

accounting for the current operating income 1.12%. In 2024, it is estimated that the investment in research and development will be estimated to account for the current operating income 1.0% to 2.0%. The R&D investment is mainly for the input of personnel and equipment to enhance R&D technology and strengthen natural Health product research and development, close to the customer and market demand, and enhance the overall revenue and profit of the company.

(IV) The impact of important domestic and international policies and legal changes on the company's financial business and the corresponding measures:

The company is registered in the Cayman Islands and its main place of operation is in Dalat, China. The implementation of each business of the Company is handled in accordance with the important policies and laws of the Mainland of China, and is always aware of the important policy development trends in Mainland China. In the case of legal changes, response to changes in the market environment and appropriate countermeasures timely. Up to now, the Company's has not had a significant impact on the company's financial business due to changes in important policies and laws in mainland China.

(V) The impact of technological changes (Including information security risks) and industrial changes on the company's financial business and the corresponding measures:

The company's self-built machine room has a standard power supply, lightning protection, air conditioning, emergency power system. Next-generation firewall with integrated threat defense, with online behavior management equipment and enterprise anti-virus system, set strict access policies to prevent hacker intrusion and virus infection, ensure network access behavior is controlled, and data access is secure.

Using the industry's advanced backup software and hardware devices, the important data settings are automatically backed up and synchronized to the remote backup host. Formulate the “Disaster Recovery Plan”, arrange drills from time to time, simulate various fault situations, and quickly recover according to the plan, and test the actual resilience of information personnel.

The introduction of customized SAP system improves the efficiency of enterprise information management, reduces operating costs, improves supply chain management, controls production processes, improves production efficiency, effectively controls product inventory, and maximizes management economic benefits.

In response to the increasingly serious food safety issues, The company is leading the industry in the introduction of automatic storage system (WMS), transportation Management System (TMS), combined with the SAP system, through the coding system, the warehouse control system (WCS) and storage hardware equipment, the two-dimensional code is used in the process of material entry and exit, with the production and sales history system as a standardized operating specification It is conducive to the rational production of the company and enhance production technology and management capabilities.

The Company pays attention to the technological changes and technological development

of the industry in its place, and quickly grasps the industry dynamics and inter-bank market information, and adopts a sound financial management strategy to maintain market competitiveness. In the future, the Company will continue to pay attention to the relevant technological changes in the industry in which it operates, and assess its impact on the company's operations, and make corresponding adjustments to strengthen the business development and financial status of the Company's business. Therefore, technological changes and industrial changes have no significant adverse impact on the Company.

(VI) The impact of corporate image change on corporate crisis management and response measures:

Since the establishment of the Company, it has always adhered to the principle of honesty and professional management, actively strengthened internal management, improved management quality and efficiency, attached importance to corporate image and risk control, and complied with relevant laws and regulations; In the future, the company will pursue the sustainable development responsibility of the company while pursuing the maximization of shareholders' equity.

(VII) Expected benefits, possible risks and response measures for M&A: NA.

(VIII) Expected benefits, possible risks and response measures for the expansion of the plant:

The expansion of our plant has been thoroughly and prudent evaluated, taking into account the Investment recovery benefit and possible risks. In order to avoid environmental, market and other uncertain factors, the Company will review the industry and market trends at any time, measure the market's needs, measure its own financial situation, and conduct a prudent assessment to minimize risks.

(IX) Risks and countermeasures for the concentration of incoming goods or sales:

The Company has established a deep cooperative relationship with various suppliers for many years. Over the years, the quality and delivery time of all suppliers have met the requirements. The source of purchase is stable, and each raw material maintains at least two suppliers. In the last two years, there is no supplier accounted for more than 10% of the total purchases. there is no risk of concentration of purchases.

The company's sales target is mostly chain catering industry and dealers. In the last two years, only one customer's sales accounted for more than 10% of total sales. The stable growth of customers and the successful product development and promotion, and the numerous and stable growth of customers nationwide, including direct and franchise stores, as a whole, there is no risk of concentration of sales.

(X) Directors, supervisors or shareholders holding more than 10% of the shares, the impact of a large number of shares transferred or replaced on the company, risks and response measures: NA.

(XI) The impact of changes in management rights on the company and its risks and response

measures: NA.

(XII) A litigation or non-litigation event shall state the company and the company's directors, supervisors, general manager, substantive person in charge, major shareholders holding more than 10% of the shares, and major lawsuits that the subordinate company has decided to determine or are still in the system. If the result of a non-litigation or administrative dispute has a material impact on the shareholders' equity or the price of the securities, the facts of the dispute, the amount of the subject matter, the commencement date of the lawsuit, the parties involved in the proceedings and the date of publication of the annual report shall be disclosed: NA.

(XIII) Other Material Risks and Countermeasures: NA.

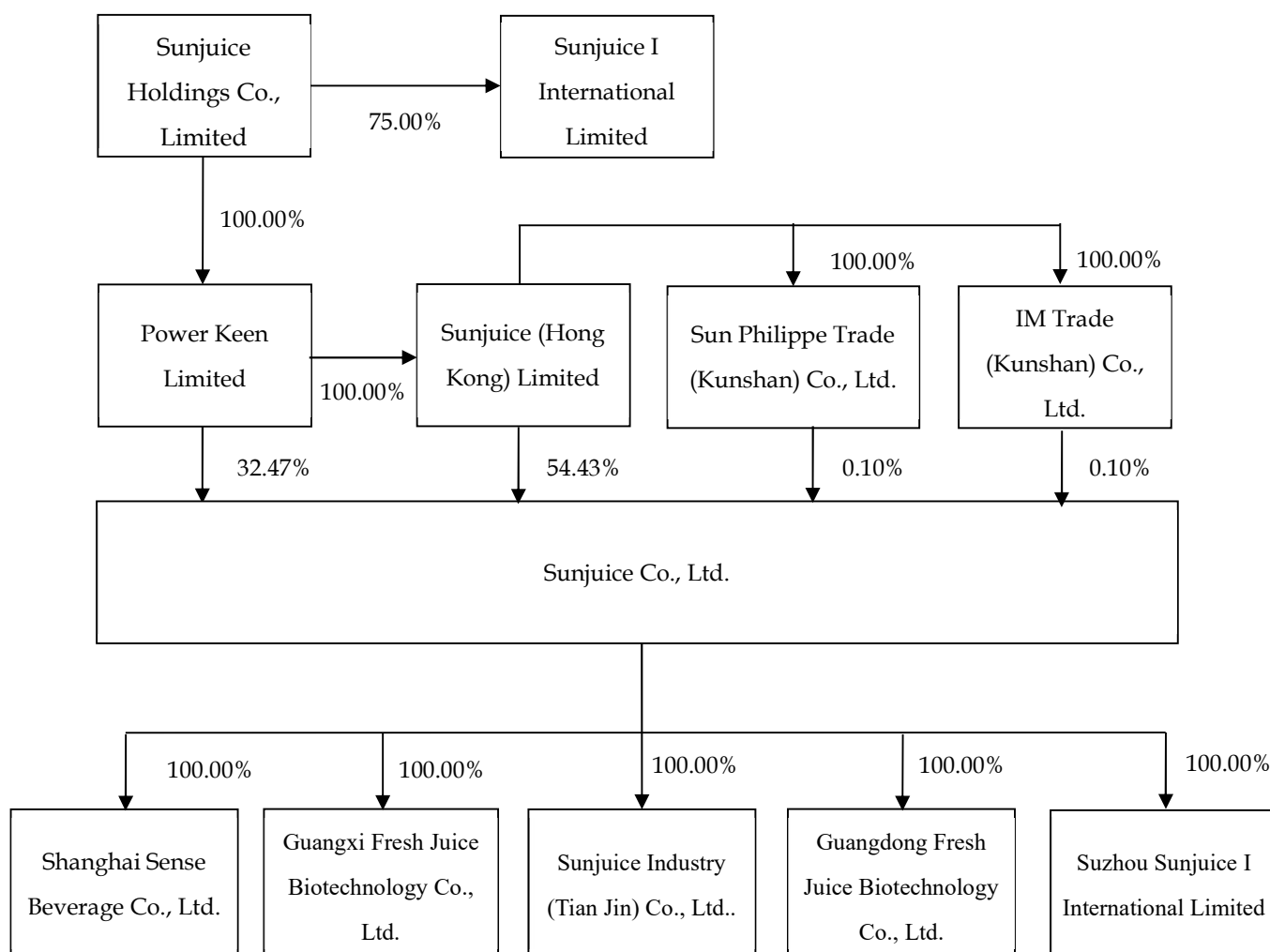
VII. Other Material Matters: NA.

## Eight. Special Items

### I. Related business information

#### (I) Relationship organization chart

As of Dec 31, 2023



## (II) Basic information of each related company

Dec 31, 2023

Company Name	Address	Establishment Date	Paid-in Capital	Main Operation or Production
Power Keen Limited	Offshore Chambers, P.O. Box 217, Apia, Samoa	Dec 16, 2009	US\$17,785 thousand	Holdings Company
Sunjuice (Hong Kong) Limited	Room 2702-03, Integrated Centre, 302-8 Hennessy Road, Wan Chai, Hong Kong	May 11, 2009	US\$5,725 thousand	Holdings Company
Sunjuice I International Limited	Room 2702-03, Integrated Centre, 302-8 Hennessy Road, Wan Chai, Hong Kong	Oct 7, 2016	RMB26,670 thousand	Holdings Company
Sun Philippe Trade (Kunshan) Co., Ltd.	No. 1000, Haihong Road, Zhangpu Town, Kunshan City, Jiangsu Province	Nov23, 2021	RMB2,000 thousand	Trading Company, Import and export agent, Import and export of goods
IM Trade (Kunshan) Co., Ltd.	No. 1000, Haihong Road, Zhangpu Town, Kunshan City, Jiangsu Province	Nov26, 2021	RMB2,000 thousand	Trading Company, Import and export agent, Import and export of goods
Sunjuice Co., Ltd.	No. 10, Jinjin Road, Zhangpu Town, Kunshan City, Jiangsu Province	Sep 22, 2009	RMB 360,000 thousand	Fruit juice beverage production, research and development, product management, sales and after-sales service
Sunjuice Industry (Tian Jin) Co., Ltd.	No. 99, Songshan Road, Hangu modern industrial zone, Tianjin Development Zone	May 6, 2014	RMB60,000 thousand	Fruit juice beverage production, research and development, product management, sales and after-sales service
Guangdong Fresh Juice Biotechnology Co., Ltd.	No. 1 East Keji Street, Zhaoqing High-tech Zone, Guangdong Province	Oct 22, 2014	RMB60,000 thousand	Fruit juice beverage production, research and development, product management, sales and after-sales service
Guangxi Fresh Juice Biotechnology Co., Ltd.	BD02-07-02, Baidong New District, Sitang Town, Youjiang District, Baise City, Guangxi Zhuang Autonomous Region	Dec.17, 2021	RMB33,000 thousand	Food production, domestic goods transportation agency, goods import and export
Shanghai Sense Beverage Co., Ltd.	Room 802-2, No.218 Hengfeng Road, Jing 'an District, Shanghai	Dec 8, 2014	RMB12,895 thousand	Sales of beverages, prepackaged foods and current products

Company Name	Address	Establishment Date	Paid-in Capital	Main Operation or Production
Suzhou Sunjuice I International Limited	No. 10, Jinjin Road, Zhangpu Town, Kunshan City, Jiangsu Province	Apr 5, 2017	RMB20,000 thousand	Primary processing and sales of edible agricultural products

Note: The paid-in capital of Guangxi Fresh Juice Biotechnology Co., Ltd. is RMB 39,000 thousand as of March 31, 2024.

(III) Presumed to be the same shareholder information for those with control and affiliation: NA.

(IV) The overall relationship between the business covered by the business

The business of the Company and its related companies includes: operation of juice beverage production, research and development, quality control, sales and after-sales service.

(V) Information on directors, supervisors and general managers of various related companies

Dec 31, 2023; unit: thousand shares

Company Name	Title	Names or Representatives	Number of Shares	
			Shares (share)	Shareholding Ratio
Power Keen Limited	Director	HUANG,KUO-HUANG	-	-
Sunjuice (Hong Kong) Limited	Director	HUANG,KUO-HUANG	-	-
Sunjuice I International Limited	Directors	HUANG,KUO-HUANG	-	-
	Director	LIN,LI-LIN	-	-
	Director	WU,MING-HSIEN	-	-
	Director	HUANG,HSUN-YI	-	-
	Director	Minamikawa Tsutomu	-	-
Sun Philippe Trade (Kunshan) Co., Ltd.	Executive director	LIN,LI-LIN	-	-
	President	LIN,LI-LIN	-	-
	Supervisor	HUANG,KUO-HUANG	-	-
IM Trade (Kunshan) Co., Ltd.	Executive director	LIN,LI-LIN	-	-
	President	LIN,LI-LIN	-	-
	Supervisor	HUANG,KUO-HUANG	-	-
Sunjuice Co., Ltd.	Director	HUANG,KUO-HUANG	-	-
	Director	LIN,LI-LIN	-	-
	Director	HUANG,HSUN-YI	-	-

Company Name	Title	Names or Representatives	Number of Shares	
			Shares (share)	Shareholding Ratio
	Director	WANG,CHIA-HAN	-	-
	Director	CHEN, CHIEN-SHENG	-	-
	President	HUANG,KUO-HUANG	-	-
	Supervisor	CHEN,YAN-HONG	-	-
	Supervisor	XU,LIANG-JUN	-	-
	Supervisor	WANG,LEI	-	-
Sunjuice Industry (Tian Jin) Co., Ltd.	Executive Director	HUANG,HSUN-YI	-	-
	President	HUANG,HSUN-YI	-	-
	Supervisor	LIN,LI-LIN	-	-
Guangdong Fresh Juice Biotechnology Co., Ltd.	Executive Director	HUANG,KUO-HUANG	-	-
	President	CHEN, CHIEN-SHENG	-	-
	Supervisor	LIN,LI-LIN	-	-
Guangxi Sunjuice Biotechnology Co., Ltd	Executive Director	LIN,LI-LIN	-	-
	President	HUANG,HSUN-YI	-	-
	Supervisor	CHEN,YAN-HONG	-	-
Shanghai Sense Beverage Co., Ltd.	Executive Director	HUANG,KUO-HUANG	-	-
	President	HUANG,KUO-HUANG	-	-
	Supervisor	SUN,LING	-	-
Suzhou Sunjuice I International Limited	Executive Director	LIN,LI-LIN	-	-
	President	LIN,LI-LIN	-	-
	Supervisor	HUANG,HSUN-YI	-	-

(VI) Overview of the operations of various related companies

1. Overview of the operations of various related companies:

Dec31, 2023; unit: thousand (NTD)

Business Reinvestment	Paid-in Capital(Not e 1)	Total Assets	Total Liabilities	Net Worth	Operation Income	Operating (Loss) Income	(Loss) Income after Taxes	Earnings per Share
Power Keen Limited	545,077	3,197,695	85,811	3,111,884	0	0	404,667	22.75
Sunjuice (Hong Kong) Limited	175,461	2,020,166	124,533	1,895,633	0	(29)	253,132	16.54
Sunjuice I International Limited	115,401	79,835	0	79,835	0	(1,715)	(8,508)	(0.32)
Sun Philippe Trade (Kunshan) Co., Ltd.	8,654	4,055	0	4,055	0	0	481	Note 2
IM Trade (Kunshan) Co., Ltd.	8,654	4,055	0	4,055	0	0	481	Note 2
Sunjuice Co., Ltd.	1,557,720	4,109,186	413,963	3,695,223	3,894,535	360,255	480,057	1.33
Sunjuice Industry (Tian Jin) Co., Ltd.	259,620	583,260	278,262	304,998	934,143	126,678	97,415	Note 2
Guangdong Fresh Juice Biotechnology Co., Ltd.	259,620	727,380	380,603	346,777	1,106,500	114,645	94,749	Note 2
Guangxi Fresh Juice Biotechnology Co., Ltd	142,791	240,978	112,952	128,026	98,337	(13,364)	(10,161)	Note 2
Shanghai Sense Beverage Co., Ltd.	55,797	54,462	4	54,458	0	29	990	Note 2
Suzhou Sunjuice I International Limited	86,540	65,457	13,513	51,944	24,774	(5,317)	(4,922)	Note 2

Note 1: The conversion of the New Taiwan Dollar is based on the 4.327 exchange rate of the Chinese Yuan Renminbi on December 31, 2023; the US dollar to the spot exchange rate of the New Taiwan Dollar 30.705.

Note 2: The company is not issued shares, so there are no shares.

2. Relational Business Consolidation Report: See page 153.

3. Relationship Enterprise Report: Not applicable.

II. The most recent year and the end of the annual report, the date of printing, private equity securities processing: NA.

III. In the most recent year and the end of the annual report, the company holds or disposes of the Company's stock: NA.

IV. Other necessary supplementary notes: NA.

V. Explanation of significant differences with China's shareholders' rights protection provisions

Key Matters for Protection of Shareholder's Interests	Regulations related to the Company Act or the Securities Exchange Act	Regulations of the country where the foreign issuer is registered	Reason of deviance and explanation
<b>One. Formation and Changes of the Company's Capital</b>			
<p>1. The company shall not reduce its capital according to the resolution of the shareholders' meeting, and shall not sell its shares; the reduction of capital shall be reduced according to the proportion of shares held by the shareholders.</p> <p>2. The company reduces the capital and can return the shares of the property other than cash; the amount of the property and the amount of the refund shall be subject to the resolution of the shareholders' meeting and the consent of the shareholders of the property.</p> <p>3. The value of the property of the preceding paragraph and the amount of the offset shall be sent by the board of directors to the ROC to check the visa before the shareholders' meeting.</p>	Article 168 of the Company Act	<p>1. Article 14 of the Companies Act of Cayman Islands allows companies may, by special resolution of the shareholders' meeting and confirmation of the Cayman Island Court, reduce its share capital.</p> <p>2. Other than Article 14 of the Companies Act of Cayman Islands, the issued capital of a company may only be redeemed, purchased, or surrendered pursuant to Article 37 or Article 37B of the Companies Act of Cayman Islands for cancellation.</p> <p>3. Article 37 of the Companies Act of Cayman Islands specifies that a company may buy back its shares by its articles of association or resolution of shareholders' meetings. Other than Article 37, the Companies Act of Cayman Islands does not specify that (1)the buyback</p>	<p>Article 28 of the articles of association and key matters for protection of shareholder's interests varies a bit, because the Companies Act of Cayman Islands specifies that the reduction of issued shares may only be cancelled through the procedure of repurchase, and a company is not entitled to cancel shares still held by the shareholders. In light of this variance, Articles 28 and 55 of the articles of association specify that the Company's procedure to reduce the capital is to repurchase the shares. This variance is resulted from the provision of the Companies Act of Cayman Islands; provided the Company's articles of association do not limit the procedure to reduce the capital</p>

		shall be based on the proportion of shareholding; (2) refunding share payment in properties other than cash shall be approved; or (3) the returned properties shall be valued. However, such may be provided in the articles of association.	
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## Two. Procedures to convene shareholders' meetings and approaches of resolutions

<p>1. General shareholders' meetings shall be convened at least once a year, within six months upon the end of each fiscal year. Shareholders' meetings are convened by the board of directors.</p> <p><u>2. The Articles of Incorporation may provide that its shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority of R.O.C. Provided, in case of nature disasters, incidents, or other force majeure, the Company Act's competent authority of R.O.C. may announce publicly that within a certain period, a shareholders' meeting may be convened by means of visual communication network or other announced methods without being specified in the Articles of Incorporation.</u></p> <p><u>3. Where a shareholders' meeting is convened in the manner of video conference, shareholders attending the meeting via video conference are deemed attending in person.</u></p>	<p>1. Article 170 of the Company Act</p> <p>2. Article 172-2 of the Company Act</p> <p>3. Article 172-1 of the Company Act</p> <p>4. Paragraph 1 and 2 of Article 173, and Article 173-1 of the Company Act</p> <p>5. Article 172 of the Company Act; Articles 26-1 and 43-6 of the Securities Exchange Act</p>	<p>1. (a) Article 58 of the Companies Act of Cayman Islands specifies that a general meeting of every company, other than an exempted company, shall be held at least once in every year. (b) The Companies Act of Cayman Islands does not mandatorily require the exempted companies shall convene general meeting, and such companies may specify the frequency of convening shareholders' meetings in the articles of association.</p> <p>2. The Companies Act of Cayman Islands does not limit the exempted companies to hold their shareholders' meetings at any specific location, but the articles of association may do so.</p> <p>3. The Companies Act of Cayman Islands does not specify the shareholder's</p>	<p>Matters of Shareholders' meeting are specified in Articles 39, 40, 41, 42, 42-1, and 47.</p> <p>Article 42 of the articles of association and key matters for protection of shareholder's interests varies a bit, explained as below:</p> <p>Pursuant to Letter Taiwan-Securities-Listing No.0991701319 by Taiwan Securities Exchange, dated on April 13 2020, "Description: II. (III). With the premise of not contradicting to the local law of the place of registration, foreign issuers shall specify in the articles of incorporation the right of the minority shareholders to request to convene special shareholders' meeting; the part of an approval from the competent authority may be deleted. " Therefore, Article 42 of the articles of incorporation specifies that "if the board of directors fails to</p>
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<p>4. <u>Where a shareholders' meeting is held in the manner of video conference, the conditions to be met, operational procedures, and other matters to be complied with, the securities laws and regulations shall be complied with.</u></p> <p>5. <u>The offline</u> shareholders' meetings shall be <del>convened</del> within the boundaries of R.O.C. Where the <u>offline</u> shareholders' meetings are convened out of the boundaries of R.O.C., the Stock Exchange shall be filed to for approval within two days upon the board meeting's resolution or the competent authority's convention permit obtained by the shareholders.</p> <p>6. Any Shareholder who holds one percent (1%) or more of the total number of issued shares of the Company may submit to the Company a proposal in writing for discussion at the General Shareholders' Meeting. The board of directors of shall include the proposal submitted by a shareholder in the list of proposals unless: Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a meeting of shareholders; where the number of shares of the company in the possession of the shareholder making the said proposal is less than one percent; where the said proposal is submitted on a day</p>		<p>right to propose; such procedures may be specified in the articles of association.</p> <p>4. The Companies Act of Cayman Islands does not specify the shareholders may request the board of directors to convene the special shareholders' meeting; such procedures may be specified in the articles of association.</p> <p>5. The Companies Act of Cayman Islands does not prohibit articles of association to specify that shareholders may convene special shareholders' meetings on their own.</p> <p>6. The Companies Act of Cayman Islands does not specify the details of convening shareholders' meeting; as long as complying with related laws and regulation, articles of association may specify the procedures to convene shareholders' meeting.</p>	<p>give a notice for convening a special meeting of shareholders within 15 days after the filing of the request, the proposing shareholder(s) may convene a special meeting of shareholders on his/their own pursuant to the applicable listing regulations. Such shareholders may decide the place and time of meeting, and send the shareholders' meeting notice per the articles of incorporation. Such variance is not supposed to affect the shareholders' interest adversely.</p>
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<p>beyond the deadline fixed and announced by the company for accepting shareholders' proposals; and where the said proposal containing more than 300 words or more than one matters in a single proposal The shareholder proposal is a proposal to urge the Company to promote public interest or fulfill its social responsibilities, and the board of directors may still include the proposals in the list of proposals to be discussed at a general meeting.</p> <p><u>7.</u> Any or a plural number of shareholder(s) of a company who has (have) continuously held 3% or more of the total number of outstanding shares for a period of one year or a longer time may, by filing a written proposal setting forth therein the subjects for discussion and the reasons, request the board of directors to call a special meeting of shareholders. If the board of directors fails to give a notice for convening a special meeting of shareholders within 15 days after the filing of the request under the preceding Paragraph, the proposing shareholder(s) may, after obtaining an approval from the competent authority, convene a special meeting of shareholders on his/their own.</p> <p><u>8.</u> Shareholders holding over half of the total issued stock for a consecutive 3 month may call for a</p>			
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<p>shareholder' s meeting.</p> <p>Shareholding period and amount should be determined by the number of shares held at the time when the share transfer registration is suspended.</p> <p><u>9.</u> The following matter shall be indicated and detailed in the convening cause and cannot be proposed in extempore motion. The context of which shall be placed in a designated site by the securities authority of the company with the link specified in the notice:</p> <ol style="list-style-type: none"> <li>(1) Election or discharge of directors and supervisors;</li> <li>(2) Alteration of the Articles of Incorporation</li> <li>(3) Reduction of capital;</li> <li>(4) Application for the approval of ceasing its status as a public company</li> <li>(5) Dissolution, merger, conversion of shares, spin-off;</li> <li>(6) Conclude, change or terminate a contract for the lease of all business, entrusted operations or co-operation with others;</li> <li>(7) Transfer the whole or any essential part of its business or assets;</li> <li>(8) Transferring all business or property of others, which has a significant impact on the operation of the company;</li> <li>(9) Privately place the negotiable securities in equity nature;</li> <li>(10) Approval of competing with</li> </ol>			
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<p>the company by directors</p> <p>(11) All or one of the dividends and dividends distributed by way of new shares.</p> <p>(12) Distribute legal reserve, or the capital reserve from the premium share issuance price or received gifted income, in the form of new shares or cash, to the original shareholders.</p>			
<p>1. When the Company holds a shareholder meeting, it shall list the electronic means as one method to exercise the voting right by shareholders.</p> <p>2. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the Meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>3. A shareholder intending to exercise voting rights by correspondence or electronic means shall deliver a written declaration of intent to this Corporation before 2 days before the date of the Shareholders' Meeting. When duplicate declarations of intent are delivered, the one received earliest</p>	<p>1. Article 177-1 of the Company Act</p> <p>2. Article 177-2 of the Company Act</p>	<p>1. Shareholders may not exercise voting rights both by correspondence or electronic means. However, if specified in the articles of incorporation, shareholders may appoint proxies, by correspondence or electronic means, to exercise the voting rights of their shares.</p> <p>2. Shareholders who have proxies to exercise their voting rights are not deemed attending the shareholders' meeting in person.</p> <p>3. The delivery of proxy may be stipulated in the articles of incorporation.</p> <p>4. The Companies Act of Cayman Islands does not specify anything about the withdrawal of proxy by a shareholder. However, according to the principles of the common law, whether any provision in the articles</p>	<p>Articles 62 to 66 were amended. Please note that in Article 63 of the articles of incorporation specifies that "in accordance with Article 62, the shareholders exercising voting rights by correspondence or electronic means shall be deemed as appointing the chair of shareholders' meeting as their proxy ..." While the Companies Act of Cayman Islands deems the shareholders exercise voting rights by such means not attending a shareholders' meeting in person, such shareholders substantially are entitled to all the right to exercise voting rights both by correspondence or electronic means pursuant to laws of R.O.C, and thus it is not supposed to affect the shareholder's equity substantially.</p>

<p>shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>4. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the Shareholders' Meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the Shareholders' Meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.</p> <p>5. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the Meeting shall prevail.</p>		<p>of incorporation specifies contradictory, the shareholders attending a shareholders' meeting in person shall have their votes to prevail. Provided, the articles of incorporation still may specify matters related to withdrawal of proxies by the shareholders attending a shareholders' meeting in person.</p>	
<p>The procedures to convene shareholders' meetings and approaches of resolutions, if violate laws or the articles of incorporation, the shareholders may file a claim to the court to revoke such resolution, and Taiwan Taipei District Court shall have the jurisdiction for the first instance.</p>	<p>Article 189 of the Company Act</p>	<p>The Companies Act of Cayman Islands has no similar provision. Such provision in the articles of incorporation may not be enforced under the Companies Act of Cayman Islands, because the courts in the Cayman Islands are unable to acknowledge a foreign judgement not for</p>	<p>Article 66 of the articles of incorporation specified the key matters for protection of shareholder's interests as shown at the left. Provided, such provision varies a bit from the key matters for protection of shareholder's interests at the left.</p>

		<p>monetary payment before review the legal foundation of the concerned dispute.</p>	<p>The key matters for protection of shareholder's interests at the left are actually the provision regarding the shareholder's statutory right to revoke; the legal effects are not achievable via articles of incorporation, and such shareholder's right of revoke may be only granted by laws. The provision of Article 66, the articles of incorporation, while slightly varying from the Cayman Islands' laws at the left, the articles of incorporation does not limit the shareholder's right to file suits or reliefs to courts when the procedures to convene shareholders' meetings and approaches of resolutions violate laws or the articles of incorporation. Whether the court accept such suits, and whether the accepting court revoke the shareholders' meeting resolution resulting in the procedures to convene shareholders' meetings and approaches of resolutions, violating laws or the articles of incorporation, the discretion is of the concern court (be it the court of R.O.C, Cayman Islands, or other courts with jurisdiction) to review if the applicable laws are entitle to grant the shareholders the right</p>
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			to revoke, and make decision based on its power. Therefore, such variance is resulted from the nature of shareholders the right to revoke; provided the articles of incorporation does not limit the shareholder's right to file suits or reliefs to courts Such variance is not supposed to affect the shareholders' interest adversely.
<p>The following resolutions relating to the material interests of shareholders shall be attended by more than two-thirds of the total number of shareholders who have issued shares, and more than half of them shall agree to the voting rights of the shareholders. If the total number of shares of the attending shareholders is less than the above-mentioned quota, it is possible to represent the attendance of more than half of the total number of shareholders who have issued shares and to attend more than two-thirds of the voting rights of the shareholders:</p> <ol style="list-style-type: none"> <li>(The company concludes, alters or terminates the contract for the lease of all business, entrusted operations or co-operation with others, the transfer of all or a major part of the business or property, the transfer of all business or property of others, which has a significant impact on the company's operations.</li> <li>Alteration of the Articles of</li> </ol>	<ol style="list-style-type: none"> <li>Article 185 of the Company Act</li> <li>Article 277 of the Company Act</li> <li>Article 159 of the Company Act</li> <li>Article 240 of the Company Act</li> <li>Article 316 of the Company Act</li> <li>Article 29 of the Business Mergers and Acquisitions Act</li> </ol>	<ol style="list-style-type: none"> <li>Article 60 of the Companies Act of Cayman Islands specifies that a resolution is a special resolution when it has been passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given. A company may in its articles of association specify that the required majority shall be a number greater than the quorum for special resolutions required by the Companies Act of Cayman Islands; or (2) if so authorized by its articles of association, it has been approved in writing by all of the members entitled to vote</li> </ol>	<ol style="list-style-type: none"> <li>Article 1 of the articles of incorporation defines the "special resolution," and "special resolution (Taiwan)." The related provisions at the left, listed in Articles 54 and 55 of the articles of incorporation for the matters to obtain the "special resolution (Taiwan)" and matters to obtain "special resolution" pursuant to the Companies Act of Cayman Islands.</li> <li>Explanation of the required quorum for voting proposals: the special resolution is stipulated in the Companies Act of Cayman Islands; the matters requiring special resolutions pursuant to the Companies Act of Cayman Islands, shall be done by special resolutions of shareholders according to the articles of association,</li> </ol>

<p>Incorporation</p> <p>3. If the change of the articles of association has the right to damage the special shareholders, the resolution of the special shareholder meeting is required.</p> <p>4. All or one of the dividends and dividends distributed by way of new shares.</p> <p>5. Resolution of dissolution, merger or division.</p> <p>6. Share conversion</p>		<p>at a general meeting of the company.</p> <p>2. The Companies Act of Cayman Islands requires the following to be done by special resolution: (1) changing the name (Article 31); (2) altering the memorandum of association (Article 10); (3) altering the articles of incorporation (Article 24); (4) reducing capital (Article 14); (5) winding up voluntarily but not due to insolvency to due debt (Article 116 (c)); and (6) merger under the Companies Act of Cayman Islands (Article 233).</p>	<p>and such matters must not be resolved with the quorum lower than the quorum required for special resolutions by the Companies Act of Cayman Islands. Other than the general resolutions and “special resolution (Taiwan)” pursuant to the Company Act, R.O.C, the special resolutions are also specified pursuant to Article 1, the Companies Act of Cayman Islands. Since the variance is resulted from the provisions of the Companies Act of Cayman Islands, and in the Company’s articles of association, it is specified the matters requiring “special resolution (Taiwan)” and statutory matters requiring special resolutions by the Companies Act of Cayman Islands, respectively. It is not expected to have any adverse effect on the local shareholder’s interests.</p>
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### Three. Power and Responsibilities of Directors and Supervisors

<p>In case a director has, in the course of performing his/her duties, committed any act resulting in material damages to the company or in serious violation of applicable laws and/or regulations,</p>	<p>Article 200 of the Company Act</p>	<p>1. The Companies Act of Cayman Islands does not specify that the minority shareholders may claim to discharge any director to the</p>	<p>Article 95 of the articles of incorporation specified the key matters for protection of shareholder’s interests as shown at the left. Provided, the</p>
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<p>but not discharged by a resolution of the shareholders' meeting, the shareholder(s) holding 3% or more of the total number of outstanding shares of the company may, within 30 days after that shareholders' meeting, institute a lawsuit in the court for a judgment in respect of such matter. Taiwan Taipei District Court may have the jurisdiction for the first instance.</p>		<p>Cayman Islands Court.</p> <ol style="list-style-type: none"> <li>2. Generally speaking, the procedure to discharge any director shall be specified in the articles of association, and usually it is specified the discharge requires a general resolution of a shareholders' meeting.</li> <li>3. Pursuant to the provisions regarding shareholders' reliefs in the case law, in a suit to accuse director(s) infringe the company, for the formality, the qualified plaintiff shall be the company itself, not an individual shareholders or minority shareholders. Only in the rare cases, such as the conducts of director(s) constitute the fraud to minority shareholders, and these who conduct fraud have the control over the company, these minority shareholders as victims may file a suit to a court.</li> <li>4. Such provision in the articles of incorporation may not be enforced under the Companies Act of Cayman Islands, because the courts in the Cayman Islands are unable to acknowledge a foreign judgement not for monetary payment before review the legal foundation</li> </ol>	<p>courts in Cayman Island will not acknowledge any foreign judgement other than the monetary judgment with any substantial trial of the concern dispute. Therefore, even the key matters for protection of shareholder's interests at the left are included in the articles of incorporation, the judgement or decision made by Taiwan Taipei District Court to discharge a director may not be acknowledged and enforced by the courts in Cayman Island. In light of this, it is specified in the Articles of Incorporation that the shareholders shall file the suits to the court with jurisdiction. Such variance is resulted from the acknowledgement and enforcement of foreign judgement in the Cayman Islands' laws, and shareholders may still discharge director(s) pursuant to the articles of incorporation.</p>
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		of the concerned dispute. A director may be discharged with the procedures stated in the articles of incorporation	
<ol style="list-style-type: none"> <li>1. Supervisors, if established by the Company, are elected in a shareholders' meeting; at least one of supervisors shall have the domestic domicile.</li> <li>2. The term of office of a supervisor shall not exceed three years. But he/she may be eligible for re-election.</li> <li>3. In case all supervisors of a company are discharged, the board of directors shall, within 60 days, convene a special meeting of shareholders to elect new supervisors.</li> <li>4. Supervisors shall supervise the execution of business operations of the company, and may at any time or from time to time investigate the business and financial conditions of the company, inspect, transcribe or make copies of the accounting books and documents, and request the board of directors or managerial personnel to make reports thereon.</li> <li>5. Supervisors shall audit the various statements and records prepared for submission to the shareholders' meeting by the board of directors, and shall make a report of their findings and</li> </ol>	Articles 216-222 of the Company Act	The Companies Act of Cayman Islands does not implement the supervisor system, and no similar provision thereof.	The Company has the Audit Committee composing of all independent directors in place (Article 110 of the articles of incorporation and thereafter), and thus no separate supervisor is required. Such variance is not supposed to affect the shareholders' interest adversely.

<p>opinions at the meeting of shareholders.</p> <p>6. In performing their examination duties , the supervisors may appoint, on behalf of the company, a practicing lawyer and a certified public accountant to conduct the examination.</p> <p>7. Supervisors of a company may attend the meeting of the board of directors to their opinions. In case the board of directors or any director commits any act, in carrying out the business operations of the company, in a manner in violation of the laws, regulations, the Articles of Incorporation or the resolutions of the shareholders' meeting, the supervisors shall forthwith advise, by a notice, to the board of directors or the director, as the case may be, to cease such act.</p> <p>8. Supervisor may each exercise the supervision power individually.</p> <p>9. A supervisor shall not be concurrently a director, a managerial officer or other staff/employee of the company.</p>			
<p>1. Shareholders who have been continuously holding more than one percent of the total number of outstanding shares issued by the company for a period over six months, may in writing request the Supervisors to bring action against the Directors in the name of the Company. For this purpose,</p>	<p>Articles 200, 214, 220, and 227 of the Company Act</p>	<p>1. In the Companies Act of Cayman Islands, there is nothing equivalent to the concept of “supervisor.” It is not clear the effect if any supervisor is established by the articles of association.</p> <p>2. Pursuant to the provisions regarding shareholders’</p>	<p>The articles of incorporation or organizational documents have been amended. Article numbers in the articles of incorporation or organizational documents: Articles 112-113 of the articles of incorporation. Provided the content varies slightly from the laws of Cayman Islands at the</p>

<p>the Taiwan Taipei District Court may be the court of competent jurisdiction for the first instance.</p> <p>2. If the Supervisor failed to bring such action within thirty days after the request by the Shareholder, such Shareholder may bring the action in a court of competent jurisdiction in the name of the Company. For this purpose, the Taiwan Taipei District Court may be the court of with jurisdiction for the first instance.</p> <p>3. Subject to the condition that the board of Directors does not or is unable to convene a meeting of shareholders, the Supervisors may, on the benefit of the company, call a meeting of shareholders when it is deemed necessary.</p>		<p>reliefs in the case law, in a suit to accuse director(s) infringe the company, for the formality, the qualified plaintiff shall be the company itself, not an individual shareholders or minority shareholders. Only in the rare cases, the aforesaid principle has exceptions, including the conducts of director(s) constitute the fraud to minority shareholders, and these who conduct fraud have the control over the company, these minority shareholders as victims may file a suit to a court.</p> <p>3. Adding such provisions in the articles of incorporation may not be enforced under the Companies Act of Cayman Islands, because the courts in the Cayman Islands are unable to acknowledge a foreign judgement not for monetary payment before review the legal foundation of the concerned dispute.</p>	<p>left, explained as below:</p> <p>(1) The provisions of the articles of association mainly refer to Article 214 of Taiwan's Company Act, and Paragraph 4, Article 14-4 of the Securities Exchange Act; i.e. when the Company has the Audit Committee in place, Article 214 of the Company Act applies to the independent directors of the Audit Committee mutatis mutandis. Since the Company has the Audit Committee in place, the claim of the shareholders shall be against the independent directors of the Audit Committee.</p> <p>(2) Provided, the courts in Cayman Island will not acknowledge any foreign judgement other than the monetary judgment with any substantial trial of the concern dispute. Therefore, even the key matters for protection of shareholder's interests at the left are included in the articles of incorporation, the judgement or decision made by Taiwan Taipei District Court may not be acknowledged and enforced by the courts in</p>
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			Cayman Island. In light of this, it is specified in the Articles of Incorporation that the shareholders shall file the suits to the court with jurisdiction.
<p>1. The Company's directors shall have the loyalty and shall exercise the due care of a good administrator in conducting the business operation of the company; and if he/she has acted contrary to this provision, shall be liable for the damages to be sustained by the company therefrom. In case such conducts are for himself/herself or on behalf of another person, the meeting of shareholders may, by a resolution, consider the earnings in such an act as earnings of the company unless one year has lapsed since the realization of such earnings.</p> <p>2. The Company's directors has, in the course of conducting the business operations, violated any provision of the applicable laws and/or regulations and thus caused damage to any other person, he/she shall be liable, jointly and severally, for the damage to such other person.</p> <p>3. Within the extent of performing duties, the Company's managerial officers and supervisors shall be liable same as the directors for the damage.</p>	<p>Paragraphs 2 and 3 of Article 8, and Paragraph 3, Article 23 of the Company Act; Paragraph 1 and 2, Article 5 of the Business Mergers and Acquisitions Act.</p>	<p>1. The Companies Act of Cayman Islands does not specify the duties of directors. Based on the principle of case law applicable in Cayman Islands, the directors are liable to the company for (1) fiduciary duties, and (2) duty of care. The company may claim against the director violating the duties above. Additionally, the earnings obtained by the directors via the violation of their duties may be attributed to the company.</p> <p>2. Based on the principle of case law, during the course of managing operations of the company, the directors' conducts are deemed the company's conducts. Where any third party suffers damages from their conducts, it shall be the company, rather than the directors themselves, held liable to such third party for the conduct. The third party claiming damage is unable to claim pursuant to the articles</p>	<p>Article 84A of the articles of incorporation specifies that if the Company's director, when executing operation, violated laws and orders, and results in the Company to be liable for any compensation or damage to anyone, such directors are held liable, jointly and severally, with the Company for the compensation. Such directors shall compensate the Company for loss suffered by the Company due to their violations of responsibilities. Provided, such third party may not have the basis for the right of claim to claim for compensation directly under the laws of Cayman Islands and case law. Even the articles of incorporation specifies that directors are held liable, jointly and severally, with the Company for the compensation, the basis for the right of claim is unable to be created. Additionally, while Article 84A of the articles of incorporation provides the agreement that such duties are applicable to managerial officer, to</p>

		<p>of incorporation, and add duties upon the shareholders. The non-shareholder third party is not able to enforce pursuant to the articles of incorporation. When the company is held liable for damages to third parties due to the directors' violations to duties, the company may claim compensation against the directors causing the damage.</p> <p>3. Generally, the managerial officers have no fiduciary duty to the company. The managerial officers are not counterparty of the articles of incorporation, and thus even stipulated with the articles of incorporation, it is not enforceable. Such duties shall be agreed with the managerial officers as agreement.</p>	<p>thoroughly fulfill the managerial officers' responsibility in the protection of shareholder's interests, it shall be agreed between the Company and the managerial officers with contracts. Such variance is not supposed to affect the shareholder's interests adversely.</p>
<p>When a corporate becomes a shareholder, its representatives may be elected as a director or supervisor. When there are several representatives, they may be elected separately, but one cannot be elected or appointed as a director and a supervisor at the same time.</p>	<p>Paragraph 2, Article 27 of the Company Act</p>	<p>1. The Companies Act of Cayman Islands does not specify the representatives of corporate shareholders may be elected as the directors, but the articles of association may do so.</p> <p>2. In the Companies Act of Cayman Islands, there is nothing equivalent to the concept of "supervisor." It is not clear the effect if any supervisor is established by</p>	<p>Pursuant to the first half of Paragraph 2, Article 28-4 of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, "A foreign issuer shall install an audit committee." The Company has the Audit Committee composing of all independent directors in place, and no supervisor is required, so the Articles of Incorporation does not regulate the</p>

		the articles of association.	supervisors. Such variance is not supposed to affect the shareholders' interest adversely.
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VI. In the most recent year and up to the date of publication of the annual report, if there is any event that has a significant impact on shareholders' equity or securities price as stipulated in the second paragraph of Article 36, paragraph 3 of the Securities Exchange Law: NA.

**Sunjuice Holdings Co., Limited and  
Subsidiaries**

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

### INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Sunjuice Holdings Co., Limited

#### Opinion

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

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

#### Basis for Opinion

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

#### Key Audit Matters

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

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2023 is described as follows:

#### Revenue Recognition

In consideration of the materiality, auditing standards and recognition of sales revenue, which includes a presumption of significant risk, we identified the occurrence of sales revenue from specific customers as a key audit matter. Refer to Note 4(k) for the related accounting policies.

Our main audit procedures performed in respect of the above-mentioned key audit matter included the following:

1. We understood and tested the design and operating effectiveness of the key controls.
2. We sampled the details of sales revenue derived from specific customers, obtained delivery acceptance receipt signings and related information, and payment records to verify the validity of the revenue recognition.

#### **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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Ming-Chung Hsieh and Yi-Min Huang.

Ming-Chung Hsieh

Yi-Min Huang

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 8, 2024

Notice to Readers

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

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

	2023		2022	
ASSETS	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 1,488,281	30	\$ 1,156,885	25
Financial assets at amortized cost - current (Notes 7, 24 and 26)	261,635	5	329,894	7
Trade receivables (Notes 8, 17 and 25)	358,202	7	354,027	8
Other receivables	24,016	1	28,178	1
Current tax assets (Note 19)	-	-	11	-
Inventories (Note 9)	480,385	10	459,196	10
Prepayments	39,951	1	104,159	2
Other current assets	<u>2,668</u>	-	<u>22,898</u>	-
Total current assets	<u>2,655,138</u>	<u>54</u>	<u>2,455,248</u>	<u>53</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at amortized cost - non-current (Notes 7 and 24)	216,350	4	-	-
Property, plant and equipment (Note 11)	1,789,103	37	1,905,660	41
Right-of-use assets (Note 12)	162,397	3	132,826	3
Other intangible assets	27,758	1	38,442	1
Deferred income tax assets (Note 19)	36,652	1	34,189	-
Prepayments of equipment	13,468	-	93,633	2
Refundable deposits	<u>5,304</u>	-	<u>13,083</u>	-
Total non-current assets	<u>2,251,032</u>	<u>46</u>	<u>2,217,833</u>	<u>47</u>
<b>TOTAL</b>	<u>\$ 4,906,170</u>	<u>100</u>	<u>\$ 4,673,081</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 13)	\$ 43,270	1	\$ -	-
Contract liabilities - current (Note 17)	73,951	2	72,001	2
Trade payables (Note 14)	212,463	4	188,562	4
Other payables (Note 15)	201,654	4	228,603	5
Current tax liabilities (Note 19)	1,741	-	15,665	-
Lease liabilities - current (Note 12)	4,049	-	4,099	-
Deferred revenue (Note 21)	1,623	-	299	-
Other current liabilities	<u>1,187</u>	-	<u>322</u>	-
Total current liabilities	<u>539,938</u>	<u>11</u>	<u>509,551</u>	<u>11</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred income tax liabilities (Note 19)	36,635	1	19,443	1
Lease liabilities - non-current (Note 12)	9,112	-	13,402	-
Deferred revenue - non-current (Notes 15 and 21)	22,744	1	12,413	-
Guarantee deposits received (Note 15)	<u>17,403</u>	-	<u>18,222</u>	-
Total non-current liabilities	<u>85,894</u>	<u>2</u>	<u>63,480</u>	<u>1</u>
Total liabilities	<u>625,832</u>	<u>13</u>	<u>573,031</u>	<u>12</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 16)</b>				
Share capital				
Ordinary shares	<u>338,422</u>	<u>7</u>	<u>338,422</u>	<u>7</u>
Capital surplus				
Capital surplus	<u>1,145,562</u>	<u>23</u>	<u>1,145,562</u>	<u>25</u>
Retained earnings				
Reserve	430,628	9	390,318	8
Special reserve	71,140	1	119,809	3
Unappropriated earnings	<u>1,939,656</u>	<u>40</u>	<u>1,731,356</u>	<u>37</u>
Total retained earnings	<u>2,441,424</u>	<u>50</u>	<u>2,241,483</u>	<u>48</u>
Other equity				
Exchange differences arising on translation of foreign operations	<u>(141,712)</u>	<u>(3)</u>	<u>(71,140)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	3,783,696	77	3,654,327	78
<b>NON-CONTROLLING INTERESTS (Note 16)</b>	<u>496,642</u>	<u>10</u>	<u>445,723</u>	<u>10</u>
Total equity	<u>4,280,338</u>	<u>87</u>	<u>4,100,050</u>	<u>88</u>
<b>TOTAL</b>	<u>\$ 4,906,170</u>	<u>100</u>	<u>\$ 4,673,081</u>	<u>100</u>

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 17, 25 and 32)				
Sales	\$ 4,754,280	103	\$ 4,206,922	102
Sales returns	(115,294)	(3)	(98,411)	(2)
Sales allowance	(7,020)	-	(7,118)	-
Total operating revenues	4,631,966	100	4,101,393	100
OPERATING COSTS (Notes 9 and 18)	(3,328,805)	(72)	(2,931,835)	(71)
GROSS PROFIT	1,303,161	28	1,169,558	29
OPERATING EXPENSES (Notes 8 and 18)				
Selling and marketing expenses	(286,875)	(6)	(260,056)	(6)
General and administrative expenses	(403,452)	(9)	(287,886)	(7)
Research and development expenses	(52,002)	(1)	(60,719)	(2)
Expected credit gain (loss)	5,583	-	(7,405)	-
Total operating expenses	(736,746)	(16)	(616,066)	(15)
PROFIT FROM OPERATIONS	566,415	12	553,492	14
NON-OPERATING INCOME AND EXPENSES (Note 18)				
Interest income	52,853	1	35,951	1
Other income	28,302	1	35,976	1
Other gains and losses	3,413	-	5,987	-
Finance costs	(1,524)	-	(1,332)	-
Total non-operating income and expenses	83,044	2	76,582	2
PROFIT BEFORE INCOME TAX	649,459	14	630,074	16
INCOME TAX EXPENSE (Notes 4 and 19)	(169,728)	(3)	(165,382)	(4)
NET PROFIT FOR THE YEAR	479,731	11	464,692	12
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences on translation to the presentation currency	(79,469)	(2)	54,121	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 400,262	9	\$ 518,813	13

(Continued)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 419,915	9	\$ 403,294	10
Non-controlling interests	<u>59,816</u>	<u>1</u>	<u>61,398</u>	<u>1</u>
	<u>\$ 479,731</u>	<u>10</u>	<u>\$ 464,692</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Company	\$ 349,343	8	\$ 451,962	11
Non-controlling interests	<u>50,919</u>	<u>1</u>	<u>66,851</u>	<u>2</u>
	<u>\$ 400,262</u>	<u>9</u>	<u>\$ 518,813</u>	<u>13</u>
EARNINGS PER SHARE (Note 20)				
Basic	<u>\$ 12.41</u>		<u>\$ 11.92</u>	
Diluted	<u>\$ 12.40</u>		<u>\$ 11.91</u>	

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

(Concluded)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

	Equity Attributable to the Owners of the Company										
	Number of Shares (In Thousands)	Share Capital	Capital Surplus	Retained Earnings			Unappropriated Earnings	Other Equity Exchange Differences on Translation of Foreign Operations	Total	Non-controlling Interests	Total Equity
				Reserve	Special Reserve						
BALANCE AT JANUARY 1, 2022	33,842	\$ 338,422	\$ 1,145,562	\$ 319,447	\$ 100,235	\$ 1,858,653	\$ (119,808)	\$ 3,642,511	\$ 378,674	\$ 4,021,185	
Appropriation of 2021 earnings											
Reserve	-	-	-	70,871	-	(70,871)	-	-	-	-	
Special reserve	-	-	-	-	19,574	(19,574)	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	(439,948)	-	(439,948)	-	(439,948)	
Net profit for the year ended December 31, 2022	-	-	-	-	-	403,294	-	403,294	61,398	464,692	
Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	48,668	48,668	5,453	54,121	
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	403,294	48,668	451,962	66,851	518,813	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	-	(198)	-	(198)	198	-	
BALANCE AT DECEMBER 31, 2022	33,842	338,422	1,145,562	390,318	119,809	1,731,356	(71,140)	3,654,327	445,723	4,100,050	
Appropriation of 2022 earnings											
Reserve	-	-	-	40,310	-	(40,310)	-	-	-	-	
Special reserve	-	-	-	-	(48,669)	48,669	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	(219,974)	-	(219,974)	-	(219,974)	
Net profit for the year ended December 31, 2023	-	-	-	-	-	419,915	-	419,915	59,816	479,731	
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(70,572)	(70,572)	(8,897)	(79,469)	
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	419,915	(70,572)	349,343	50,919	400,262	
BALANCE AT DECEMBER 31, 2023	33,842	\$ 338,422	\$ 1,145,562	\$ 430,628	\$ 71,140	\$ 1,939,656	\$ (141,712)	\$ 3,783,696	\$ 496,642	\$ 4,280,338	

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 649,459	\$ 630,074
Adjustments for:		
Depreciation expenses	253,683	214,647
Amortization expenses	6,483	6,172
Expected credit loss (reversed) recognized on trade receivables	(5,583)	7,405
Finance costs	1,524	1,332
Interest income	(52,853)	(35,951)
Loss on disposal of property, plant and equipment	3,318	3,763
Impairment loss recognized on intangible assets	8,189	-
Write-down of inventories	12,657	356
Government grants	(1,110)	(300)
Changes in operating assets and liabilities		
Notes receivable	-	2,949
Trade receivables	1,465	(84,365)
Other receivables	(153)	(4,815)
Inventories	(33,414)	(8,353)
Prepayments	67,680	(51,731)
Other current assets	20,230	(22,557)
Contract liabilities	1,950	(56,078)
Trade payables	23,901	9,055
Other payables	3,427	(39,665)
Deferred revenue	13,133	-
Other current liabilities	865	200
Cash generated from operations	974,851	572,138
Interest paid	(1,494)	(1,436)
Income taxes paid	(168,836)	(254,076)
Net cash generated from operating activities	804,521	316,626
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(483,499)	(743,609)
Proceeds from sale of financial assets at amortized cost	327,543	766,069
Payments for property, plant and equipment	(110,904)	(294,769)
Proceeds from disposal of property, plant and equipment	1,167	6,047
Increase in refundable deposits	(1,053)	(9,403)
Decrease in refundable deposits	8,680	5,256
Payments for intangible assets	(3,488)	(4,955)
Payments for right-of-use assets	(40,426)	-
Increase in prepayments for equipment	(11,457)	(38,936)
Interest received	57,168	25,022
Net cash used in investing activities	(256,269)	(289,278)

(Continued)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

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	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	\$ 44,310	\$ 86,061
Repayments of short-term borrowings	-	(172,122)
Proceeds from guarantee deposits received	3,344	1,167
Refund of guarantee deposits received	(3,834)	(3,624)
Repayment of the principal portion of lease liabilities	(4,084)	(3,288)
Dividends paid to owners of the Company	<u>(219,974)</u>	<u>(439,948)</u>
Net cash used in financing activities	<u>(180,238)</u>	<u>(531,754)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(36,618)</u>	<u>20,350</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	331,396	(484,056)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,156,885</u>	<u>1,640,941</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,488,281</u>	<u>\$ 1,156,885</u>

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

(Concluded)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

Sunjuice Holdings Co., Limited (the “Company”) was incorporated in the Cayman Islands in January 2010. The Company and its subsidiaries (collectively, the “Group”) mainly engage in the production and wholesale of juice, fruit granules and powder.

The Company’s shares were listed on the Taipei Exchange (TPEX) since September 5, 2012, and have been listed on the mainboard of the Taiwan Stock Exchange (TWSE) since March 17, 2016.

The functional currency of the Company is the Renminbi. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in the New Taiwan dollars since the Company’s shares are listed on the TWSE.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 8, 2024.

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

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

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

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

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

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

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

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

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)

The 2020 amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights exist at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right.

The 2020 amendments also stipulate that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date. The 2022 amendments further clarify that only covenants with which an entity is required to comply on or before the reporting date should affect the classification of a liability as current or non-current. Although the covenants to be complied with within twelve months after the reporting period do not affect the classification of a liability, the Group shall disclose information that enables users of financial statements to understand the risk of the Group, which may have difficulty complying with the covenants and repaying its liabilities within twelve months after the reporting period.

The 2020 amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group’s own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that, at the option of the counterparty, result in its settlement by a transfer of the Group’s own equity instruments, and if such an option is recognized separately as equity in accordance with IAS 32 “Financial Instruments: Presentation”, the aforementioned terms would not affect the classification of the liability.

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

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

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

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

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

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

#### **4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

##### **a. Statement of compliance**

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

##### **b. Basis of preparation**

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

d. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 10, Tables 5 and 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

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

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

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

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

For the purpose of presenting the consolidated financial statements, the financial statements of the Company and its foreign operations (including subsidiaries, associates, joint ventures and branches in other countries that are prepared using functional currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate). The exchange differences accumulated in equity, which resulted from the translation of the assets and liabilities of the entities in the Group from functional currencies to the presentation currency, are not subsequently reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work in process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Samples produced when testing whether an item of property, plant and equipment is functioning properly before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those samples and the cost of those samples are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

h. Intangible assets

1) Intangible assets acquired separately

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

2) Derecognition of intangible assets

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

- i. Impairment of property, plant and equipment, right-of-use assets, intangible assets and assets related to contract costs

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

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

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

- j. Financial instruments

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

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

- 1) Financial assets

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

- a) Measurement categories

Financial assets are classified as financial assets at amortized cost.

### Financial assets at amortized cost

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

- i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable, trade receivables, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

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

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

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

- i. Significant financial difficulty of the issuer or the borrower;
- ii. Breach of contract, such as a default;
- iii. It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv. The disappearance of an active market for that financial asset because of financial difficulties.

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

#### b) Impairment of financial assets and contract assets

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

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

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

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

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Equity instruments

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

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Group's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

b) Derecognition of financial assets

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

k. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of juice products.

Revenue from the sale of goods comes from sales of the juice, fruit granules and powder products. Sales of products are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Sales and trade receivables are recognized concurrently.

l. Leases

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

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

The Group as lessee

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

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

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

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

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

m. Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

n. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

o. Taxation

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

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction. Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

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

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

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

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

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

### 3) Current and deferred taxes

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

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

## 6. CASH AND CASH EQUIVALENTS

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Cash on hand	\$ 145	\$ 301
Demand deposits	468,226	304,856
Cash equivalent (investments with original maturities of 3 months or less)	<u>1,019,910</u>	<u>851,728</u>
	<u>\$ 1,488,281</u>	<u>\$ 1,156,885</u>

## 7. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
<u>Current</u>		
Pledged deposits	\$ 72	\$ 74
Time deposits with original maturities of more than 3 months but less than one year	<u>261,563</u>	<u>329,820</u>
	<u>\$ 261,635</u>	<u>\$ 329,894</u>
<u>Non-current</u>		
Time deposits with original maturities of more than 1 year	<u>\$ 216,350</u>	<u>\$ -</u>

## 8. TRADE RECEIVABLES

	December 31	
	2023	2022
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount - unrelated parties	\$ 360,540	\$ 365,789
Gross carrying amount - related parties (Note 25)	<u>1,077</u>	<u>198</u>
	361,617	365,987
Less: Allowance for impairment loss	<u>(3,415)</u>	<u>(11,960)</u>
	<u>\$ 358,202</u>	<u>\$ 354,027</u>

The credit period of sales of goods was 15-60 days. No interest was charged on trade receivables. The Group considers any change in credit quality from the initial credit date to the balance sheet date.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer and the customer's current financial position. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation, or when the trade receivables are over 365 days past due, whichever occurs earlier. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix:

December 31, 2023

	<b>1 to 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>Over 181 Days</b>	<b>Total</b>
Expected credit loss rates	0%-4.33%	0%-8.06%	0%-63.09%	100%	
Gross carrying amount	\$ 351,834	\$ 6,164	\$ 2,795	\$ 824	\$ 361,617
Loss allowance (Lifetime ECLs)	<u>(1,586)</u>	<u>(483)</u>	<u>(522)</u>	<u>(824)</u>	<u>(3,415)</u>
Amortized cost	<u>\$ 350,248</u>	<u>\$ 5,681</u>	<u>\$ 2,273</u>	<u>\$ -</u>	<u>\$ 358,202</u>

December 31, 2022

	<b>1 to 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>Over 181 Days</b>	<b>Total</b>
Expected credit loss rates	0%-4.77%	0%-11.23%	0%-78.18%	100%	
Gross carrying amount	\$ 344,163	\$ 7,469	\$ 11,422	\$ 2,933	\$ 365,987
Loss allowance (Lifetime ECLs)	<u>(4,730)</u>	<u>(122)</u>	<u>(4,175)</u>	<u>(2,933)</u>	<u>(11,960)</u>
Amortized cost	<u>\$ 339,433</u>	<u>\$ 7,347</u>	<u>\$ 7,247</u>	<u>\$ -</u>	<u>\$ 354,027</u>

The movements of the loss allowance of trade receivables were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ 11,960	\$ 5,302
Add: Impairment losses recognized	-	7,405
Less: Amounts written off	(2,905)	(811)
Less: Impairment losses reversed	(5,583)	-
Foreign exchange gains and losses	<u>(57)</u>	<u>64</u>
Balance at December 31	<u>\$ 3,415</u>	<u>\$ 11,960</u>

## 9. INVENTORIES

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Finished goods	\$ 169,477	\$ 140,517
Work in process	111,961	79,630
Raw materials and supplies	<u>198,947</u>	<u>239,049</u>
	<u>\$ 480,385</u>	<u>\$ 459,196</u>

The nature of the cost of goods sold is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Cost of inventories sold	\$ 3,316,148	\$ 2,931,479
Inventory write-downs	<u>12,657</u>	<u>356</u>
	<u><b>\$ 3,328,805</b></u>	<u><b>\$ 2,931,835</b></u>

## 10. SUBSIDIARIES

### a. Subsidiaries included in consolidated financial statements

Investor	Investee	Nature of Activities	Percentage of Ownership (%)		Remark
			December 31		
			2023	2022	
Sunjuice Holdings Co., Limited	Power Keen Limited	Investment	100.00	100.00	
	Sunjuice I International Limited	Investment	75.00	75.00	
Power Keen Limited	Sunjuice (Hong Kong) Limited	Investment	100.00	100.00	
	Sunjuice Co. Limited	Manufacturing and sale of fresh juices, mixed vegetable juices, protein drinks, others, etc.	32.47	32.47	
Sunjuice (Hong Kong) Limited	Sunjuice Co. Limited	Manufacturing and sale of fresh juices, mixed vegetable juices, protein drinks, others, etc.	54.43	54.43	
	Sun Philippe Trade (Kunshan) Co., Limited	Wholesale of daily necessities, wholesale of electronic components, procurement agency services, information consulting services, import and export agency, import and export of goods	100.00	100.00	1) and 2)
	IM Trade (Kunshan) Co., Limited	Import and export of goods, wholesale of daily necessities, wholesale of electronic components, procurement agency services, information consulting services, import and export agency	100.00	100.00	1) and 3)
Sun Philippe Trade (Kunshan) Co., Limited	Sunjuice Co. Limited	Manufacturing and sale of fresh juices, mixed vegetable juices, protein drinks, others, etc.	0.10	0.10	2)
IM Trade (Kunshan) Co., Limited	Sunjuice Co. Limited	Manufacturing and sale of fresh juices, mixed vegetable juices, protein drinks, others, etc.	0.10	0.10	3)
Sunjuice Co. Limited	Fresh Juice Industry (Tianjin) Co. Limited	Drinks processing	100.00	100.00	
	Guangdong Fresh Juice Biological Technology Co. Limited	R&D and technical service, sale of drinks, fruit products, fruit extract, fruit enzyme products, etc.	100.00	100.00	
	Shanghai Sense Beverage Company Limited	Drinks, prepackaged food, juice dispenser machine, coffee maker, all-in-one tea maker, wholesale of electronic products, import and export, equipment for rent, etc.	100.00	100.00	
	Suzhou Sunjuice I International Limited	Primary processing and sale of agricultural products, manufacturing, sale, import and export	100.00	100.00	
	Guangxi Fresh Juice Biotechnology Co., Ltd.	Manufacturing, domestic freight forwarding and import of goods	100.00	100.00	4)

Remarks:

- 1) Sunjuice (Hong Kong) Limited invested \$8,688 thousand (RMB 2,000 thousand) to establish Sun Philippe Trade (Kunshan) Co., Limited in November 2021, and held 100% of its equity; and invested \$8,688 thousands (RMB2,000 thousands) in IM Trade (Kunshan) Co., Limited and held 100% of its equity.
- 2) Sun Philippe Trade (Kunshan) Co., Limited was established after obtaining approval on November 23, 2021. In the same year, Sun Philippe Trade (Kunshan) Co., Limited obtained its operating license with an effective period of 50 years (from November 23, 2021 to November 22, 2071).
- 3) IM Trade (Kunshan) Co., Limited was established after obtaining approval on November 26, 2021. In the same year, IM Trade (Kunshan) Co., Limited obtained its operating license with an effective period of 50 years (from November 26, 2021 to November 25, 2071).

- 4) Sunjuice Co. Limited invested RMB10,000 thousand in Guangxi Fresh Juice Biotechnology Co., Ltd. in January 2022 and held 100% of its equity. Guangxi Fresh Juice Biotechnology Co., Ltd. was established after obtaining approval on December 17, 2021. In the same year, Guangxi Fresh Juice Biotechnology Co., Ltd. obtained its operating license.

b. Subsidiaries excluded from the consolidated financial statements: None.

## 11. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
<u>Cost</u>						
Balance at January 1, 2023	\$ 1,240,055	\$ 807,096	\$ 30,676	\$ 609,003	\$ 15,884	\$ 2,702,714
Additions	28,499	32,954	2,204	16,060	781	80,498
Disposals	-	(7,013)	(2,548)	(4,306)	-	(13,867)
Reclassified	16,828	81,553	-	3,194	(15,312)	86,263
Effects of foreign currency exchange differences	(23,311)	(16,046)	(550)	(11,348)	(124)	(51,379)
Balance at December 31, 2023	<u>\$ 1,262,071</u>	<u>\$ 898,544</u>	<u>\$ 29,782</u>	<u>\$ 612,603</u>	<u>\$ 1,229</u>	<u>\$ 2,804,229</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2023	\$ 280,344	\$ 227,248	\$ 20,260	\$ 269,202	\$ -	\$ 797,054
Depreciation expenses	76,433	83,916	4,381	81,451	-	246,181
Disposals	-	(3,719)	(2,064)	(3,599)	-	(9,382)
Effects of foreign currency exchange differences	(6,463)	(5,559)	(416)	(6,289)	-	(18,727)
Balance at December 31, 2023	<u>\$ 350,314</u>	<u>\$ 301,886</u>	<u>\$ 22,161</u>	<u>\$ 340,765</u>	<u>\$ -</u>	<u>\$ 1,015,126</u>
Carrying amount at December 31, 2023	<u>\$ 911,757</u>	<u>\$ 596,658</u>	<u>\$ 7,621</u>	<u>\$ 271,838</u>	<u>\$ 1,229</u>	<u>\$ 1,789,103</u>
<u>Cost</u>						
Balance at January 1, 2022	\$ 1,142,529	\$ 576,688	\$ 26,966	\$ 486,019	\$ 14,366	\$ 2,246,568
Additions	73,848	189,820	2,594	44,954	16,057	327,273
Disposals	-	(15,615)	(471)	(9,853)	-	(25,939)
Reclassified	5,832	44,679	1,140	79,116	(14,767)	116,000
Effects of foreign currency exchange differences	17,846	11,524	447	8,767	228	38,812
Balance at December 31, 2022	<u>\$ 1,240,055</u>	<u>\$ 807,096</u>	<u>\$ 30,676</u>	<u>\$ 609,003</u>	<u>\$ 15,884</u>	<u>\$ 2,702,714</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2022	\$ 210,041	\$ 172,000	\$ 15,721	\$ 199,739	\$ -	\$ 597,501
Depreciation expenses	67,274	61,780	4,735	73,245	-	207,034
Disposals	-	(9,033)	(423)	(6,673)	-	(16,129)
Effects of foreign currency exchange differences	3,029	2,501	227	2,891	-	8,648
Balance at December 31, 2022	<u>\$ 280,344</u>	<u>\$ 227,248</u>	<u>\$ 20,260</u>	<u>\$ 269,202</u>	<u>\$ -</u>	<u>\$ 797,054</u>
Carrying amount at December 31, 2022	<u>\$ 959,711</u>	<u>\$ 579,848</u>	<u>\$ 10,416</u>	<u>\$ 339,801</u>	<u>\$ 15,884</u>	<u>\$ 1,905,660</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20 -30 years
Power system equipment	1-20 years
Machinery and equipment	3-10 years
Transportation equipment	4-5 years
Other equipment	1-30 years

## 12. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
<u>Carrying amounts</u>		
Land	\$ 150,846	\$ 117,038
Buildings	<u>11,551</u>	<u>15,788</u>
	<u>\$ 162,397</u>	<u>\$ 132,826</u>
	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Additions of right-of-use assets	<u>\$ 40,426</u>	<u>\$ 19,605</u>
Depreciation charge for right-of-use assets		
Land	\$ 3,485	\$ 2,825
Buildings	<u>4,017</u>	<u>4,788</u>
	<u>\$ 7,502</u>	<u>\$ 7,613</u>

### b. Lease liabilities

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
<u>Carrying amounts</u>		
Current	\$ 4,049	\$ 4,099
Non-current	<u>9,112</u>	<u>13,402</u>
	<u>\$ 13,161</u>	<u>\$ 17,501</u>

Range of discount rate for lease liabilities was as follows:

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Buildings	4.35%-4.60%	4.35%-4.60%

### c. Material lease-in activities and terms

The Group leases land and buildings for the use of plants and production activities with lease terms of 50 and 5 years.

d. Other lease information

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Expenses relating to short-term leases	\$ <u>21,291</u>	\$ <u>16,237</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ <u>14,498</u>	\$ <u>10,491</u>
Total cash outflow for leases	\$ <u>(80,951)</u>	\$ <u>(30,883)</u>

The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases which qualify as short-term leases or leases with variable lease payments.

### 13. BORROWINGS

#### Short-term Borrowings

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
<u>Unsecured borrowings</u>		
Bank loan	\$ <u>43,270</u>	\$ <u>-</u>

The weighted average effective interest rate of bank loans was 2.5% per annum as of December 31, 2023.

### 14. TRADE PAYABLES

The average credit period on purchases of certain goods was 30 days. The Group has financial risk management policies to ensure in place that all payables are paid within the pre-agreed credit terms.

### 15. OTHER LIABILITIES

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
<u>Current</u>		
Other payables		
Accrued payroll and bonuses	\$ 82,778	\$ 60,720
Accrued compensation of employees and remuneration of directors	2,105	1,853
Professional service fees	2,578	3,557
Other tax expenses	6,679	4,456
Insurance	30,024	27,934
Shipping expenses	20,995	22,326
Payable for purchase of equipment	25,442	55,848

(Continued)

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Sales tax	\$ 9,744	\$ 21,249
Others (employee welfare, other purchase, etc.)	<u>21,309</u>	<u>30,660</u>
	<u>\$ 201,654</u>	<u>\$ 228,603</u>
<b><u>Non-current</u></b>		
Deferred revenue		
Government grants (Note 21)	\$ 22,744	\$ 12,413
Guarantee deposits received	<u>17,403</u>	<u>18,222</u>
	<u>\$ 40,147</u>	<u>\$ 30,635</u>
		(Concluded)

## 16. SHAREHOLDERS' EQUITY

### a. Share capital

#### Ordinary shares

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Number of shares authorized (in thousands)	<u>60,000</u>	<u>60,000</u>
Shares authorized	<u>\$ 600,000</u>	<u>\$ 600,000</u>
Number of shares issued and fully paid (in thousands)	<u>33,842</u>	<u>33,842</u>
Shares issued	<u>\$ 338,422</u>	<u>\$ 338,422</u>

### b. Capital surplus

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Issuance of ordinary shares	\$ 425,602	\$ 425,602
<u>May only be used to offset a deficit</u>		
Changes in percentage of ownership interests in subsidiaries (2)	<u>719,960</u>	<u>719,960</u>
	<u>\$ 1,145,562</u>	<u>\$ 1,145,562</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for offsetting losses of previous years, setting aside as a reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, refer to employees' compensation and remuneration of directors in Note 18-(g).

According to the Company's Articles of Incorporation and the Companies Act of the Cayman Islands, distribution of earnings should be made by way of shareholders' dividends or bonuses after the consideration of financial, business and operating factors, and the ratio of dividends distributed shall not be less than 20% of the net profit for the year. Shareholders' dividends may be distributed by way of cash dividends and/or stock dividends, where the ratio of cash dividends distributed shall not be less than 30% of the total dividends distributed.

The appropriations of earnings for 2022 and 2021, which were approved in the shareholders' meetings on May 26, 2023 and May 26, 2022, respectively, were as follows:

<b>Appropriation of Earnings</b>		
<b>For the Year Ended December 31</b>		
	<b>2022</b>	<b>2021</b>
Reserve	\$ 40,310	\$ 70,871
(Reversal of) special reserve	\$ (48,669)	\$ 19,574
Cash dividends	\$ 219,974	\$ 439,948
Cash dividends per share (NT\$)	\$ 6.5	\$ 13

The appropriation of earnings for 2023, which had been proposed by the Company's board of directors on March 8, 2024, was as follows:

	<b>For the Year Ended December 31, 2023</b>
Reserve	\$ -
Special reserve	\$ 70,572
Cash dividends	\$ 223,358
Cash dividends per share (NT\$)	\$ 6.6

d. Other equity items

Exchange differences on translation of the financial statements of foreign operations

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ (71,140)	\$ (119,808)
Exchange differences on translation to the presentation currency	<u>(70,572)</u>	<u>48,668</u>
Balance at December 31	<u>\$ (141,712)</u>	<u>\$ (71,140)</u>

e. Non-controlling interests

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ 445,723	\$ 378,674
Share in profit for the year	59,816	61,398
Other comprehensive (loss)/income during the year		
Exchange differences on translating the financial statements of foreign entities	(8,897)	5,453
Partial acquisition of subsidiaries (Note 25)	<u>-</u>	<u>198</u>
Balance at December 31	<u>\$ 496,642</u>	<u>\$ 445,723</u>

## 17. REVENUE

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Revenue from contracts with customer		
Revenue from sale of goods		
Juices	\$ 2,376,550	\$ 1,939,875
Fruit granules	2,184,137	2,061,405
Fruit powder	51,835	64,256
Others	<u>19,444</u>	<u>35,857</u>
	<u>\$ 4,631,966</u>	<u>\$ 4,101,393</u>

Contract balances

	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>January 1, 2022</b>
Trade receivables (Note 8)	<u>\$ 358,202</u>	<u>\$ 354,027</u>	<u>\$ 277,131</u>
Contract liabilities - current	<u>\$ 73,951</u>	<u>\$ 72,001</u>	<u>\$ 128,079</u>

## 18. NET PROFIT (LOSS) FROM CONTINUING OPERATIONS

### a. Interest income

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Bank deposits	\$ 22,175	\$ 22,834
Financial assets at amortized cost	<u>30,678</u>	<u>13,117</u>
	<u>\$ 52,853</u>	<u>\$ 35,951</u>

### b. Other income

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Income from government grants (Note 21)	\$ 25,110	\$ 32,973
Others	<u>3,192</u>	<u>3,003</u>
	<u>\$ 28,302</u>	<u>\$ 35,976</u>

### c. Other gains and losses

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Loss on disposal of property, plant and equipment	\$ (3,318)	\$ (3,763)
Net foreign exchange gain	18,659	11,817
Impairment loss on intangible assets	(8,189)	-
Others	<u>(3,739)</u>	<u>(2,067)</u>
	<u>\$ 3,413</u>	<u>\$ 5,987</u>

### d. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Interest on bank loans	\$ (872)	\$ (465)
Interest on lease liabilities	<u>(652)</u>	<u>(867)</u>
	<u>\$ (1,524)</u>	<u>\$ (1,332)</u>

e. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
An analysis of depreciation by function		
Operating costs	\$ 185,648	\$ 156,778
Operating expenses	<u>68,035</u>	<u>57,869</u>
	<u>\$ 253,683</u>	<u>\$ 214,647</u>
An analysis of amortization by function		
Operating costs	\$ 1,291	\$ 1,231
Operating expenses	<u>5,192</u>	<u>4,941</u>
	<u>\$ 6,483</u>	<u>\$ 6,172</u>

f. Employee benefits expense

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Other employee benefits	<u>\$ 581,708</u>	<u>\$ 493,110</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 296,812	\$ 256,350
Operating expenses	<u>284,896</u>	<u>236,760</u>
	<u>\$ 581,708</u>	<u>\$ 493,110</u>

g. Employees' compensation and remuneration of directors

On May 26, 2023, the shareholders of the Company resolved to amend the Articles of Association in their meeting. After the amendment, the Company accrued employees' compensation and remuneration of directors at the rates of no higher than 1% and no higher than 2%, respectively, of net profit before income tax, employees' compensation and remuneration of directors.

Before the amendment, the Company accrued employees' compensation and remuneration of directors at rates of no less than 0.15% and no higher than 2%, respectively, of net profit before income tax, employees' compensation and remuneration of directors.

The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022, which were resolved by the board of directors on March 8, 2024 and March 24, 2023, respectively, were as follows:

Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Employees' compensation	0.21%	0.15%
Remuneration of directors	0.29%	0.30%

Amount

	<b><u>For the Year Ended December 31</u></b>	
	<b>2023</b>	<b>2022</b>
Employees' compensation	\$ <u>885</u>	\$ <u>605</u>
Remuneration of directors	\$ <u>1,220</u>	\$ <u>1,248</u>

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

The actual amounts of the compensation of employees and remuneration of directors paid for 2022 and 2021 differ from the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021, respectively. The differences were adjusted to profit and loss for the years ended December 31, 2023 and 2022.

Information on the employees' compensation and remuneration of directors approved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System.

## 19. INCOME TAX

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	<b><u>For the Year Ended December 31</u></b>	
	<b>2023</b>	<b>2022</b>
Current tax		
In respect of the current year	\$ 153,578	\$ 131,148
Adjustments for prior years	<u>1,476</u>	<u>7,159</u>
	<u>155,054</u>	<u>138,307</u>
Deferred tax		
In respect of the current year	16,325	26,331
Adjustments for prior years	<u>(1,651)</u>	<u>744</u>
	<u>14,674</u>	<u>27,075</u>
Income tax expense recognized in profit or loss	\$ <u>169,728</u>	\$ <u>165,382</u>

A reconciliation of accounting profit and income tax expenses used is as follow:

	<b><u>For the Year Ended December 31</u></b>	
	<b>2023</b>	<b>2022</b>
Profit before tax	\$ <u>649,459</u>	\$ <u>630,074</u>
Income tax expense calculated at the statutory rate	\$ 203,665	\$ 173,767
Nondeductible expense in determining taxable income	(39,064)	(20,871)
Tax credits of research and development expenses	(12,681)	(13,175)
Tax relief on small and low-profit enterprise	(108)	(501)
Realization of unrecognized loss carryforwards in previous year	(1,371)	-
Unrecognized loss carryforwards	-	416

(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Deferred tax effect from the subsidiaries' earnings	\$ 19,462	\$ 17,843
Adjustments for prior year's tax	<u>(175)</u>	<u>7,903</u>
Income tax expense recognized in profit or loss	<u>\$ 169,728</u>	<u>\$ 165,382</u> (Concluded)

- 1) For the Company's and subsidiaries' annual income tax returns, except for the Company, Power Keen Limited and Sunjuice (Hong Kong) Limited, which are exempted from income tax, Shanghai Sense Beverage Company Limited, Suzhou Sunjuice I International Limited, Sun Philippe Trade and IM Trade have declared income tax at the tax rate of small and low-profit enterprises, and the rest of the companies have been in accordance with the deadline stipulated by the local government. The applicable tax rate used by other entities in the Group in China is 25%. Tax rates used by other entities in the Group operating in other jurisdictions are based on the law in those jurisdictions.
- 2) The surplus remittance tax rate used by Power Keen Limited and Sunjuice (Hong Kong) Limited in China is 10%.

b. Current tax assets and tax liabilities

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Current tax assets	<u>\$ -</u>	<u>\$ 11</u>
Current tax liabilities	<u>\$ 1,741</u>	<u>\$ 15,665</u>

c. Deferred tax assets and deferred tax liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2023

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Temporary differences				
Impairment loss on non-financial assets	\$ 12,043	\$ 3,182	\$ (269)	\$ 14,956
Unrealized selling bonus/commissions	15,480	755	(294)	15,941
Bad debts	3,192	(2,477)	(23)	692
Depreciation expense	1,796	-	(33)	1,763
Deferred revenue	-	3,091	(45)	3,046
Loss carryforwards	<u>1,678</u>	<u>(1,414)</u>	<u>(10)</u>	<u>254</u>
	<u>\$ 34,189</u>	<u>\$ 3,137</u>	<u>\$ (674)</u>	<u>\$ 36,652</u>

Deferred tax liabilities

Temporary differences				
Unappropriated earnings of subsidiaries	<u>\$ 19,443</u>	<u>\$ 17,811</u>	<u>\$ (619)</u>	<u>\$ 36,635</u>

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Paid-in Current Year	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Impairment loss on non-financial assets	\$ 11,835	\$ 34	\$ 174	\$ -	\$ 12,043
Unrealized selling bonus/commissions	27,101	(12,058)	437	-	15,480
Bad debts	1,326	1,853	13	-	3,192
Depreciation expense	1,769	-	27	-	1,796
Loss carryforwards	-	1,683	(5)	-	1,678
	<u>\$ 42,031</u>	<u>\$ (8,488)</u>	<u>\$ 646</u>	<u>\$ -</u>	<u>\$ 34,189</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Unappropriated earnings of subsidiaries	<u>\$ 137,705</u>	<u>\$ 18,587</u>	<u>\$ 2,413</u>	<u>\$ (139,262)</u>	<u>\$ 19,443</u>

## 20. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	2023	2022
Basic earnings per share	<u>\$ 12.41</u>	<u>\$ 11.92</u>
Diluted earnings per share	<u>\$ 12.40</u>	<u>\$ 11.91</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

### Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	2023	2022
Earnings used in computation of basic earnings per share	<u>\$ 419,915</u>	<u>\$ 403,294</u>
Earnings used in computation of diluted earnings per share	<u>\$ 419,915</u>	<u>\$ 403,294</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	33,842	33,842
Effect of potentially dilutive ordinary shares		
Compensation of employees	<u>10</u>	<u>10</u>
Weighted average number of ordinary shares in computation of diluted earnings per share	<u>33,852</u>	<u>33,852</u>

Since the Group offered to settle compensation to employees in cash or shares, the Company will assume the entire amount of the compensation would be settled in shares; if the effect of this settlement is dilutive, the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share. The dilutive effect of the potential shares will be included in the computation of diluted earnings per share until the number of shares to be distributed to employees is approved in the following year.

## 21. GOVERNMENT GRANTS

In January 2016, the Group received a government grant of RMB3,400 (approximately \$14,653 thousand) thousand for the construction of a manufacturing plant. The amount was recognized as deferred revenue and subsequently transferred to profit or loss over the useful life of the related asset. This policy resulted in a credit to income of \$299 thousand and \$300 thousand for the years ended December 31, 2023 and 2022, respectively.

In March 2023 and November 2023, the Group received a government grant of RMB2,000 thousand (approximately \$8,883 thousand) and RMB1,000 thousand (approximately \$4,250 thousand), respectively for the research and development of production line equipment. The government grant was for the government to encourage enterprises to purchase R&D equipment, and the grant was issued after the purchase of equipment by enterprises. The amount was recognized as deferred revenue and subsequently transferred to profit or loss over the useful life of the related assets. This policy resulted in a credit to income of \$811 thousand for the year ended December 31, 2023.

The Group obtained economic development awards and other government subsidies in the total amount of \$24,000 thousand in 2023 and talent subsidy funds and other government subsidies in the total amount of \$32,673 thousand in 2022. The government grants were recognized in other income in the consolidated statements of comprehensive income.

## 22. NON-CASH TRANSACTIONS

For the years ended December 31, 2023 and 2022, the Group entered into the following non-cash investing activities:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Additions to property, plant and equipment		
The purchase prices of property, plant and equipment acquired	\$ 166,761	\$ 443,273
Net change in prepayment of equipment	(86,263)	(116,000)
Net change in other payables	<u>30,406</u>	<u>(32,504)</u>
Cash payment to acquired property, plant and equipment	<u>\$ 110,904</u>	<u>\$ 294,769</u>

## 23. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

Key management personnel of the Group review the capital structure on a quarterly basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued and the amount of existing debt redeemed.

## 24. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

The management considers the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements to be approximate amounts of their fair values.

### b. Categories of financial instruments

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
<u>Financial assets</u>		
Financial assets at amortized cost (Note 1)	\$ 2,353,788	\$ 1,882,067
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note 2)	389,907	372,814

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, trade receivables, other receivables and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, trade payables, other payables, and guarantee deposits received.

c. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, trade receivables, trade payables and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rate (see (b) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Group has foreign currency denominated deposit and loans, which expose the Group to foreign currency risk. There is no change in the financial instrument's market risk and exposure of management and measurement since prior period.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 1% increase and decrease in the Renminbi (the functional currency) against the U.S. dollar. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign currency forward contracts designated as cash flow hedges and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A negative number below indicates an increase in pre-tax profit associated with the Renminbi strengthening 1% against the relevant currency. For a 1% weakening of the Renminbi against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be positive.

	<b>U.S. Dollar Impact</b>	
	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Profit or loss	\$ 5,303	\$ 7,389

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite ensuring the most cost-effective hedging strategies are applied.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Cash flow interest rate risk		
Financial assets	\$ 1,966,121	\$ 1,486,478
Financial liabilities	43,270	-

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would increase by \$19,229 thousand and \$14,865 thousand, respectively, which would be mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and deposits.

The Group's sensitivity to interest rates decreased during the current year mainly due to the decreased in variable rate debt investments.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation pertain to financial assets recognized in the consolidated balance sheet.

To minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. Thus, management believes the Group's credit risk was significantly reduced.

The Group's concentration of credit risk by geographical location in China, which accounted for 100% of total trade receivables as December 31, 2023 and 2022.

## 25. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in other notes, details of transactions between the Group and other related parties are disclosed below:

### a. Name and relationship of related parties

<u>Name of Related Party</u>	<u>Related Party Category</u>
Laowang (Shanghai) Catering Management Co. Limited	Related party in substance
Laopin (Shanghai) Catering Management Co., Ltd.	Related party in substance
Great Eastern Food Co. Limited	Related party in substance
Shanghai Changli Catering Management Co., Ltd.	Related party in substance

### b. Sales of goods

<u>Line Item</u>	<u>Related-Party Category</u>	<u>December 31</u>	
		<u>2023</u>	<u>2022</u>
Sales revenue	Related parties in substance	<u>\$ 4,459</u>	<u>\$ 2,455</u>

The sale of goods to related parties were made at the Group's usual list prices.

### c. Receivables from related parties

<u>Line Item</u>	<u>Related-Party Category</u>	<u>December 31</u>	
		<u>2023</u>	<u>2022</u>
Trade receivables	Related parties in substance	<u>\$ 1,077</u>	<u>\$ 198</u>

The outstanding trade receivables from related parties are unsecured.

### d. Remuneration of key management personnel

	<u>For the Year Ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Short-term benefits	<u>\$ 22,365</u>	<u>\$ 20,515</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

## 26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as the tariffs guarantee for imported raw materials.

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Pledged deposits (classified as financial assets at amortized cost)	<u>\$ 72</u>	<u>\$ 74</u>

## 27. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2023 and 2022 were as follows:

### Significant Commitments

Unrecognized commitments are as follows:

	December 31	
	2023	2022
Acquisition of property, plant and equipment	\$ 11,399	\$ 128,157

## 28. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In order to increase the controlling interest, simplify the shareholding structure and strengthen the control over the subsidiary, the Company's board of directors resolved to increase the shareholding of the subsidiary Sunjuice Co. Limited in February 2024. It is expected to repurchase 12.9% of the interest in Sunjuice Co. Limited held by external shareholders, with a total amount of US\$33.2 million and 46,440,001 shares. After the completion of the transaction, the Company will indirectly hold 100% of the equity of Sunjuice Co. Limited through its subsidiary.

## 29. OTHER ITEMS

Sunjuice Co. Limited, a subsidiary of the Group, submitted the application for its initial public offering and the listing of its shares to the China Securities Regulatory Commission and to the Main Board of the Shenzhen Stock Exchange in September 2022 and March 2023, respectively, and both applications were accepted. In consideration of the Company's own strategic development, after careful analysis, the Company decided to terminate its initial public offering applications and the listing of its shares on the main board and withdrew the relevant application documents.

## 30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 17,304	7.0827 (USD:RMB)	\$ 530,304

December 31, 2022

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 24,068	6.9646 (USD:RMB)	<u>\$ 738,893</u>

The significant (realized and unrealized) foreign exchange gains (losses) were as follows:

<b>For the Year Ended December 31</b>				
<b>2023</b>			<b>2022</b>	
<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gains (Losses)</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gains (Losses)</b>
USD	7.0827 (USD:RMB)	<u>\$ 18,659</u>	6.9646 (USD:RMB)	<u>\$ 11,817</u>

### **31. SEPARATELY DISCLOSED ITEMS**

a. Information about significant transactions and investees

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (None)
- 3) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities). (None)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital. (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 2)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 3)
- 9) Trading in derivative instruments. (None)
- 10) Intercompany relationships and significant intercompany transactions. (Table 4)
- 11) Information on investees. (Table 5)

b. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of the investee, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and the limit on the amount of investment in the mainland China area. (Table 6)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
  - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
  - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.
- c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 7)

## 32. SEGMENT INFORMATION

a. Geographical information

The Group principally operates in one geographical area - China.

b. Information about major customers

Single customers contributing 10% or more to the Group's revenue were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
Customer A	<u>\$ 1,997,592</u>	<u>\$ 1,167,862</u>

TABLE 1

SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
0	Sunjuice Holdings Co., Limited	POWER KEEN LIMITED	Other receivables - related parties	Yes	\$ 92,115 (RMB 3,000)	\$ 92,115 (RMB 3,000)	\$ 72,157 (RMB 2,350)	-	For short-term financing	\$ -	Working capital loan	\$ -	-	\$ -	\$ 1,513,478 (Note 3)	\$ 1,513,478 (Note 3)	
1	Power Keen Limited	Sunjuice Holdings Co., Limited	Other receivables - related parties	Yes	50,663 (US\$ 1,650)	- (US\$ -)	- (US\$ -)	-	For short-term financing	-	Working capital loan	-	-	-	5,675,544 (Note 4)	5,675,544 (Note 4)	
		SUNJUICE (HONG KONG) LIMITED	Other receivables - related parties	Yes	92,115 (US\$ 3,000)	92,115 (US\$ 3,000)	84,439 (US\$ 2,750)	-	For short-term financing	-	Working capital loan	-	-	-	5,675,544 (Note 4)	5,675,544 (Note 4)	
		SUNJUICE (HONG KONG) LIMITED	Other receivables - related parties	Yes	17,308 (RMB 4,000)	17,308 (RMB 4,000)	17,308 (RMB 4,000)	-	For short-term financing	-	Working capital loan	-	-	-	5,675,544 (Note 4)	5,675,544 (Note 4)	

- Note 1: The total amount of the financing provided by Sunjuice Holdings Co., Limited in the short term shall not exceed 40% of Sunjuice Holdings Co., Limited’s net worth. If it is necessary to lend to a company for funding, the total amount shall not exceed 40% of Sunjuice Holdings Co., Limited’s net worth.
- Note 2: The total amount of the financing to a company that has business dealings with Sunjuice Holdings Co., Limited shall not exceed the transaction amount, and the transaction amount indicates the purchase or sales amount, whichever is higher.
- Note 3: The total amount for lending to a company for funding for in the short term shall not exceed 40% of the parent’s net worth. The amount for lending was the accumulated amount for funding in the short term. Sunjuice Holdings Co., Limited’s net worth was \$3,783,696 thousand x 40% = \$1,513,478 thousand.
- Note 4: The subsidiaries whose voting shares are 100% owned directly or indirectly by Sunjuice Holdings Co., Limited are not subject to the above restrictions (refer to Notes 1 and 3). For corporate governance’s need, the total amount of the financing to an individual entity shall not exceed 150% of the parent’s net worth. Sunjuice Holdings Co., Limited’s net worth was \$3,783,696 thousand x 150% = \$5,675,544 thousand.
- Note 5: Transactions have been written off in these consolidated financial statements.

**TABLE 2**

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/ Sales	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Fresh Juice Industry (Tianjin) Co. Limited	Sunjuice Co. Limited	Affiliated company	Sales	\$ 648,355	14	Net 30 days from invoice date	According to the Group’s transfer pricing policy system	-	\$ 38,894	11	
Guangdong Fresh Juice Biological Technology Co. Limited	Sunjuice Co. Limited	Affiliated company	Sales	478,374	10	Net 30 days from invoice date	According to the Group’s transfer pricing policy system	-	24,902	7	
Sunjuice Co. Limited	Guangdong Fresh Juice Biological Technology Co. Limited	Affiliated company	Sales	147,244	3	Net 30 days from invoice date	According to the Group’s transfer pricing policy system	-	14,755	4	

**TABLE 3**

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**DECEMBER 31, 2023**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Sunjuice Holdings Co., Limited	Power Keen Limited	Parent company	\$ 72,157	(Note 1)	\$ -	-	\$ -	\$ -
Power Keen Limited	Sunjuice (Hong Kong) Limited	Parent company	101,747	(Note 1)	-	-	-	-
Sunjuice Co. Limited	Guangdong Fresh Juice Biological Technology Co. Limited	Parent company	255,293	(Note 1)	-	-	-	-
	Fresh Juice Industry (Tianjin) Co. Limited	Parent company	199,042	(Note 1)	-	-	-	-

Note: The ending balance is primarily comprised of other receivables, which are not applicable in the calculation of the turnover ratio.

**TABLE 4**

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(Amounts in Thousands of New Taiwan Dollars)**

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 6)	Payment Terms	% of Total Sales or Assets (Note 3)
0	Sunjuice Holdings Co., Limited	Power Keen Limited	a	Other receivables	\$ 72,157	Financing provided	1
1	Power Keen Limited	Sunjuice (Hong Kong) Limited	c	Other receivables	101,747	Financing provided	2
2	Sunjuice Co. Limited	Guangxi Fresh Juice Biotechnology Co., Ltd.	c	Trade receivables	30,869	Note 4	1
		Guangdong Fresh Juice Biological Technology Co., Limited	c	Trade receivables	14,755	Note 4	-
		Suzhou Sunjuice I International Limited	c	Trade receivables	5,992	Note 4	-
		Guangdong Fresh Juice Biological Technology Co., Limited	c	Other receivables	255,293	Note 4	5
		Fresh Juice Industry (Tianjin) Co., Limited	c	Other receivables	199,042	Note 4	4
		Guangxi Fresh Juice Biotechnology Co., Ltd.	c	Prepayments for goods	26,325	Note 4	1
		Guangdong Fresh Juice Biological Technology Co., Limited	c	Sales revenue	147,244	Note 4	3
		Guangxi Fresh Juice Biotechnology Co., Ltd.	c	Sales revenue	29,645	Note 4	1
		Fresh Juice Industry (Tianjin) Co., Limited	c	Sales revenue	12,354	Note 4	-
		Suzhou Sunjuice I International Limited	c	Sales revenue	5,633	Note 4	-
3	Fresh Juice Industry (Tianjin) Co., Limited	Sunjuice Co. Limited	c	Trade receivables	38,894	Note 4	1
		Sunjuice Co. Limited	c	Sales revenue	648,355	Note 4	14
4	Guangdong Fresh Juice Biological Technology Co., Limited	Sunjuice Co. Limited	c	Trade receivables	24,902	Note 4	1
		Sunjuice Co. Limited	c	Sales revenue	478,374	Note 4	10
		Fresh Juice Industry (Tianjin) Co., Limited	c	Sales revenue	1,907	Note 4	-
5	Guangxi Fresh Juice Biotechnology Co., Ltd.	Sunjuice Co. Limited	c	Trade receivables	6,434	Note 4	-
		Guangdong Fresh Juice Biological Technology Co., Limited	c	Trade receivables	5,608	Note 4	-
		Fresh Juice Industry (Tianjin) Co., Limited	c	Trade receivables	1,318	Note 4	-
		Guangdong Fresh Juice Biological Technology Co., Limited	c	Sales revenue	48,269	Note 4	1
		Sunjuice Co. Limited	c	Sales revenue	44,820	Note 4	1
		Fresh Juice Industry (Tianjin) Co., Limited	c	Sales revenue	5,015	Note 4	-

Note 1: Intercompany relationships and significant intercompany transactions information are noted within the number column as follows:

- a. Number 0 represents the parent company.
- b. Number 1 to 6 represents subsidiaries.

(Continued)

Note 2: Parties involved in the transaction have a directional relationship noted by the following:

- a. “a” represents transactions from parent company to subsidiary.
- b. “b” represents transactions from subsidiary to parent company.
- c. “c” represents transactions between subsidiaries.

Note 3: The amounts of asset accounts and liability accounts are calculated as a percentage of the consolidated total assets. The amounts of income accounts are calculated as a percentage of the consolidated total sales.

Note 4: Since there is no relevant similar transaction to follow, the trading conditions are determined by both parties depending on actual operational needs.

Note 5: Above transactions have been written off in these consolidated financial statements.

(Concluded)

TABLE 5

SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

INFORMATION OF INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of Shares	%	Carrying Amount			
Sunjuice Holdings Co., Limited	Power Keen Limited	Samoa	Investment	\$ 545,077 (US\$ 17,785)	\$ 545,999 (US\$ 17,785)	17,785	100	\$ 3,111,884	\$ 404,667	\$ 404,667	Note 1
	Sunjuice I International Limited	Hong Kong	Investment	86,551 (RMB 20,003)	88,171 (RMB 20,003)	20,003	75	59,940	(8,508)	(6,463)	Note 1
Power Keen Limited	Sunjuice (Hong Kong) Limited	Hong Kong	Investment	175,461 (US\$ 5,725)	175,757 (US\$ 5,725)	15,300	100	1,895,633	253,132	253,132	Note 1

Note 1: Parent-subsidary transactions have been written off in these consolidated financial statements.

Note 2: For information of investments in mainland China, refer to Table 6.

Note 3: The exchange rate was RMB1=NT\$4.327; US\$1=NT\$30.705 as of December 31, 2023.

TABLE 6

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**

INFORMATION ON INVESTMENT IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outward	Inward							
Sun Philippe Trade (Kunshan) Co., Limited	Wholesale of daily necessities, wholesale of electronic components, procurement agency services, information consulting services, import and export agency, import and export of goods	RMB 2,000	Sunjuice (Hong Kong) Limited and Power Keen Limited reinvested in Mainland China	\$ -	\$ -	\$ -	\$ -	\$ 481 (RMB 110)	100	\$ 481 (RMB 110)	\$ 4,055 (RMB 937)	\$ -	Note 1
IM Trade (Kunshan) Co., Limited	Import and export of goods, wholesale of daily necessities, wholesale of electronic components, procurement agency services, information consulting services, import and export agency	RMB 2,000	Sunjuice (Hong Kong) Limited and Power Keen Limited reinvested in Mainland China	-	-	-	-	481 (RMB 110)	100	481 (RMB 110)	4,055 (RMB 937)	-	Note 1
Sunjuice Co. Limited	Manufacturing and sale of fresh Juices, mixed vegetable juices, protein drinks, solid drinks and others	RMB 360,000	Sunjuice (Hong Kong) Limited, Power Keen Limited, Sun Philippe Trade (Kunshan) Co., Limited and IM Trade (Kunshan) Co., Limited reinvested in Mainland China	-	-	-	-	480,057 (RMB 109,663)	87.1	418,129 (RMB 95,516)	3,218,539 (RMB 743,827)	-	Note 1
Fresh Juice Industry (Tianjin) Co. Limited	Drinks processing	RMB 60,000	Sunjuice Co. Limited reinvested in Mainland China	-	-	-	-	97,415 (RMB 22,253)	87.1	84,849 (RMB 19,383)	265,653 (RMB 61,394)	-	Note 1
Guangdong Fresh Juice Biological Technology Co. Limited	R&D and technical service, sale of drinks, fruit products, fruit extract, fruit enzyme products, etc.	RMB 60,000	Sunjuice Co. Limited reinvested in Mainland China	-	-	-	-	94,749 (RMB 21,644)	87.1	82,527 (RMB 18,852)	302,043 (RMB 69,804)	-	Note 1
Shanghai Sense Beverage Company Limited	Drinks, prepackaged food, juice dispenser machine, coffee maker, all-in-one tea maker, wholesale of electronic product, import and export, commission agent, equipment for rent	RMB 12,895	Sunjuice Co. Limited reinvested in Mainland China	-	-	-	-	990 (RMB 226)	87.1	862 (RMB 197)	47,453 (RMB 10,962)	-	Note 1
Suzhou Sunjuice I International Limited	Primary processing and sale of agricultural products, manufacturing, sale, import and export	RMB 20,000	Sunjuice Co. Limited reinvested in Mainland China	-	-	-	-	(4,922) (RMB -1,124)	87.1	(4,287) (RMB -979)	45,243 (RMB 10,456)	-	Note 1
Guangxi Fresh Juice Biotechnology Co., Ltd.	Manufacturing, domestic freight forwarding, import and export of goods	RMB 33,000	Sunjuice Co. Limited reinvested in Mainland China	-	-	-	-	(10,161) (RMB -2,321)	87.1	(8,850) (RMB -2,022)	111,511 (RMB 25,771)	-	Note 1

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
NA	NA	NA

Note: The net income (loss) of the investee was recognized based on the reviewed financial statements.

**TABLE 7****SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS  
DECEMBER 31, 2023**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Huang, Kuo-Huang	9,093,849	26.87
Lin, Li-Ling	6,134,264	18.12

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.



# Sunjuice Holdings Co., Limited

Company website: <http://www.myfreshjuice.com>

