

**Shan-Loong Transportation Co., Ltd.**  
**Agenda of 2025 Annual General Shareholders' Meeting**  
**(Translation)**

Time: 9:00 A.M., Wednesday, June 18, 2025

Venue: Basement 1, No.1, Section 1, Minsheng Road, Banqiao District, New Taipei City  
(Cheng Loong Li- Chih International Conference Hall)

Attendance: The Company had 137,281,827 of outstanding shares, of which 1,353,454 shares were not entitled to voting rights. The attending shareholders and proxy attendees represented 83,515,004 shares, which accounted for 61.44% of the Company's 135,928,373 outstanding shares net of non-voting shares.

Meeting Method: In-person Shareholders' Meeting.

Present directors: Jen-Hao Cheng, Lan-Hui Yu, Chuan-Chuan Lu, Ai-Ling Chi, Ken-Pei Cheng

Present independent directors: Yao-Ming Huang, Hsu-Feng Ho, Mao-Chun Wang

In attendance: CPA Yuan-Chen Mei, Attorney Wen-Peng Lin

Chairman: Jen-Hao Cheng

Minutes taker: Wei-Teng Hsiao

- I. Commencement of meeting: The chair announced commencement of meeting as the number of shares represented by attending shareholders had reached the minimum requirement.
- II. The chair's opening remarks: (omitted)
- III. Report items (please refer to the meeting handbook at [www.slc.com.tw](http://www.slc.com.tw))
  1. Business Overview of the 2024 Fiscal Year.
  2. Distribution of employee remuneration in 2024.
  3. Audit Committee Report for the year 2024.
  4. Amendments to Certain Articles of the " Rules of Procedure for Board of Directors Meetings".

Shareholder Account No. 041351: Raised a question regarding the embezzlement case reported in the news, asking what measures the independent directors have taken in response.

Independent Director Mr. Yao-Ming Huang responded: The Company has evaluated and made necessary adjustments to its internal control system in accordance with the competent authority's requirements. So far, no illegal activities have been identified. As the case remains unclear, the Company awaits the results of the investigation by the judicial authorities.

Shareholder Account No. 013349: Spoke on the reasons behind the revenue decline, subsequent improvement measures, the relatively high selling and administrative expenses, the low operating profit (or gain), and the overall loss.

The Chairperson appointed the General Manager to respond: The decline in revenue was mainly due to the replacement of intelligent equipment at service stations, but operations have now stabilized. The rise in labor costs remains a management challenge. The Company is actively revitalizing idle assets to improve operational efficiency.

## IV. Matters for ratification

### Proposal 1

**Proposed by the Board of Directors**

**Proposal: The Company's 2024 Financial Statements, please acknowledge them.**

Explanation: The Board of Directors prepared and submitted the Company's 2024 Consolidated Financial Report and Individual Financial Report (please refer to pages 11-25 for details), which were jointly audited by Yuan-Chen Mei and Yu-Ting Hsin, the accountants from KPMG Taiwan. The Business Report (please refer to pages 8-9) was also submitted for the completion of the Audit Committee's review, and it is hereby proposed to the Shareholders' Meeting for approval.

Chair-designated ballot counters: Personnel of the Finance and Accounting Department

Ballot examiner: Tzu-Yu Chen (shareholder account No. 129711)

Responsible for ballot counting and ballot examination for the entirety of this Annual General Shareholders' Meeting.

Resolution: The case was approved as per the vote of the attending shareholders.

For: 82,745,007 votes (including 5,739,268 votes cast electronically), accounting for 99.08% of the total voting rights.

Against: 256,598 votes (of which, 242,598 votes were cast electronically), accounting for 0.31% of the total voting rights.

Abstain: 512,399 votes (of which, 512,399 votes were cast electronically), accounting for 0.61% of the total voting rights.

Invalid: 0 vote, representing 0% of the total voting rights.

## Proposal 2

## Proposed by the Board of Directors

### **Proposal: The Company's 2024 profit distribution plan, please acknowledge same.**

#### Explanation:

- (1) The Company's 2024 distribution of the earnings (please refer to page 26) has been approved by the Board of Directors and has been reviewed by the Audit Committee and submitted to the Shareholders' Meeting for approval.
- (2) The proposed cash dividend per share for this year is NT\$0.3, totaling NT\$41,184,548. After the proposal is approved by the Shareholders' Meeting, the Board of Directors is authorized to set another ex-dividend base date.
- (3) The current cash dividend is calculated according to the distribution ratio to NT\$, rounded down below NT\$, and the total amount of the abnormal amount distributed under NT\$ 1 shall be transferred to the Employee Welfare Committee of the Company.
- (4) If the total number of the Company's outstanding shares are affected due to repurchase of the Company's shares, transfer or cancellation of treasury shares, capital increase in cash, issue of domestic and foreign convertible corporate bonds, or exercise of employees' stock warrants, thereby leading to changes in dividends distributed to shareholders, the Chairman is authorized to handle relevant changes at his own discretion.

Resolution: The case was approved as per the vote of the attending shareholders.

For: 82,823,049 votes (including 5,817,310 votes cast electronically),  
accounting for 99.17% of the total voting rights.

Against: 282,792 votes (of which, 268,792 votes were cast electronically),  
accounting for 0.34% of the total voting rights.

Abstain: 408,163 votes (of which, 408,163 votes were cast electronically),  
accounting for 0.49% of the total voting rights.

Invalid: 0 vote, representing 0% of the total voting rights.

## V. Matters for Discussion

### Proposal 1

### Proposed by the Board of Directors

#### Proposal: Amendments to Articles of the "Articles of Incorporation".

Explanation: In order to comply with the amendment of Article 14, Paragraph 6 of the Securities and Exchange Act, it is proposed to revise some clauses of the Company's "Articles of Incorporation" as detailed in the comparison table.

Amended Provisions	Current Provisions	Explanation
<p>Article 19:</p> <p>If the Company has any pre-tax earnings, no less than 1% shall be allocated as employee compensation based on the pre-tax earnings before the amount of employee compensation to be distributed is deducted.</p> <p><u>If there are any pre-tax earnings in the current year, the Company shall allocate no less than 1% to adjust the salaries or distribute compensation for grassroots employees. The aforementioned grassroots employees are non-managers with salary levels below the definition of grassroots employee salary levels as per the "SME Employee Salary Increase Expense Deduction and Addition Measures."</u></p> <p>But if the Company still has an accumulated loss, it shall reserve the recovery amount in advance.</p> <p>Employee compensation can be paid in stocks or cash, and the payment recipients may include employees of controlling or affiliated companies that meet certain conditions.</p> <p>The payment method and rate of employee remuneration shall be determined by the Board of Directors based on a resolution approved by more than two-thirds of the Directors present and more than half of the attending Directors, and shall be reported to the Shareholders' Meeting.</p> <p>If the employees' remuneration mentioned in the preceding paragraph is distributed in shares and resolved by the Board of Directors, a resolution may be resolved to issue new shares or buy back the Company's shares in the same meeting.</p>	<p>Article 19:</p> <p>If the Company has any pre-tax earnings, no less than 1% shall be allocated as employee compensation based on the pre-tax earnings before the amount of employee compensation to be distributed is deducted. But if the Company still has an accumulated loss, it shall reserve the recovery amount in advance.</p> <p>Employee compensation can be paid in stocks or cash, and the payment recipients may include employees of controlling or affiliated companies that meet certain conditions.</p> <p>The payment method and rate of employee remuneration shall be determined by the Board of Directors based on a resolution approved by more than two-thirds of the Directors present and more than half of the attending Directors, and shall be reported to the Shareholders' Meeting.</p> <p>If the employees' remuneration mentioned in the preceding paragraph is distributed in shares and resolved by the Board of Directors, a resolution may be resolved to issue new shares or buy back the Company's shares in the same meeting.</p>	<p>In order to comply with the amendment of Article 14, Paragraph 6 of the Securities and Exchange Act.</p>

Resolution: The case was approved as per the vote of the attending shareholders.

For: 82,812,952 votes (including 5,807,213 votes cast electronically),  
accounting for 99.18% of the total voting rights.

Against: 281,017 votes (of which, 281,017 votes were cast electronically),  
accounting for 0.34% of the total voting rights.

Abstain: 406,035 votes (of which, 406,035 votes were cast electronically),  
accounting for 0.49% of the total voting rights.

Invalid: 0 vote, representing 0% of the total voting rights.

## **VI. Extraordinary motions:**

**Shareholder Account No. 013349:** Raised a question regarding directors' remuneration and the Chief Information Security Officer's (CISO) compensation.

**The Chairperson appointed the General Manager to respond:** Directors' remuneration is handled in accordance with regulations and appropriately considers shareholders' opinions; the CISO's compensation is also handled in compliance with relevant regulations.

## **VII. Adjournment: 9:35 A.M.**

(Note : The content of the speech recorded in the Annual General Meeting minutes is a summary. The actual situation of the speech is subject to the on-site video and audio recording.)

# **Shan-Loong Transportation Co., Ltd.**

## **2024 Business Report**

### **The Business Report**

- I. Overall revenue growth
  1. The continuous expansion of the diesel market:
    - Expand the oil business, complement with diversified services, and enhance customer loyalty and oil distribution volume.
    - Continuously optimize the use of smart fuel dispensers to enhance customer experience and reduce labor costs.
  2. Integrate service resources to attract corporate clients.
    - Focus on large group customers, deepening the one-stop service in shipping, warehousing, and logistics.
    - Strengthen the informatization interface of the oil business unit to provide customers with more comprehensive solutions.
  3. Emerging markets and diversified income sources:
    - Develop new energy logistics services and vehicle-related value-added services to explore future business opportunities.
- II. The most lean and efficient operating method
  1. Transportation System Optimization:
    - Improve the new transportation system to achieve more detailed dispatch and transportation information management.
    - Link transportation data with fuel refueling data to create cross-business operational benefits.
  2. Cost control and increasing per capita output:
    - Continuously review cost structure to reduce redundant expenses.
    - Introduce data-driven performance management tools to increase per capita output.
- III. Create new circular benefits:
  1. Deepen supply chain collaboration:
    - Establish stronger cooperative relationships with suppliers and provide integrated services such as vehicles, diesel, and maintenance.
    - Expand supply chain financing and peripheral services to enhance business retention.
  2. Resource Recycling:
    - Improve the resource recycling ecosystem to enhance the overall user experience for suppliers.



IV. Asset Enlivening and Management

1. Effective Utilization of Heavy Assets:

- Reduce idle assets, replace outdated facilities to save energy costs.
- Strengthen systematic asset management to maximize asset utilization efficiency.

2. Improving energy efficiency:

- Implement energy management plans to continuously reduce energy consumption.

V. Talent development and organizational optimization

1. Recruit and train outstanding talent:

- Recruit high-quality professional talents to strengthen the company's competitiveness.
- Provide targeted training courses to enhance employee skills and career development.

2. Improving organizational efficiency:

- Adjust the internal organizational structure to enhance inter-departmental collaboration efficiency.

Chairperson: JEN-HAO CHENG

General Manager: Wei-Teng Hsiao

Accounting Manager: Yu Lung Chen



## Audit Committee Review Report

Hereby approved

The Board of Directors has prepared and submitted the Company's 2024 settlement booklet, including Business Report, Individual Financial Report, Consolidated Financial Report, and the proposal for revenue distribution. The reports have also been jointly reviewed by our Audit Committee and deemed truthful. The Individual Financial Report and Consolidated Financial Report have also been audited by the accountants Yuan-Chen Mei and Yu-Ting Hsin from KPMG Taiwan. In line with Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act, together with the Accounting Auditor's Report, it has been reported for your reference and approval.

Sincerely,

Shan-Loong Transportation Co., Ltd. 2025 Annual Shareholders 'General Meeting

Convener of the Audit Committee: Yao-Ming Huang

Date: March 31, 2025



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## Independent Auditors' Report

To the Board of Directors of Shan-Loong Transportation Co., Ltd.:

### Opinion

We have audited the consolidated financial statements of Shan-Loong Transportation Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2024 and January 1 and December 31, 2023, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and January 1 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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.

### Emphasis of Matter

As stated in notes 11 and 7 of the consolidated financial statements, investigative authorities conducted a search and seizure on the Company on February 20, 2025 due to allegations of legal violations by certain management personnel. The Company conducted an internal review and discovered undisclosed related parties and transactions with certain vendors. Based on these findings, transactions with these vendors have been disclosed as related party transactions and prior financial statements have been corrected accordingly. Regarding the allegations against certain management personnel, the Company stated that it lacks judicial investigative authority and due to the confidentiality of the investigation, the facts and legal responsibilities will be clarified by investigative and judicial authorities before taking corresponding measures. However, the Company will actively cooperate with the investigation and plans to engage commission external experts to analyze the reasonableness of related party procurement prices to protect its shareholder interests. The auditor has not modified the audit opinion due to this matter.



## **Key Audit Matters**

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

### **Revenue recognition**

Please refer to note (4)(o) of the consolidated financial statements for the accounting policy of revenue recognition. Information regarding the revenue are shown in note (6)(p) of the consolidated financial statements.

#### **Description of key audit matter:**

The main activities of the Group include freight transportation, container trucking, truck repair and maintenance, sale of truck, gas station, and import and export agent. Revenue recognition is one of the significant matters of the consolidated financial statements. The amounts and changes of sales revenue may affect the users' understanding of the entire financial statements. Therefore, the revenue recognition test is one of the significant assessment items in our audit procedures.

#### **Audit Procedures:**

Our main audit procedures for the aforementioned key audit matters include testing the Group's controls surrounding revenue recognition in the sale and receipt cycle, including reconciliations between the general ledger and sales system; performing the test of relevant vouchers, as well as assessing whether the Group's timing on revenue recognition and the amounts recognized are in accordance with the related standards.

## **Other Matter**

Shan-Loong Transportation Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion with emphasis of matter paragraph and an unmodified opinion, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, 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 its operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.





## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

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

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



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

The engagement partners on the audit resulting in this independent auditors' report are Mei, Yuan-Chen and Hsin, Yu-Ting.

KPMG

Taipei, Taiwan (Republic of China)  
March 31, 2025

#### **Notes to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance, and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**December 31, 2024 and 2023**

(expressed in thousands of New Taiwan Dollars)

	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
<b>Assets</b>				
<b>Current assets:</b>				
1100 Cash and cash equivalents (note (6)(a))	\$ 1,142,051	13	1,866,607	17
1170 Notes and accounts receivable, net (note (6)(c))	224,909	2	520,922	5
1180 Notes and accounts receivable due from related parties, net (notes (6)(c) and (7))	238,354	3	383,617	4
1476 Other current financial assets (notes (6)(d) and (7))	415,010	5	461,164	4
1300 Inventories, net (note (6)(e))	189,115	2	271,100	2
1479 Other current assets	71,019	1	133,846	1
	<u>2,280,458</u>	<u>26</u>	<u>3,637,256</u>	<u>33</u>
<b>Non-current assets:</b>				
1517 Non-current financial assets at fair value through other comprehensive income (note (6)(b))	1,477,510	17	2,233,091	20
1550 Investments accounted for using equity method, net (note (6)(l))	59,103	1	70,487	1
1600 Property, plant and equipment (notes (6)(g), (7) and (8))	3,833,599	43	3,755,114	34
1755 Right-of-use asset (notes (6)(h) and (7))	752,194	8	828,940	9
780 Intangible assets	165,058	2	161,863	1
340 Deferred income tax assets (note (6)(m))	72,077	1	47,612	-
390 Other non-current assets (notes (7) and (8))	209,350	2	218,833	2
	<u>6,568,891</u>	<u>74</u>	<u>7,315,940</u>	<u>67</u>
<b>Total assets</b>	<u>\$ 8,849,349</u>	<u>100</u>	<u>10,953,196</u>	<u>100</u>
<b>Liabilities and Equity</b>				
<b>Current liabilities:</b>				
2150 Notes and accounts payable (note (7))	\$ 739,795	8	2,256,522	21
2200 Other payables (note (7))	270,383	3	359,204	3
2230 Current income tax liabilities	6,768	-	12,842	-
2280 Current lease liabilities (notes (6)(k) and (7))	187,331	2	196,383	2
2130 Current contract liabilities (note (6)(p))	108,238	1	35,270	-
2250 Provisions	11,305	-	15,140	-
2399 Other current liabilities	17,568	-	23,744	-
2320 Long-term liabilities, current portion (note (6)(i))	1,550,000	19	350,000	3
	<u>2,891,388</u>	<u>33</u>	<u>3,249,105</u>	<u>29</u>
<b>Non-current liabilities:</b>				
2540 Long-term borrowings (note (6)(j))	1,300,000	15	1,700,000	16
2570 Deferred income tax liabilities (note (6)(m))	146,236	2	199,891	2
2580 Non-current lease liabilities (notes (6)(k) and (7))	579,392	6	650,337	6
2640 Non-current net defined benefit liability (note (6)(l))	39,851	-	57,224	-
2645 Guarantee deposits received	7,469	-	12,304	-
	<u>2,072,948</u>	<u>23</u>	<u>2,619,756</u>	<u>24</u>
<b>Total liabilities</b>	<u>4,964,336</u>	<u>56</u>	<u>5,868,861</u>	<u>53</u>
<b>Equity:</b>				
<b>Equity attributable to owners of parent: (note (6)(n))</b>				
3100 Ordinary shares	1,372,818	15	1,372,818	13
3200 Capital surplus	589,490	7	588,908	5
3300 Retained earnings	1,231,327	14	1,741,067	16
3400 Other equity	516,033	6	1,215,527	11
3500 Treasury shares	(31,863)	-	(31,863)	-
	<u>3,677,805</u>	<u>42</u>	<u>4,886,457</u>	<u>45</u>
36XX Non-controlling interests	207,208	2	197,878	2
<b>Total equity</b>	<u>3,885,013</u>	<u>44</u>	<u>5,084,335</u>	<u>47</u>
<b>Total liabilities and equity</b>	<u>\$ 8,849,349</u>	<u>100</u>	<u>10,953,196</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**

**Consolidated Statement of Comprehensive Income**

**For the years ended December 31, 2024 and 2023**

(expressed in thousands of New Taiwan Dollars, except for earnings per share)

		<b>2024</b>		<b>2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue</b> (notes (6)(p) and (7))	\$ 10,841,809	100	16,423,894	100
5000	<b>Operating costs</b> (notes (6)(e), (7) and (12))	10,074,105	93	15,204,944	93
5900	<b>Gross profit from operations</b>	767,704	7	1,218,950	7
	<b>Operating expenses</b> (notes (7) and (12)):				
6100	Selling expenses	479,567	4	546,918	3
6200	Administrative expenses	805,395	8	707,729	4
6450	Expected credit losses (note (6)(c))	20,215	-	-	-
		1,305,177	12	1,254,647	7
6900	<b>Net operating income (loss)</b>	(537,473)	(5)	(35,697)	-
	<b>Non-operating income and expenses:</b>				
7010	Other income (note (7))	54,957	1	58,798	-
7020	Other gains and losses, net (notes (6)(k) and (6)(r))	22,810	-	(968)	-
7050	Finance costs (notes (6)(k) and (7))	(65,055)	(1)	(52,168)	-
7060	Shares of profit (loss) of associates and joint ventures accounted for using equity method, net (note (6)(f))	957	-	74	-
7100	Interest income	17,315	-	17,104	-
7130	Dividend income	55,254	1	99,609	1
7210	Gains on disposals of property, plant and equipment	295	-	13,486	-
7590	Miscellaneous disbursements	(10,083)	-	(12,249)	-
		76,450	1	123,686	1
7900	<b>Profit (loss) before tax</b>	(461,023)	(4)	87,989	1
7950	<b>Less: Income tax (income) expenses</b> (note (6)(m))	(14,456)	-	5,333	-
8200	<b>Profit (loss)</b>	(446,567)	(4)	82,657	1
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8311	Gains (losses) on remeasurements of defined benefit plans (note (6)(l))	19,833	-	(404)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(752,641)	(7)	258,712	1
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (note (6)(f))	(11,914)	-	2,418	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note (6)(m))	(53,514)	-	32,009	-
		(691,208)	(7)	228,717	1
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translation of foreign financial statements	14,854	-	(10,395)	-
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss (note (6)(m))	1,755	-	(1,190)	-
		13,099	-	(9,205)	-
8300	<b>Other comprehensive income (loss)</b>	(678,109)	(7)	219,512	1
8500	<b>Total comprehensive income (loss)</b>	\$ (1,124,676)	(11)	302,168	2
	<b>Profit, attributable to:</b>				
8610	Owners of parent	\$ (466,015)	(4)	65,250	1
8620	Non-controlling interests	19,448	-	17,406	-
		\$ (446,567)	(4)	82,656	1
	<b>Total comprehensive income attributable to:</b>				
8710	Owners of parent	\$ (1,150,203)	(11)	289,212	2
8720	Non-controlling interests	25,527	-	12,956	-
		\$ (1,124,676)	(11)	302,168	2
	<b>Earnings per share</b> (note (6)(o))				
9750	<b>Basic earnings per share</b>	\$ (3.43)		0.48	
9850	<b>Diluted earnings per share</b>	\$ (3.43)		0.48	



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statement of Changes in Equity**  
**For the years ended December 31, 2024 and 2023**  
**(expressed in thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent										Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Retained earnings		Legal reserve	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity	Treasury shares	Total equity attributable to owners of parent		
			Unappropriated retained earnings	Total retained earnings								
<b>Balance on January 1, 2023</b>	\$ 1,372,818	586,742	1,369,115	1,895,791	526,676	(16,129)	1,007,371	991,242	(31,863)	4,814,730	5,008,906	
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	(30,121)	-	30,121	-	-	-	-	-	-	
Cash dividends on ordinary share	-	-	(219,651)	(219,651)	-	-	-	-	-	(219,651)	(219,651)	
Profit (loss) for the year ended December 31, 2023	-	-	(249,772)	(219,651)	30,121	-	-	-	-	(219,651)	(219,651)	
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	65,250	65,250	-	-	-	-	-	65,250	17,406	
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	(323)	(323)	-	(4,755)	229,040	224,285	-	223,962	(4,450)	
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	-	64,927	64,927	-	(4,755)	229,040	224,285	-	289,212	12,956	
Changes in non-controlling interests	-	2,166	-	-	-	-	-	-	-	2,166	2,166	
<b>Balance on December 31, 2023</b>	1,372,818	588,908	1,184,270	1,741,067	556,797	(20,884)	1,236,411	1,215,527	(31,863)	4,886,457	5,084,335	
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	(5,856)	-	5,856	-	-	-	-	-	-	
Cash dividends on ordinary share	-	-	(59,031)	(59,031)	-	-	-	-	-	(59,031)	(59,031)	
Profit (loss) for the year ended December 31, 2024	-	-	(64,887)	(59,031)	-	-	-	-	-	(59,031)	(59,031)	
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	(466,015)	(466,015)	-	-	-	-	-	(466,015)	(466,567)	
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	15,866	15,866	-	7,020	(707,074)	(700,054)	-	(684,188)	(678,109)	
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	-	(450,149)	(450,149)	-	7,020	(707,074)	(700,054)	-	(1,150,203)	25,527	
Changes in non-controlling interests	-	582	-	-	-	-	-	-	-	582	582	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	(560)	(560)	-	-	-	560	-	(16,197)	(16,197)	
<b>Balance on December 31, 2024</b>	\$ 1,372,818	589,490	668,674	1,231,327	562,653	(13,864)	529,897	516,033	(31,863)	3,677,805	3,885,013	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**

**Consolidated Statement of Cash Flows**

**For the years ended December 31, 2024 and 2023**

**(expressed in thousands of New Taiwan Dollars)**

	2024	2023
<b>Cash flows from (used in) operating activities:</b>		
(Loss) profit before tax	\$ (461,023)	87,989
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	448,923	457,904
Amortization expense	28,334	10,368
Expected credit losses	20,215	-
Interest expense	65,055	52,168
Interest income	(17,315)	(17,104)
Dividend income	(55,254)	(99,609)
Share of loss of associates and joint ventures accounted for using equity method	(957)	(74)
Gain on disposal of property, plant and equipment	(295)	(13,486)
Others	(27)	(1,872)
	<u>488,679</u>	<u>388,295</u>
<b>Changes in operating assets and liabilities:</b>		
Decrease (increase) in notes and accounts receivable	421,061	(97,606)
Decrease (increase) in inventories	81,985	3,417
Decrease (increase) in other current financial assets	55,176	(3,190)
Decrease (increase) in other current assets	47,765	1,753
Increase (decrease) in notes and accounts payable	(1,516,727)	711,827
Increase (decrease) in provisions	(3,835)	3,600
Increase (decrease) in other payables and other current liabilities	(102,501)	(31,922)
Increase (decrease) in net defined benefit liabilities	2,460	(30,529)
Increase (decrease) in contract liabilities	72,968	11,330
	<u>(941,648)</u>	<u>568,680</u>
<b>Total adjustments</b>	<u>(452,969)</u>	<u>956,975</u>
Cash inflow (outflow) generated from (used in) operations	(913,992)	1,044,964
Dividends received	55,682	100,676
Interest paid	(65,055)	(52,168)
Interest received	17,315	17,104
Income taxes paid	(6,542)	(13,382)
<b>Net cash flows from (used in) operating activities</b>	<u>(912,592)</u>	<u>1,097,194</u>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,940	-
Acquisition of investments accounted for using equity method	-	(2,610)
Acquisition of property, plant and equipment	(336,097)	(304,854)
Proceeds from disposal of property, plant and equipment	13,827	20,139
Decrease (increase) in refundable deposits	(4,263)	2,918
Acquisition of intangible assets	(19,441)	(52,711)
Decrease (increase) in other financial assets	(9,022)	2,343
Decrease (Increase) in prepayments for business facilities	1,571	(30,311)
<b>Net cash flows from (used in) investing activities</b>	<u>(350,485)</u>	<u>(365,086)</u>
<b>Cash flows from (used in) financing activities:</b>		
Decrease in short-term loans	-	(40,000)
Proceeds from long-term borrowings	2,950,000	1,851,000
Repayments of long-term borrowings	(2,150,000)	(1,280,000)
Decrease in guarantee deposit received	(4,835)	(728)
Payment of lease liabilities	(204,252)	(225,616)
Cash dividends paid	(58,449)	(217,485)
Changes in non-controlling interests	(9,181)	-
<b>Net cash flows from (used in) financing activities</b>	<u>523,283</u>	<u>87,171</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>15,238</u>	<u>(10,469)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(724,556)</u>	<u>808,810</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>1,866,607</u>	<u>1,057,797</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 1,142,051</u>	<u>1,866,607</u>

See accompanying notes to consolidated financial statements.



安侯建業聯合會計師事務所

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## Independent Auditors' Report

To the Board of Directors of Shan-Loong Transportation Co., Ltd.:

### Opinion

We have audited the financial statements of Shan-Loong Transportation Co., Ltd. ("the Company"), which comprise the balance sheet as of December 31, 2024 and January 1 and December 31, 2023 (restated), the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and January 1 and December 31, 2023 (restated), and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

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

### Emphasis of Matter

As stated in notes 11 and 7 of the financial statements, investigative authorities conducted a search and seizure on the Company on February 20, 2025 due to allegations of legal violations by certain management personnel. The Company conducted an internal review and discovered undisclosed related parties and transactions with certain vendors. Based on these findings, transactions with these vendors have been disclosed as related party transactions and prior financial statements have been corrected accordingly. Regarding the allegations against certain management personnel, the Company stated that it lacks judicial investigative authority and due to the confidentiality of the investigation, the facts and legal responsibilities will be clarified by investigative and judicial authorities before taking corresponding measures. However, the Company will actively cooperate with the investigation and plans to engage commission external experts to analyze the reasonableness of related party procurement prices to protect its shareholder interests. The auditor has not modified the audit opinion due to this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters we judged shall be presented in the financial report as follows:



## Revenue recognition

Please refer to note (4)(o) of the financial statements for the accounting policy of revenue recognition. Information regarding the revenue are shown in note (6)(p) of the financial statements.

### Description of key audit matter:

The main activities of the Company include freight transportation, container trucking, and gas station. Revenue recognition is one of the significant matters of the financial statements. The amounts and changes of sales revenue may affect the users' understanding of the entire financial statements. Therefore, the revenue recognition test is one of the significant assessment items in our audit procedures.

### Audit Procedures:

Our main audit procedures for the aforementioned key audit matters include testing the Company's controls surrounding revenue recognition in the sale and receipt cycle, including reconciliations between the general ledger and sales system; performing the test of relevant vouchers, as well as assessing whether the Company's timing on revenue recognition and the amounts recognized are in accordance with the related standards.

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

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

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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





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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Mei, Yuan-Chen and Hsin, Yu-Ting.

KPMG

Taipei, Taiwan (Republic of China)  
March 31, 2025

#### **Notes to Readers**

The accompanying financial statements are intended only to present the financial position, financial performance, and cash flows in accordance with the 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 financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

## SHAN-LOONG TRANSPORTATION CO., LTD.

## December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollars)

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(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD.

Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollars, except for earnings per share)

		2024		2023	
		Amount	%	Amount	%
4000	<b>Operating revenue</b> (notes (6)(p) and (7))	\$ 10,093,081	100	15,574,738	100
5000	<b>Operating costs</b> (notes (6)(c), (6)(l), (7) and (12))	<u>9,390,620</u>	<u>93</u>	<u>14,438,595</u>	<u>93</u>
5900	<b>Gross profit from operations</b>	<u>702,461</u>	<u>7</u>	<u>1,136,143</u>	<u>7</u>
	<b>Operating expenses</b> (notes (6)(l), (7) and (12)):				
6100	Selling expenses	479,567	5	548,369	3
6200	Administrative expenses	788,317	8	707,350	5
6450	Expected credit losses (notes (6)(c))	<u>2,549</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,270,433</u>	<u>13</u>	<u>1,255,719</u>	<u>8</u>
6900	<b>Net operating (loss) income</b>	<u>(567,972)</u>	<u>(6)</u>	<u>(119,576)</u>	<u>(1)</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (note (7))	54,130	1	72,094	-
7020	Other gains and losses, net (note (6)(k))	79	-	504	-
7050	Finance costs (notes (6)(k) and (7))	(65,031)	(1)	(51,684)	-
7100	Interest income	4,652	-	5,092	-
7130	Dividend income	9,688	-	24,249	-
7210	Gains (losses) on disposals of property, plant and equipment (note (7))	86	-	13,486	-
7070	Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using the equity method (note (6)(f))	83,517	1	120,236	1
7590	Miscellaneous disbursements	<u>(9,949)</u>	<u>-</u>	<u>(11,007)</u>	<u>-</u>
		<u>77,172</u>	<u>1</u>	<u>172,970</u>	<u>1</u>
7900	<b>Profit (loss) before tax</b>	(490,800)	(5)	53,394	-
7950	<b>Less: Income tax (income) expenses</b> (note (6)(m))	<u>(24,785)</u>	<u>-</u>	<u>(11,856)</u>	<u>-</u>
8200	<b>Profit (loss)</b>	<u>(466,015)</u>	<u>(5)</u>	<u>65,250</u>	<u>-</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8311	Gains (losses) on remeasurements of defined benefit plans (note (6)(l))	19,833	-	(404)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(233,664)	(2)	41,189	-
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method, components of other comprehensive income that will not be reclassified to profit or loss (note (6)(f))	(504,178)	(5)	214,305	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note (6)(m))	<u>(26,801)</u>	<u>-</u>	<u>26,373</u>	<u>-</u>
		<u>(691,208)</u>	<u>(7)</u>	<u>228,717</u>	<u>2</u>
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translation of foreign financial statements	8,775	-	(5,945)	-
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss (note (6)(m))	<u>1,755</u>	<u>-</u>	<u>(1,190)</u>	<u>-</u>
		<u>7,020</u>	<u>-</u>	<u>(4,755)</u>	<u>-</u>
8300	<b>Other comprehensive income (loss)</b>	<u>(684,188)</u>	<u>(7)</u>	<u>223,962</u>	<u>2</u>
8500	<b>Total comprehensive income (loss)</b>	<u>\$ (1,150,203)</u>	<u>(12)</u>	<u>289,212</u>	<u>2</u>
	<b>Earnings per share</b> (note (6)(o))				
9750	<b>Basic earnings per share</b>	<u>\$ (3.43)</u>		<u>0.48</u>	
9850	<b>Diluted earnings per share</b>	<u>\$ (3.43)</u>		<u>0.48</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

**SHAN-LOONG TRANSPORTATION CO., LTD.**

**Statement of Changes in Equity**

**For the years ended December 31, 2024 and 2023**

**(expressed in thousands of New Taiwan Dollars)**

	Ordinary shares	Capital surplus	Retained earnings			Exchange differences on translation of foreign financial statements	Other equity		
			Unappropriated retained earnings	Legal reserve	Total retained earnings		Unrealized gains (losses) on financial assets measured at fair value	Treasury shares	Total equity
<b>Balance on January 1, 2023 (restated)</b>	\$ 1,372,818	586,742	526,676	586,742	1,895,791	(16,129)	1,007,371	991,242	4,814,730
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	30,121	-	(30,121)	-	-	-	-
Cash dividends on ordinary share	-	-	(219,651)	-	(219,651)	-	-	-	(219,651)
Profit (loss) for the year ended December 31, 2023	-	-	(249,772)	-	(249,772)	-	-	-	(219,651)
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	65,250	-	65,250	-	-	-	65,250
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	(323)	-	(323)	(4,755)	229,040	224,285	223,962
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	-	64,927	-	64,927	(4,755)	229,040	224,285	289,212
<b>Balance on December 31, 2023</b>	1,372,818	588,908	556,797	588,908	1,741,067	(20,884)	1,236,411	1,215,527	4,886,457
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	5,856	-	(5,856)	-	-	-	-
Cash dividends on ordinary share	-	-	(59,031)	-	(59,031)	-	-	-	(59,031)
Profit (loss) for the year ended December 31, 2024	-	-	(64,887)	-	(64,887)	-	-	-	(59,031)
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	(466,015)	-	(466,015)	-	-	-	(466,015)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	15,866	-	15,866	7,020	(707,074)	(700,054)	(684,188)
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	-	(450,149)	-	(450,149)	7,020	(707,074)	(700,054)	(1,150,203)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	582	-	-	-	-	-	-	582
<b>Balance on December 31, 2024</b>	\$ 1,372,818	589,490	562,653	589,490	1,231,327	(13,864)	529,897	516,033	3,677,805



## SHAN-LOONG TRANSPORTATION CO., LTD.

## Statement of Cash Flows

For the years ended December 31, 2024 and 2023

(expressed in thousands of New Taiwan Dollars)

	2024	2023
<b>Cash flows from (used in) operating activities:</b>		
(Loss) profit before tax	\$ (490,800)	53,394
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	438,288	444,879
Amortization expense	28,092	10,368
Expected credit loss	2,549	-
Interest expense	65,031	51,684
Interest income	(4,652)	(5,092)
Dividend income	(9,688)	(24,249)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(83,517)	(120,236)
Loss (gain) on disposal of property, plant and equipment and others	(86)	(13,486)
Others	(25)	(1,841)
	<u>435,992</u>	<u>342,027</u>
<b>Changes in operating assets and liabilities:</b>		
Decrease (increase) in notes and accounts receivable	384,452	(94,288)
Decrease (increase) in inventories	57,847	30,596
Decrease (increase) in other current financial assets	41,039	(23,237)
Decrease (increase) in other current assets	27,276	4,263
Increase (decrease) in notes and accounts payable	(1,514,552)	756,407
Increase (decrease) in contract liabilities	72,968	11,319
Increase (decrease) in provisions	(3,835)	3,600
Increase (decrease) in other payables and other current liabilities	(131,405)	(23,167)
Increase (decrease) in net defined benefit liabilities	2,460	(28,115)
	<u>(1,063,750)</u>	<u>637,378</u>
<b>Total adjustments</b>	<u>(627,758)</u>	<u>979,405</u>
Cash inflow (outflow) generated from (used in) operations	(1,118,558)	1,032,799
Dividends received	77,158	129,348
Interest paid	(65,031)	(51,684)
Interest received	4,652	5,092
Income taxes refund (paid)	13,813	(374)
<b>Net cash flows from (used in) operating activities</b>	<u>(1,087,966)</u>	<u>1,115,181</u>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,940	-
Acquisition of investments accounted for using the equity method	-	(72,610)
Acquisition of property, plant and equipment	(337,189)	(302,988)
Proceeds from disposal of property, plant and equipment	13,603	20,139
Decrease (increase) in refundable deposits	(12,065)	8,260
Acquisition of intangible assets	(19,441)	(52,711)
Decrease (increase) in prepayment for business facilities	78,747	(107,486)
<b>Net cash flows from (used in) investing activities</b>	<u>(273,405)</u>	<u>(507,396)</u>
<b>Cash flows from (used in) financing activities:</b>		
Proceeds from long-term borrowings	2,950,000	1,851,000
Repayments of long-term borrowings	(2,150,000)	(1,280,000)
Increase (decrease) in guarantee deposits received	(4,635)	(378)
Payment of lease liabilities	(203,437)	(223,776)
Cash dividends paid	(59,031)	(219,651)
<b>Net cash flows from (used in) financing activities</b>	<u>532,897</u>	<u>127,195</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(828,474)</u>	<u>734,980</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>1,198,968</u>	<u>463,988</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 370,494</u>	<u>1,198,968</u>

**Shan-Loong Transportation Co., Ltd.**  
**Surplus Earnings Distribution**  
**2024**

Unit: New Taiwan Dollar

Item	Subtotal	Total
Balance on the beginning of the period		1,119,382,604
Addition (Deduction):		
Effects of retrospective application and retrospective restatement		
Changes in the current period of Gains (losses) on remeasurements of defined benefit plans	15,866,400	
Disposal of equity instruments measured at fair value through other comprehensive income	(559,857)	
Net profit after tax for the current year (2024)	(466,015,470)	
Distributable earnings		668,673,677
Deduction:		
Legal reserve appropriated (10%)	0	
Distribution items:		
Shareholder dividends - Cash	(41,184,548)	
Ending Unappropriated Retained Earnings		627,489,129

Note: The distribution of profits for the year 2024 will prioritize the profits of 2023. If it is not sufficient, the profits of previous years will be distributed.