

Fu Chun Shin Machinery Manufacture Co., Ltd.

2024 Annual Shareholders' Meeting

Minutes

Time: 9:00AM, June 18, 2024 (Tuesday)

Place: Chuangxin Hall on the first floor of Chuangxin Tower. (No. 269, Baodong Rd., Pitou Vil., Guanmiao Dist., Tainan City)

Number of Shares Present: The total shares present at the meeting are 80,636,747 shares, representing 52.04% of the total voting ordinary shares issued by the company, which is 154,928,927 shares.

Chairman: Pohsun Wang, the Chairman of the Board of Directors

Secretary: Huiching Chen

Directors present: Jiamiao Qiu, Junxian Wang, Representative of Fengwei Investment Co., Ltd.: Bofeng Wang, Junyu Wang, Zongzheng Wu, Suzhen Zhang, Feiru Chen, Wenbin Cai, Yingfang Huang

A.Call the meeting to order: The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

B.Chairman's Address(omitted)

C.Report Items:

I.The Company's 2023 Business Report is submitted for review. (see Attachment 1)
Decision: Noted.

II.The Audit Committee's Review Report on the 2023financial statements is submitted for review. (see Attachment 2)
Decision: Noted.

III.The 2023 employee remuneration and director's remuneration distribution proposal.

Explanation:(1) According to Article 31 of the Articles of Incorporation, no less than 3% of the annual profit, if any, shall be distributed as the remuneration to employees, and no more than 3% of the annual profit as the remuneration to directors, provided that profits must first be taken to offset against cumulative losses, if any. The annual profit mentioned in the preceding paragraph refers to the income before tax before the remuneration to employees, directors are deducted for the year.

(2) The profit sought by the Company in 2023 was NT\$38,391,423 (i.e. the income before tax before the remuneration to

employees and directors are deducted, provided that profits must first be taken to offset against cumulated losses, if any). 7.09% thereof, amounting to NT\$2,720,249, was distributed as the remuneration to employees, and 2.4% thereof, amounting to NT\$940,087, was distributed as the remuneration to directors, all paid in cash.

Decision: Noted.

IV. Formulation of the Company's "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties." Please Review. (see Attachment 7)

Explanation: In accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies," the Company has formulated the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties".

Decision: Noted.

D. Ratifications:

Proposal 1(Proposed by the Board of Directors)

Summary: The 2023 business report and financial statement

Explanation: (1) The Company's 2023 business report and financial statements including balance sheet, income statement, statement of changes in shareholders' equity and statement of cash flow have been approved by the Board of Directors meeting on March 15, 2023, and reviewed by the audit committee, who also issued the review report. The same was also audited by Li Fang-Wen, CPA and Hu Tzu-Ren, CPA of EY Taiwan. (see Attachment 1-3 and 5)
(2) For the 2023 financial statements. (see Attachment 4 and 6)

Resolution: Shares represented at the time of voting: 80,636,747 ; Votes in favor: 78,213,946 votes(96.99% of the total represented share present) ; Votes against: 99,479 votes(0.12% of the total represented share present) ; Votes invalid: 0 vote(0.00% of the total represented share present) ; Votes abstained: 2,323,322 votes(2.88% of the total represented share present) ; RESOLVED, that the above proposal was hereby approved as proposed.

Proposal 2(Proposed by the Board of Directors)

Summary: The Company's earnings distribution proposal for 2023 is submitted for ratification.

Explanation:(1) The matter is handled in accordance with Article 31-1 of the Articles of Incorporation.

(2) The 2023 statement of earnings distribution is shown below.

(3) In the event that the number of the Company's outstanding shares on the record date for distribution of dividends is changed due to the factors, such as conversion of outstanding corporate bonds into ordinary shares, transfer of treasury stock to employees, cancelation of the stock, cash capital increase or others, the Board of Directors is authorized to adjust the payout ratio, based on the amount of stock dividend and cash dividend to be distributed per resolution on the earnings distribution proposal, and subject to the number of outstanding shares on the record date for distribution of dividends.

Fu Chun Shin Machinery Manufacture Co., Ltd.

Statement of Earnings Distribution

2023

【Table 1】

Unit: NT\$

Summary	Amount	Remarks
1. Undistributed earnings at the beginning of the period	378,938,956	
2. Add: others	160,856	Note 1
3. Net income for this period	20,597,381	
4. Provision of legal reserve(10%)	(2,075,824)	
5. Distributable earnings for this period	397,621,369	
6. Distributable items:		
Shareholder bonus – cash dividend (NT\$0.15 per share)	(23,547,889)	Note 2
7. Undistributed earnings at the end of the period	374,073,480	
Note:		
1. Including the actuarial gains (losses) on defined benefit plan, NT\$160,856.		
2. The undistributed earnings before 2023 and 2022 were distributed as the first priority. The stock dividend was calculated based on the distributable stock totaling 156,985,927 shares on February 29, 2024.		
3. The amount of cash dividend was truncated to the nearest dollar. Fractional amounts were summed up and stated into the Company's other revenue.		

Resolution: Shares represented at the time of voting:80,636,747 ; Votes in favor: 78,319,561votes (97.12% of the total represented share present) ; Votes against:99,479 votes (0.12% of the total represented share present) ; Votes invalid:0 vote (0.00% of the total represented share

present) ; Votes abstained:2,217,707 votes (2.75% of the total represented share present) ; RESOLVED, that the above proposal was hereby approved as proposed.

E.Discussions:

Proposal 1(Proposed by the Board of Directors)

Summary: Amendment to the Regulations for the Rules of Procedures for Shareholders' Meetings. Please proceed to discuss.

Explanation:(1) In order to conform to the needs of practical operations for convening shareholders' meetings via video conference, the company hereby proposes to amend the Regulations for the Rules of Procedures for Shareholders' Meetings.
(2) For the Cross Reference Table for Amendments to Regulations for the Rules of Procedures for Shareholders' Meetings (see attachment 8).

Resolution: Shares represented at the time of voting:80,636,747 ; Votes in favor:78,310,416 votes (97.11% of the total represented share present) ; Votes against:97,621 votes (0.12% of the total represented share present) ; Votes invalid:0 vote (0.00% of the total represented share present) ; Votes abstained:2,228,710 votes (2.76% of the total represented share present) ; RESOLVED, that the above proposal was hereby approved as proposed.

F.Extempore Motions:

Summary: The Company's treasury share repurchase result at the end of repurchase period

Explanation: The Board of Directors of the company decided to execute the 6th share buyback and transfer of treasury shares to employees on March 29,2024. Actual period of the current repurchase:2024/04/01~2024/05/23; No.of shares currently repurchased (shares):2,949,000; Total monetary amount of shares currently repurchased (NTD):49,969,027; Current average

repurchase price per share (NTD):16.94.As of June 18, 113, the treasury shares from this buyback have not been transferred to employees, with a remaining total of 2,949,000 shares.

G.Meeting adjourned:9:19AM, June 18, 2024.

Note: There will be no shareholder inquiries during this shareholder meeting.

2023 Business Report

Ladies and Gentlemen:

Hello everyone! First of all, we represent the Company to welcome all of you to visit us and give us any advice. Meanwhile, we would like to extend our appreciation for your long-term support of the Company!

Looking into 2023, industries around the world have experienced economic downturns and negative factors, resulting in reduced capital expenditure for expansion and increased production. Many companies experienced monthly revenue fluctuations as a result of this situation. However, FCS, serving as a barometer for industrial economic trends, saw a significant increase in orders for its "All-Electric Injection Molding Machine," "Ultra-large Two-Platen Machine," and "Sandwich / Interval Injection Molding Machine" from major industry clients such as auto parts, luxury consumer goods, and 3C. The auto parts industry saw particularly strong demand, which helped to improve shipment performance and capacity utilization rates in Taiwan, Vietnam, and India. This resulted in a consolidated revenue of NT\$1.119 billion in the fourth quarter of 2023, up 16.31% from the previous quarter. For 2023, sales of the Group's multi-component injection molding machines exceeded 545 units, with sales reaching NT\$2.31 billion, and overall revenue of NT\$3.861 billion in 2023.

Key strategies that contribute to the Company's steadfast pursuit of operational growth objectives for the entire Company include acquiring new clients, modernizing equipment technology, maintaining stringent expense control, optimizing equipment order structures, and increasing production efficiencies. The Company has effectively acquired supply chain clients in the automotive parts sector from Japan, the United States, and Europe in recent years. Additionally, it has attracted clients from diverse industries, including food packaging and sports. The overall rate of growth in orders from new customers has remained robust. Demand for "All-Electric Injection Molding Machines" has increased substantially across industries, including food packaging, 3C, and luxury consumer goods, in particular, as a result of the ESG sustainability development wave. This not only resulted in a significant year-on-year growth of 165.87% in the performance of integrated solutions for all-electric injection machines for 2023, but also, with a current proportion of 5.4%, has the potential to increase further in terms of the absolute quantity of orders on hand. This will provide FCS with consistent and positive growth momentum for its overall operations in the future.

In order to comply with the global trend of net zero carbon emissions by 2050 and Taiwan's policy of net zero emissions by 2050, FCS established the "Green Task Force" in 2023, leading the industry to promote the collaboration between the factory and the horizontal and vertical supply chain companies. Established the 1+10 "Low-Carbon Injection Molding Ecosystem" project, which was highly recognized by the Industrial Development Bureau, Ministry of Economic Affairs. This project proposes a carbon-reducing pathway and development blueprint for the injection molding industry, focusing on three key areas: ① Optimize energy efficiency ② integrate low-carbon equipment and peripherals ③ develop recycled material technology. By building a low-carbon injection ecosystem and assisting clients in energy-saving and carbon reduction strategies, specific action plans include conducting in-house carbon footprint assessments and carbon reduction technologies, integrating energy-saving production lines with injection peripherals, increasing the use of recycled materials, improving new machine energy-saving technologies, and transforming old machines with energy-saving solutions while also helping This reduces the investment burden for customers, allowing them to seize opportunities before the economic recovery, and moves businesses beyond simply adopting net-zero carbon slogans to finding transformation solutions tailored to their specific needs. Customers have responded positively to this approach, which is driving the machinery's sales performance even higher.

Looking ahead to 2024, although negative factors such as global inflation, rising interest rates, and weak consumer demand continue to exist, which affect the intensity and speed of capital expenditures in various industries, we are optimistic that various industries worldwide will actively achieve net zero carbon emissions, environmental protection, and green The rise of ESG, smart manufacturing, and Industry 4.0, combined with the ban on the sale of fossil fuel vehicles in many countries, will result in significant changes in the electric vehicle market. FCS believes that the growth of the electric vehicle market will lead to the production and sale of large-scale automotive machines. In 2023, FCS expanded its new plant in Hangzhou Bay, Ningbo, and began trial production. We hope the expansion will complement our plants' production capacities in Taiwan and India and positively boost the Company's overall operations in the future. Furthermore, in order to comply with the ESG trend, FCS has used green alternative materials and new molding technologies to create lighter-weight products that are more environmentally friendly and recyclable. This includes the ban of chemical foaming agents in the international footwear industry beginning in 2025. The physical foam injection molding system GENTREX developed by FCS will also be able to meet the demand for machine replacement. Machines and peripheral equipment, on the other hand, are optimized using software to aid

in the Company's low-carbon transformation and development.

FCS will also continue to rely on its years of technology in developing a variety of diverse plastic injection molding machines for customers in different industries and one-stop integrated service capabilities, coupled with the establishment of factories in Taiwan, China, and India to circumvent import tariffs, and with 34 direct sales locations and agents in 21 countries providing localized and real-time service, the Company's market order volume continues to grow. As the value of the orders on hand continues to rise, the Group has increased the production capacity of its five largest plants in the Asia Pacific region, contributing to the Company's overall growth.

For the new year, the Company remains cautious, optimistic, and proactive by shaping an organizational culture featuring “high-ranking officers leading by example and total participation and engagement of all members on the team” and working to support the action policy when taking business orders. Meanwhile, management's performance in meeting KPI goals will be monitored to improve the organization's execution. Meanwhile, in accordance with our beliefs in environmental stewardship and philanthropy, we will pursue the interests of stakeholders while fulfilling our social responsibilities through sound corporate governance. Our goal is to reach "a revenue scale of NT\$6 billion in the next two years, and the opening of several ten Grade A world's factories in the next 50 years, in order to continue the process of becoming one of the top ten global companies, and create FCS's next 50 years, become Taiwan's century-old plastic injection leader." Finally, we seek the support of all shareholders as we strive to achieve our goals of increased revenue and consistent growth, allowing both the Company and shareholders to benefit from higher profits.

We hereby present the business report on the Company's 2023 business results and outline of the Company's 2024 business plan as follows:

1. 2023 business results

(1) Business plan implementation result

2023 consolidated business results are stated as follows:

Unit: NT\$ Thousand

Consolidated income items	2023	2022	Increase (decrease) (%)	Growth rate (%)
Operating revenue	3,861,005	4,605,204	-744,199	-16.16%
Operating cost	2,848,137	3,374,074	-525,937	-15.59%
Gross profit	1,012,868	1,231,130	-218,262	-17.73%

Operating expenses	974,649	973,165	1,484	0.15%
Operating gain (loss)	38,219	257,965	-219,746	-85.18%
Non-operating revenue and expense, net	19,604	-4,028	23,632	586.69%
Net income before tax	57,823	253,937	-196,114	-77.23%
Profit after tax	23,323	169,977	-146,654	-86.28%
Net profit attributed to the parent company	20,597	159,455	-138,858	-87.08%

(2) Budget implementation status: The Company did not have the 2023 financial forecast published; therefore, no budget was implemented.

(3) Financial revenue and expense and profitability analysis: 2023

1. Financial revenue and expense:

(1) Revenue: Operating revenue is NT\$3,861,005 thousand

(2) Expense: The operating cost is NT\$2,848,137 thousand.

Operating expense is NT\$974,649 thousand.

Non-operating revenue and expense, net is NT\$19,604 thousand.

(3) Earnings: The consolidated net profit before tax is NT\$57,823 thousand, income tax expense NT\$34,500 thousand, and net income NT\$23,323 thousand.

2. Profitability analysis:

(1) Return on assets (ROA): 0.65%

(2) Return on equity (ROE): 0.97%

(3) Profit margin: 0.60 (%)

(4) Earnings per share: NT\$0.13

(4) Research and development (R&D):

The Company's 2023 R&D expenses were NT\$ 102,949 thousand, a decrease of NT\$11,612 thousand, or a decline of 10.14%, from NT\$114,561 thousand in 2022.

Products developed successfully and receiving awards in the most recent year:

Item No.	Year	Content
1	2022.12	Launched the e-commerce version "iMF 4.0-Lite" to help enterprises easily upgrade to "smart manufacturing"
2	2023.01	FCS was awarded the "Excellent Mechanical Organization Award" by the Chinese Mechanical Engineering Society
3	2023.03	FU CHUN SHIN in Ningbo was rated the "Top 50 Industrial Enterprises" in Jiangbei District, Ningbo City
4	2023.04	FCS was awarded "2022 Excellent Influential Brand Of Injection Molding Machine" for two consecutive years
5	2023.05	FCS Ningbo was honored with four major awards from Zhuangqiao Street, Jiangbei District, Ningbo City: Top 10 Industrial Enterprises, Golden Eagle Award, and Top 10 Taxpayer and Development Contribution Advanced Group Award
6	2023.06	FCS GW-1600RP Two-Platen Multi-Component Injection Molding Machine won the 2023 Plastic Industry Ringier Technology Innovation Award
7	2023.07	FCS and TIENKANG successfully developed the "multi-functional physical foam injection molding system" GENTREX to provide "net zero revolution" solutions for the transportation and sporting goods industries
8	2023.08	World's First Super Large Five-Color Two-Platen Multi-Component Injection Molding Machine from FCS Makes Delivery
9	2023.08	FCS Group was awarded three honors in the 2023 China Plastics Machinery Industry Dominant Enterprise Award. The Company was also selected as one of the "Top 10 Comprehensive Strength Enterprises of China Plastics Machinery Manufacturing Industry" in 2023.
10	2023.09	FCS Ningbo was awarded the "2023 Ningbo City Top 100 Competitive Enterprises"
11	2023.10	FCS GW-2200R Large two-platen turntable four-shot precision injection molding machine passed the 2023 Ningbo High-end equipment manufacturing industry's first domestic product (set) public list
12	2023.12	FCS Releases The SA-h PET Multimodal Medical Product Precision Molding System
13	2023.12	FCS Dongguan was awarded the title of "Friendly Enterprise"
14	2024..03	FCS GW-2200R two-platen X-type four-shot multi-component injection machine won the 2024 Plastic Industry Ringier Technology Innovation Award
15	2024.03	FCS participated in the 1st TAINANPLAS 2024

Under the R&D operating model, the parent company of FU CHUN SHIN in Taiwan is identified as the R&D center of the Group, which works with the R&D units of various subsidiaries to continue promoting the following R&D strategies:

1. Continue to develop niche products;
2. Optimize the existing product series;
3. Research and develop integrated products and solutions for market segments;
4. Develop iMF smart injection molding arts and crafts platform;
5. Train technical talents and cultivate R&D technology & energy.

2. Outline of 2024 business plan

(1) Business policy

In order to seize the market development opportunities and cope with the changes in economic and industrial environments, the Company's main business policies are stated as follows. The effective promotion and execution of various policies will help the Company improve its mid-term and long-term business performance.

1. Based on the ISO three-in-one standard integrated system, implement the systematic management, standardization of procedures and digitalization of operations, in order to establish the foundation for business sustainability
2. Promote KPI performance target management activities, and shape the organizational culture of "high-ranking officers leading by example and engagement of all members on the team", and fulfilling our missions.
3. Strengthen the operational performance of Vietnam, Indonesia, Thailand, and India plants, implement management systems, recruit more businesses, and increase revenue and profit.
4. The headquarters reserves the management talents of overseas subsidiaries, and strengthens the performance of reinvestment and overseas investments.
5. Plan the group's medium and long-term capital channels and strengthen the financial structure.
6. Cultivate the export market, actively participate in overseas exhibitions, and develop new business opportunities.
7. New distribution channels in Europe, Middle East and Africa to improve sales.
8. Develop products for market segments, create product differentiation and provide complete solutions (special machine for SA-h/p packaging, special machine for blood collection tubes, Mucell, long fiber).
9. Seek industrial strategic alliances and establish a strategic platform mechanism to ensure competitiveness.
10. The mass production of the Hangzhou Bay New Zone factory will expand the Group's processing capacity and production capacity, and optimize the mainframe's competitiveness in terms of delivery time and cost.
11. Promote T309 project to increase market share in Taiwan and drive machine sales in Taiwan.
12. Focus on the top 2000 manufacturing customers in Taiwan and obtain large orders in batches.

13. The Taiwan factory promotes the lean production model, and implements the advance confirmation of production line materials, supporting material supply and store management to eliminate waste and improve efficiency.
14. Implement the Group's quality conference system to improve the quality of machines and achieve zero customer complaints.
15. Introduce the SPC commissioning system to improve the stability of the machine.
16. The Taiwan Factory has established a smart energy management system.

(2) Sales volume forecast and basis thereof

With reference to the operating results over the years, global economic forecast and relevant market information, the Company estimates that the sales volume of injection molding machines in 2024 will increase compared to 2023. Revenue for enameled wire is expected to remain flat due to a change in the operating model to focus on OEM revenue and the copper price fluctuations, but profits are expected to grow steadily.

(3) Important production & marketing policy:

1. Production policy:

- (1) Solve the bottleneck of the supply chain, and optimize the delivery period and cost.
- (2) Rebuild the production facility and adopt lean production procedures.
- (3) Implement the SPC system to improve the stability of machine.
- (4) Practice the quality meeting system to pursue zero complaint from customers against the products.

2. Sales policy:

- (1) Develop new channels and locations in Europe.
- (2) Improve the business performance of overseas self-managed locations.
- (3) Continue to strengthen the online marketing force.
- (4) Create the customer base for market segments.
- (5) Reserve sales personnel and strengthen the application technology and abilities.

3. The Company's future development strategies:

The Company's future development is oriented toward "SHAPE A BETTER WORLD" as its corporate mission, in order to fulfill the corporate social responsibility and corporate governance, and strengthen the business sustainability. Based on the corporate mission, the Company continues to create high value-added products as its management philosophy and combines global and diversified business strategies. The Company not only deepens the R&D, production and sales of the injection molding machine industry, but also launches into cables, 3C optoelectronics and materials technology industries. Meanwhile,

the Company will engage in strategic cooperation with relevant industries for co-existence and co-prosperity, hoping to move toward more precision and high-tech fields, improve the corporate value and international competitiveness, and implement the corporate vision, i.e. “Top Ten Globally, Customer First, Happy Growth and Profit Sharing,” and achieve the goal for business sustainability.

4. Impact of the external competition, legal, and overall business environments

1. As far as the external competition is concerned, industrial competition is inevitable and also drives the continuing growth. The Company insists on continuing to research and develop new products, orient its development toward high customization and differentiated service strategy, and also layout the marketing channels to improve its strengths, raise its competitiveness and satisfy customers' needs.
2. No significant impact has been posed by the changes in domestic/foreign major policies and laws to the Company's business and finance in recent years. Notwithstanding, the Company will keep noting related information and research necessary responsive measures to satisfy the Company's business needs.
3. As the overall business environment is becoming more and more complex, the Company will take the global overall economy and the Company's status into account when evaluating its future business orientation and making major decisions, in order to deliberate the best strategies more thoroughly.

Finally, we wish you and your family good health and good luck.

Chairman: Wang Po-Hsun

CEO: Wang Chun-Hsien

June 18, 2024

Audit Committee' Review Report

The Company's 2023 business report, financial statements and earnings distribution proposal have been prepared and submitted by the Board of Directors. Among other things, the financial statements were already audited by Li Fang-Wen, CPA and Hu Tzu-Ren, CPA of EY Taiwan appointed by the Board of Directors, who issued the audit report accordingly. Based on our review, said business report, financial statements and earnings distribution proposal are found complying with the related laws and regulations including the Company Act. The Report is presented in accordance with Article 219 of the Company Act accordingly.

To:

2024 Annual General Meeting of the Company

Fu Chun Shin Machinery Manufacture Co., Ltd.

Chairman of the Audit Committee: Huang Chung-hui

March 15, 2024

To: Fu Chun Shin Machinery Manufacture Co., Ltd.

Audit opinions

We have completed our review on the Parent Company Only Balance Sheet of Fu Chun Shin Machinery Manufacture Co., Ltd. on December 31, 2023 and 2022, and Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Cash Flow Statements, and Notes to the Parent Company Only Financial Statements (including a summary of significant accounting policies) for January 1–December 31, 2023 and 2022.

In our opinion, said parent company only financial statements in all major respects are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They are sufficient to adequately express the financial status of Fu Chun Shin Machinery Manufacture Co., Ltd. as of December 31, 2023 and 2022 and its financial performance and cash flow from January 1 through December 31, 2023 and 2022.

Basis for Opinion

We are entrusted to conduct the audit in accordance with the Regulations Governing the Audit of Financial Statements and Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only financial statements section of our report. We are independent of Fu Chun Shin Machinery Manufacture Co., Ltd. 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 on the parent company only financial statements of Fu Chun Shin Machinery Manufacture Co., Ltd. for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for loss of accounts receivable

Until December 31, 2023, the carrying amount of accounts receivable of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries has amounted to NT\$330,060 thousand (already less the allowance for loss, NT\$20,457 thousand). The net amount of accounts receivables was approximately 6.30% of total assets, which is significant to the parent company only financial statements. Considering the assessment of allowance for loss of accounts receivable is measured by lifetime expected credit loss, the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate account aging intervals and the account aging loss rate for each interval, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included (without limitation to) evaluating and testing the internal control established by the management to evaluate the impairment loss on accounts receivable; evaluating the adequacy of the policy to provide allowance for loss; analyzing the adequacy of grouping of accounts receivable; testing the provision matrix adopted by Fu Chun Shin Machinery Manufacture Co., Ltd., including evaluating whether the determination of account aging internals of each group is reasonable, and conducting the random check on original documents to check the accuracy of basic information, and also conducting the random check on the collections of accounts receivables during the subsequent period to evaluate the collectability of the accounts.

We also assessed the adequacy of disclosures of accounts receivables referred to in Notes V, VI and XII to the parent company only financial statements.

Valuation on slow-moving inventories

As of December 31, 2023, the carrying amount of net inventories of Fu Chun Shin Machinery Manufacture Co., Ltd. amounted to NT\$453,965 thousand, approximately 8.66 % of total assets, which is significant to the parent company only financial statements. In consideration of the multiple raw materials and supplies to be purchased to meet the need for production process and customers' requirement for specifications, and said amount of provision of slow-moving inventories involving the significant judgment of the management of Fu Chun Shin Machinery Manufacture Co., Ltd., we determined the estimation of allowance for slow-moving inventories as a key audit matter.

Our audit procedures included (without limitation to) evaluating and testing the internal control established by the management for valuation on slow-moving

inventories; evaluating the adequacy of the policy to provide allowance for slow-moving inventories; conducting the random check on accuracy of the inventory aging, analyzing changes in the inventory aging and evaluating the inventories for which allowance for slow-moving inventory loss shall be provided separately; and re-calculating the allowance for inventory price decline to confirm the compliance with the Company's accounting policy.

We also assessed the adequacy of disclosures of inventories referred to in Notes V and VI to the parent company only financial statements.

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

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

In preparing the parent company only financial statements, the management is also responsible for assessing the ability of Fu Chun Shin Machinery Manufacture Co., Ltd. to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management either intends to liquidate Fu Chun Shin Machinery Manufacture Co., Ltd. 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 financial reporting process of Fu Chun Shin Machinery Manufacture Co., Ltd.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. The term "reasonable assurance" refers to a high level of assurance. Nevertheless, the audit performed according to auditing standards cannot guarantee the discovery of material misstatements in the parent company only financial statements. Misstatements can arise from fraud or error. Misstatements 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 the parent company only financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risk of material misstatement of the parent company only financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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 internal control of Fu Chun Shin Machinery Manufacture Co., Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
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 ability of Fu Chun Shin Machinery Manufacture Co., Ltd. to continue as a going concern. In case where we consider that such events or circumstances have a material uncertainty, then relevant disclosure of the parent company only financial statements are required to be provided in our audit report to allow users of parent company only financial statements to be aware of such events or circumstances, 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 auditor's report. However, future events or conditions may cause Fu Chun Shin Machinery Manufacture Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including relevant notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Group and provide opinion on the parent company only financial statements. We handle the guidance, supervision and execution of the audit on the Group and are responsible for preparing the opinion for the Group.

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 under the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and to communicate with them all relationships and other matters that may reasonably be considered affecting our independence, and where applicable, other matters (including related safeguards).

From the matters communicated with the governance unit, we have determined key audit matters of 2023 parent company only financial statements of Fu Chun Shin Machinery Manufacture Co., Ltd. We describe these matters in our auditor's 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.

EY Taiwan

The financial report is disclosed to the public upon approval of the competent authority.

Audit and	Jin-Guan-Zheng-Shen-Zi	No.
Certification No.:	1010045851	
	Jin-Guan-Zheng-Shen-Zi	No.
	1010045851	

Lee Fang-Wen

Certified Public Accountant:

Mink Hu

March 15, 2024

Fu Chun Shin Machinery Manufacture Co., Ltd.

Parent Company Only Balance Sheets

December 31, 2023 and 2022

Unit: NT\$ Thousand

Assets			December 31, 2023		December 31, 2022	
Code	Accounting titles	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	IV/VI.1	\$114,212	2.18	\$96,314	1.94
1110	Financial assets at FVTPL - Current	IV/VI.2	9,603	0.18	8,104	0.16
1140	Contract assets - Current	IV/VI.14 & 15	53,902	1.03	2,288	0.05
1150	Net notes receivable	IV/VI.3 & 15/VII	117,666	2.24	134,551	2.71
1170	Net accounts receivable	IV/VI.4 & 15/VII	330,060	6.30	219,829	4.43
1210	Other receivables – Related party	IV/VII	183,404	3.50	67,841	1.37
130x	Inventories	IV/VI.5	453,965	8.66	497,605	10.03
1470	Other current assets	VIII	91,354	1.74	66,421	1.34
11xx	Total current assets		1,354,166	25.83	1,092,953	22.03
	Non-current assets					
1510	Financial assets at FVTPL - Non-current	IV/VI.2	56,041	1.07	48,410	0.98
1550	Investment accounted for using the equity method	IV/VI.6	2,675,857	51.05	2,683,044	54.09
1600	Property, plant and equipment	IV/VI.7/VIII	743,795	14.19	742,051	14.96
1760	Net investment property	IV/VI.8/VIII	220,129	4.20	221,433	4.46
1780	Intangible assets	4.	57,076	1.09	53,172	1.07
1840	Deferred tax income assets	IV/VI.20	89,222	1.70	83,788	1.69
1900	Other non-current assets	IV/VI.3	45,607	0.87	35,644	0.72
15xx	Total non-current assets		3,887,727	74.17	3,867,542	77.97
1xxx	Total assets		\$5,241,893	100.00	\$4,960,495	100.00

(Please refer to the notes to the parent company only financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Fu Chun Shin Machinery Manufacture Co., Ltd.
Parent Company Only Balance Sheet(Cont'd)
December 31, 2023 and 2022

Unit: NT\$ Thousand

Liabilities and Equity			December 31, 2023		December 31, 2022	
Code	Accounting titles	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	IV/VI.9	\$190,000	3.62	\$183,071	3.69
2130	Contract liability	IV/VI.14	74,068	1.41	50,152	1.01
2150	Notes payable	4.	1,967	0.04	811	0.02
2170	Accounts payable	IV/VII	166,233	3.17	97,652	1.97
2200	Other payables	4.	92,568	1.77	92,090	1.86
2220	Other payables - Related party	IV/VII	-	-	69,405	1.40
2230	Current tax liabilities	IV/VI.20	2,702	0.05	-	-
2322	Long-term borrowings – current portion	IV/VI.11	17,000	0.32	73,088	1.47
2399	Other current liabilities – Others		2,193	0.04	2,006	0.04
21xx	Total current liabilities		546,731	10.42	568,275	11.46
	Non-current liabilities					
2530	Bonds payable	IV/VI.10	844,198	16.10	835,015	16.83
2540	Long-term borrowings	IV/VI.11	914,657	17.45	565,087	11.39
2570	Deferred income tax liabilities	IV/VI.20	538,620	10.28	542,727	10.94
2640	Net defined benefit liabilities - Non-current	IV/VI.12	31,703	0.60	39,168	0.79
2645	Deposits received	4.	10,176	0.19	10,087	0.20
2670	Other non-current liabilities – Others	IV/VI.6/VII	138,365	2.65	119,227	2.41
25xx	Total non-current liabilities		2,477,719	47.27	2,111,311	42.56
2xxx	Total Liabilities		3,024,450	57.69	2,679,586	54.02
	Equity					
3100	Share capital	VI.13				
3110	Common share capital		1,569,860	29.95	1,524,079	30.72
3130	Bond conversion entitlement certificates		-	-	57	-
3200	Capital surplus	VI.13	42,520	0.81	42,520	0.86
3300	Retained earnings					
3310	Legal reserve	VI.13	166,042	3.17	149,928	3.02
3320	Special reserve	VI.13	188,685	3.60	188,685	3.80
3350	Unappropriated earnings	VI.13	399,697	7.63	486,501	9.81
	Total retained earnings		754,424	14.40	825,114	16.63
3400	Other equities	IV	-149,361	(2.85)	-110,861	-2.23
3xxx	Total equity		2,217,443	42.31	2,280,909	45.98
	Total liabilities and equities		\$5,241,893	100.00	\$4,960,495	100.00

(Please refer to the notes to the parent company only financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Fu Chun Shin Machinery Manufacture Co., Ltd.
Unconsolidated Statements of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Accounting titles	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	IV/VI.14/VII	\$1,078,451	100.00	\$1,259,810	100.00
5000	Operating cost	VI.5 & 17/VII	-841,617	-78.04	-996,490	-79.10
5900	Gross profit		236,834	21.96	263,320	20.90
5920	Realized net income on sales		1,213	0.11	860	0.07
5950	Net gross profit		238,047	22.07	264,180	20.97
6000	Operating expenses	VI.12 & 17				
6100	Selling expenses		-164,982	-15.30	-178,567	-14.18
6200	Administrative expenses		-96,782	-8.97	-101,894	-8.09
6300	Research and development expenses		-33,660	-3.12	-50,041	-3.97
6450	Expected credit impairment losses	VI.15	-23,780	-2.21	-5,217	-0.41
	Total operating expenses		-319,204	-29.60	-335,719	-26.65
6900	Operating(losses)		-81,157	-7.53	-71,539	-5.68
7000	Non-operating income and expense	IV/VI.18/VII				
7010	Other income		57,829	5.36	59,458	4.72
7020	Other gains or losses		-4,388	-0.41	-21,837	-1.73
7050	Financial costs		-29,875	-2.77	-19,079	-1.51
7070	Share of profit or loss from subsidiaries and associates accounted for using t		92,322	8.56	257,002	20.40
	Total non-operating incomes and expenses		115,888	10.74	275,544	21.88
7900	Net income before tax		34,731	3.21	204,005	16.20
7950	Income tax expenses	IV/VI.20	-14,134	-1.31	-44,550	-3.54
8200	Current period net profit		20,597	1.90	159,455	12.66
8300	Other comprehensive income	IV/VI.19&20				
8310	Items not reclassified subsequently to profit or loss					
8311	Remeasurement of defined benefit programs		201	0.02	2,687	0.21
8349	Income taxes related to the items not re-classified		-40	-	-537	-0.04
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign		-48,124	-4.46	22,210	1.76
8399	Income tax relating to items that may be reclassified subsequently to profit		9,624	0.89	-4,442	-0.35
	Other comprehensive income of the current year (net amount after-tax)		-38,339	-3.55	19,918	1.58
8500	Total comprehensive income in the current period		<u>\$ (17,742)</u>	<u>-1.65</u>	<u>\$ 179,373</u>	<u>14.24</u>
	Earnings per share (NT\$)	VI.21				
9750	Basic earnings per share		<u>\$ 0.13</u>		<u>\$ 1.02</u>	
9850	Diluted earnings per share		<u>\$ 0.13</u>		<u>\$ 0.97</u>	

(Please refer to the notes to the parent company only financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Fu Chun Shin Machinery Manufacture Co., Ltd.
Unconsolidated Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Items	Share capital	Bond conversion entitlement certificates	Capital surplus	Retained earnings			Other items of equity differences on translation of the financial statements	Treasury stocks	Total Equity
					Legal reserve	Special reserve	Unappropriated earnings			
		3110	3130	3200	3310	3320	3350	3410	3500	3XXX
A1	Balance on January 1, 2022	\$1,494,388	\$ -	\$23,649	\$138,371	\$188,685	\$411,150	\$(128,629)	\$(12,263)	\$2,115,351
B1	2021Earning provision and appropriation									
B1	Provision of legal reserve	-	-	-	11,557	-	-11,557	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	-44,536	-	-	-44,536
B9	Stock dividend from ordinary shares	29,691	-	-	-	-	-29,691	-	-	-
C5	Recognition of equity components due to the issuance of convertible bonds	-	-	18,804	-	-	-	-	-	18,804
D1	2022Net profit	-	-	-	-	-	159,455	-	-	159,455
D3	2022Other comprehensive income	-	-	-	-	-	2,150	17,768	-	19,918
D5	Total comprehensive income in the current period	-	-	-	-	-	161,605	17,768	-	179,373
I1	Conversion of convertible corporate bonds	-	57	38	-	-	-	-	-	95
N1	Transfer of treasury stocks to employees	-	-	-	-	-	-470	-	12,263	11,793
T1	Others	-	-	29	-	-	-	-	-	29
Z1	Balance on December 31, 2022	<u>\$1,524,079</u>	<u>\$57</u>	<u>\$42,520</u>	<u>\$149,928</u>	<u>\$188,685</u>	<u>\$486,501</u>	<u>\$(110,861)</u>	<u>\$ -</u>	<u>\$2,280,909</u>
A1	Balance on January 1 , 2023 _	\$1,524,079	\$57	\$42,520	\$149,928	\$188,685	\$486,501	\$(110,861)	\$ -	\$2,280,909
B1	Earnings appropriation and distribution for 2022									
B1	Provision of legal reserve	-	-	-	16,114	-	-16,114	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	-45,724	-	-	-45,724
B9	Stock dividend from ordinary shares	45,724	-	-	-	-	-45,724	-	-	-
D1	2023 net income	-	-	-	-	-	20,597	-	-	20,597
D3	Other comprehensive income (loss) in 2023	-	-	-	-	-	161	-38,500	-	-38,339
D5	Total comprehensive income in the current period	-	-	-	-	-	20,758	-38,500	-	-17,742
I3	Conversion of bond conversion entitlement certificates	57	-57	-	-	-	-	-	-	-
Z1	Balance as of December 31 , 2023	<u>\$1,569,860</u>	<u>\$ -</u>	<u>\$42,520</u>	<u>\$166,042</u>	<u>\$188,685</u>	<u>\$399,697</u>	<u>\$(149,361)</u>	<u>\$ -</u>	<u>\$2,217,443</u>

(Please refer to the notes to the parent company only financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Fu Chun Shin Machinery Manufacture Co., Ltd.
Parent Company Only Cash Flow Statements
January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Items	2023	2022	Code	Items	2023	2022
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income before income tax	\$34,731	\$204,005	B00010	Purchase of financial assets at fair value through profit or loss	(12,848)	(8,687)
A20000	Adjustment items:			B00020	Disposal of financial assets at FVTPL	12,608	10,772
A20010	Income/expenses items:			B01800	Investment accounted for using the equity method	(7,857)	(57,523)
A20100	Depreciation expense	28,591	37,714	B02700	Acquisition of property, plant and equipment	(27,307)	(6,622)
A20200	Amortization expenses	8,927	10,160	B02800	Disposal of property, plant and equipment	403	692
A20300	Expected credit impairment losses	23,780	5,217	B04300	Decrease(increase) in other receivables – Related party	(120,783)	(14,341)
A20400	Net (gain) loss on financial assets and liabilities measured at fair value	(8,890)	6,047	B04500	Acquisition of intangible assets	(12,831)	(850)
A20900	Interest expenses	29,875	19,079	B05400	Acquisition of investment property	(187)	-
A21200	Interest revenue	(7,947)	(5,073)	B07600	Dividends received	79,593	-
A21300	Dividend income	(247)	(220)	BBBB	Net cash outflow from investing activities	(89,209)	(76,559)
A22300	Share of profit or loss from subsidiaries and associates accounted for	(92,322)	(257,002)				
A22500	Disposal of property, plant and equipment (gain)	(403)	(669)	CCCC	Cash flows from financing activities:		
A23500	Loss on financial asset impairment	-	4,990	C00100	Increase in short-term borrowings	220,000	337,269
A23700	Loss on non-financial asset impairment	-	5,593	C00200	Decrease in short-term borrowings	(213,071)	(313,539)
A24000	Realized (gains) on sales	(1,213)	(860)	C01200	Issuance of bonds	-	494,850
A30000	Changes in operating assets/liabilities:			C01600	Proceeds from long-term borrowings	490,000	548,156
A31125	(Increase)decreasein contract assets	(51,614)	8,959	C01700	Repayments of long-term borrowings	(196,518)	(855,682)
A31130	(Increase) in notes receivable	(6,621)	(16,695)	C03000	Increase in deposits received	89	93
A31150	Decrease (increase) in accounts receivable	(116,703)	88,464	C03800	(Decrease) in other payables - Related party	(69,405)	(65,120)
A31190	Decrease (increase) in other receivables - related parties	5,220	(20,868)	C04500	Allocation of cash dividends	(45,724)	(44,536)
A31200	Decrease in inventory	43,640	14,429	C05100	Employees' subscription for treasury stocks	-	11,793
A31240	Decrease(increase)in other current assets	(24,933)	18,258	C09900	Other financing activities	-	29
A31990	Decrease(increase) in other non-current assets	(5,302)	(11,951)	CCCC	Net cash inflow from financing activities	185,371	113,313
A32125	Increase (decrease) of contract liabilities	23,916	(55,621)				
A32130	Increase (decrease) in notes payable	1,156	(1,203)	EEEE	Increase(decrease)in cash and cash equivalents for the current period	17,898	(72,679)
A32150	Increase (decrease) in accounts payable	68,581	(137,722)	E00100	Cash and cash equivalents at the beginning of the year	96,314	168,993
A32180	Increase (decrease) in other accounts payable	1,084	(9,261)	E00200	Cash and cash equivalents at the end of the year	\$114,212	\$96,314
A32230	Increase of other current liabilities	187	343				
A32240	(Decrease) in net defined benefit liabilities	(7,264)	(2,410)				
A33000	Cash (outflow) from operations	(53,771)	(96,297)				
A33100	Interest received	7,947	5,073				
A33200	Dividends received	247	220				
A33300	Interest paid	(21,298)	(15,862)				
A33500	Income tax (paid)	(11,389)	(2,567)				
AAAA	Net cash outflow from operating activities	(78,264)	(109,433)				

(Please refer to the notes to the parent company only financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Independent Auditors' Report

[Attachment 5]

To FU CHUN SHIN PRECISION INDUSTRY CO., LTD.:

Audit opinions

We have completed our review on the Consolidated Balance Sheet of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries on December 31, 2023 and 2022, and Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Cash Flow Statements, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) for January 1–December 31, 2023 and 2022.

In our opinion, said consolidated financial statements in all major respects are in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), Standing Interpretation Committee (SIC) interpretation and International Financial Reporting Standards Interpretations Committee (IFRSIC) announcement, endorsed by the Financial Supervisory Commission. They are sufficient to adequately express the consolidated financial status of the Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries as of December 31, 2023 and 2022 and its consolidated financial performance and consolidated cash flow from January 1 through December 31, 2023 and 2022.

Basis for Opinion

We are entrusted to conduct the audit in accordance with the Regulations Governing the Audit of Financial Statements and Auditing Standards. 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 Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries 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 unconsolidated financial statements of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries 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.

Allowance for loss of accounts receivable

Until December 31, 2023, the carrying amount of accounts receivable of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries has amounted to NT\$1,083,705 thousand (already less the allowance for loss, NT\$85,920 thousand). The net amount of accounts receivables was approximately 14.88 % of total consolidated assets, which is significant to the consolidated financial statements. Considering the assessment of allowance for loss of accounts receivable is measured by lifetime expected credit loss, the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate account aging intervals and the account aging loss rate for each interval, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included (without limitation to) evaluating and testing the internal control established by the management to evaluate the impairment loss on accounts receivable; evaluating the adequacy of the policy to provide allowance for loss; analyzing the adequacy of grouping of accounts receivable; testing the provision matrix adopted by Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries, including evaluating whether the determination of account aging internals of each group is reasonable, and conducting the random check on original documents to check the accuracy of basic information, and also conducting the random check on the collections of accounts receivables during the subsequent period to evaluate the collectability of the accounts.

We also assessed the adequacy of disclosures of accounts receivables referred to in Notes V, VI and XII to the consolidated financial statements.

Valuation on slow-moving inventories

As of December 31, 2023, the carrying amount of net inventories of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries amounted to NT\$1,589,608 thousand, approximately 21.82 % of total consolidated assets, which is significant to the consolidated financial statements. In consideration of the multiple raw materials and supplies to be purchased to meet the need for production process and customers' requirement for specifications, and said amount of provision of slow-moving inventories involving the significant judgment of the management of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries, we determined the estimation of allowance for slow-moving inventories as a key audit matter.

Our audit procedures included (without limitation to) evaluating and testing the internal control established by the management for valuation on slow-moving inventories; evaluating the adequacy of the policy to provide allowance for slow-moving inventories; conducting the random check on accuracy of the inventory aging, analyzing changes in the inventory aging and evaluating the inventories for which allowance for slow-moving inventory loss shall be provided separately; and re-calculating the allowance for inventory price decline to confirm the compliance with the Company's accounting policy.

We also assessed the adequacy of disclosures of inventories referred to in Notes V and VI to the consolidated financial statements.

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

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the R.O.C., and for necessary 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, the management is also responsible for assessing the ability of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management either intends to liquidate Fu Chun Shin Machinery Manufacture Co., Ltd.

and its subsidiaries 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 financial reporting process of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries.

Auditor's 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. The term "reasonable assurance" refers to a high level of assurance. Nevertheless, the audit performed according to auditing standards cannot guarantee the discovery of material misstatements in the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements 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 the consolidated financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

7. Identify and assess the risk of material misstatement of the consolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the 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.
8. 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 internal control of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
10. 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 ability of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries to continue as a going concern. In case where we consider that such events or circumstances have a material uncertainty, then relevant disclosure of the consolidated financial statements are required to be provided in our audit report to allow users of consolidated financial statements to be aware of such events or circumstances, 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 auditor's report. However, future events or conditions may cause Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries to cease to continue as a going concern.

11. Evaluate the overall presentation, structure and content of the consolidated financial statements, including relevant notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Group and provide opinion on the consolidated financial statements. We handle the guidance, supervision and execution of the audit on the Group and are responsible for preparing the opinion for the Group.

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 under the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and to communicate with them all relationships and other matters that may reasonably be considered affecting our independence, and where applicable, other matters (including related safeguards).

From the matters communicated with the governance unit, we have determined key audit matters of 2023 consolidated financial statements of Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries. We describe these matters in our auditor's 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.

Others

Fu Chun Shin Machinery Manufacture Co., Ltd. and its subsidiaries has prepared the parent company only financial statements for 2023 and 2022, to which we have also issued an independent auditor's report with unqualified opinion along with the section on other matters and provided for reference.

EY Taiwan

The financial report is disclosed to the public upon approval of the competent authority.

Audit and	Jin-Guan-Zheng-Shen-Zi No.
Certification No.:	1010045851
	Jin-Guan-Zheng-Shen-Zi No.
	1010045851

Lee Fang-Wen

Certified Public Accountant:

Mink Hu

March 15, 2024

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries

[Attachment 6]

Consolidated Balance Sheet

December 31, 2023 and 2022

Unit: NT\$ Thousand

Assets			December 31, 2023		December 31, 2022	
Code	Accounting titles	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	IV/VI.1	\$489,397	6.72	\$696,349	9.94
1110	Financial assets at FVTPL - Current	IV/VI.2	269,800	3.70	228,750	3.27
1140	Contract assets - Current	VI.14 & 15	53,902	0.74	2,288	0.03
1150	Net notes receivable	IV/VI.4 & 15	498,089	6.84	429,870	6.14
1170	Net accounts receivable	IV/VI.5 & 15	1,083,705	14.88	1,256,879	17.95
130x	Inventories	IV/VI.6	1,589,608	21.82	1,424,423	20.34
1470	Other current assets	VIII	260,111	3.57	205,117	2.93
11xx	Total current assets		4,244,612	58.27	4,243,676	60.60
	Non-current assets					
1510	Financial assets at FVTPL - Non-current	IV/VI.2	56,041	0.77	48,410	0.69
1517	Financial assets at FVOCI - Non-current	IV/VI.3	57,392	0.79	57,676	0.82
1550	Investment accounted for using the equity method	4.	7,349	0.10	13,286	0.19
1600	Property, plant and equipment	IV/VI.7/VIII	2,151,039	29.53	1,815,657	25.93
1755	Right-of-use assets	IV/VI.16/VIII	145,744	2.00	153,163	2.19
1760	Net investment property	IV/VI.8/VIII	327,735	4.50	333,874	4.77
1780	Intangible assets	4.	71,419	0.98	69,079	0.99
1840	Deferred tax income assets	IV/VI.20	105,722	1.45	110,252	1.57
1900	Other non-current assets – Others	VI.4 & 5/VIII	117,503	1.61	158,010	2.25
15xx	Total non-current assets		3,039,944	41.73	2,759,407	39.40
1xxx	Total assets		\$7,284,556	100.00	\$7,003,083	100.00

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Balance Sheet(Cont'd)
December 31, 2023 and 2022

Unit: NT\$ Thousand

Liabilities and Equity			December 31, 2023		December 31, 2022	
Code	Accounting titles	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term borrowings	IV/VI.9	\$322,182	4.42	\$590,659	8.43
2130	Contract liability	IV/VI.14	192,454	2.64	189,591	2.70
2150	Notes payable	4.	144,765	1.99	246,465	3.52
2170	Accounts payable	4.	1,015,864	13.95	619,135	8.84
2200	Other payables	4.	360,176	4.94	387,158	5.53
2230	Current tax liabilities	4.	5,330	0.07	33,574	0.48
2280	Lease liabilities – Current	IV/VI.16	1,301	0.02	1,274	0.02
2322	Long-term borrowings – current portion	IV/VI.11	60,543	0.83	115,601	1.65
2399	Other current liabilities – Others		13,990	0.19	5,263	0.08
21xx	Total current liabilities		<u>2,116,605</u>	<u>29.05</u>	<u>2,188,720</u>	<u>31.25</u>
	Non-current liabilities					
2530	Bonds payable	IV/VI.10	844,198	11.59	835,015	11.92
2540	Long-term borrowings	IV/VI.11	1,337,707	18.36	908,162	12.97
2570	Deferred income tax liabilities	IV/VI.20	538,769	7.40	542,727	7.75
2580	Lease liabilities – Non-current	IV/VI.16	22,834	0.31	24,587	0.35
2640	Net defined benefit liabilities - Non-current	IV/VI.12	31,703	0.44	39,168	0.56
2645	Deposits received		11,318	0.16	12,391	0.18
25xx	Total non-current liabilities		<u>2,786,529</u>	<u>38.26</u>	<u>2,362,050</u>	<u>33.73</u>
2xxx	Total Liabilities		<u>4,903,134</u>	<u>67.31</u>	<u>4,550,770</u>	<u>64.98</u>
31xx	Equity attributable to owners of the company					
3100	Share capital	VI.13				
3110	Common share capital		1,569,860	21.55	1,524,079	21.76
3130	Bond conversion entitlement certificates		-	-	57	-
3200	Capital surplus	VI.13	42,520	0.58	42,520	0.61
3300	Retained earnings					
3310	Legal reserve	VI.13	166,042	2.28	149,928	2.14
3320	Special reserve	VI.13	188,685	2.59	188,685	2.69
3350	Unappropriated earnings	VI.13	399,697	5.49	486,501	6.95
	Total retained earnings		<u>754,424</u>	<u>10.36</u>	<u>825,114</u>	<u>11.78</u>
3400	Other equities	4.	(149,361)	(2.05)	(110,861)	(1.58)
36xx	Non-controlling interests	VI.13	163,979	2.25	171,404	2.45
3xxx	Total equity		<u>2,381,422</u>	<u>32.69</u>	<u>2,452,313</u>	<u>35.02</u>
	Total liabilities and equities		<u>\$7,284,556</u>	<u>100.00</u>	<u>\$7,003,083</u>	<u>100.00</u>

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Accounting titles	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenue	IV/VI.14	\$3,861,005	100.00	\$4,605,204	100.00
5000	Operating cost	IV/VI.6 & 17/VII	(2,848,137)	(73.77)	(3,374,074)	(73.27)
5900	Gross profit		1,012,868	26.23	1,231,130	26.73
6000	Operating expenses	VI.16 & 17/VII				
6100	Selling expenses		(591,469)	(15.31)	(611,103)	(13.26)
6200	Administrative expenses		(244,981)	(6.35)	(219,163)	(4.76)
6300	Research and development expenses		(102,949)	(2.67)	(114,561)	(2.49)
6450	Expected credit impairment losses	VI.15	(35,250)	(0.91)	(28,338)	(0.62)
	Total operating expenses		(974,649)	(25.24)	(973,165)	(21.13)
6900	Operating income		38,219	0.99	257,965	5.60
7000	Non-operating income and expense	IV/VI.18				
7010	Other income		100,815	2.61	76,970	1.67
7020	Other gains or losses		(17,614)	(0.46)	(42,095)	(0.91)
7050	Financial costs		(57,660)	(1.49)	(37,859)	(0.82)
7060	Share of profit or loss from associates and joint ventures accounted for using the equity method		(5,937)	(0.15)	(1,044)	(0.02)
	Total non-operating incomes and expenses		19,604	0.51	(4,028)	(0.08)
7900	Net income before tax		57,823	1.50	253,937	5.52
7950	Income tax expenses	IV/VI.20	(34,500)	(0.89)	(83,960)	(1.82)
8200	Current net profit		23,323	0.61	169,977	3.70
8300	Other comprehensive income	IV/VI.19&20				
8310	Items not reclassified subsequently to profit or loss					
8311	Remeasurement of defined benefit programs		201	0.01	2,687	0.06
8349	Income taxes related to the items not re-classified		(40)	-	(537)	(0.01)
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations		(52,720)	(1.37)	20,747	0.45
8399	Income tax relating to items that may be reclassified subsequently to profit or loss		9,624	0.25	(4,442)	(0.10)
	Other comprehensive income of the current year (net amount after-tax)		(42,935)	(1.11)	18,455	0.40
8500	Total comprehensive income in the current period		<u>\$ (19,612)</u>	<u>(0.50)</u>	<u>\$ 188,432</u>	<u>4.10</u>
8600	Net profit attributed to:					
8610	Owners of the Company		\$20,597		\$159,455	
8620	Non-controlling interests		2,726		10,522	
			<u>\$23,323</u>		<u>\$169,977</u>	
8700	Total comprehensive income attributable to:					
8710	Owners of the Company		\$ (17,742)		\$179,373	
8720	Non-controlling interests		(1,870)		9,059	
			<u>\$ (19,612)</u>		<u>\$188,432</u>	
	Earnings per share (NT\$)	VI.21				
9750	Basic earnings per share		<u>\$0.13</u>		<u>\$1.02</u>	
9850	Diluted earnings per share		<u>\$0.13</u>		<u>\$0.97</u>	

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Items	Equity attributable to owners of the company									Non-controlling interests	Total Equity
		Share capital	Conversion of bonds Entitlement certificates	Capital surplus	Retained earnings		Other items of equity			Total		
					Legal reserve	Special reserve	Unappropriate d earnings	Exchange differences on translation of the financial	Treasury stocks			
		3110	3130	3200	3310	3320	3350	3410	3500	31XX	36XX	3XXX
A1	Balance on January 1, 2022	\$1,494,388	\$ -	\$23,649	\$138,371	\$188,685	\$411,150	\$(128,629)	\$(12,263)	\$2,115,351	\$159,200	\$2,274,551
	2021Earning provision and appropriation											
B1	Provision of legal reserve	-	-	-	11,557	-	(11,557)	-	-	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	(44,536)	-	-	(44,536)	-	(44,536)
B9	Stock dividend from ordinary shares	29,691	-	-	-	-	(29,691)	-	-	-	-	-
C5	Recognition of equity components due to the issuance of convertible o	-	-	18,804	-	-	-	-	-	18,804	-	18,804
D1	2022 net income	-	-	-	-	-	159,455	-	-	159,455	10,522	169,977
D3	Other comprehensive income (loss) in 2022	-	-	-	-	-	2,150	17,768	-	19,918	(1,463)	18,455
D5	Total comprehensive income in the current period	-	-	-	-	-	161,605	17,768	-	179,373	9,059	188,432
I1	Conversion of convertible corporate bonds	-	57	38	-	-	-	-	-	95	-	95
M7	Change in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	3,145	3,145
N1	Transfer of treasury stocks to employees	-	-	-	-	-	(470)	-	12,263	11,793	-	11,793
T1	Others	-	-	29	-	-	-	-	-	29	-	29
Z1	Balance on December 31, 2022	<u>\$1,524,079</u>	<u>\$57</u>	<u>\$42,520</u>	<u>\$149,928</u>	<u>\$188,685</u>	<u>\$486,501</u>	<u>\$(110,861)</u>	<u>\$ -</u>	<u>\$2,280,909</u>	<u>\$171,404</u>	<u>\$2,452,313</u>
A1	Balance on January 1 , 2023	\$1,524,079	\$57	\$42,520	\$149,928	\$188,685	\$486,501	\$(110,861)	\$ -	\$2,280,909	\$171,404	\$2,452,313
	Earnings appropriation and distribution for 2022											
B1	Provision of legal reserve	-	-	-	16,114	-	(16,114)	-	-	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	(45,724)	-	-	(45,724)	-	(45,724)
B9	Stock dividend from ordinary shares	45,724	-	-	-	-	(45,724)	-	-	-	-	-
D1	2023 net income	-	-	-	-	-	20,597	-	-	20,597	2,726	23,323
D3	Other comprehensive income (loss) in 2023	-	-	-	-	-	161	(38,500)	-	(38,339)	(4,596)	(42,935)
D5	Total comprehensive income in the current period	-	-	-	-	-	20,758	(38,500)	-	(17,742)	(1,870)	(19,612)
I3	Conversion of bond conversion entitlement certificates	57	(57)	-	-	-	-	-	-	-	-	-
O1	Increase/decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(5,555)	(5,555)
Z1	Balance as of December 31 , 2023	<u>\$1,569,860</u>	<u>\$-</u>	<u>\$42,520</u>	<u>\$166,042</u>	<u>\$188,685</u>	<u>\$399,697</u>	<u>\$(149,361)</u>	<u>\$ -</u>	<u>\$2,217,443</u>	<u>\$163,979</u>	<u>\$2,381,422</u>

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries

Consolidated Statements of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NT\$ Thousand

Code	Items	2023	2022	Code	Items	2023	2022
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income before income tax	\$57,823	\$253,937	B00100	Purchase of financial assets at fair value through profit or loss	(1,190,252)	(1,739,189)
A20000	Adjustment items:			B00200	Disposal of financial assets at FVTPL	1,150,535	1,925,190
A20010	Income/expenses items:			B01800	Investment accounted for using the equity method	-	(11,250)
A20100	Depreciation expense	125,487	100,240	B02700	Acquisition of property, plant and equipment	(480,869)	(397,985)
A20200	Amortization expenses	10,411	12,221	B02800	Disposal of property, plant and equipment	6,384	3,562
A20300	Expected credit impairment losses	35,250	28,338	B04500	Acquisition of intangible assets	(13,024)	(3,113)
A20400	Net (gain) on financial assets at FVTPL	(13,087)	(716)	B05400	Acquisition of investment property	(187)	-
A20900	Interest expenses	57,660	37,859	BBBB	Net cash (outflow) from investing activities	(527,413)	(222,785)
A21200	Interest revenue	(30,735)	(23,490)				
A21300	Dividend income	(247)	(220)	CCCC	Cash flows from financing activities:		
A22300	Share of losses on affiliates and joint ventures accounted for using the equity method	5,937	1,044	C00100	Increase in short-term borrowings	661,136	1,751,875
A22500	Losses on disposal of property, plant and equipment	3,319	1,489	C00200	Decrease in short-term borrowings	(930,251)	(1,767,328)
A23500	Loss on financial asset impairment	-	4,990	C01200	Issuance of bonds	-	494,850
A23700	Loss on non-financial asset impairment	-	5,593	C01600	Proceeds from long-term borrowings	621,393	844,758
A30000	Changes in operating assets/liabilities:			C01700	Repayments of long-term borrowings	(237,076)	(855,682)
A31125	(Increase)decreasein contract assets	(51,614)	8,959	C03100	Increase (decrease) in deposits received	(1,073)	2,397
A31130	(Increase) in notes receivable	(89,407)	(139,403)	C04020	Repayment of principal portion of lease	(1,269)	(1,228)
A31150	Decrease (increase) in accounts receivable	122,763	(88,071)	C04500	Allocation of cash dividends	(45,724)	(44,536)
A31200	Decrease (increase) in inventory	(179,212)	114,619	C05100	Employees' subscription for treasury stocks	-	11,793
A31240	Decrease(increase)in other current assets	(54,994)	52,617	C05800	Increase in non-controlling interests	(5,555)	3,145
A31990	Decrease(increase) in other non-current assets	61,362	(29,400)	C09900	Other financing activities	-	29
A32125	Increase (decrease) of contract liabilities	2,863	(144,315)	CCCC	Net cash inflow from financing activities	61,581	440,073
A32130	Notes payable (decrease)	(101,700)	(100,555)				
A32150	Increase (decrease) in accounts payable	396,729	(167,149)	DDDD	Effect of exchange rate changes on cash and cash equivalents	(4,124)	(3,924)
A32180	(Decrease) increase in other payables	(28,267)	84,260				
A32230	Increase of other current liabilities	8,727	1,951	EEEE	(Decrease) increase in cash and cash equivalents for the current period	(206,952)	162,375
A32240	(Decrease) in net defined benefit liabilities	(7,264)	(2,410)	E00100	Cash and cash equivalents at the beginning of the year	696,349	533,974
A33000	Cash inflow from operating activities	331,804	12,388	E00200	Cash and cash equivalents at the end of the year	\$489,397	\$696,349
A33100	Interest received	30,735	23,490				
A33200	Dividends received	247	220				
A33300	Interest paid	(47,192)	(34,257)				
A33500	Income tax paid	(52,590)	(52,830)				
AAAA	Net cash inflow (outflow) from operating activities	263,004	(50,989)				

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Managerial Officer:

Accounting Officer:

Fu Chun Shin Machinery Manufacture Co., Ltd. [Attachment 7]
**Rules Governing Financial and Business Matters Between this Corporation
and its Affiliated Enterprises**

Article 1

To ensure sound financial and business interactions between this Corporation and its affiliated enterprises and to prevent non arm's-length transactions and improper channeling of interests with respect to the purchase and sale of goods, the acquisition and disposal of assets, the provision of endorsements and guarantees, and loans of funds between this Corporation and its affiliated enterprises, these Rules are adopted pursuant to Article 17 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Except as otherwise provided by law and regulation or by the articles of incorporation, financial and business matters between this Corporation and any of its affiliated enterprises shall be handled in accordance with the provisions of these Rules.

Article 3

The term "affiliated enterprise" as used herein means an enterprise that, in accordance with Article 369-1 of the Company Act, exists independently and has either of the following relationships with this Corporation:

- 1.A relationship of control or subordination.
- 2.A relationship of mutual investment. In determining whether a relationship of control or subordination under the preceding subparagraph exists, the substance of the relationship shall be considered in addition to the legal form.

Article 4

This Corporation shall establish an effective internal control system in regard to its own and its affiliated enterprises' overall operational activities, and shall continue to review the system in order to adapt to changes in the internal and external environment and ensure that the system's design and operation remain effective.

This Corporation shall ensure that any subsidiary develops an effective internal control system, taking into account the laws and regulations of the jurisdiction in which the subsidiary is located and the nature of its operations. For any affiliated enterprise that is not a public company, this Corporation shall still, in consideration of the degree of influence it has on this Corporation's business and finances, require that it develop effective systems for internal control and for managing financial, business, and accounting matters.

Article 5

In addition to implementing the adopted internal control system, this Corporation shall pay close attention to the following matters when exercising supervision over the operation and management of its affiliated enterprises:

1. The Company may appoint appropriate personnel to serve as directors or supervisors of affiliated companies to fulfill their duties, and find out the causes of material abnormalities and report to the Chairman or President of the Company.
2. This Corporation may assign competent personnel to assume important positions at its affiliated enterprise, such general manager, financial officer, or internal audit officer, in order to assume the duties and responsibilities of management, decision-making, and supervision and evaluation.
3. This Corporation, in consideration of the type of business, scale of operations, and number of personnel of a subsidiary, may instruct the subsidiary in the procedures and methods for establishing an internal audit unit and adopting internal control system self-inspection operations.
4. In addition to reviewing the audit reports or self-inspection reports submitted by each subsidiary, the internal audit personnel of this Corporation must also carry out audits of the subsidiaries on a scheduled or unscheduled basis. After audit findings and recommendations have been presented, they shall instruct the audited subsidiaries to make any necessary corrections, and basis to ensure that the subsidiaries have taken appropriate corrective measures in a timely manner.
5. Subsidiaries of this Corporation shall regularly submit financial statements, including balance sheets, income statements, and statements of loans to others and endorsements/guarantees. In the event of major irregularities, analysis reports shall also be submitted to allow management and control by this Corporation.

Article 6

This Corporation shall establish an effective system of communication with each affiliated enterprise with respect to financial and business matters, and to mitigate credit risks, shall regularly conduct comprehensive risk assessments of their banks, principal clients, and key suppliers. With respect to an affiliated enterprise with which it has financial and business interactions, this Corporation shall especially maintain close control over material financial and business items for the purpose of risk management.

Article 7

Any loans or endorsements/guarantees between this Corporation and an affiliated enterprise shall be carefully assessed and carried out in compliance with the provisions of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies and with the procedures prescribed by this Corporation regarding loans to others and provision of endorsements/guarantees.

With respect to the provision of loans, endorsements, or guarantees between this Corporation and an affiliated enterprise, in accordance with the preceding paragraph shall be closely reviewed, and results of the assessment submitted to the board of directors.

Article 8

For professional or technical services provided between the Corporation and an affiliated enterprise, both parties shall enter into a contract stipulating the scope of the services, fees charged, time period, payment terms, and after-sales service. The contract shall be implemented after approval by managers with decision-making authority of this Corporation, and all contract terms and conditions shall comply with normal business practice.

The accounting personnel of the Company and the related party shall regularly check the balances of payments arising from their transactions with each other. If there is any difference, they shall understand the reasons and prepare a reconciliation statement.

Article 8-1

Where the Company purchases or sells goods, performs labor services or technical services from related parties and the estimated transaction amount for the whole year reaches 50% of the Company's most recent consolidated total assets or the most recent consolidated Except as required by the Regulations Governing the Acquisition or Disposal of Assets by the Public Company, or transactions between the Company and the parent company, subsidiaries, or between subsidiaries, the public company shall submit the following information to the board of directors for approval before proceeding with the transaction:

1. The item, purpose, necessity, and expected benefits of the transaction.
2. The reason for choosing the affiliated enterprise as a trading counterparty.
3. The calculation principles of the transaction price and the upper limit of the expected transaction amount for the whole year.
4. A description of whether the transaction conditions comply with normal commercial terms and do not impair the interests of the Company and shareholders.
5. Restrictive conditions for the transaction and other important contractual matters.

For the related party transactions approved by the board of directors in the preceding paragraph, the following matters shall be reported to the nearest shareholders' meeting after the end of the year:

1. The actual transaction amount and the terms and conditions.
2. Whether the transaction price is calculated in accordance with the principles approved by the board of directors.
3. Whether the transaction amount has not exceeded the upper limit of the annual transaction amount approved by the board of directors. If the upper limit of the transaction amount has been exceeded, the reason, necessity and reasonableness

thereof shall be explained.

Article 9

Any asset transaction, derivative trading, merger, demerger, acquisition, or share transfer between this Corporation and an affiliated enterprise shall be conducted in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, the procedures for acquisition and disposal of assets and Regulations Governing Derivatives Transactions prescribed by this Corporation.

Article 10

With respect to any financial or business interaction between this Corporation and any affiliated enterprise that requires a resolution of the board of directors, full consideration shall be given to each independent director's opinion. Specific opinions by independent directors expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of board meetings.

When a director is an interested party with respect to a particular agenda item, that director shall enter into recusal and may neither vote on that item nor exercise voting rights as proxy for another director. Directors shall maintain self-discipline among themselves and may not enter into relationships of inappropriate mutual support with other directors.

If a director's spouse, second-degree relatives and other blood relatives, or a company with a controlling and subordinate relationship with the director has an interest in an item at the meeting of the preceding paragraph, it shall be deemed that the director has a conflict of interest in the matter.

Article 11

This Corporation, in compliance with the requirements of laws and regulations regarding matters that must be publicly disclosed or filed and the deadlines for so doing, shall make timely arrangements for the provision by each subsidiary of required financial and business information, or to retain CPAs to audit or review the financial reports of each subsidiary.

Article 12

When any of the following circumstances applies to an affiliated enterprise, this Corporation shall make a public disclosure and regulatory filing on its behalf:

1. For a subsidiary whose shares have not been publicly issued domestically, the dollar amount of the subsidiary's acquisition or disposal of assets, endorsements or guarantees for others, and loans of funds to others meets the criteria for public disclosure and regulatory filing.
2. The parent or the subsidiary undergoes bankruptcy or reorganization proceedings

pursuant to applicable laws and regulations.

3.A major policy is adopted by resolution of the affiliated enterprise's board of directors that has a material effect on the rights and interests of the shareholders or the securities prices of this Corporation.

4.Any matter regarding a subsidiary or the unlisted (neither TWSE nor GTSM listed) parent of this Corporation constitutes material information required to be announced under the provisions of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities and of the GreTai Securities Market Procedures for Verification and Disclosure of Material Information of Companies with GTSM Listed Securities.

Article 13

These Rules, and any amendments hereto, shall be implemented after adoption by the board of directors.

This regulation were enacted on Dec 20, 2023.

Cross Reference Table for Amendments to the Rules of Procedures for Shareholders' Meetings

Amendments	Original Article	Explanations
<p><u>III. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. The Company convening a shareholders' meeting via videoconference shall be stated in the Articles of Incorporation and resolved by the board of directors, and the videoconference shall be attended by at least two-thirds of the board of directors. A resolution is passed with the consent of a majority of the directors.</u></p>	(None)	Add the Regulations of Web Conference.
<p>IV. The company shall specify in the meeting notice the time and place for the sign-in of the shareholders and other related matters.</p> <p>The shareholders' meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.<u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders</u></p>	<p>III. The company shall specify in the meeting notice the time and place for the sign-in of the shareholders and other related matters.</p> <p>The shareholders' meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.</p> <p>Shareholders or their proxies (hereinafter referred to as the "shareholders") shall attend the shareholders' meetings with their attendance cards, sign-in cards,</p>	<p>1.Item Adjustment</p> <p>2. Add the Regulation of Web Conference.</p> <p>3. In line with the establishment of the Audit</p>

Amendments	Original Article	Explanations
<p><u>completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders or their proxies (hereinafter referred to as the “shareholders”) shall attend the shareholders’ meetings with their attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The Company shall furnish the attending shareholders with a sign-in book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, this</u></p>	<p>or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The Company shall furnish the attending shareholders with a sign-in book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, ballots shall also be furnished.</p>	<p>Committee, the wording of supervisor is deleted</p>

Amendments	Original Article	Explanations
<u>Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u>		
<u>V. To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:</u> <u>How shareholders attend the virtual meeting and exercise their rights.</u> <u>1. How shareholders attend the virtual meeting and exercise their rights.</u> <u>2.Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u> <u>A.To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u> <u>B.Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u> <u>C.In case of a hybrid</u>	(None)	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p><u>shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>D.Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Shareholders</u></p>		

Amendments	Original Article	Explanations
<p><u>must be furnished with the requisite connection equipment and support, with the exception of the circumstances delineated in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Furthermore, it is imperative to specify any pertinent precautions and the timeframe within which shareholders are permitted to submit applications to the Company.</u></p>		
<p><u>VI. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p>The chair shall call the meeting to order at the scheduled meeting time; however, the chair may have the meeting postponed if the attending shareholders do not represent more than half of the total shares issued. The meeting postponement is limited to two times for a total of less than 1 hour. If the quorum is not met after two postponements and the</p>	<p>IV. The chair shall call the meeting to order at the scheduled meeting time; however, the chair may have the meeting postponed if the attending shareholders do not represent more than half of the total shares issued. The meeting postponement is limited to two times for a total of less than 1 hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>(Omitted below)</p>	<p>1. Item Adjustment 2. Add the Regulations of Web Conference.</p>

Amendments	Original Article	Explanations
<p>attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned.<u>In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>(Omitted below)</p>		
<p><u>VII.</u> If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, the other members of the Board of Directors shall</p>	<p><u>V.</u> If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, the other members of the Board of Directors shall</p>	<p>1. Item Adjustment 2. Format adjustment (sections)</p>

Amendments	Original Article	Explanations
promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. Shareholders may not select another chair to continue the meeting at the original meeting place or at another place after the meeting is adjourned.	promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. Shareholders may not select another chair to continue the meeting at the original meeting place or at another place after the meeting is adjourned.	
<u>VIII.</u> When a meeting is in progress, the chair may announce a break based on time considerations. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days for the proposal that could not be concluded in the meeting without the need of issuing a notice and announcement.	<u>VI.</u> When a meeting is in progress, the chair may announce a break based on time considerations. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days for the proposal that could not be concluded in the meeting without the need of issuing a notice and announcement.	Item Adjustment
<u>IX.</u> Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the	<u>VII.</u> Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the	1.Item Adjustment 2. Merger of the original provisions of "7, 8 and 19" 3. Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p>content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail. Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped. A shareholder's single speech may not exceed 5 minutes, provided that the speech may be extended once upon permission of the chair.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal. If the shareholder's speech violates the rules or exceeds the scope of the agenda item or disturbs the order of the proceeding, the chair may stop such act or terminate the speech discretionally or upon the request of other shareholders.</p> <p><u>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</u></p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting</u></p>	<p>content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail. Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped. A shareholder's single speech may not exceed 5 minutes, provided that the speech may be extended once upon permission of the chair.</p> <p><u>VIII.</u> Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal. If the shareholder's speech violates the rules or exceeds the scope of the agenda item or disturbs the order of the proceeding, the chair may stop such act or terminate the speech discretionally or upon the request of other shareholders.</p>	

Amendments	Original Article	Explanations
<p><u>adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>		
<p><u>X.</u> The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote</p>	<p><u>IX.</u> The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote</p>	Item Adjustment
<p><u>XI.</u> Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.</p>	<p><u>X.</u> Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.</p> <p>During voting, if the chair solicits and receives no dissents, the proposal is deemed passed, with equivalent force as a resolution by vote.</p>	<p>1.Item Adjustment</p> <p>2. Change the voting method by electronic ballot</p>

Amendments	Original Article	Explanations
<u>XII.</u> Attendance and voting at shareholders' meetings shall be calculated based on the number of shares.	<u>XI.</u> Attendance and voting at shareholders' meetings shall be calculated based on the number of shares.	Item Adjustment
<u>XIII.</u> The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for the meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting. <u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u>	<u>XII.</u> The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for the meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.	1.Item Adjustment 2.Add the Regulations of Web Conference.
<u>XIV.</u> If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of Board. In case the Chairman is on leave or absent or cannot exercise his power and authority for any cause, the Vice Chairman shall act on his behalf. In case the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall	<u>XIII.</u> If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of Board. In case the Chairman is on leave or absent or cannot exercise his power and authority for any cause, the Vice Chairman shall act on his behalf. In case the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall	Item Adjustment

Amendments	Original Article	Explanations
<p>elect from among themselves an acting chair. Where a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</p> <p>When a director serves as the chair, as referred to in the preceding paragraph, the director shall have held that position for six months or more with great understanding of the Company's financial position and business conditions. The same shall apply for a representative of an institutional director to serve as the chair.</p>	<p>elect from among themselves an acting chair.</p> <p>Where a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</p> <p>When a director serves as the chair, as referred to in the preceding paragraph, the director shall have held that position for six months or more with great understanding of the Company's financial position and business conditions. The same shall apply for a representative of an institutional director to serve as the chair.</p>	
<p><u>XV. The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands. At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing. When a shareholder violates the</u></p>	<p><u>XIV. The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands.</u></p>	<p>1.Item Adjustment 2. Adjusted according to actual operation</p>

Amendments	Original Article	Explanations
<u>rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</u>		
<p><u>XVI.</u> The Company shall make an uninterrupted audio and video recording of the entire process of the shareholders' meeting from shareholders' sign-in, the proceedings of the meeting, as well as the process of voting and vote counting.</p> <p>The audio and video recording in the preceding paragraph shall be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and</u></p>	<p><u>XV.</u> The Company shall make an uninterrupted audio and video recording of the entire process of the shareholders' meeting from shareholders' sign-in, the proceedings of the meeting, as well as the process of voting and vote counting.</p> <p>The audio and video recording in the preceding paragraph shall be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>1.Item Adjustment 2.Add the Regulations of Web Conference.</p>

Amendments	Original Article	Explanations
<u>copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u> <u>In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u>		
<u>XVII.</u> The representative of a juristic person shareholder shall not be limited to one person, provided that the voting right that may be exercised shall be calculated on the basis of the total number of voting shares it holds, and shall be exercised by a single representative centrally, or several representatives separately.	<u>XVI.</u> The representative of a juristic person shareholder shall not be limited to one person, provided that the voting right that may be exercised shall be calculated on the basis of the total number of voting shares it holds, and shall be exercised by a single representative centrally, or several representatives separately.	Item Adjustment
<u>XVIII.</u> When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.	<u>XVII.</u> When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.	Item Adjustment
<u>XIX.</u> The juristic person who has attended the shareholder's meeting by proxy can authorize only one representative to attend	<u>XVIII.</u> The juristic person who has attended the shareholder's meeting by proxy can authorize only one representative to attend	Item Adjustment

Amendments	Original Article	Explanations
the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.	the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.	
(Delete)	XIX. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.	Merged into "9"
XX. Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded. <u>When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting. In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting</u>	XX. Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded.	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p><u>session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p><u>XXIII. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days</u></p>	(None)	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p><u>after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</u></p> <p><u>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u></p> <p><u>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</u></p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural</u></p>		

Amendments	Original Article	Explanations
<u>disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online</u>		
<u>XXIV: (Public disclosure)</u> <u>On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During this Corporation's virtual</u>	(None)	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p><u>shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p><u>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>		
<p><u>XXV. (Disclosure of information at virtual meetings)</u></p> <p><u>In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	(None)	Add the Regulations of Web Conference.
<p><u>XXVI. (Location of the chair and secretary of virtual-only</u></p>	(None)	Add the Regulations of Web

Amendments	Original Article	Explanations
<u>shareholders meeting)</u> <u>When this Corporation convenes</u> <u>a virtual-only shareholders</u> <u>meeting, both the chair and</u> <u>secretary shall be in the same</u> <u>location, and the chair shall</u> <u>declare the address of their</u> <u>location when the meeting is</u> <u>called to order.</u>		Conference.
<u>XXVII. (Handling of</u> <u>disconnection)</u> <u>In the event of a virtual</u> <u>shareholders meeting, this</u> <u>Corporation may offer a simple</u> <u>connection test to shareholders</u> <u>prior to the meeting, and provide</u> <u>relevant real-time services</u> <u>before and during the meeting to</u> <u>help resolve communication</u> <u>technical issues.</u> <u>In the event of a virtual</u> <u>shareholders meeting, when</u> <u>declaring the meeting open, the</u> <u>chair shall also declare, unless</u> <u>under a circumstance where a</u> <u>meeting is not required to be</u> <u>postponed to or resumed at</u> <u>another time under Article 44-20,</u> <u>paragraph 4 of the Regulations</u> <u>Governing the Administration of</u> <u>Shareholder Services of Public</u> <u>Companies, if the virtual meeting</u> <u>platform or participation in the</u> <u>virtual meeting is obstructed due</u> <u>to natural disasters, accidents or</u> <u>other force majeure events</u> <u>before the chair has announced</u> <u>the meeting adjourned, and the</u> <u>obstruction continues for more</u>	(None)	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<p><u>than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and</u></p>		

Amendments	Original Article	Explanations
<p><u>results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original</u></p>		

Amendments	Original Article	Explanations
<p><u>shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		
<p><u>XXVIII. When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Shareholders must be furnished with the requisite connection equipment and support, with the exception of the circumstances delineated in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder</u></p>	(None)	Add the Regulations of Web Conference.

Amendments	Original Article	Explanations
<u>Services of Public Companies.</u> <u>Furthermore, it is imperative to</u> <u>specify any pertinent precautions</u> <u>and the timeframe within which</u> <u>shareholders are permitted to</u> <u>submit applications to the</u> <u>Company.</u>		
XXIX. The matters not addressed in the Rules should be processed in accordance with other related laws and the Company's Articles of Incorporation.	XXIII. The matters not addressed in the Rules should be processed in accordance with other related laws and the Company's Articles of Incorporation.	Item Adjustment
XXX. These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting. The latest amendments to the Rules were made on <u>June, 2024.</u>)	XXIV. These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting. The latest amendments to the Rules were made on <u>May 31, 2016.</u>)	The latest date of amendment