

Keding Enterprises Co., Ltd.**Minutes for the 2025 Annual General Shareholders' Meeting**

Time: 9:00 AM, June 25, 2025 (Wed)

Place: KD A3 commercial office building
(No. 268, Fuhui Road, Xinzhuang District, New Taipei City)

Chairperson: Tsao, Hsien-Chang

Recorder: Lin, Mei-Wen

Attendants: Total Shares Represented by Shareholders and Proxies Present: 62,739,625 shares, accounted for 79.92 % of the total shares issued. (78,493,347 shares)

At this regular shareholders' meeting, all 8 directors attended.

The list of directors attending the meeting is as follows:

Representative of juristic person directors :

Zhou Ding Investment Co., Ltd. : Tsao, Hsien-Chang,

Zhou Ding Investment Co., Ltd. : Cai, Sheng-hang,

Zhou Ding Investment Co., Ltd. : Tsao, Ya-Lin,

Huang, Tien-Hua

Independent Directors : Cheng, Hung-Hui (Chairman of the Audit Committee),

Yang, Hao-Ming

Liu, Ting-Hsuan

Luo, Shu-zhen

I. Commencement:

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

II. Chairperson Remarks (omitted)**III. Reported Items**

Report No. 1

Cause of motion: Please review 2024 Business Reports

Explanation: Please see Page 8~12, Appendix 1, for 2024 Business Report

Report No. 2

Cause of motion: Please review 2024 Audit Committee's Review Report

Explanation: Please see Page 13, Appendix 2, for 2024 Audit Committee's Report

Report No. 3

Cause of motion: Please review 2024 Earnings Distribution to employees and directors.

Explanation:

- I. Handled in accordance with Article 19 of the company's articles of association
- II. This case has been reviewed and approved by the Salary and Remuneration Committee, and submitted to the Board of Directors for resolution before submitting a report to the shareholders' regular meeting.
- III. According to the meeting on March 11, 2025 in 4th session by the 5th Compensation Committee and the resolution by the 10th Board in the 6th session, no distribution will be made to the directors from the 2024 earnings, and a distribution of NT\$9,597 thousand will be made to employees.
- IV. Distribution to employees will be made in cash.

Report No. 4

Cause of motion: Please review the 2024 Earnings Appropriation

Explanation:

- I. It is planned to allocate cash dividends of NT\$338,161,809 from the distributable earnings in the first half of 2024, with NT\$4.35 per share to be allocated, calculated to the nearest dollar, and rounded off below the dollar; the total amount of odd amounts shall be included in the company's other income
- II. It is planned to allocate a cash dividend of NT\$235,673,451 from the distributable earnings in the second half of 2024, with an allotment of NT\$3 per share, calculated to the nearest dollar, and rounded off below the dollar; the total amount of odd amounts shall be included in the company's other income
- III. If this cash dividend distribution subsequently changes in the number of shares of the company and affects the total number of outstanding shares and the dividend rate changes accordingly, the chairman shall be authorized to handle it with full authority in accordance with the Company Law or other relevant laws and regulations, and an additional ex-dividend basis shall be set date, issuance date and other related matters

Report No. 5

Cause of motion: Please review the report on cash payment from capital reserve

Explanation:

- I. The Company intends to distribute the excess capital reserve from the issuance of shares in excess of par value to shareholders in accordance with Article 241 of the Company Act.
- II. The proposed capital reserve distribution is NT\$4.65 per share, totaling NT\$361,483,314, which will be distributed based on the shareholdings of each shareholder listed in the shareholder list of the Company on the basis of the distribution. The amount will be distributed up to the dollar, and any amount below 1 dollar will be rounded down. The total amount of any fractional amount less than 1 dollar will be included in the company's other income.
- III. In the event that the number of shares of the Company subsequently changes and thus affects the total number of outstanding shares, the Chairman is authorized to adjust the allotment amount per share based on the actual number of outstanding shares of the Company as the base date for allotment, and to set the base date for allotment, the date for distribution and other related matters.

Report No. 6

Cause of motion: Please review 2024 Annual Directors' Remuneration Report

Explanation:

- I. According to the Articles of Association of the Company, the remuneration of all directors is authorized by the Board of Directors based on the degree of their participation in the Company's operations and the value of their contribution, and with reference to the usual standards in the industry. Considering that all independent directors have external professional experience and regularly participate in the board of directors to provide their professional insights, in addition to the current fixed monthly salary system, their performance will be evaluated every year in accordance with the performance evaluation methods for directors and managers.
- II. Please see Page 14, Appendix 3, for 2024 Annual Directors' Individual Remuneration Breakdown

Report No.7

Cause of motion: Please review The Status of Treasury Shares Buyback

Explanation: The company's execution of the buyback of the company's shares is as follows:

As of April 30, 2025

Times of buyback	1st	3rd	4th
Board resolution date	March 17, 2020	March 15, 2023	July 4, 2024
Purpose of buyback	Share transfer to employees	Share transfer to employees	Share transfer to employees
Period of buyback	March 18, 2020 ~ May 15, 2020	March 16, 2023 ~ May 15, 2023	July 5, 2024 ~ September 4, 2024
Price of buyback (NT\$)	NT\$24~57	NT\$86~190	NT\$86~187
Total buyback executed in types and shares	4,000,000 common shares	1,059,000 common shares	955,000 common shares
Total of buyback value(NT\$)	NT\$ 165,010,171	NT\$ 136,454,770	NT\$ 132,153,583
As a percentage of total buyback planned	100%	70.60%	79.58%
Shares de-registered and transferred	2,326,000 shares	Buyback shares not yet transferred	Buyback shares not yet transferred
Number of shares held	1,674,000 shares	2,733,000 shares	3,488,000 shares
Number of shares held As a percentage of total number of shares issued	2.04%	3.33%	4.49%

Report No.8

Cause of motion: 2024 Annual Related Party Transaction Execution Report

Explanation:

- I. For the Company's implementation of major transactions with related parties in 2024, Please see Page 15 and 16, Appendix 4.

Report No.9

Cause of motion: Execution report on the capital loan and over-limit improvement plan of the company's subsidiaries

Explanation:

- I. Proceed in accordance with the Financial Supervision and Administration Commission's letter No. 1130336873 dated April 26, 2024
- II. Subsidiary Yang Jin Co., Ltd. has repaid a total of NT\$11,126 thousand in funds loaned to Keding Enterprises Private Limited (Keding India), according to the established repayment plan from March 1, 2024 to April 30, 2025, and has given priority to repaying receivables with longer overdue periods. The actual repayment progress is in line with the original planned schedule. Please see Page 17, Appendix 5.

Report No.10

Cause of motion: Report on the Company's Sustainable Development Policy and Promotion Plan

Explanation:

- I. For our company's sustainable development policy and promotion plan. Please see Page 18 ~ 20, Appendix 6.

IV. Proposals

Proposal 1

(Proposed by the Board)

Cause of motion: Adoption of the 2024 Business Report and Financial Statements

Explanation:

- I. The compilation of the 2024 Consolidated Financial Statement and Business Report are completed.
- II. The 2024 Audit Report and Financial Statements, issued with an unqualified opinion, from CPAs Chuang, Pi-Yuand and Wu, Shih-Tsung from Deloitte Taiwan are attached.
- III. Please see Page 8~12 for Appendix 1 and Page 21~46 for Appendix 7.

Resolution:

Voting Result

Shares represented at the time of voting : 62,739,625 , The attendance rate was 79.92%.

Voting Results		% of the total represented share presen
Votes in favor	62,711,054 votes	99.95%
Votes against	14 votes	0.00%
Votes invalid	0 votes	0.00%
Votes abstained / No votes	28,557 votes	0.04%

*including votes casted electronically

Resolution No. 2

(Proposed by the Board)

Cause of motion: Proposal to distribute 2024 earnings.

Explanation:

- I. It is planned to allocate cash dividends of NT\$573,835,260 from the distributable earnings in 2024, with NT\$7.35 per share distributed, calculated to the nearest dollar, and rounded off if the value is less than NT\$; the total amount of the odd amount shall be included in the company's other income, and the total amount shall be included in the company's other income. For the company's earnings distribution table for 2024, please see Page 47, Appendix 8
- II. If this cash dividend distribution subsequently changes in the number of shares of the company and affects the total number of outstanding shares, resulting in a change in the dividend rate, the chairman shall be authorized to handle it with full authority in accordance with the Company Law or other relevant laws, and an ex-dividend base date shall be set. , release date and other related matters

Resolution:

Voting Result

Shares represented at the time of voting : 62,739,625 , The attendance rate was 79.92%.

Voting Results		% of the total represented share presen
Votes in favor	62,711,054 votes	99.95%
Votes against	14 votes	0.00%
Votes invalid	0 votes	0.00%
Votes abstained / No votes	28,557 votes	0.04%

*including votes casted electronically

V. Question Discussions

Proposal 1

(Proposed by the Board)

Cause of motion: Please discuss the amendments to the “Rules of Procedure for Shareholder Meetings”.

Explanation:

- I. In accordance with the provisions of Article 14, Paragraph 6 of the Securities and Exchange Act and the Financial Supervisory Commission's Order No. 1130385442 issued on November 8, 2024. Listed (OTC) companies should stipulate in their articles of association that a certain percentage of annual profits should be set aside to adjust salaries or distribute remuneration to grassroots employees. The company plans to amend some provisions of its "Articles of Association".
- II. Please see Page 48, Appendix 9, for the “Rules of Procedure for Shareholder Meetings.”

Resolution:

Voting Result

Shares represented at the time of voting : 62,739,625 , The attendance rate was 79.92%.

Voting Results		% of the total represented share presen
Votes in favor	62,709,959 votes	99.95%
Votes against	1,026 votes	0.00%
Votes invalid	0 votes	0.00%
Votes abstained / No votes	28,640 votes	0.04%

*including votes casted electronically

VI. Extemporary Motions : None

VII. Meeting Adjourned : 9:30 AM, June 25, 2025

VIII. There were no questions from shareholders at this meeting.

Note : These minutes only record the main points of the meeting. The content and procedures of the meeting are subject to the meeting video.

2024 Business Report

Dear Ladies and Gentlemen:

Thank you for your care and support, we would like to show you our appreciation. In the past year, through non-stop innovations and improvements, Keding has taken another step forward in its product quality and customer satisfaction, resulting in steady revenue growth and a soaring market reputation. In the meantime, we continued expanding our production lines and international presence for better partnerships with our customers and to be more competitive and increase our market share.

Looking ahead, we will continue to be customer-oriented to continue our innovation and R&D work on products to meet market needs to expand our market share, leading to greater business growth and revenue. Our 2024 business results and 2025 operation plan are summarized as follows:

I. 2024 Business Report

(I) Operating Performance

In 2024, KD Enterprise recorded a consolidated operating revenue of NT\$2.503 billion, with post-tax profits of NT\$386 million, and an earnings per share of NT\$4.93

Unit: In NT\$ thousands

Item	2024	2023	Amount of increase (decrease)	Percentage of increase (decrease)
Net operating revenue	2,503,330	2,374,947	128,383	5.4%
Operating costs	(1,202,083)	(1,271,004)	68,921	(5.4%)
Gross profit	1,301,247	1,103,943	197,304	17.9%
Operating expenses	(840,034)	(778,711)	(61,323)	7.9%
Operating profit	461,213	325,232	135,981	41.8%
Non-operating income and expenditures	11,390	(28,194)	39,584	(140.4%)
Pre-tax profits	472,603	297,038	175,565	59.1%
Income tax expense	(86,932)	(58,595)	(28,337)	48.4%
Net profit of the current period	385,671	238,443	147,228	61.7%

(II) Budget Implementation: Not applicable (No 2024 financial forecast was previously provided)

(III) Analysis of income, expenditures, and profitability:

Unit: In NT\$ thousands

Item			2024	2023 (After re-editing)
Income and expenditures	Net cash inflow from operating activities		460,423	634,933
	Net cash outflow from investing activities		(625,345)	(484,936)
	Net cash outflow from investing activities		154,368	(188,822)
Financial structure	Debt ratio		70.65	64.71
	Ratio of long-term capital to property, plant, and equipment (%)		184.27	110.11
Profitability	Return on assets (%)		5.84	4.26
	Return on equity (%)		15.89	10.24
	As a ratio to the paid-in capital (%)	Operating profit	56.12	39.57
		Pre-tax profits	57.51	36.14
	Profit margin (%)		15.41	10.04
	Earnings per share (before retrospective adjustment)		4.93	3.35

II. Summary of the 2025 Business Plan
(I) Business policy

1. Product research and development: Guided by the blue ocean strategy, we focus on the healthy building materials field with market potential and actively develop indoor building materials products that are in line with future trends. With keen insight into market trends, we continue to launch innovative solutions and create a one-stop shopping product and service system, which not only improves customer satisfaction but also effectively drives overall revenue growth.
2. Human Resource: As the business continues to expand, outstanding talents will become the core driving force for Keding's innovation and growth. In order to meet the needs of organizational development, we will continue to strengthen the talent training mechanism, improve the talent retention system, and actively recruit high-level professional talents to enrich the management team and comprehensively enhance the company's competitiveness and sustainable development capabilities.
3. Marketing Management: To cater to the digital age, Keding is actively strengthening digital services to meet customers' various digital needs such as appointments, ordering, and personal introductions. At the same time, in response to the trend of short video marketing, the company's image and product introduction videos are released on social platforms such as Facebook, YouTube, Tik Tok, Instagram, and Rednote to vividly showcase the brand concept, products, and services. In addition, through SMS, LINE and other methods, Keding is more proactive in customer development and interaction, directing customers to online specialist introductions to fill out forms or official websites, etc., to achieve "zero distance" service in a comprehensive, fast and convenient manner, enhance customer experience and establish new communication channels.

4. Financial performance: Continue to strengthen financial management mechanisms, improve capital utilization efficiency and financial transparency, and reduce the company's accounting risks. Coordinate the planning of capital allocation and production and sales plans of each subsidiary, give full play to the benefits of group resource integration, and actively enrich own funds to steadily support operational needs and future development.
5. Operation Management: Keding is committed to changing traditional customer management and business promotion strategies. Collect and analyze customer information through big data, and use AI technology to obtain market information more efficiently. At the same time, we actively use methods such as telephone interviewer invitations and various types of digital marketing to develop unfamiliar customers, and consolidate potential customers through online 1-on-1 personal introductions, and further conduct offline visits in order to improve customer stickiness and loyalty. In addition, we will strengthen our international market layout and actively expand our overseas franchise business. By establishing a complete franchise system, providing standardized operating models and brand support, we will attract potential international partners and jointly expand Keding's global market presence.

(II) Important production and marketing policies

1. Research and development technology: The environmentally friendly batch board has expanded its color options from the original 390 colors to 504 colors, greatly enhancing the design diversity of the product to meet a wider range of market demands and customer preferences. The number of ultra-wear-resistant wooden floors has been increased from the original 6 to 24, which not only improves the aesthetic performance of the product, but also expands the scope of application and enhances market competitiveness. In addition, Keding plastic plywood has launched 36 new patterns and colors to further improve its product line, provide customers with more choices, expand application areas, and strengthen the brand's position in the market.
2. Manufacture: Promote the standardization and integration of production and marketing operations, comprehensively optimize the new product development process, effectively shorten the development cycle, improve production capacity, stabilize product quality, and achieve energy conservation and efficient utilization. We will further integrate big data analysis technology to gradually move towards automated and intelligent production, thereby enhancing overall manufacturing efficiency and operational flexibility.
3. Sales market: With Taiwan as its base, we focus on the Asian market and actively expand into Southeast Asia, while exploring the European and American markets and targeting top international customers. We plan to set up direct branches in Japan, the United Kingdom, and Germany, and accelerate the promotion of overseas franchise business. We expect to expand the current 200 locations to 500, significantly enhance the global market layout, and strengthen the brand's international competitiveness and influence.
4. Logistics system establishment: The Xinshu Logistics Park, which is under active construction, will be officially completed and put into use this year, further strengthening logistics services and improving customer service quality. At the same time, we optimize the logistics and distribution model with the goal of shortening delivery time and improving service quality, support the growing needs of customers, ensure that goods can be delivered to the destination safely and on time, and provide customers with faster and more reliable delivery services.
5. Operational efficiency: With "healthy and non-toxic" as the core value, we promote the diversification of products, combine it with smart manufacturing transformation, and

improve production efficiency and quality. Simultaneously build a new logistics park to optimize logistics processes and quality management and enhance supply chain resilience. On the basis of sound financial management, we recruit high-quality talents to strengthen the management team; at the same time, we strengthen brand publicity and establish a proactive marketing mechanism to comprehensively enhance market competitiveness. Through multi-faceted growth strategies, we drive enterprises to continuously break through themselves and move towards the vision of sustainable prosperity.

III. The Company's future development strategy; impact from external competition, regulatory environment, and the macro-economic and operating environment.

Faced with a volatile international environment, Keding Enterprise will continue to steadily advance its various layouts in 2024, deepen its operational capabilities, and flexibly adjust its market strategies. The year also saw the opening of the Keding A3 Building and the Xinbei Flagship Store, demonstrating the upgrade of the company's scale and brand image; the Xinshu Logistics Park was completed, laying a good foundation for optimizing supply chain efficiency. The company launched Keding room doors, super wear-resistant wooden floors and environmentally friendly bathroom cabinets, continuing the healthy and non-toxic concept, expanding the market coverage and further strengthening the competitive advantage of the brand's overall solution. In terms of distribution channels, we will promote franchise expansion, deepen regional market penetration, and continuously consolidate brand influence. Looking ahead, in addition to continuing to promote the upgrading of the patterns and colors of the best-selling batch boards, the company will also launch Keding plastic plywood, enter the system cabinet market with a diversified strategy, create price and product advantages, and plan to set up direct branches in Japan, the United Kingdom and Germany to accelerate the global layout and enhance international competitiveness.

IV. Operational outlook and objectives

Keding believes that only by continuously improving in details can it maintain its competitive advantage in a changing industrial environment. Faced with the challenges of changing design trends, global supply chain restructuring and accelerated digital transformation, the company actively strengthens its operational structure and system integration capabilities, continuously optimizes customer experience and marketing efficiency through data-driven market insights and the comprehensive introduction of digital tools, and consolidates the brand's market position.

In terms of product strategy, Keding continues to focus on the three core aspects of health and non-toxicity, systematization and modularization, deepening the application of environmentally friendly materials, R&D process innovation and expansion of application fields. Through standardized processes and highly flexible designs, we build overall building material solutions that can flexibly respond to diverse styles, strengthen support capabilities for space design and engineering, and further enhance the overall value of the product in practical applications.

Looking ahead, Keding will continue to expand its global market layout, expand its franchise system and direct sales channels, integrate regional resources and brand services, and build a more resilient and in-depth global business network. The company will uphold the core concept of "using

technology, continuous innovation, deep roots, and stable growth", continue to develop high-quality products, deepen brand management, and practice corporate social responsibility through concrete actions, and move towards becoming an international leading brand of healthy building materials with high trust and sustainable value.

Chairman of the Board:
Tsao, Hsien-Chang

Manager:
Tsao, Hsien-Chang

Accounting Manager:
Lin, Mei-Wen

Audit Committee's Report

The financial statements for 2024 were submitted by the Board of Directors, which commissioned CPAs Chuang, Pi-Yu and Wu, Shih-Tsung from Deloitte & Touche Taiwan to audit the financial statements and issue an independent auditors' report. The Financial Statements and proposals in the independent auditors' report have been reviewed and determined to be correct and accurate by the Audit Committee members of Keding Enterprises Co., Ltd. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law. We hereby submit this report. Please review

To

2025 Annual Meeting of Shareholders, Keding Enterprises Co., Ltd.

Chairman of Audit Committee: Zheng, Hong-Hui

March 11, 2025

2024 Annual Directors' Individual Remuneration Breakdown

Unit: In NT\$ thousands/ %

Job title	Name	Directors' remuneration								The ratio of the sum of A, B, C, and D to post-tax profits (%)		Remuneration received for concurrently serving as an employee								The sum of A, B, C, D, E, F, and G and its percentage ratio to post-tax profits		Whether received remuneration from an investee other than a subsidiary
		Remuneration (A)		Retirement pay and pension(B)		Directors' compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements(E)		Retirement pay and pension(F)		Employee compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman of the Board	Tsao, Hsien-Chang	0	0	0	0	0	0	29	29	29/0.01	29/0.01	2,191	2,191	0	0	0	6,160	0	6,160	8,380/2.17	8,380/2.17	None
Director	Huang Tian-Hua	432	432	0	0	0	0	25	25	457/0.12	457/0.12	0	0	0	0	0	0	0	0	457/0.12	457/0.12	None
Director (Note 3)	Lin Da-Zheng	216	216	0	0	0	0	7	7	223/0.06	223/0.06	0	0	0	0	0	0	0	0	223/0.06	223/0.06	None
Director	Cai Sheng-hang	0	0	0	0	0	0	18	18	18/0.01	18/0.01	1,724	1,724	60	60	0	8,153	0	8,153	9,955/2.58	9,955/2.58	None
Director	Cao Ya-Lin	0	0	0	0	0	0	25	25	25/0.01	25/0.01	1,427	1,427	40	40	0	1,359	0	1,359	2,851/0.74	2,851/0.74	None
Independent director (Note 3)	Zheng Chun-Ren	216	216	0	0	0	0	11	11	227/0.06	227/0.06	0	0	0	0	0	0	0	0	227/0.06	227/0.06	None
Independent director	Zheng Hong-Hui	432	432	0	0	0	0	29	29	461/0.12	461/0.12	0	0	0	0	0	0	0	0	461/0.12	461/0.12	None
Independent director	Yang Hao-Ming	432	432	0	0	0	0	29	29	461/0.12	461/0.12	0	0	0	0	0	0	0	0	461/0.12	461/0.12	None
Independent director	Liu Ting-Xuan	432	432	0	0	0	0	25	25	457/0.012	457/0.012	0	0	0	0	0	0	0	0	457/0.12	457/0.12	None
Independent director	Luo Shu-zhen	216	216	0	0	0	0	18	18	234/0.06	234/0.06	0	0	0	0	0	0	0	0	234/0.06	234/0.06	None

1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:
According to the Articles of Association of the Company, the remuneration of all directors is authorized by the Board of Directors based on the degree of their participation in the Company's operations and the value of their contribution, and with reference to the usual standards in the industry. Consider that all independent directors have external professional experience and regularly participate in the board of directors provides its professional insights, so in addition to the current fixed monthly salary system, the board of directors will also evaluate their performance every year in accordance with the performance evaluation methods for directors and managers.
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g. for serving as a non-employee consultant to the parent company/any consolidated entities/invested enterprises): None
3. Director Lin Da-zheng and Independent director Zheng Chun-Ren were dismissed on June 25, 2024.

Execution of related-party transactions in 2024

All related party transactions in 2024 are disclosed in the related party transactions of individual and consolidated financial reports. In accordance with the financial reporting standards for securities issuers, the following information is disclosed on major transactions:

I. Purchase transaction: No transaction.

II. Sales Transaction:

Transaction object name	Relation	Transaction amount	Percentage of total sales	Accounts receivable balance	Ratio to total notes receivable and accounts receivable
Yangding Investment Co., Ltd.	Other related persons	386,000	0.02%	0	0
Junjia Interior Design Co., Ltd.	Other related persons	5,000	0.00%	0	0

Credit period: 30 to 90 days after delivery. The sales transaction price and payment period between related parties are not significantly different from those of general customers.

III. Acquisition or disposal of assets:

Transaction object name	Relation	Transaction amount	Asset Project
Junjia Interior Design Co., Ltd.	Other related persons	40,634,000	KD A3 commercial office building - Office decoration project

IV. Fund loan

Unit: In NT\$1,000

Company lending money	L o a n t o	Ending balance	Actual amount of expenditure	Interest rate range
Keding Enterprises Co., Ltd.	Keding (Shanghai) Trading Co., Ltd.	\$ 79,764 (USD2,433 thousand)	\$ 49,538 (USD1,511 thousand)	-
Keding Enterprises Co., Ltd.	PT Keding Panels Indonesia	372 (USD 11 thousand)	-	-
Keding Enterprises Co., Ltd.	Keding Vietnam Co., Ltd.	1,534 (USD 47 thousand)	-	-
Keding Enterprises Co., Ltd.	Keding Enterprises (Thailand) Co., Ltd.	4,960 (USD151 thousand)	3,493 (USD107 thousand)	-
Keding Enterprises Co., Ltd.	Keding Enterprises Private Limited (India)	13,212 (USD403 thousand)	12,625 (USD385 thousand)	-

Note: The company's capital loan to its subsidiaries is for the common interests and overall development of the company and its subsidiaries. It has been reviewed and approved by the Audit Committee and the Board of Directors. The repayment method is: repayment on the loan maturity date or in advance.

V. Endorsement guarantee: No transaction.

Keding Enterprises Private Limited

Repayment Plan Implementation Report

(I) Purpose:

As of the end of February 2024, the accounts receivable generated by the business dealings between our subsidiary Yang Jin Trading Co., Ltd. and its subsidiary Keding Enterprises Private Limited have not been recovered for 9 months beyond the normal credit period. Therefore, the accounts receivable have been transferred to capital loans, with the accumulated amount reaching NT\$14,169 thousand, which has exceeded the original capital loan limit of NT\$2,918 thousand.

(II) Execution Report:

I. Keding Enterprises Private Limited has repaid a total of NT\$11,126 thousand from March 1, 2024 to April 30, 2025 in accordance with the established repayment plan, and has given priority to repaying receivables that have been overdue for a longer period of time. The actual repayment progress is in line with the original planned schedule.

II. In order to strengthen the fund loan management mechanism, Yangjin Trading Co., Ltd. has formulated the "Fund Loan Operation Procedure" to clarify the relevant loan conditions, risk control and audit process. In the future, it will continue to monitor the implementation of fund loans in accordance with the management method and report to the company's board of directors regularly.

Sustainable development policies and promotion plans

Aspect	Promote the issue	Expected promotion strategies and measures
Environmental	Energy saving and carbon reduction	I. Promote energy conservation and carbon reduction policies to reduce energy resource usage. • Products use environmentally friendly packaging materials to reduce packaging, and offices promote e-work to reduce paper usage. • We promote plastic reduction projects and encourage colleagues to bring their own environmentally friendly tableware to reduce waste such as disposable tableware and plastic bags. • Plan and organize a second-hand goods exchange market to implement the policy of cherishing things and not wasting them and reduce the generation of waste. II. Promote resource recycling and properly dispose of waste. III. Conduct greenhouse gas inventory operations IV. Evaluation and introduction of international ISO environmental standards.
	Climate change	I. Assess risks and opportunities associated with climate change. II. The Company prepares its climate risk management information and related financial disclosure reports with reference to the Financial Stability Board (FSB)'s "Recommendations on Climate-related Financial Disclosures" and S2 "Climate-related Disclosures" of the International Financial Reporting Standards (IFRS), and submits them to the Board of Directors on a regular basis.

Social Aspects	Stakeholders	Customers and Investors I. Organize K-campus and investment promotion briefing sessions to allow customers and investors to better understand the company's products through online interaction. II. Continue to plan new products and new working methods to provide customers with diversified trading options. Shareholder I. Regular shareholders meetings are held every year. II. The annual report, sustainability report and company website provide complete information disclosure to shareholders. III. A corporate briefing session is held every quarter. Employee I. Conduct employee satisfaction surveys regularly every year to establish good communication channels and improvement plans.
	Social and community services	I. Social welfare activities and donations. II. Industry and academia work together to build a talent pool. III. Activities to care for the disadvantaged.
Corporate Governance	Integrity and Sustainability	I. Establish a Sustainable Development Committee to regularly review and evaluate relevant implementation status and effectiveness and report to the Board of Directors. II. Strengthen communication between employees and suppliers and promote the company's policies and concepts of honest management and sustainable development. III. Conduct regular education and training on integrity management and sustainable development every year.
	Compliance with laws	I. Establish a comprehensive legal compliance system and regularly track and audit the company's relevant systems and operations. II. Disclose relevant information on public information observatory sites and company websites in accordance with regulations. III. Regularly publicize industry violation cases to colleagues.

		IV. Conduct education and training related to legal compliance every year.
	Information security protection	I. Inventory information operation flow and configure appropriate verification procedures. II. Regularly evaluate core operating systems and equipment to ensure operational continuity and resilience and submit reports to the board of directors. III. Regularly conduct "Social Engineering Email Attack Drills" for all company employees.

For detailed ESG content, please refer to our company's sustainability report

Independent Auditors' Report

To Keding Enterprises Co., Ltd.:

Audit Opinion

We have audited the consolidated balance sheet of Keding Enterprises Co., Ltd. and its subsidiaries (collectively referred to as the “Group” hereinafter) as of December 31, 2024 and 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flow for the period from January 1 through December 31, 2024 and 2023 and the notes to the consolidated financial statements (including the summary of significant accounting policies).

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

Basis of Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the generally accepted 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 were independent of The Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China and fulfilled all other responsibilities thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis

As stated in Note 3 to the consolidated financial statements, Keding Corporation and its subsidiaries changed their accounting policy for investment properties starting from 2024. The subsequent measurement was changed to the fair value model. Therefore, the accounting policy was applied retrospectively and the affected items in the previous financial reports were adjusted. This accountant did not modify the audit opinion as a result.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of 2024. 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.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2024 are stated as follows:

Fair value assessment of investment properties

On May 9, 2024, the board of directors of Keding Enterprises Co., Ltd. and its subsidiaries resolved to change the accounting policy for investment properties. The subsequent measurement was changed from the cost model to the fair value model. Therefore, the accounting policy was applied retroactively and the affected items were adjusted.

Since the assessment of fair value involves significant accounting estimates and judgments by management, the fair value assessment of investment properties is listed as a key audit matter for this year.

For accounting policies and relevant disclosure information related to investment properties, please refer to Notes 3, 4(8), 5, 13, 21 and 29 to the Consolidated Financial Statements.

The main audit procedures that our accountant has performed in response to the above fair value assessment of investment properties are as follows:

1. Assess the professional competence and independence of the independent evaluators used by management, and discuss with management the evaluators' scope of work and appointment method to confirm that there are no circumstances that would affect their independence or limit their scope of work.
2. Assess the judgment used by the independent evaluators used by management in the evaluation, including whether the evaluation methods and key assumptions used are reasonable.
3. Verify the accuracy and completeness of the data used by independent evaluators used by management in their evaluations.

Authenticity of sales revenue in specific regions

The operating income of specific products of Keding Enterprises Co., Ltd. and its subsidiaries continued to grow this year, accounting for 48% of the consolidated operating income. It is the main product of this year. Therefore, the authenticity of the sales revenue of this specific product is listed as a key audit item this year.

For accounting policies on sales revenue and relevant disclosures, refer to Notes 4(13), 20, 28, and 32 to the Consolidated Financial Statements.

We have performed the following audit procedures when auditing the authenticity of sales revenue:

- 1 Understood and tested the effectiveness of the design and implementation of the major internal control system concerning sales revenue.
- 2 Randomly check transaction documents of sales revenue, including sales orders and shipping documents, to verify that control of the goods, significant risks and rewards have been transferred to the buyer, and understand the sales receipt status to confirm the authenticity of sales revenue.
- 3 Check whether there are any abnormal circumstances in the sales returns and discounts after the sampling period.

Other Matters

The Group has prepared its parent company only financial statements for the years ended December 31, 2024 and 2023, for which we have issued an audit report containing an unqualified opinion for reference.

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

The management was responsible for fairly presenting these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC interpretations, and SIC interpretations that were approved and promulgated by the Financial Supervisory Commission, and for maintaining the necessary internal control related to the preparation of these consolidated financial statements to ensure that these consolidated financial statements were free of material misstatements, whether due to fraud or errors.

During preparation of these consolidated financial statements, the management was also responsible for evaluating the Group's ability to continue as a going concern, disclosing going concern matters, and applying the going concern basis of accounting, unless the management

intended either to liquidate the Group or to terminate its operations, or had no feasible alternatives but to do so.

The Group's governance body (including the Audit Committee) was responsible for supervising the financial reporting procedures.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists in these 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 these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- 1 Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- 3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 5 Evaluate the overall presentation, structure, and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements fairly represent the underlying transactions and events.
- 6 Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and execution of the audit of the Group. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence under The Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. 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.

Deloitte & Touche Taiwan

CPA: Chuang, Pi-Yu

Financial Supervisory Commission
approval letter number
Jin-Guan-Zheng-Shen-Zi
No.1070323246

CPA: Wu, Shih-Tsung

Financial Supervisory Commission approval
letter number
Jin-Guan-Zheng-Shen-Zi
No.1010028123

March 12, 2024

Keding Enterprises Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
As of December 31, 2024 and 2023

Unit: In NT\$ thousands

Code	Assets	December 31, 2024		December 31, 2023 (After re-editing)		January 1, 2023 (After re-editing)	
		Amount	%	Amount	%	Amount	%
	Current Assets (Note 4)						
1100	Cash (Notes 4 and 6)	\$ 116,083	1	\$ 124,912	2	\$162,196	2
1136	Financial assets measured at amortized cost – current (Notes 4, 7, and 30)	10,135	-	7,882	-	512	-
1150	Notes receivable – net (Notes 4, 8, 21, and 29)	47,745	1	52,188	1	56,414	1
1170	Accounts receivable – net (Notes 4, 9, 21, and 29)	248,515	3	256,271	4	217,634	3
1200	Other receivables (Notes 4, 8)	3,914	-	2,424	-	6,056	-
1220	Current tax assets (Notes 4, 23)	886	-	612	-	-	-
1300	Inventories – net (Notes 4, 5, and 9)	1,208,030	14	994,444	15	1,130,467	17
1410	Prepayments	70,716	1	89,680	1	123,809	2
1481	Rights to the products to be returned (Note 21)	11,123	-	12,549	-	11,946	-
1479	Other current assets	7,337	-	5,229	-	385	-
11XX	Total current assets	<u>1,724,484</u>	<u>20</u>	<u>1,546,191</u>	<u>23</u>	<u>1,709,419</u>	<u>25</u>
	Non-current assets (Note 4)						
1600	Property, plant, and equipment (Notes 4, 11, 18, and 30)	3,698,250	44	4,546,635	67	4,344,087	65
1755	Right-of-use assets (Notes 4 and 12)	28,171	-	46,833	1	83,048	1
1760	Net investment property (Notes 4, 13, and 30)	2,905,000	35	535,200	8	535,524	8
1821	Intangible assets (Notes 4 and 14)	12,355	-	6,529	-	6,485	-
1840	Deferred tax assets (Notes 4, 5, and 23)	45,539	1	41,629	1	37,469	1
1915	Prepayments for business facilities	11,444	-	11,160	-	18,499	-
1920	Guarantee deposits paid	11,838	-	8,931	-	9,880	-
15XX	Total non-current assets	<u>6,712,597</u>	<u>80</u>	<u>5,196,917</u>	<u>77</u>	<u>5,034,992</u>	<u>75</u>
1XXX	Total Assets	<u>\$ 8,437,081</u>	<u>100</u>	<u>\$ 6,743,108</u>	<u>100</u>	<u>\$6,744,411</u>	<u>100</u>
	Liabilities and Equity						
	Current Liabilities (Note 4)						
2100	Short-term borrowings (Notes 15 and 30)	\$ 631,711	8	\$ 556,721	8	\$350,000	5
2110	Short-term Notes Payable(Notes 15)	100,000	1	80,000	1	-	-
2130	Contract liabilities – current (Note 21)	100,445	1	63,997	1	58,457	1
2150	Notes payable (Note 17)	-	-	-	-	174	-
2170	Accounts payable (Note 17)	105,578	1	67,347	1	43,397	1
2200	Other payables (Note 12 and 18)	323,906	4	170,634	3	347,285	5
2230	Current income tax liabilities (Notes 4 and 23)	110,639	1	148,548	2	198,796	3
2280	Lease liabilities – current (Notes 4 and 12)	13,117	-	16,608	-	31,872	1
2320	Long-term borrowings due within one year (Notes 15, 16 and 30)	205,333	3	590,892	9	537,624	8
2365	Refund liabilities – current (Notes 4, 18, and 21)	22,433	-	25,227	1	21,107	-
2399	Other current liabilities	9,081	-	16,849	-	12,707	-
21XX	Total current liabilities	<u>1,622,243</u>	<u>19</u>	<u>1,736,823</u>	<u>26</u>	<u>1,601,419</u>	<u>24</u>
	Non-current liabilities (Note 4)						
2540	Long-term borrowings (Notes 15 and 30)	4,055,987	48	2,496,307	37	2,717,161	40
2550	Non-current provisions (Notes 4 and 18)	791	-	791	-	791	-
2570	Deferred tax liabilities (Notes 4 and 23)	256,491	3	91,054	1	87,813	1
2580	Lease liabilities – non-current (Notes 4 and 12)	13,958	1	29,218	1	50,334	1
2645	Guarantee deposits received	11,668	-	9,299	-	9,984	-
25XX	Total non-current liabilities	<u>4,338,895</u>	<u>52</u>	<u>2,626,669</u>	<u>39</u>	<u>2,866,083</u>	<u>42</u>
2XXX	Total liabilities	<u>5,961,138</u>	<u>71</u>	<u>4,363,492</u>	<u>65</u>	<u>4,467,502</u>	<u>66</u>
	Equity attributable to owners of the Company (Notes 4, 16, 20, 23 and 25)						
3100	Share capital	821,813	10	821,813	12	740,334	11
3200	Capital reserves	78,385	1	364,036	5	71,485	1
	Retained earnings						
3310	Legal reserve	263,085	3	228,647	4	180,104	3
3350	Undistributed earnings	667,655	8	889,961	13	1,119,766	16
3300	Total retained earnings	930,740	11	1,118,608	17	1,299,870	19
3410	Exchange differences on translation of foreign financial statements	979,741	11	308,275	5	302,216	5
3500	Treasure shares	(337,671)	(4)	(236,661)	(4)	(138,321)	(2)
31XX	Total equity attributable to owners of the Company	2,473,008	29	2,376,071	35	2,275,584	34
36XX	Non-controlling interests	2,935	-	3,545	-	1,325	-
3XXX	Total equity	<u>2,475,943</u>	<u>29</u>	<u>2,379,616</u>	<u>35</u>	<u>2,276,909</u>	<u>34</u>
	Total Liabilities and Equity	<u>\$ 8,437,081</u>	<u>100</u>	<u>\$ 6,743,108</u>	<u>100</u>	<u>\$6,744,411</u>	<u>100</u>

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

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 through December 31, 2023 and 2022

Unit: NT\$ thousands, except earnings per share, which is expressed in NT\$1

Code		2024		2023 (After re-editing)	
		Amount	%	Amount	%
	Operating revenue (Notes 4, 20, and 28)				
4100	Net sales revenue	\$ 2,491,376	100	\$ 2,370,870	100
4800	Other operating revenue	<u>11,954</u>	<u>-</u>	<u>4,077</u>	<u>-</u>
4000	Total operating revenue	2,503,330	100	2,374,947	100
5000	Operating costs(Notes 4, 9, 11, and 21)	<u>1,202,083</u>	<u>48</u>	<u>1,271,004</u>	<u>54</u>
5900	Gross profit	<u>1,301,247</u>	<u>52</u>	<u>1,103,943</u>	<u>46</u>
	Operating expenses (Notes 3, 4, 8, 11, 12, 21, and 28)				
6100	Selling expenses	669,708	27	664,030	28
6200	Administration expenses	146,035	6	94,104	4
6300	Research and development expenditure	9,775	-	12,802	1
6450	Expected credit impairment loss	<u>14,516</u>	<u>1</u>	<u>7,775</u>	<u>-</u>
6000	Total operating expenses	<u>840,034</u>	<u>34</u>	<u>778,711</u>	<u>33</u>
6900	Operating profit	<u>461,213</u>	<u>18</u>	<u>325,232</u>	<u>13</u>
	Non-operating income and expenditure				
7100	Interest income (Note 4)	924	-	1,082	-
7190	Other income (Notes 4, 21, and 29)	45,079	2	51,037	2
7020	Other gains and losses (Notes 3, 4, 13, and 21)	27,331	1	(12,381)	-
7230	Net foreign exchange gain (Note 4. 21, and 30)	9,634	1	-	-
7630	Net foreign exchange losses (Notes 4, 21, and 30)	-	-	(6,605)	-
7050	Financial costs (Notes 4 and 21)	(<u>71,578</u>)	(<u>3</u>)	(<u>61,327</u>)	(<u>3</u>)
7000	Total non-operating income and expenditures	<u>11,390</u>	<u>1</u>	(<u>28,194</u>)	(<u>1</u>)

(Continued)

(Continued)

Code		2024		2023 (After re-editing)	
		Amount	%	Amount	%
7900	Profit before tax	\$ 472,603	19	\$ 297,038	12
7950	Income tax expense (Notes 3, 4 and 22)	<u>86,932</u>	<u>4</u>	<u>58,595</u>	<u>2</u>
8200	Net profit in the current year	<u>385,671</u>	<u>15</u>	<u>238,443</u>	<u>10</u>
8300	Other comprehensive income (Notes 3, 4, 11, 19, and 22)				
8310	Items not reclassified to profit or loss				
8312	Real estate revaluation increase	837,572	34	6,018	-
8349	Income tax related to items not reclassified	(<u>167,514</u>)	(<u>7</u>)	(<u>1,204</u>)	-
		<u>670,058</u>	<u>27</u>	<u>4,814</u>	-
8360	Items that might subsequently be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,853	-	1,442	-
8399	Other comprehensive income (Net after tax)	(<u>352</u>)	-	(<u>311</u>)	-
		<u>1,501</u>	-	<u>1,131</u>	-
	Other comprehensive income (net of tax)	<u>671,559</u>	<u>27</u>	<u>5,945</u>	-
8500	Total comprehensive income for the year	<u>\$ 1,057,230</u>	<u>42</u>	<u>\$ 244,388</u>	<u>10</u>
8600	Net income attributed to				
8610	Owners of the Company	\$ 386,374	15	\$ 237,072	10
8620	Non-controlling interests	(<u>703</u>)	-	<u>1,371</u>	-
		<u>\$ 385,671</u>	<u>15</u>	<u>\$ 238,443</u>	<u>10</u>
8700	Total comprehensive income for the period				
8710	shareholders of parent company	\$ 1,057,840	42	\$ 243,131	10
8720	Non-controlling interests	(<u>610</u>)	-	<u>1,257</u>	-
		<u>\$ 1,057,230</u>	<u>42</u>	<u>\$ 244,388</u>	<u>10</u>
	Earnings per share (Note 3 and 24)				
9710	Basic	<u>\$ 4.93</u>		<u>\$ 3.35</u>	
9810	Diluted	<u>\$ 4.92</u>		<u>\$ 3.06</u>	

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

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 through December 31, 2024 and 2023

Unit: In NT\$ thousands

Equity attributable to owners of the Company (Note 3, 4, 10, 19, 22, and 24)

							Other equity interest					
		Share capital		Retained earnings			Exchange differences on translation of foreign financial statements	The revaluation surplus of real estate	Treasury shares	Total	Non-controlling interests (Notes 10, 19 and 24)	Total equity
Code		Number of shares (in thousands)	Amount	Capital reserves	Legal reserve	Undistributed earnings						
A1	Balance as of January 1, 2023	74,034	\$ 740,334	\$ 71,485	\$ 180,104	\$ 1,115,420	\$ 9,894	\$ -	(\$ 138,321)	\$ 1,978,916	\$ 1,325	\$ 1,980,241
A3	Effect of retrospective application and retrospective restatement	-	-	-	-	4,346	-	292,322	-	296,668	-	296,668
A5	After re-editing balance as of January 1, 2023	74,034	740,334	71,485	180,104	1,119,766	9,894	292,322	(138,321)	2,275,584	1,325	2,276,909
B1	Earnings distribution											
B1	Provision of legal reserve	-	-	-	48,543	(48,543)	-	-	-	-	-	-
B5	Shareholder cash dividend	-	-	-	-	(418,334)	-	-	-	(418,334)	-	(418,334)
I1	Conversion of corporate bonds into common shares	8,147	81,479	215,786	-	-	-	-	-	297,265	-	297,265
L1	Treasury stock	-	-	-	-	-	-	-	(136,455)	(136,455)	-	(136,455)
M7	Changes in ownership interests in subsidiaries	-	-	2,180	-	-	-	-	-	2,180	(2,180)	-
N1	Exercise of disgorgement	-	-	74,585	-	-	-	-	38,115	112,700	-	112,700
O1	Non-controlling interested acquired	-	-	-	-	-	-	-	-	-	3,143	3,143
D1	Net profit for 2023	-	-	-	-	237,072	-	-	-	237,072	1,371	238,443
D3	Other comprehensive income (loss) after tax for 2023	-	-	-	-	-	1,245	4,814	-	6,059	(114)	5,945
D5	Total comprehensive income for 2023	-	-	-	-	237,072	1,245	4,814	-	243,131	1,257	244,388
Z1	Balance as of December 31, 2023	82,181	821,813	364,036	228,647	889,961	11,139	297,136	(236,661)	2,376,071	3,545	2,379,616
B1	Earnings distribution											
B1	Provision of legal reserve	-	-	-	34,438	(34,438)	-	-	-	-	-	-
B5	Shareholder cash dividend	-	-	-	-	(574,242)	-	-	-	(574,242)	-	(574,242)
C15	Other capital reserve changes											
C15	Cash dividends from capital reserves	-	-	(361,483)	-	-	-	-	-	(361,483)	-	(361,483)
C17	Changes in other capital reserves	-	-	10,021	-	-	-	-	-	10,021	-	10,021
L1	Treasury stock	-	-	-	-	-	-	-	(132,154)	(132,154)	-	(132,154)

N1	Treasure shares transferred to employees	-	-	65,811	-	-	-	-	31,144	96,955	-	96,955
D1	Net profit for 2024	-	-	-	-	386,374	-	-	-	386,374	(703)	385,671
D3	Other comprehensive income (loss) after tax for 2024	-	-	-	-	-	1,408	670,058	-	671,466	93	671,559
D5	Total comprehensive income for 2024	-	-	-	-	386,374	1,408	670,058	-	1,057,840	(610)	1,057,230
Z1	Balance as of December 31, 2024	<u>\$ 82,181</u>	<u>\$ 821,813</u>	<u>\$ 78,385</u>	<u>\$ 263,085</u>	<u>\$ 667,655</u>	<u>\$ 12,547</u>	<u>\$ 967,194</u>	(<u>\$ 337,671</u>)	<u>\$ 2,473,008</u>	<u>\$ 2,935</u>	<u>\$ 2,475,943</u>

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

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flow

January 1 through December 31, 2024 and 2023

Code		Unit: In NT\$ thousands	
		2024	2023 (After re-editing)
	Cash flow from operating activities		
A00010	Profit before tax	\$ 472,603	\$ 297,038
A20010	Income and Expenses		
A20100	Depreciation	106,324	119,671
A20200	Amortization	3,479	2,063
A20300	Expected credit impairment loss	14,516	7,775
A20900	Financial cost	71,578	61,327
A21200	Interest Incomes	(924)	(1,082)
A21900	Share-based remuneration cost	68,395	74,692
A22500	Loss (gain) on disposal of property, plant, and equipment	9,947	4,451
A22600	Property, plan and equipment transferred to expenses	226	-
A22900	Gains on disposal of interests in lease agreement	(733)	(2,615)
A23700	Impairment loss on non-financial assets	-	42,964
A23800	Inventory depreciation (recovery gains) and obsolescence loss	8,952	-
A24600	Loss (gain) on fair value adjustment of investment property	(29,200)	7,000
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	4,443	4,226
A31150	Accounts receivable	(7,099)	(46,315)
A31180	Other receivables	(1,490)	5,983
A31200	Inventory	(223,012)	136,161
A31230	Prepayments	18,964	34,129
A31240	Other current assets	(1,475)	(3,961)
A31990	Rights to the products to be returned	1,522	(613)
A32125	Contract liabilities	36,448	5,540
A32130	Notes payable	-	(174)
A32150	Accounts payable	38,231	23,950
A32180	Other payables	10,033	(34,649)
A32200	Current refund liabilities	(2,917)	4,149
A32230	Other current liabilities	(7,768)	4,142
A33000	Cash generated from operations	591,043	745,852

(Continued)

(Continued)

Code		2024	2023 (After re-editing)
A33100	Interest received	924	1,082
A33500	Income taxes paid	(131,544)	(112,001)
AAAA	Net cash inflow from operating activities	<u>460,423</u>	<u>634,933</u>
	Cash Flow from Investing Activities		
B00040	Acquisition of financial assets at amortized cost	(\$ 2,253)	(\$ 7,370)
B02700	Acquisition of property, plant, and equipment	(613,962)	(492,209)
B02800	Proceeds from disposal of property, plant, and equipment	9,378	8,473
B03700	Increase in guarantee deposits paid	(2,578)	-
B03800	Decrease in guarantee deposits paid	-	870
B04500	Acquisition of intangible assets	(5,309)	(1,412)
B05500	Disposal of investment property	-	19,524
B06700	Increase in prepayments for business facilities	(10,621)	(12,812)
BBBB	Net cash outflow from investing activities	(<u>625,345</u>)	(<u>484,936</u>)
	Cash Flow from Financing Activities		
C00100	Increase in short-term borrowings	539,663	532,870
C00200	Decrease in short-term borrowings	(464,673)	(326,149)
C00500	Increase in short-term bills payable	20,000	80,000
C01600	Increase in long-term borrowing	2,618,625	974,590
C01700	Repayment of long-term borrowings	(1,444,504)	(848,026)
C03000	Increase in deposit received	1,997	-
C03100	Increase (decrease) in guarantee deposits received	-	(558)
C04020	Repayment of principal of lease liabilities	(17,329)	(27,280)
C04500	Cash dividends distributed	(935,725)	(418,334)
C04900	Payments to acquire treasury shares	(132,154)	(136,455)
C05100	Treasury shares acquired by employees	28,560	35,657
C05600	Interest paid	(70,113)	(58,280)
C05800	Change in non-controlling interest	-	3,143
C09900	Disposal of employee stock ownership trust funds	<u>10,021</u>	<u>-</u>
CCCC	Net cash outflow from investing activities	<u>154,368</u>	(<u>188,822</u>)
DDDD	Effect of exchange rate changes on cash	<u>1,725</u>	<u>1,541</u>
EEEE	Net (decrease) increase in cash	(8,829)	(37,284)
E00100	Cash balance, beginning	<u>124,912</u>	<u>162,196</u>
E00200	Cash balance, ending	<u>\$ 116,083</u>	<u>\$ 124,912</u>

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

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Independent Auditors' Report

To Keding Enterprises Co., Ltd.:

Audit Opinion

We have audited the parent company only balance sheet of Keding Enterprises Co., Ltd. (“KD” hereinafter) as of December 31, 2024 and 2023, the parent company only statement of comprehensive income, parent company only statement of changes in equity, and parent company only statement of cash flows for the periods then ended, and the notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, based on our audit, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of KD as of December 31, 2024 and 2023, and its parent company only financial performance and parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers

Basis of Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the generally accepted 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 were independent of KD in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China and fulfilled all other responsibilities thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As stated in Note 3 to the consolidated financial statements, starting from the year 2024, KD has changed its accounting policy for investment properties. The subsequent measurement has been changed to the fair value model. Accordingly, the company has applied this accounting policy retrospectively and adjusted the affected items in the prior period financial statements. This matter does not affect our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of 2024. 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.

Below are the key audit matters for KD's 2024 Parent Company Only Financial Statements:

Fair Value Assessment of Investment Properties

On May 9, 2024, Keding Company's Board of Directors resolved to change the accounting policy for investment properties. The subsequent measurement was changed from the cost model to the fair value model. As a result, the company applied the new accounting policy retrospectively and adjusted the affected items accordingly.

As the fair value assessment involves significant accounting estimates and judgments made by management, the fair value assessment of investment properties has been identified as a key audit matter for the year.

For the accounting policies and relevant disclosures related to investment properties, please refer to Notes 3, 4(8), 5, 13, 21, and 29 of the parent company only financial statements.

The primary audit procedures performed by the auditor in response to the above-mentioned fair value assessment of investment properties are as follows:

1. Assessed the professional competence and independence of the independent appraisers engaged by management, and discussed with management the scope of work and terms of engagement of the appraisers to confirm that there were no matters affecting their independence or limiting the scope of their work.
2. Evaluated the judgments applied by the independent appraisers engaged by management in their valuation, including the reasonableness of the valuation methods and key assumptions used.
3. Verified the accuracy and completeness of the information used by the independent appraisers engaged by management in performing the valuation.

Authenticity of sales revenue in specific regions

KD's operating revenue from specific products continued to grow this year, accounting for 47% of the entity's total operating revenue, making it the core product for the year. Therefore the validity of the product sales is listed as a key audit item.

For accounting policies on sales revenue and relevant disclosures, refer to Notes 4(13), 20, and 28 in the Parent Company Only Financial Statements.

We have performed the following audit procedures when auditing the authenticity of sales revenue:

1. Understood and tested the effectiveness of the design and implementation of the major internal control system concerning sales revenue.

2. Randomly checked the sales revenue against the transaction documents, e.g. sales orders, shipping documents. Reviewed whether control of the goods and the significant risks and rewards had been transferred to the buyer, and assessed the status of payment collection to verify the authenticity of the sales revenue.
3. Sampled the sales return and sales allowance that occurred after the reporting date, so as to identify any unusual or exceptional circumstances.

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

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

During preparation of these Parent Company Only Financial Statements, the management was also responsible for evaluating KD's ability to continue as a going concern, disclosing going concern matters, and applying the going concern basis of accounting, unless the management intended either to liquidate KD or to terminate its operations, or had no feasible alternatives but to do so.

KD's governance body (including the Audit Committee) was responsible for supervising the financial reporting procedures.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists in these 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 these Parent Company Only Financial Statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence under The Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of KD's Parent Company Only Financial Statements for the year ended December 31, 2024 and are therefore the key audit matters. 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.

Deloitte & Touche Taiwan

CPA: Chuang, Pi-Yu

CPA: Wu, Shih-Tsung

Financial Supervisory Commission
approval letter number
Jin-Guan-Zheng-Shen-Zi
No.1070323246

Financial Supervisory Commission approval
letter number
Jin-Guan-Zheng-Shen-Zi
No.1010028123

March 14, 2025

Keding Enterprises Co., Ltd.
Parent Company Only Balance Sheets
As of December 31, 2024 and 2023

Unit: In NT\$ thousands

Code	Assets	December 31, 2024		December 31, 2023 (After restatement)		December 1, 2023 (After restatement)	
		Amount	%	Amount	%	Amount	%
	Current Assets (Note 4)						
1100	Cash (Notes 4 and 6)	\$ 42,569	-	\$ 34,330	1	\$ 35,612	1
1136	Financial assets measured at amortized cost – current (Notes 4, 7, and 29)	10,135	-	7,862	-	512	-
1150	Notes receivable – net (Notes 4, 8, and 20)	47,745	1	51,392	1	55,717	1
1170	Accounts receivable – net (Notes 4, 8, and 20)	217,833	3	236,432	3	184,309	3
1180	Accounts receivable – net amount due from related parties (Notes 4, 8, 20, and 28)	203,668	2	142,611	2	389,069	6
1200	Other receivables (Notes 4, 8, and 28)	78,250	1	123,161	2	31,521	-
1300	Inventories – net (Notes 4, 5, and 9)	1,020,387	12	840,394	12	916,310	13
1410	Prepayments	47,746	1	71,529	1	109,706	2
1481	Rights to the products to be returned (Note 20)	9,897	-	11,310	-	8,879	-
1479	Other current assets (Note 28)	14,819	-	5,272	-	443	-
11XX	Total current assets	<u>1,693,049</u>	<u>20</u>	<u>1,524,293</u>	<u>22</u>	<u>1,732,078</u>	<u>26</u>
	Non-current assets (Note 4)						
1550	Investments accounted for using equity method (Notes 4, and 10)	83,869	1	178,471	3	132,269	2
1600	Property, plant, and equipment (Notes 4, 11, 17, 28, and 29)	3,688,098	44	4,530,973	66	4,312,815	63
1755	Right-of-use assets (Notes 4 and 12)	6,659	-	11,871	-	13,944	-
1760	Net investment property (Notes 3, 4, 5, 13, and 29)	2,905,000	34	535,200	8	535,524	8
1821	Intangible assets (Notes 4 and 14)	9,132	-	2,812	-	2,918	-
1840	Deferred tax assets (Notes 4, 5, and 22)	45,230	1	41,629	1	37,352	1
1915	Prepayments for business facilities	11,124	-	7,336	-	18,051	-
1920	Guarantee deposits paid	5,949	-	2,024	-	1,933	-
15XX	Total non-current assets	<u>6,755,061</u>	<u>80</u>	<u>5,310,316</u>	<u>78</u>	<u>5,054,806</u>	<u>74</u>
1XXX	Total Assets	<u>\$ 8,448,110</u>	<u>100</u>	<u>\$ 6,834,609</u>	<u>100</u>	<u>\$ 6,786,884</u>	<u>100</u>
Code	Liabilities and Equity						
	Current Liabilities (Note 4)						
2100	Short-term borrowings (Notes 15 and 29)	\$ 631,711	8	\$ 556,721	8	\$ 350,000	5
2110	Short-term notes payable (Note 15)	100,000	1	80,000	1	-	-
2150	Notes payable	-	-	-	-	174	-
2130	Contract liabilities – current (Note 20 and 28)	76,521	1	119,047	2	50,454	1
2170	Accounts payable (Notes 16)	104,147	1	62,120	1	66,117	1
2200	Other payables (Note 11 and 17)	303,230	4	147,741	2	290,238	4
2230	Current income tax liabilities (Notes 4 and 22)	107,959	1	142,844	2	192,795	3
2280	Lease liabilities – current (Notes 4 and 12)	3,247	-	5,009	-	7,403	-
2320	Long-term borrowings due within one year (Notes 15 and 29)	205,333	3	590,892	9	537,624	8
2365	Refund liabilities – current (Notes 4, 17, and 20)	20,381	-	22,639	-	15,946	-
2399	Other current liabilities (Notes 28)	6,191	-	13,183	-	12,312	-
21XX	Total current liabilities	<u>1,558,720</u>	<u>19</u>	<u>1,740,196</u>	<u>25</u>	<u>1,523,063</u>	<u>22</u>
	Non-current liabilities (Note 4)						
2540	Long-term borrowings (Notes 15 and 29)	4,055,987	48	2,496,307	37	2,717,161	40
2550	Non-current provisions (Notes 4 and 17)	791	-	791	-	791	-
2570	Deferred tax liabilities (Notes 3, 4, and 22)	256,274	3	91,050	1	87,813	1
2580	Lease liabilities – non-current (Notes 4 and 12)	3,514	-	6,761	-	6,424	-
2645	Guarantee deposits received	5,184	-	1,867	-	1,894	-
2650	Balance of investments accounted for using equity method (Notes 4 and 10)	94,632	1	121,566	2	174,154	3
25XX	Total non-current liabilities	<u>4,416,382</u>	<u>52</u>	<u>2,718,342</u>	<u>40</u>	<u>2,988,237</u>	<u>44</u>
2XXX	Total liabilities	<u>5,975,102</u>	<u>71</u>	<u>4,458,538</u>	<u>65</u>	<u>4,511,300</u>	<u>66</u>
	Equity (Notes 3, 4, 19, 22, and 24)						
3100	Share capital	821,813	10	821,813	12	740,334	11
3200	Capital reserves	78,385	1	364,036	5	71,485	1
	Retained earnings						
3310	Legal reserve	263,085	3	228,647	3	180,104	3
3350	Undistributed earnings	667,655	8	889,961	13	1,119,766	16
3300	Total retained earnings	930,740	11	1,118,608	16	1,299,870	19
3400	Other equity	979,741	11	308,275	5	302,216	5
3500	Treasure shares	(337,671)	(4)	(236,661)	(3)	(138,321)	(2)
3XXX	Total equity	<u>2,473,008</u>	<u>29</u>	<u>2,376,071</u>	<u>35</u>	<u>2,275,584</u>	<u>34</u>
	Total Liabilities and Equity	<u>\$ 8,448,110</u>	<u>100</u>	<u>\$ 6,834,609</u>	<u>100</u>	<u>\$ 6,786,884</u>	<u>100</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd.

Parent Company Only Statement of Comprehensive Income

January 1 through December 31, 2024 and 2023

Unit: NT\$ thousands, except earnings per share, which is expressed in NT\$1

Code		2024		2023 (After restatement)	
		Amount	%	Amount	%
	Operating revenue (Notes 4, 20, and 28)				
4100	Net sales revenue	\$ 2,243,453	100	\$ 1,937,419	100
4800	Other operating revenue	<u>4,037</u>	<u>-</u>	<u>5,671</u>	<u>-</u>
4000	Total operating revenue	2,247,490	100	1,885,068	100
5000	Operating costs (Notes 4, 9, 11, 21, and 28)	<u>1,181,761</u>	<u>52</u>	<u>1,169,124</u>	<u>62</u>
5900	Gross profit	1,065,729	48	715,944	38
5910	Unrealized gains on transactions with subsidiaries (Note 4)	(14,523)	(21)	-	-
5920	Realized gains on transactions with subsidiaries (Note 4)	<u>-</u>	<u>-</u>	<u>41,632</u>	<u>2</u>
5950	Realized gross profit	<u>1,051,206</u>	<u>47</u>	<u>757,576</u>	<u>40</u>
	Operating expenses (Notes 3, 4, 8, 12, 21, and 28)				
6100	Selling expenses	474,686	21	374,728	20
6200	Administration expenses	139,305	6	374,728	4
6300	Research and development expenditure	9,775	-	12,802	-
6450	Expected credit impairment loss	<u>11,745</u>	<u>1</u>	<u>4,237</u>	<u>-</u>
6000	Total operating expenses	<u>635,511</u>	<u>28</u>	<u>464,768</u>	<u>24</u>
6900	Operating profit	<u>415,695</u>	<u>19</u>	<u>292,808</u>	<u>16</u>
	Non-operating income and expenditure				
7100	Interest income (Note 4)	737	-	582	-
7190	Other income (Notes 4, 21, and 28)	41,655	2	39,116	2
7020	Other gains and losses (Notes 3, 4, 13, and 21)	27,255	1	(11,230)	-
7230	Net foreign exchange gains (Notes 4, 21 and 30)	17,723	1	-	-
7630	Net foreign exchange losses (Notes 4, 21, and 30)	-	-	(152)	-
7050	Financial costs (Notes 4 and 21)	(70,073)	(3)	(58,796)	-
7070	Share of profits in subsidiaries accounted for using the equity method (Note 4)	37,254	1	26,402	1

(Continued)

(Continued)

Code		2024		2023 (After restatement)	
		Amount	%	Amount	%
7000	Total non-operating income and expenditures	<u>54,551</u>	<u>2</u>	<u>(4,078)</u>	<u>-</u>
7900	Profit before tax	470,246	21	288,730	16
7950	Income tax expense (Notes 3, 4, and 22)	<u>83,872</u>	<u>4</u>	<u>51,658</u>	<u>3</u>
8200	Net profit in the current year	<u>386,374</u>	<u>17</u>	<u>237,072</u>	<u>13</u>
8300	Other comprehensive income (Notes 3, 4, 11, 19, and 22)				
8310	Items that will not be reclassified to profit or loss				
8312	Revaluation surplus of property	837,572	37	6,018	-
8349	Income tax relating to items that will not be reclassified to profit or loss	<u>(167,514)</u>	<u>7</u>	<u>(1,204)</u>	<u>-</u>
		<u>670,058</u>	<u>30</u>	<u>4,814</u>	<u>-</u>
8360	Items that might subsequently be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,760	-	1,556	-
8399	Other components of other comprehensive income that will be reclassified to profit or loss	<u>(352)</u>	<u>-</u>	<u>(311)</u>	<u>-</u>
		<u>1,408</u>	<u>-</u>	<u>1,245</u>	<u>-</u>
	Other comprehensive income (Net after tax)	<u>671,466</u>	<u>30</u>	<u>6,059</u>	<u>-</u>
8500	Total comprehensive income for the year	<u>\$ 1,057,840</u>	<u>47</u>	<u>\$ 243,131</u>	<u>13</u>
	Earnings per share (Note 3 and 23)				
9710	Basic	<u>\$ 4.93</u>		<u>\$ 3.35</u>	
9810	Diluted	<u>\$ 4.92</u>		<u>\$ 3.06</u>	

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1 through December 31, 2024 and 2023

Unit: In NT\$ thousands

Code		Share capital (Notes 4, and 19)		Capital reserves (Notes 4, 19, and 24)	Retained earnings (Notes 3, 4 and 19)		Other equity interest (Notes 3, 4, 19 and 22)		Treasury shares (Notes 4 and 19)	Total equity
		Number of shares (in thousands)	Amount		Legal reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Revaluation surplus of property		
A1	Balance as of January 1, 2023	74,034	\$ 740,334	\$ 71,485	\$ 180,104	\$ 1,115,420	\$ 9,894	\$ -	(\$ 138,321)	\$ 1,978,916
A3	Retrospective Application and Effects of Retrospective Restatement	-	-	-	-	4,346	-	292,322	-	296,668
A5	Restated Balance as of January 1, 2023	74,034	740,334	71,485	180,104	1,119,766	9,894	292,322	(138,321)	2,275,584
	Earnings distribution									
B1	Provision of legal reserve	-	-	-	48,543	(48,543)	-	-	-	-
B5	Shareholder cash dividend	-	-	-	-	(418,334)	-	-	-	(418,334)
I1	Conversion of corporate bonds into common shares	8,147	81,479	215,786	-	-	-	-	-	297,265
L1	Treasury stock	-	-	-	-	-	-	-	(136,455)	(136,455)
M7	Changes in ownership interests in subsidiaries	-	-	2,180	-	-	-	-	-	2,180
N1	Treasure shares transferred to employees	-	-	74,585	-	-	-	-	38,115	112,700
D1	Net profit for 2023	-	-	-	-	237,072	-	-	-	237,072
D3	Other comprehensive income (loss) after tax for 2023	-	-	-	-	-	1,245	4,814	-	6,059
D5	Total comprehensive income for 2023	-	-	-	-	237,072	1,245	4,814	-	243,131
Z1	Restated Balance as of December 31, 2023	82,181	821,813	364,036	228,647	889,961	11,139	297,136	(236,661)	2,376,071
	Earnings distribution									
B1	Provision of legal reserve	-	-	-	34,438	(34,438)	-	-	-	-
B5	Shareholder cash dividend	-	-	-	-	(574,242)	-	-	-	(574,242)
	Changes in other capital reserves :									
C15	Distribution of cash dividends from capital surplus	-	-	(361,483)	-	-	-	-	-	(361,483)
C17	The change in other capital reserves	-	-	10,021	-	-	-	-	-	10,021
L1	Treasury stock	-	-	-	-	-	-	-	(132,154)	(132,154)
N1	Treasure shares transferred to employees	-	-	65,811	-	-	-	-	31,144	96,955
D1	Net profit for 2024	-	-	-	-	386,374	-	-	-	386,374
D3	Other comprehensive income (loss) after tax for 2024	-	-	-	-	-	1,408	670,058	-	671,466
D5	Total comprehensive income for 2024	-	-	-	-	386,374	1,408	670,058	-	1,057,840
Z1	Balance as of December 31, 2024	82,181	\$ 821,813	\$ 78,385	\$ 263,085	\$ 667,655	\$ 12,547	\$ 967,194	(\$ 337,671)	\$ 2,473,008

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Keding Enterprises Co., Ltd.
Parent Company Only Statement of Cash Flow
January 1 through December 31, 2024 and 2023

Unit: In NT\$ thousands

Code		2024	2023 (After restatement)
	Cash flow from operating activities		
A00010	Profit before tax	\$ 470,246	\$ 288,730
A20010	Income and Expenses		
A20100	Depreciation	91,731	94,769
A20200	Amortization	2,799	1,464
A20300	Expected credit impairment loss	11,745	4,237
A20900	Financial cost	70,073	58,796
A21200	Interest Incomes	(737)	(582)
A21900	Share-based remuneration cost	68,395	61,878
A22400	Share of profits in subsidiaries recognized by equity method	(37,254)	(26,402)
A22500	Loss (gain) on disposal of property, plant, and equipment	8,533	488
A22600	he amount reclassified as expenses for property, plant, and equipment.	226	-
A22900	Gains on disposal of interests in lease agreement	-	(72)
A23700	Impairment loss on non-financial assets	-	39,942
A23800	Inventory depreciation (recovery gains) and obsolescence loss	8,744	11,526
A23900	Unrealized gains on disposal of inventory and obsolescence loss	14,526	9,869
A24000	Realized gains from transaction with subsidiaries	-	(41,698)
A24600	Fair value adjustment (gain) or loss on investment property.	(29,200)	7,000
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	3,647	4,325
A31150	Accounts receivable	6,854	(56,360)
A31160	Accounts receivable – related parties	(61,057)	(246,458)
A31180	Other receivables	7,361	6,024
A31200	Inventory	(188,737)	64,390
A31230	Prepayments	23,783	38,177
A31990	Rights to the products to be returned	1,413	(2,431)
A31240	Other current assets	(9,547)	(4,829)
A32125	Contract liabilities	(42,526)	68,593
A32130	Notes payable		(174)
A32150	Accounts payable	42,027	(3,997)
A32180	Other payables	12,250	(548)

(Continued)

(Continued)

Code		2024	2023 (After restatement)
A32200	Current refund liabilities	(2,258)	6,693
A32230	Other current liabilities	(6,992)	871
A33000	Cash generated from operations	466,489	867,268
A33100	Interest received	737	582
A33500	Income taxes paid	(125,000)	(104,164)
AAAA	Net cash inflow from operating activities	<u>342,226</u>	<u>763,686</u>
Cash Flow from Investing Activities			
B00040	Acquisition of financial assets at amortized cost	(2,273)	(7,350)
B01800	Long-term equity investment using the equity method acquired	(3,115)	(14,140)
B02700	Acquisition of property, plant, and equipment	(612,526)	(488,561)
B02800	Proceeds from disposal of property, plant, and equipment	1,633	57
B03700	Guarantee deposits paid	(3,925)	(91)
B04500	Acquisition of intangible assets	(5,309)	(692)
B05500	Proceeds from the disposal of investment property.		19,524
B05800	Other account receivable – related parties	59,667	(95,313)
B07100	Increase in prepayments for business facilities	(10,409)	(8,937)
B07600	Dividends received from subsidiaries.	<u>73,348</u>	<u>-</u>
BBBB	Net cash outflow from investing activities	(<u>502,909</u>)	(<u>595,503</u>)
Cash Flow from Financing Activities			
C00100	Increase in short-term borrowings	539,663	532,870
C00200	Decrease in short-term borrowings	(464,673)	(326,149)
C00500	Increase in short-term bills payable	20,000	80,000
C01600	Increase in long-term borrowing	2,618,625	974,590
C01700	Repayment of long-term borrowings	(1,444,504)	(848,026)
C03000	Increase in guarantee deposits received	3,317	
C03100	decrease in guarantee deposits received	-	(27)
C04020	Repayment of principal of lease liabilities	(5,009)	(7,920)
C04500	Cash dividends distributed	(935,725)	(418,334)
C04900	Treasury Stock acquired	(132,154)	(136,455)
C05100	Treasury shares acquired by employees	28,560	35,657
C05600	Interest paid	68,561	(55,671)
C09900	Proceeds from the disposal of employee stock ownership trust.	<u>9,383</u>	<u>-</u>
CCCC	Net cash outflow from investing activities	<u>168,922</u>	(<u>169,465</u>)

(Continued)

(Continued)

Code		2024	2023 (After restatement)
EEEE	Net (decrease) increase in cash	8,239	(1,282)
E00100	Cash balance, beginning	<u>34,330</u>	<u>35,612</u>
E00200	Cash balance, ending	<u>\$ 42,569</u>	<u>\$ 34,330</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements

Chairman: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Keding Enterprises Co., Ltd.

2024 Distribution of Earnings Statement

Unit: In NT\$ thousands

Item	Amount	
	Subtotal	Total
Initial undistributed earnings		645,779,726
Add: Net of tax earnings from current period	386,374,140	
Less: Impact of accounting policy changes	(7,185,953)	
Less: Special surplus reserve	(21,024,000)	
Less: Provision of legal reserve(10%)	(37,918,819)	
Earnings available for distribution		966,025,094
Distribution items:		
Less: Cash dividend for the first half of 2024 is NT\$4.35 per share		338,161,809
Less: Cash dividend in the second half of 2024 is NT\$3 per share		235,673,451
Undistributed earnings at the year end		392,189,834

Chairman of the Board: Tsao, Hsien-Chang

Manager: Tsao, Hsien-Chang

Accounting Manager: Lin, Mei-Wen

Appendix 9

Amendments and Comparison of “Articles of Association”

Amendment item	Before amendment	After amendment	Explanation
Article 19	If the Company makes a profit in the current year, it shall allocate no less than 2% as employee remuneration, which shall be distributed in the form of stock or cash by resolution of the Board of Directors. The recipients of the distribution may include employees of the controlling or subordinate companies who meet certain conditions, which are authorized to be determined by the Board of Directors. The Company may allocate no more than 2% of the above profit amount for director remuneration by resolution of the Board of Directors. However, if the company still has accumulated losses, they should be made up. The profit for the current year referred to in the first paragraph refers to the pre-tax profit for the current year before deducting the distribution of employee remuneration and directors' remuneration.	If the Company makes a profit in the current year, it shall allocate not less than 2% as employee remuneration <u>(item 1)</u>, and shall <u>allocate not less than 1% as basic employee remuneration (item 2)</u>, which shall be distributed in the form of stock or cash by resolution of the Board of Directors. The recipients of the distribution may include employees of the controlling or subordinate companies who meet certain conditions, which are authorized to be determined by the Board of Directors. The Company may allocate not more than 2% of the above profit amount for director remuneration by resolution of the Board of Directors. However, if the company still has accumulated losses, they should be made up. The profit for the current year referred to in the first and <u>second</u> paragraphs refers to the pre-tax profit for the current year before deducting the distribution of employee remuneration and directors' remuneration.	Cooperate with legislative amendments
Article 22		The 19th amendment was made on June 25, 2025.	Add to mark the number and the date of the amendment.

Rules of Procedure for Shareholder Meetings

Revised on June 25, 2024

Article I Purpose and Source of Law

To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, the following rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article II The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of association, shall be as provided in these Rules.**Article III Convening shareholders meetings and meeting notices.**

- I. Unless otherwise provided by law, the company's shareholders' meeting shall be convened by the board of directors. When a company convenes a video meeting of shareholders, unless otherwise provided for by the stock management standards for companies that issue shares to the public, it should be stated in the articles of association and approved by the board of directors, and the video meeting of shareholders should be approved by the board of directors with the attendance and attendance of more than two-thirds of the directors. The resolution shall be carried out if approved by more than half of the directors. Changes in the method of convening the company's shareholders' meeting shall be subject to resolution by the board of directors, and shall be made no later than before the notice of the shareholders' meeting is sent. The company shall, thirty days before the regular shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the form of proxy, the cause of each proposal, including the recognition proposal, discussion proposal, election or removal of directors, etc. The explanatory information is made into an electronic file and sent to the Public Information Observatory. And twenty-one days before the regular shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, the shareholders' meeting manual and meeting supplementary materials will be prepared as electronic files and sent to

the public information observation station. Fifteen days before the shareholders' meeting, the proceedings manual and meeting supplementary materials for the current shareholders' meeting shall be prepared for shareholders to request at any time, and shall be displayed in the company and the professional stock agency appointed by the company. The proceedings manual and meeting supplements mentioned in the preceding paragraph shall be prepared. Information, the company shall provide it to shareholders for reference on the day of the shareholders' meeting in the following ways:

1. When a physical shareholders' meeting is held, the certificates should be distributed at the shareholders' meeting site.
 2. When convening a video-assisted shareholders' meeting, it should be distributed on-site at the shareholders' meeting and transmitted to the video conference as an electronic file. Conference platform.
 3. When convening a video shareholder meeting, electronic files should be sent to the video conferencing platform.
- II. The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- II. The notice shall state the reason for the convening; the notice may be made electronically if the counterparty agrees.
- III. Election or dismissal of directors or supervisors, amendments to the articles of association, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. The content of the notice may be placed on the website designated by the securities authority or the Company, and the website address shall be shown in the notice.
- IV. A shareholder holding one percent or more of the total number of issued shares may

submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, and the board of directors shall include it in the proposals. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors shall include it in the proposals.

- V. Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- VI. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. A shareholder making a proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.
- VII. Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article IV Appointing a proxy for attending the shareholders meeting and the scope of authorization

- I. For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- II. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company no later than five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- III. If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the company at least two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- IV. After a proxy form has been delivered to the Company, if the shareholder intends to

attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company no later than two business days before the meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article V Principles determining the time and place of a shareholders meeting

- I. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders 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.
- II. The restrictions shall not apply when the Company convenes a virtual-only shareholders meeting.

Article VI Preparation of documents such as the attendance book

- I. The Company shall specify in its shareholders' meeting notice the time during which attendance registration for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
- II. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall begin 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel shall be assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed to have attended the shareholders meeting in person.
- III. Shareholders shall attend shareholders meetings based on 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 attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- IV. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
- V. The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

- VI. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- VII. In event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company at least two days before the meeting date.
In the event of a virtual shareholders' meeting, the Company 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.

Article VI-1 To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders' meeting notice:

- I. How shareholders attend the virtual meeting and exercise their rights.
- II. 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:
 - 1. 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.
 - 2. Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - 3. In case of a hybrid 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 shareholders' 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 to be abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting.
 - 4. Actions to be taken if the outcome of all proposals has been announced and extraordinary motions have not been carried out.
- III. 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.

Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of the Standards for Handling Stock Affairs of Companies with Public Issuance of Stocks, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted. matter

Article VII The chair and non-voting participants of a shareholders' meeting

- I. If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- II. When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.
- III. It is advisable that shareholders' meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
- IV. If a shareholders' meeting is convened by a party other than the board of directors but with the power to convene, 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.
- V. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article VIII Documentation of a shareholders meeting by audio or video

- I. The company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure,

the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained 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.

- II. Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
- III. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

Article IX Calculation of the number attendance and calling the meeting

- I. 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.
- II. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. 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. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.
- III. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

- IV. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article X Discussion of proposals

- I. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
- II. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.
- III. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
- IV. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary 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, call for a vote.

Article XI Shareholder speech

- I. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
- II. 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 content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- III. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may

terminate the speech.

- IV. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- V. 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.
- VI. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- VII. Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing on the virtual meeting platform beginning when the chair declares the meeting open until when the chair declares the meeting adjourned. No more than two questions on the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

Article XII Calculation of voting shares and recusal system

- I. With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- II. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
- III. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article XIII Proposal Voting

- I. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

- II. When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence (under Article 177, paragraph 1 of the Company Act When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence.). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. But they shall be deemed to be waiving their rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the company avoid the submission of extraordinary motions and amendments to original proposals.
- III. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
- IV. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, no later than two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
- V. Except as otherwise provided in the Company Act and in the Company's articles of association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders.
- VI. At the conclusion of the vote, if there are no objections from shareholders present, the proposal shall be deemed to have been passed and shall have the same effect as having been passed by vote; if there are objections, a vote shall be taken in accordance with

the preceding paragraph.

- VII. 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.
- VIII. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.
- IX. 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 a record made of the vote.
- X. When the Company 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.
- XI. In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session closed, and results of votes and elections shall be announced immediately.
- XII. When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration at least 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.
- XIII. 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.

Article XIV Election Matters

- I. The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

- II. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody 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.

Article XV Meeting minutes and the signing of the minutes

- I. 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 after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
- II. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- III. 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. The minutes shall be retained for the duration of the existence of the Company.
- IV. 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 disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.
- V. When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article XVI Public disclosure

- I. On the day of a shareholders' meeting, the Company 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, the Company 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.

- II. During the Company's virtual 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 if the total number of shares and voting rights represented at the meeting are counted separately.
- III. 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, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article XVII Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

- I. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- II. 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 the Company, the chair may prevent the shareholder from so doing.
- III. When a shareholder violates the 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.

Article XVIII Recess and resumption of a shareholders' meeting

- I. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- II. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
- III. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article XIX Disclosure of information at virtual meetings

In the event of a virtual shareholders' meeting, the Company 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.

Article XX Location of the chair and secretary of virtual-only shareholders' meeting

When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article XXI Handling of disconnection

- I. If a shareholders' meeting is held by video conferencing, the Company may provide shareholders with a simple connection test before the meeting and provide relevant services in real time before and during the meeting to assist in resolving technical problems in communications.
- II. If the virtual meeting platform or participation in the virtual meeting is obstructed, in the event of a virtual shareholders' meeting, due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more 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.
- III. 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.
- IV. 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, 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.
- V. During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals or elections for which votes have been cast and counted and results have been announced.
- VI. When the Company 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 shareholders' meeting, then the shareholders' meeting shall continue, and no postponement or resumption thereof under the second paragraph is required.

- VII. 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 to be abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting.
- VIII. When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original 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.
- IX. 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, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article XXII Handling of digital divide

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article XXIII The stipulation of these rules shall be approved by the Board meeting and take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Article Association of Keding Enterprises Co., Ltd.**Section I General Provision**

- Article 1: The Company is incorporated under the Company Law of the Republic of China, and its name is 科定企業股份有限公司 in the Chinese language, and Keding Enterprises Co., Ltd. in the English language.
- Article 2: Business scopes covered by the Company are as below:
1. C501010 Sawmilling and Planing of Wood
 2. C501030 Plywood Manufacturing
 3. C501040 Manufacture of Wood-based Panels
 4. C501990 Other wood products manufacturing
 5. C805010 Plastic leather, cloth, board, pipe manufacturing industry
 6. C805070 Strengthening the plastic products manufacturing industry
 7. C805990 Other plastic products manufacturing
 8. CN01010 Furniture and furnishings manufacturing
 9. E801010 Indoor Decoration
 10. E901010 Painting Engineering
 11. EZ99990 Other Engineering
 12. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures
 13. F106010 Wholesale of Hardware
 14. F107190 Wholesale of Plastic Films and Bags
 15. F111090 Wholesale of Building Materials
 16. F120010 Wholesale of Refractory Materials
 17. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures
 18. F206010 Retail of Hardware
 19. F207190 Retail Sale of Plastic Films and Bags
 20. F211010 Retail Sale of Building Materials
 21. F399040 Retail Sale No Storefront
 22. F401010 International trade industry
 23. H701010 Housing and Building Development and Rental
 24. H701020 Industrial plant development, leasing and sales
 25. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval
- Article 2-1: The Company may, upon a resolution of its Board of Directors, act as a guarantor when the Company deems it necessary.
- Article 3: The Company shall have its head office in New Taipei City, Taiwan, Republic of China, and, if necessary, may set up branches in and out of this country upon a resolution of its Board of Directors.
- Article 3-1: The Company shall not be a shareholder of unlimited liability of another entity or a partner in a partnership. When the Company becomes a shareholder of limited liability in other companies, the total amount of its investment is not subject to the restriction that its investment shall not exceed 40% of its own paid-in capital as provided in Article 13 of the Company Act.
- Article 4: Public notices of the Company shall be made in accordance with Article 28 of the Company Act.

Section II Shares

- Article 5: Total registered capital is NT\$ 1,000 million, divided into 100 million shares at NT\$10 per share. Shares not yet issued will be issued in batches through the authorization of the Board. An amount of NT\$50 million, or five million shares at a par value of NT\$10 per share, shall be reserved from the capital in the preceding paragraph for issuing employee stock options, preferred shares with equity warrants or corporate bonds with equity warrants. The Board of Directors is authorized to conduct the issuance in installments.
- Through a resolution from more than two third of shareholders attending a shareholders meeting attended by majority of shareholders, the Company has transferred treasury shares to employees at a price lower than the average buyback prices or issued employee stock options with an exercise price lower than the market closing price on the date of issuance.
- Article 5-1: The Company, pursuant to laws, shall issue employee stock options, new shares reserved for subscription by employees and restricted stock awards. Recipients can be the employees of the controlled entities of the Company or the Company's subsidiaries who fulfill specific requirements.
- Article 6: The Company may issue shares without printing share certificates but the issuance must be registered with a centralized securities depository agency.
- Article 7: Registration for transfer of shares shall be suspended 60 days before the date of the regular shareholders' meeting, 30 days before a special shareholders' meeting, or 5 days before the record day for the distribution of dividends, interest and bonuses or any other benefits as scheduled by the Company.

Section III Shareholders Meeting

- Article 8: Shareholders' meetings of the Company are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened once a year by the Board of Directors in accordance with laws and within six months after the close of each fiscal year.
- All shareholders shall receive notice, in correspondence or electronic means, for the convening of shareholders' meetings, no later than 30 days in advance, in the case of regular meetings; and no later than 15 days in advance, in the case of special meetings. The above notice given to shareholders who own less than 1,000 shares may be given in the form of a public announcement.
- Article 8-1: The shareholders meeting shall be chaired by the Chairman. When the Chairman of the board is on leave, the Chairman shall appoint one of the directors to act as chair; if the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.
- Article 9: In case a shareholder is unable to attend a shareholders meeting, they may issue proxy

printed by the Company setting forth the scope of authorization by signing or affixing their seal on the proxy form for the representative to be present on their behalf. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting

Article 10: Unless otherwise provided in the Laws, a shareholder of the Company shall have one vote for each share they hold.

When the Company holds a shareholders' meeting, it may adopt the exercise of voting rights by electronic means. The method of exercise shall be specified in the shareholders meeting notice.

Article 11: Unless otherwise provided in other laws, resolutions shall be adopted at a meeting attended by shareholders holding and representing a majority of the total number of issued shares and at which meeting a majority of the shareholders shall vote in favor of the resolution.

Article 11-1: 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 after the conclusion of the meeting, and may be given in the form of a public announcement.

Section IV Directors and Committees

Article 12: The Company shall have seven to nine directors who are to be elected at a shareholders' meeting through the nominating system from persons of legal capacity to serve a term of three years. A director may be re-elected. The Company may obtain directors liability insurance with respect to liabilities resulting from directors exercising their duties during their terms of office.

When the number of directors falls short by one-third of the total number prescribed by the Articles of Association, the company shall convene a special shareholders meeting to hold a by-election for directors to serve the remaining term of the predecessors pursuant to Article 201 of the Company Act.

At least two directors or one-fifth of all directors of the director quorum above, whichever is higher, shall be independent directors.

The qualifications, the limitations on shareholding and other positions concurrently being served, collectively, the methods of independence verification, and the nomination and election of independent directors and other related matters shall be subject to the applicable laws.

In the case that the total number of directors fall under five due to vacancies, then the Board of Directors shall convene a shareholders' meeting to elect new Directors to fill such vacancies in accordance with Securities and Exchange Act.

Article 12-1: In compliance with Securities and Exchange Act, the Company shall establish an Audit Committee, which shall consist of all independent directors. The

responsibilities and other compliant matters of the Audit Committee shall be executed in accordance with the Company Act, the Securities and Exchange Act and other relevant regulations.

Article 13: The Board of Directors shall be organized by directors. The Chairman of the Board shall be elected by the majority of directors present at a meeting attended by more than two thirds of directors. The directors may also elect a vice Chairman of the Board whenever they may deem necessary. The Chairman of the Board shall internally be the Chairman of the meeting of shareholders, Board of Directors and managing directors' meeting and externally represent the Company.

Article 14: In the case the Chairman of the Board of Directors is on leave or unable to perform his duties, a designated director shall act for him according to Article 208 of the Company Act.

Article 14-1: Other than specified in the Company Act, the resolution of the board of directors shall be adopted by a majority of the directors present at the meeting attended by more than half of the directors. A director may, by written authorization, appoint another director to attend on his behalf any meeting of the Board of Directors, but no director may act as proxy for more than one other director.

Article 14-2: In calling a meeting of the board of directors, a notice shall be given to each director no later than 7 days prior to the scheduled meeting date. In the case of emergency, a meeting of the board of directors may be convened at any time. The notice set forth in the preceding three Paragraphs may be effected by means of correspondence, electronically or by fax.

Article 15: Compensation to directors conducting duties is payable by the Company irrespective of whether the Company operates at a profit or loss. The compensation is, through the authorization of the Board of Directors, based on business participation and contribution and with the reference to industry standards. When the Company is operating at a profit, profit sharing will be implemented according to Article 19 of this Articles of Association.

Section V Management of the Company

Article 16: The Company may have one General Manager and several managers, whose appointments, discharge, and remunerations shall be subject to provisions in Article 29 of the Company Act.

Section VI Accounting

Article 17: After the close of each fiscal year, the following reports shall be prepared by the

Board of Directors for the Audit Committee's review at least 30 days before the regular shareholders' meeting, and submitted to the meeting for acceptance.

(1) Business Report; (2) Financial Statements; and (3) Proposal Concerning the Distribution of Earnings or Covering of Losses.

Article 18: The distribution of earnings or the covering of losses may be made on a semi-annual basis. After making the final account settlement, the Company shall allocate the net profit, if any, according to the following sequence: payment of taxes; covering loss; estimating and reserving employee compensation; and setting aside 10% for legal reserve. No dividends or bonuses will be distributed, except when accumulated legal reserve has reached the Company's paid-in capital. A legal reserve shall be reserved or reversed according to the laws or regulations. If there is a remaining balance, together with the accumulated undistributed earnings, the company shall distribute, in cash, according to a resolution by the Board of Directors attended by two third of directors, all or a portion of the dividends and bonuses, or all or a portion of the legal reserve, premiums from the share issuance in excess of par, or capital surplus from donations, based on the shareholding percentage. The distribution shall be made after reporting to the shareholders' meeting. When distributed in new shares, the distribution shall be allocated after the resolution from the shareholders' meeting.

Article 19: When there are earnings in the year, the Company shall allocate no less than 2% of profit as employees' compensation in either shares or cash according to the resolution by the Board of Directors. The recipients include employees of the controlled entities of the Company or the Company's subsidiaries who fulfill specific requirements, based on the Board's decision. From the earnings above, no less than 2% of profit shall be allocated as directors' compensation. However, if the Company is still in deficit, an amount equal to such deficit shall be reserved in the first place.

The term "annual earnings" mentioned in paragraph 1 means the pre-tax profits in the current year inclusive of employee compensation and director compensation.

Distribution of employee compensation and director compensation may be made by a majority vote at a Board of Directors meeting attended by at least two thirds of directors, and must be reported at the Shareholders' Meeting.

Article 20: The Company's dividend distribution policy must consider current and future investment environment, capital needs, state of competition at home and abroad, and capital budgets, taking into account shareholders' interests and the Company's long-term financial planning, and must stipulate that no less than 10% of earnings in any given year be distributed as shareholder bonuses. If the Company is in deficit in the current year or has earnings in previous years, the earnings in previous years may be distributed. However, if the accumulated distributable earnings in the current year (i.e. distributable earnings plus undistributed earnings in previous years) are less than

10% of the Company's paid-in capital, the Company may elect not to distribute dividends or bonuses to shareholders. Dividends or bonuses to be distributed to shareholders may be distributed in cash or in shares, but the cash dividends must constitute at least 20% of total dividends distributed.

The said distribution percentage may be adjusted through a resolution adopted by the Shareholders' Meeting depending on the profits and fund position in the given year.

Section VII Supplementary Provisions

Article 21: For matters not provided for in these Articles of Association, the Company Act, Securities and other Laws shall govern.

Article 22: The Articles of Association was established on July 5, 2002
The 1st amendment to Articles of Association was made on August 25, 2002.
The 2nd amendment was made on June 12, 2005.
The 3rd amendment was made on September 25, 2008.
The 4th amendment was made on August 05, 2009.
The 5th amendment was made on June 29, 2010.
The 6th amendment was made on June 26, 2013.
The 7th amendment was made on September 05, 2013.
The 8th amendment was made on October 03, 2013.
The 9th amendment was made on May 15, 2014.
The 10th amendment was made on June 13, 2015.
The 11th amendment was made on June 18, 2016.
The 12th amendment was made on June 10, 2017.
The 13th amendment was made on December 28, 2017.
The 14th amendment was made on June 18, 2019.
The 15th amendment was made on June 23, 2020.
The 16th amendment was made on July 28, 2021.
The 17th amendment was made on June 30, 2022.
The 18th amendment was made on June 28, 2023.
The 19th amendment was made on June 25, 2024.

Chairman of the Board: Tsao, Hsien-Chang

Attachment 3

Shareholding by the Board Members

Total paid-in capital of the Company is NT\$821,813,470, or 82,181,347 shares. According to Article 26 under the Security Act, total shareholding by the directors shall be 6,574,507 shares or more.

As of the book closure date for this shareholders' meeting, total numbers of share held by the directors are 18,265,566, or 22.23% of total capital of the Company. Shareholding by individual director

Book closure date: April 27, 2025

Title	Name	Shareholding	Shareholding percentage (%)
Chairman of the Board	Zhou Ding Investment Co., Ltd. (Representative: Tsao, Hsien-Chang)		
Director	Zhou Ding Investment Co., Ltd. (Representative: Cai, Sheng-hang)	16,218,6666	19.74%
Director	Zhou Ding Investment Co., Ltd. (Representative: Tsao, Ya-Lin)		
Director	Huang, Tien-Hua	2,047,000	2.49%
Independent Director	Cheng, Hung-Hui	0	0%
Independent Director	Yang, Hao-Ming	0	0%
Independent Director	Liu, Ting-Hsuan	0	0%
Independent Director	Luo, Shu-zhen	0	0%
Total		18,265,666	22.23%