



Stock Code: 1568

# **Tsang Yow Industrial Co., Ltd.**

## **2025 General Shareholders' Meeting Meeting Handbook**

Date: May 27, 2025

Form of Shareholders' Meeting: Physical

Address: No. 18, Zhongshan Rd., Fule Village, Minxiong Township, Chiayi County  
(the Company's Zhongshan Plant).

This meeting agenda of English version is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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## **Chapter One. Meeting Agenda**

Time and Date: 9:00 a.m., May 27, 2025 (Tuesday)

Location: No. 18, Zhongshan Rd., Fule Village, Minxiong Township, Chiayi County (the Company's Zhongshan Plant)

### **Meeting Procedure:**

**Report on the Number of Shares Represented by Shareholders Present**

**Call the Meeting to Order**

**Chair's Remarks**

### **Reports**

**(I) The Company's 2024 Business Report.**

**(II) The Audit Committee's Review Report on the Company's 2024 Business Report, financial statements, and earnings distribution proposal**

**(III) Report on the Company's distribution of 2024 employee remuneration and director remuneration.**

**(IV) Report on the Company's 2024 earnings distribution.**

**(V). The 2024 remuneration report to directors.**

**(VI) Amendment to the Company's "Procedure for Board of Directors Meetings."**

### **Proposals**

**(I) The Company's 2024 Business Report and Financial Statements.**

**(II). Statement of Earnings Distribution 2024.**

### **Discussion**

**(I) Revisions to the Company's "Articles of Incorporation."**

### **Questions and Motions**

### **Adjournment**



## Chapter Two. Reports

### Proposal 1:

Brief: The Company's 2024 Business Report is submitted for review.

Note: Please refer to Attachment 1 on page 4 of this Handbook for the Business Report.

### Proposal 2:

Brief: The Audit Committee's Review Report on the Company's 2024 Business Report, financial statements, and earnings distribution proposal is submitted for review.

Note: The Board of Directors prepared and submitted the Company's 2022 parent company only financial statements and consolidated financial statements, which have been audited by CHEN, XIU-WEN and CHEN, ZHEN-LI CPAs at Deloitte & Touche, as well as the 2024 Business Report and Statement of Earnings Distribution to the Audit Committee. We have reviewed the above documents and confirmed that they are in compliance with the Company Act. We hereby submit them to the 2025 Annual General Shareholders' Meeting for review in accordance with Article 219 of the Company Act. Please refer to Attachment 2 on page 5 of this Handbook for the Audit Committee's Review Report.

### Proposal 3:

Brief: The Company's distribution of 2024 employee remuneration and director remuneration is submitted for review.

Notes: 1. As per Article 31 of the Articles of Incorporation, the Company shall provide no less than 3% of the balance of the year's profit (that is, the pre-tax income with the employee remuneration and director remuneration note yet deducted), less the cumulative deficit, if any, for employee remuneration and no greater than 5% for director remuneration.

2. As reviewed by the Remuneration Committee and approved by the Board of Directors on February 24, 2025, it is proposed to appropriate 2% or TWD 4,492,837 as remuneration to directors and 4% or TWD 8,985,673 to employees as remuneration, both in cash.

3. There is no difference between the above amounts to be paid out and the amounts of employee remuneration and director remuneration accounted for under expenses for 2024.

### Proposal 4:

Cause of action: The Company's 2024 Statement of Earnings Distribution is submitted for review.

Description: 1. As per Article 31-1 of the Articles of Incorporation, the Board of Directors is delegated to resolve a decision to distribute all or part of the dividends and bonuses that should be distributed in cash and report to the shareholders' meeting.

2. It is to provide a shareholder bonus of TWD 123,703,871 for cash dividends and distribute it in proportion to the number of shares held by shareholders listed in the shareholder register on the dividend distribution record date, with TWD 1.2 allotted per share. Said amount will be rounded down to TWD 1, and the total amount less than TWD 1 will be transferred to other income.

3. The Board of Directors has approved this proposal and resolved to determine another ex-dividend record date, payout date, and other related matters. If the number of issued shares is affected by a capital increase, the issuance of new shares, the repurchase of the Company's shares, or the transfer or cancellation of treasury shares, resulting in a change in the payout ratio, the Board of Directors is also



delegated to handle and adjust it at its sole discretion.

#### Proposal 5

Brief: The Company's 2024 Remuneration Report to Directors is submitted for review.

Description: 1. The policies, standards, and structure of remuneration for general and independent directors, the procedures for determining such remuneration, and its relevance to business performance and potential future risks:

Director compensation policy, standards, and structure; the procedures to make such policy; and the correlation with the operational result, as well as future risks, are based on Article 23 in the Company's Article of Incorporation. (Remuneration paid to directors is resolved by the Board of Directors according to individual directors' involvement and contribution to the business operation with reference to the industry market rate, not overriding the salary rules and standards of the Company. Directors are also entitled to travel allowance based on actual attendance at the meeting.) and in accordance with Article 31 of the Company's Articles of Incorporation, which stipulates that directors' remuneration shall not exceed 5%, the remuneration is granted based on the "Director Remuneration Payment Guidelines" approved by both the Compensation Committee and the Board of Directors. The principles for directors' remuneration are based on the level of participation in the Company's operations and performance evaluations. Key assessment criteria include: participation in the Company's operations (40%), election and continuous education of directors (20%), internal control (20%), and understanding of the Company and awareness of responsibilities (20%). These factors are taken into account when determining remuneration. The payment system shall be reviewed and adjusted as necessary in accordance with relevant laws and the Company's operational status.

2. Please refer to Attachment 3 on page 6 of this handbook for the remuneration to directors.

#### Proposal 6:

Brief: Amendment to the "Rules of Procedure for Board of Directors Meetings," submitted for review.

Description: 1. In response to the authority's amendment to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies", the Company's "Rules of Procedure for Board of Directors Meetings" have been amended. For the comparison table of the amended provisions, please refer to "Attachment 4" on page 7 of this Handbook.

2. For the "Rules of Procedure for Board of Directors Meetings" before amendment, please refer to "Attachment 5" from page 8 to page 11 of this Handbook

### **Chapter Three. Proposals**

Proposal 1: Proposed by the Board of Directors

Brief: The Company's 2024 Business Report and financial statements are submitted for resolution.

Description: 1. The Company's 2024 parent company only financial statements and consolidated financial statements, which have been audited by CHEN, XIU-WEN and CHEN, ZHEN-LI CPAs at Deloitte & Touche, by whom an unqualified opinion have been issued on record, together with the 2024 Business Report have been approved by resolution of the Board of Directors and reviewed by the Audit



Committee.

2. For the Business Report and Financial Statements referred to in the preceding paragraph, please refer to Attachment 1 on page 4 and Attachment 6 on pages 12 to 31 of this Handbook.

Resolution:

Proposal 2: Proposed by the Board of Directors

Brief: The Company's 2024 Statement of Earnings Distribution is submitted for resolution.

Explanation: The 2024 Statement of Earnings Distribution was approved by resolution of the Board of Directors and reviewed by the Audit Committee. Please refer to Attachment 7 on page 32 of this Handbook.

Resolution:

## **Four. Discussion**

Proposal 1: Proposed by the Board of Directors

Brief: Revisions to Company's "Articles of Incorporation," is submitted for resolution:

Description: 1. In response to the Company's operational needs, the business scope has been supplemented and revised. Accordingly, applications have been made to add or remove certain business activities, and the Articles of Incorporation have been amended to reflect these changes.

2. In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and the Financial Supervisory Commission's official letter No. 1130385442 dated November 8, 2024, Article 28 of the Articles of Incorporation has been amended accordingly.

3. For the comparison table of the amended provisions of these Articles of Incorporation, please refer to page 33 to page 35 of the Meeting Handbook (Attachment 8).

4. For the "Articles of Incorporation" before amendment, please refer to "Attachment 9" from page 36 to page 40 of this Handbook.

Resolution:

## **Chapter Five. Questions and Motions**

## **Chapter Six. Adjournment**



## Chapter Seven. Attachment

### Tsang Yow Industrial Co., Ltd. 2024 Business Report

<Attachment 1>

Dear shareholders

In 2024, the global automotive market experienced a noticeable weakening in sales momentum, with the exception of continued growth in electric vehicle sales. This slowdown was influenced by a confluence of factors, including decelerating economic growth, a high-interest rate environment that suppresses consumer spending, and fluctuations in the automotive industry's supply chain. The Company's overall revenue performance was not as good as expected in 2024 due to sluggish market demand, the international logistics turmoil, and the geopolitical risks. The Group's 2024 consolidated revenue was TWD 1,049,324, a slight decrease of 12% compared to TWD 1,193,076 for 2023. In terms of profitability, the Group's consolidated gross margin (28%) in 2024 was 6% lower than the margin (34%) in 2023 due to the initial gross margin ramp-up period and idle capacity losses associated with new product mass production. In addition, the cost of establishing overseas subsidiaries was recognized, and the net profit after tax of continuing operations was TWD 160,577 thousand (TWD 1.59 per share) for 2024, which decreased by 16.3% from TWD 196,592 thousand (TWD 1.92 per share) in 2023. The Group's 2024 consolidated profit after tax has a slight decrease of 41% compared to TWD 273,734 (TWD 2.67 per share) for 2023. The gain on the discontinued operation of TWD 77,142 thousand was recognized due to the disposal of the subsidiary in China and the liquidation of the offshore company in 2023, which increased the current profit and caused a large difference. Despite the operational challenges faced in 2024, the Company will continue to focus on optimizing and innovating its core businesses, while actively adjusting its business strategies to respond to market changes.

#### **Future outlook and strategy**

In response to the future development trend of the auto industry and the changes and challenges in the global auto market, the Company will continue to integrate the Group's advantages, carry out relevant strategic layouts, implement lean operations, create higher value and profits for shareholders, and pursue sustainable operations of the enterprise:

1. Market expansion: In response to the industry trend of vehicle electrification and energy saving and environmental protection, and the increasing demand of the semiconductor market, the Company not only cultivates existing customers and markets in the automotive industry but also actively strives for new energy vehicles and development opportunities in the semiconductor equipment market, diversifying industrial and market deployment to increase revenue. In addition, in response to the geopolitical risks, the subsidiary and the reinvested business in Southeast Asia have completed the deployment, and the construction of the factory and the progress of mass production are on schedule, in order to establish a short chain supply capacity and improve global competitiveness.



2. Product/technology upgrade: Continue to refine core technology advantages and develop special procedures/material processing technology to improve core technology innovation and integration ability, accelerate the research and development and mass production of new energy vehicles related components and semiconductor equipment components, to seize market opportunities.
3. Operation optimization: Accelerate digital transformation, refine the production management process and automation level, realize smart production and management digitization to improve product quality, reduce costs, and shorten delivery time.
4. ESG commitment: Promote “corporate governance,” “environmental symbiosis,” and “shared prosperity.” Strengthen environmental sustainability measures, including reducing carbon emissions, improving energy efficiency, and strengthening corporate governance and social responsibility, enhancing corporate image and market competitiveness, and pursuing sustainable growth.

Looking ahead to 2025, the global auto industry is expected to gradually recover under the stable supply chain and the growth of emerging market demand. However, the new tariffs and trade policies of the Trump administration in the U.S. may bring new uncertainties to the global market. The Company will closely monitor and face the situation carefully, and continue to promote internal improvements with all colleagues, in order to improve the organization’s resilience and adaptability. In an environment full of changes and challenges, we aim to create higher value for our shareholders, customers, suppliers and partners, and hope that all shareholders will continue to give their support and encouragement.

Chairman: SU, CHI-TSE

Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



<Attachment 2>

# Tsang Yow Industrial Co., Ltd. Audit Committee's Review Report

The Board of Directors has prepared and submitted the Company's 2024 Parent Only and Consolidated Financial Reports, Business Report, and proposals of earnings distribution. The Financial Reports mentioned above have been audited by CHEN, XIU-WEN and Chen, Zhen-Li of Deloitte Taiwan with an unqualified opinion issued. All the reports and statements above were prepared by the Board of Directors and have been reviewed and determined to be correct and accurate by the Audit Committee members. Therefore, we hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review accordingly.

Sincerely,

Tsang Yow Industrial Co., Ltd.  
2025 General Shareholders' Meeting

Chairman of Audit Committee:  
OU, CHIN-SHYH

February 24, 2025



<Attachment 3>

The payment of individual directors in 2024

Title	Name	Director's Remuneration								(A + B + C + D) as a % of Net Income (Note 10)		Associated Remuneration to Part-time Employees						The sum of A, B, C, D, E, F and G as a percentage of net income (Note 10)		Remuneration received from investees other than subsidiaries or the parent company (Note 11)		
		Remuneration (A) (Note 2)		Severance pay and pension (B)		Remuneration to directors (C) (Note 3)		Business Allowance (D) (Note 4)				Base Remuneration, Bonuses, and Allowances (E) (Note 5)		Severance Pay and Pensions (F)		Remuneration to employees (G) (Note 6)						
		The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company			The Company	From All Consolidated Entities
																		Cash	Stock			
Director	SU, CHI-TSE	5,389	5,389	0	0	1,422	1,422	15	15	6,826 4.18%	6,826 4.18%	0	0	0	0	0	0	0	0	6,826 4.18%	6,826 4.18%	-
	Rich Pool Investment Co., Ltd. Representative: HSIEH, HSIN-SHU	0	0	0	0	474	474	15	15	489 0.30%	489 0.30%	0	0	0	0	0	0	0	0	489 0.30%	489 0.30%	-
	Rich Pool Investment Co., Ltd. Representative: SU, CHI-HU	0	0	0	0	186	186	0	0	186 0.11%	186 0.11%	0	0	0	0	0	0	0	0	186 0.11%	186 0.11%	-
	SU, CHI-HU	0	0	0	0	287	287	15	15	302 0.19%	302 0.19%	4,531	4,531	108	108	539	0	539	0	5,480 3.36%	5,480 3.36%	-
	Golden Top Investment Co., Ltd. Representative: Yen-Ching Yang	0	0	0	0	186	186	6	6	192 0.12%	192 0.12%	0	0	0	0	0	0	0	0	192 0.12%	192 0.12%	-
	SU, HSIN-CHENG	0	0	0	0	474	474	12	12	486 0.30%	486 0.30%	0	0	0	0	0	0	0	0	486 0.30%	486 0.30%	-
	CHU, SAN-TU	0	0	0	0	474	474	12	0	486 0.30%	486 0.30%	0	0	0	0	0	0	0	0	486 0.30%	486 0.30%	-
	CHU, CHEN-YI	0	0	0	0	287	287	9	9	296 0.18%	296 0.18%	3,914	3,914	97	97	270	0	270	0	4,577 2.81%	4,577 2.81%	-
Independent Director	OU, CHIN-SHYH	275	275	0	0	234	234	39	39	548 0.34%	548 0.34%	0	0	0	0	0	0	0	0	548 0.34%	548 0.34%	-
	CHEN, CHIH-CHANG	240	240	0	0	234	234	39	39	513 0.31%	513 0.31%	0	0	0	0	0	0	0	0	513 0.31%	513 0.31%	-
	LIN, CHIU-HSIEN	240	240	0	0	234	234	39	39	513 0.31%	513 0.31%	0	0	0	0	0	0	0	0	513 0.31%	513 0.31%	-



1. Directors and Independent Directors' remuneration policies, procedures, standards, and structure, as well as the linkage to responsibilities, risk and time spent:  
All payments made is based on "Rules for Distribution of Remuneration to Directors":
  - (1) Travel allowance is paid to directors attending the meeting.
  - (2) Fixes remuneration paid to directors and independent directors who also participate in business operation is based on the salary rules and procedures of the Company.
  - (3) According to Article 23 under the Company's Articles of Incorporation, remuneration paid to directors is resolved by the Board of Directors according to individual director's involvement and contribution to the business operation with the reference to the industry market rate, not overriding the salary rules and standards of the Company. According to Article 31 under the Company's Articles of Incorporation, a 5% distribution will be made as director's remuneration, when there's net income from the Company's operation.
2. Other than the disclosures above, other remuneration s received by the directors for services made for all entities consolidated in the financial reports (such as being a consultant for the parent company, consolidated entities in the financial reports, non-consolidated investees): None



<Attachment 4>

**Comparison Table of Amendments to “Rules of Procedure for Board of Directors Meetings”**

<b>Current provisions</b>	<b>Provisions after amendment</b>	<b>Explanation</b>
None	9.3. If the Board of Directors is in session, the Chairman shall not preside over the session or declare the session adjourned in accordance with 9.1. The election of the proxy shall be governed by 5.2.	In compliance with the law, the new provisions are added: In response to the amendment to the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies,” Paragraph 4, Article 11.



**Tsang Yow Industrial Co., Ltd.**

**“Rules of Procedure for Board of Directors Meetings” (before amendment)**

- I. Purpose:  
Purpose: To establish an excellent governance system for the Company’s shareholders’ meeting, improve the supervisory function, and strengthen the management function, these Rules are formulated in accordance with the provisions of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” for compliance.
- II. Scope:  
The Company’s Board of Directors’ meeting procedures, main contents, operating procedures, required items in the meeting minutes, announcement, and other matters to be followed shall be handled in accordance with the provisions of these rules.
- III. Definition: None
- IV. Responsibility: The responsible unit for these Regulations is the Board of Directors, the meeting affairs unit.
- V. Contents:
  1. The Board of Directors of the Company shall be convened at least once per quarter.
    - 1.1. The reason for convening the Board of Directors shall be specified and notified to each director seven days in advance. However, in case of emergency, the Board of Directors may be convened at any time.
    - 1.2. The notice of convening in the preceding paragraph may be given in writing, e-mail or fax.
    - 1.3. The motions listed in 10.1 of the Rules shall be listed on the agenda and shall not be proposed as a provisional motion.
  2. The unit designated by the Company's board of directors to handle meeting affairs is the unit responsible for corporate governance.
    - 2.1. The meeting handling unit shall draft the content of the Board meeting and provide sufficient meeting materials, which shall be sent together with the meeting notice.
    - 2.2. If the directors deem the meeting materials insufficient, they may request the parliamentary affairs unit for supplementary materials. If the directors deem the proposal materials insufficient, they may postpone the review of the proposal with the resolution of the Board of Directors.
  3. When the Company’s Board meeting is convened, a signature book shall be set up for the attending directors to sign for inspection and reference.
    - 3.1. Directors should attend the Board meeting in person. If they are unable to attend the meeting in person, they may appoint another director to attend the meeting on their behalf in accordance with the Company’s Articles of Incorporation; if they participate in the meeting via video conference, they are deemed to have attended the meeting in person.
    - 3.2. When a director appoints another director to attend a Board meeting on his/her behalf, he/she shall issue a proxy form each time, and state the scope of authorization with the reasons for convening the meeting.
    - 3.3. The second agent in paragraph 2 is limited to one person.
  4. A Board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding Board meetings.
  5. If the Board meeting of the Company is convened by the Chairman, the Chairman shall chair the meeting. However, where the first meeting of each newly elected Board of Directors is convened by the director who received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected, the meeting



- shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.
- 5.1. Where a meeting of the Board of Directors is called by a majority of directors on their own initiative in accordance with Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.
  - 5.2. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is such a position as managing director, Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to not make such a designation, the managing directors or directors shall elect from among themselves one person to serve as the chair.
  6. When the Company's board meeting is convened, the unit in charge of corporate governance shall prepare relevant information for the directors to review at any time.
    - 6.1. As merited by the content of a proposal to be put forward at a Board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals may also be invited to attend the meeting as non-voting participants and to make explanatory statements. However, they shall leave the meeting when deliberation or voting takes place.
    - 6.2. The chair shall call the Board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. At the scheduled meeting time, if half of all directors are absent, the chairperson may announce a postponement of the meeting on that day. The number of postponements is limited to two. If the quorum is still not met after two postponements, the chair may reconvene in accordance with the procedure specified in 1.1.
    - 6.3. The number of "all directors" as used in the preceding paragraph and 14.2.2. shall be counted as the number of directors actually in office.
  7. Proceedings of a Board meeting shall be recorded in their entirety in audio or video, and the recordings shall be retained for a minimum of 5 years. The record may be retained in electronic form.
    - 7.1. Before the expiry of the retention period referred to in the preceding paragraph, in the event of a lawsuit on the relevant resolutions of the board of directors, the relevant audio or video recording evidence shall be kept until the end of the lawsuit, and the provisions of the preceding paragraph shall not apply.
    - 7.2 Where a Board meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.
  8. Agenda items for regular Board meetings of the Company shall include at least the following:
    - 8.1. Reports:
      - 8.1.1. Minutes of the last meeting and actions taken.
      - 8.1.2. Important financial and business matters.
      - 8.1.3. Briefing of Internal audit activities.
      - 8.1.4. Other important matters to be reported.
    - 8.2. Matters for discussion:
      - 8.2.1. Items for continued discussion from the last meeting.
      - 8.2.2. Matters for discussion.



### 8.3. Questions and Motions.

9. Board meetings of the Company shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the Board meeting.
  - 9.1 The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.
  - 9.2. At any time during the course of a Board meeting, if the number of directors present at the meeting does not constitute a majority of the attending directors, then upon the motion by a director present at the meeting, the chair shall declare a suspension of the meeting, in which case 6.2 shall apply mutatis mutandis.
10. The matters listed below as they relate to Company shall be raised for discussion at a Board meeting:
  - 10.1.
    - 10.1.1. The Company's business plan.
    - 10.1.2. Annual financial report and the second quarter financial report audited by CPAs.
    - 10.1.3. The establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the "Securities Act"), and the evaluation of the effectiveness of the internal control system.
    - 10.1.4 The establishment or amendment of the procedures for the acquisition or disposal of assets, derivative transactions, loaning of funds to others, endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
    - 10.1.5 Offering, issuance, or private placement of any equity-type securities.
    - 10.1.6. If the Board of Directors does not have a managing director, the election or dismissal of the Chairman.
    - 10.1.7. Appointing or dismissing officers in finance, accounting or internal audit.
    - 10.1.8. A donation to a related party or a major donation to a non-related party. However, the public welfare donations for emergency relief due to major natural disasters may be submitted to the next board meeting for ratification.
    - 10.1.9. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or the Articles of Incorporation, must be approved by resolution at a shareholders' meeting or Board meeting, or any material matter as may be prescribed by the competent authority.
  - 10.2. The term "related party" in 10.1.8. means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, with an amount of TWD100 million or more, or with an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.
    - 10.2.1. The term "within a 1-year period" in 10.2. means a period of 1 year calculated retroactively from the date on which the current Board of Directors meeting is convened. Amounts already submitted to and passed by a resolution of the Board are exempted from inclusion in the calculation.
    - 10.2.2. If the shares of a foreign company bear no par value or the par value per share is not TWD10, the amount of 5% of the paid-in capital in paragraph 2 shall be calculated based on 2.5% of the shareholders' equity.
  - 10.3. If the Company has independent directors:

At least one independent director shall attend the Board meeting in person; for matters that need to be submitted to the Board for resolution as set forth in 10.1, all independent



- directors shall attend the Board meeting. If an independent director is unable to attend in person, he/she shall appoint another independent director to attend the meeting. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the Board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the Board meeting minutes.
11. When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote at the Board meeting, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
    - 11.1. When a proposal comes to a vote at a Board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.
    - 11.2. One voting method for proposals at a Board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:
      - 11.2.1. A show of hands or a vote by voting machine.
      - 11.2.2. A roll call vote.
      - 11.2.3. A vote by ballot.
    - 11.3 The total number of directors referred to in the preceding two paragraphs of 11.3 does not include the directors who are not allowed to exercise voting rights under 13.
  12. Unless otherwise provided by the Securities Act and the Company Act, the resolutions of the Company's board meetings shall be made with the attendance of more than half of the directors and the consent of more than half of the attending directors.
    - 12.1. 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. Any one of the above shall be passed, the others shall be considered as rejected, upon which no further resolution shall be required.
    - 12.2. If the voting on a proposal requires vote monitoring and vote counting personnel, the chair shall appoint the personnel, provided that all vote monitoring personnel shall be directors.
    - 12.3. The voting results shall be announced on-site immediately, and a record shall be made of the vote.
  13. Company directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a Board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting.
    - 13.1. If a director's spouse, relative within the second degree of kinship, or a company with a controlling or subordinate relationship with the director has an interest in an item at the meeting referred to in the preceding paragraph, it shall be deemed that the director has a conflict of interest on the item.
    - 13.2 The provisions of Paragraph 2, Article 180 of the Company Act shall apply mutatis mutandis to a director who is prohibited from exercising voting rights in accordance with the provisions of the preceding two paragraphs in accordance with Article 206, Paragraph 4.
  14. Discussions at a Board meeting of the Company shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:



- 14.1.
  - 14.1.1. The session (or year), time, and place of the meeting.
  - 14.1.2. The name of the chair.
  - 14.1.3. The attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
  - 14.1.4. The names and titles of those attending the meeting as non-voting participants.
  - 14.1.2. The name of the minutes taker.
  - 14.1.6. Reports.
  - 14.1.7. Matters for discussion: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under 10.3
  - 14.1.8. Questions and Motions: the name of the proposer, method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in 13., an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
  - 14.1.9. Any other matters that require reporting.
- 14.2. Any of the following matters in relation to a resolution passed at a meeting of the Board of Directors shall be stated in the meeting minutes and be published on the Market Observation Post System designated by the competent authority within two days from the Board meeting:
  - 14.2.1. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
  - 14.2.2. If the Company has an Audit Committee, the motion shall be approved by more than two-thirds of all directors before it is approved by the Company's Audit Committee.
- 14.3. The attendance book forms a part of the minutes for each Board of Directors meeting and shall be well preserved during the existence of the Company.
- 14.4. The minutes of a Board of Directors meeting shall bear the signature or seal of both the meeting chair and the minutes taker; a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes of a Board of Directors meeting shall be well preserved as important company records during the existence of the Company.

The production and distribution of the minutes of meeting in accordance with 14.5. and 14.1. may be made by electronic means.
15. Except for the matters that shall be submitted to the board of directors for discussion in 10.1., the board of directors of the company may authorize the chairperson to exercise the functions and powers of the board of directors in accordance with the articles of association of the company. The content of authorization is as follows:
  - 15.1. Approval of important contracts.
  - 15.2. Approval of real estate mortgage loans and other borrowings.
  - 15.3. Approval of the acquisition and disposal of the Company's general property and real estate.
  - 15.4. Appointment of directors and supervisors of investee companies.



- 15.5. Approval of the record date of capital increase or capital reduction, cash dividend distribution record date, stock or stock subscription date, and change in the dividend distribution ratio.
  16. Regulations governing proceedings of the Board of Directors' meetings 2, 1.1, 2, 3, 4, 6.1, 6.2, 7, 8, 9, 11, 12, 13, and 14; 1.3. shall apply mutatis mutandis to the appointment or dismissal. However, if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.
  17. The establishment and amendment of these Rules and Procedures shall be subject to the consent of the Board of Directors of the Company.
- VI. Reference: Regulations Governing Procedure for Board of Directors Meetings of Public Companies
- VII. Relevant tables: None.



**<Attachment 6>**  
Financial Statements and Independent Auditors' Report  
Independent Auditors' Report

To: Tsang Yow Industrial Co., Ltd.:

**Audit Opinion**

We have audited the accompanying consolidated balance sheets of Tsang Yow Industrial Co., Ltd. (the “Company”) for the years ended December 31, 2024 and 2023 and the relevant parent company only statements of comprehensive income, changes in equity, and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the individual financial position of the Company as of December 31, 2024 and 2023, and its individual financial performance and standalone cash flows for the years then ended in conformity 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards of the Republic of China. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the parent company only financial statements” paragraph of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

**Key audit matters**

Key audit matters refer to the most vital matters in our audit of the Company’s parent company only financial statements for the year ended December 31, 2024 based on our professional judgment. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters.

Key audit matters of the Company’s parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Authenticity of sales revenue from consignment warehouses



The Company mainly engages in the manufacturing and sales of automobiles and parts thereof. Warehouse consignment is one of the Company's important sales models. As the Company needed to regularly verify the quantity of the goods sold from the consignment warehouses to recognize the sales revenue, during which manual reconciliation was involved, the potential risk of error posed to the authenticity of the Company's sales revenue has increased. Therefore, in accordance with the rule that revenue is presumed to be a significant risk under the auditing standards, the authenticity of the sales revenue from consignment warehouses is listed as a key audit matter.

Please refer to Note 4 (12) for the accounting policy on revenue recognition.

We have implemented the corresponding audit procedures below for the specific aspects of the above key audit item, including:

- I. Learned about and tested if the Company's internal control operations related to the sales were effective.
- II. Selected samples from the statements of sales revenue from the consignment warehouses, checked the account reconciliation records between the Company and clients, shipping documents, and payment collection documents, and checked if the recipients were consistent with the transaction counterparties or reviewed the confirmation made by clients to confirm the authenticity of the sales.

### **Responsibilities of the management and the governing bodies for the parent company only financial statements**

The management's responsibilities are to prepare the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and to maintain necessary internal control associated with the preparation in order to ensure that the parent company only financial statements are free from material misstatement arising from fraud or error.

In preparing the parent company only financial statements, the management is responsible for assessing the Company's ability in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease the operations without other viable alternatives.

The Company's governing bodies (including the Audit Committee) are responsible for supervising the financial reporting process.

### **Auditor's responsibilities for the audit of the parent company only financial statements**

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error



and to issue an independent auditors' report. Reasonable assurance is a high-level 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. Misstatement may arise from frauds or errors. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the parent company only financial statements, they are considered material.

We have exercised our professional judgment and maintained professional doubt when performing the audit work in accordance with the auditing standards of the Republic of China.

We also:

- I. Identified and assessed the risks of material misstatement arising from fraud or error within the parent company only financial statements; designed and executed countermeasures in response to said risks, and obtained sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
- II. Understood the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- III. Evaluated the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.
- IV. Concluded on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt over the Company's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- V. Evaluated the overall presentation, structure, and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements adequately present the relevant transactions and events.



VI. Obtained sufficient and appropriate audit evidence concerning the financial information of entities within the Company, to express an opinion on the parent company only financial statements. We were responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Company.

The matters communicated between us and the governing bodies included the planned scope and times of the audit and material audit findings (including any material defects in internal control identified during the audit).

We also provided the governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence and communicated with them all relations and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing bodies, we determined the key audit matters for the audit of the Company's parent company only financial statements for the year ended December 31, 2024. We have clearly indicated such matters in the auditors' report. Unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Deloitte Taiwan

CHEN, XIU-WEN, CPA

CHEN, LI-ZHEN, CPA

Document of Jin-Guan-Zheng-Shen-Zi  
No. 1120349008 approved by Financial  
Supervisory Commission

Document of Jin-Guan-Zheng-Shen-Zi  
No. 1010028123 approved by Financial  
Supervisory Commission

February 24, 2025



Tsang Yow Industrial Co., Ltd.  
Parent Company Only Balance Sheet  
December 31, 2024 and 2023

Unit: TWD thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	<b>Current assets</b>				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 446,204	20	\$ 860,249	33
1110	Financial assets at fair value through profit or loss – current (Notes 4, 7 and 27)	636	-	485	-
1170	Accounts receivable, net (Notes 4, 5, 9, 21, and 28)	215,833	9	205,139	8
1200	Other receivables	846	-	1	-
1220	Current income tax assets (Notes 4 and 23)	-	-	937	-
1310	Inventory (Notes 4, 5, and 10)	291,014	13	369,051	14
1476	Other financial assets – current (Notes 11 and 29)	10,419	1	9,681	-
1479	Other current assets (Note 15)	9,618	-	10,698	1
11XX	Total current assets	<u>974,570</u>	<u>43</u>	<u>1,456,241</u>	<u>56</u>
	<b>Non-current assets</b>				
1535	Financial assets at amortized cost-noncurrent (Notes 4 and 8)	5,710	-	-	-
1550	Investments accounted for using the equity method (Notes 4 and 12)	108,772	5	-	-
1600	Property, plant and equipment (Notes 4, 13 and 29)	1,136,895	50	1,108,920	43
1755	Right-of-use assets (Notes 4 and 14)	4,928	-	5,753	-
1780	Intangible assets (Note 4)	3,629	-	5,018	-
1840	Deferred tax assets (Notes 4 and 23)	33,977	1	32,816	1
1915	Prepayments for business facilities	11,345	1	6,304	-
1975	Net defined benefit assets-noncurrent (Notes 4 and 19)	971	-	-	-
1980	Other financial assets – noncurrent (Notes 11 and 29)	4,480	-	3,460	-
1990	Other non-current assets (Note 15)	592	-	4,564	-
15XX	Total non-current assets	<u>1,311,299</u>	<u>57</u>	<u>1,166,835</u>	<u>44</u>
1XXX	Total assets	<u>\$ 2,285,869</u>	<u>100</u>	<u>\$ 2,623,076</u>	<u>100</u>
	<b>Liabilities and equity</b>				
	<b>Current liabilities</b>				
2100	Short-term borrowings (Notes 16 and 28)	\$ -	-	\$ 20,000	1
2130	Contract liabilities – current (Note 21)	36,894	2	7,885	-
2150	Notes payable (Note 17)	2,642	-	10,869	-
2170	Accounts payable (Notes 17 and 28)	92,988	4	145,855	6
2200	Other payables (Note 18)	116,082	5	105,810	4
2230	Current tax liabilities (Notes 4 and 23)	3,615	-	78,158	3
2280	Lease liabilities – current (Notes 4 and 14)	3,025	-	2,991	-
2322	Long-term borrowings – current portion (Notes 16, 28 and 29)	55,034	2	109,233	4
2399	Other current assets (Note 18)	40,235	2	43,184	2
21XX	Total current liabilities	<u>350,515</u>	<u>15</u>	<u>523,985</u>	<u>20</u>
	<b>Non-current liabilities</b>				
2540	Long-term borrowings (Notes 16, 28 and 29)	65,078	3	261,303	10
2570	Deferred tax liabilities (Notes 4 and 23)	4,907	-	-	-
2580	Lease liabilities – noncurrent (Notes 4 and 14)	1,961	-	2,699	-
2640	Net defined benefit liabilities (Notes 4 and 19)	-	-	4,787	-
2670	Other non-current liabilities	100	-	100	-
25XX	Total non-current liabilities	<u>72,046</u>	<u>3</u>	<u>268,889</u>	<u>10</u>
2XXX	Total Liabilities	<u>422,561</u>	<u>18</u>	<u>792,874</u>	<u>30</u>
	<b>Equity (Notes 4 and 20)</b>				
3110	Common Stock Capital	1,030,865	45	1,030,865	39
3200	Capital surplus	159,501	7	150,532	6
	Retained Earnings				
3310	Legal reserve	140,982	6	113,668	4
3320	Special reserve	-	-	31,293	1
3350	Undistributed earnings	545,567	24	515,624	20
3300	Total retained earnings	686,549	30	660,585	25
3400	Other equity interests	( 1,827 )	-	-	-
3500	Treasury Shares	( 11,780 )	-	( 11,780 )	-
3XXX	Total equity	<u>1,863,308</u>	<u>82</u>	<u>1,830,202</u>	<u>70</u>
	Total liabilities and equity	<u>\$ 2,285,869</u>	<u>100</u>	<u>\$ 2,623,076</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd.  
Parent Company Only Statement of Comprehensive Income  
January 1 to December 31, 2024 and 2023

Code		Unit: TWD thousand; TWD for earnings per share			
		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Notes 4, 21 and 28)	\$ 1,055,982	100	\$ 1,209,167	100
5000	Operating costs (Notes 9, 22 and 28)	<u>760,410</u>	<u>72</u>	<u>811,665</u>	<u>67</u>
5900	Gross Profit	295,572	28	397,502	33
5910	Unrealized losses (gains) with subsidiaries (Note 28)	( 3,919 )	-	-	-
5920	Realized gains (losses) with subsidiaries (Note 28)	<u>-</u>	<u>-</u>	<u>3,107</u>	<u>-</u>
5950	Realized gross profit	<u>291,653</u>	<u>28</u>	<u>400,609</u>	<u>33</u>
	Operating expenses (Notes 9 and 22)				
6100	Selling expenses	42,944	4	42,362	3
6200	Administrative expenses	78,952	8	78,903	7
6300	Research and development expenses	45,689	4	47,102	4
6450	Expected credit reversal of impairment loss recognized in profit or loss	( <u>47</u> )	<u>-</u>	( <u>754</u> )	<u>-</u>
6000	Total operating expenses	<u>167,538</u>	<u>16</u>	<u>167,613</u>	<u>14</u>
6900	Net operating income	<u>124,115</u>	<u>12</u>	<u>232,996</u>	<u>19</u>
	Non-operating revenue and expenses (Notes 22 and 28)				
7010	Other income	7	-	6	-
7100	Interest revenue	21,782	2	7,215	1
7020	Other gains and losses	72,387	7	( 38,034 )	( 3 )
7050	Financial costs	( 3,983 )	( 1 )	( 10,402 )	( 1 )
7060	Share of profit or loss recognized by subsidiaries accounted for using the equity method	( <u>3,144</u> )	<u>-</u>	<u>155,972</u>	<u>13</u>
7000	Total	<u>87,049</u>	<u>8</u>	<u>114,757</u>	<u>10</u>

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Code		2024		2023	
		Amount	%	Amount	%
7900	Income before Income Tax	\$ 211,164	20	\$ 347,753	29
7950	Income tax expenses (Notes 4 and 23)	<u>48,014</u>	<u>5</u>	<u>74,019</u>	<u>6</u>
8200	Net income for this year	<u>163,150</u>	<u>15</u>	<u>273,734</u>	<u>23</u>
	Other comprehensive income/losses (Notes 19, 20 and 23)				
8310	Items not reclassified to profit or loss				
8311	Remeasurement of defined benefit plans	( 52)	-	( 739)	-
8349	Income tax related to items not reclassified	10	-	148	-
8360	Items that may subsequently be reclassified to profit or loss				
8361	Exchange differences arising from the translation of the financial statements of foreign operations	( 2,284)	-	( 22,811)	( 2)
8380	Share of other comprehensive income of subsidiaries using the equity method	-	-	54,124	4
8399	Income tax related to items that may be reclassified to profit or loss	<u>457</u>	<u>-</u>	( <u>20</u> )	<u>-</u>
8300	Other comprehensive income for this year (net of tax)	( <u>1,869</u> )	<u>-</u>	<u>30,702</u>	<u>2</u>
8500	Total comprehensive income for this year	<u>\$ 161,281</u>	<u>15</u>	<u>\$ 304,436</u>	<u>25</u>



Earnings per share (Note 24)			
9710	Basic	<u>\$ 1.59</u>	<u>\$ 2.67</u>
9810	Dilution	<u>\$ 1.59</u>	<u>\$ 2.66</u>

The accompanying notes are an integral part of the parent company only financial statements.

Chairman: SU, CHI-TSE  
General Manager: SU, CHI-HU  
Chief Accounting Officer: CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd.  
Parent Company Only Statement of Changes in Equity  
January 1 to December 31, 2024 and 2023

Unit: TWD thousand

Code		Common Stock Capital	Capital surplus	Legal reserve	Special reserve	Retained Earnings		Other equity interests Exchange differences arising from the translation of the financial statements of foreign operations	Treasury Shares	Total equity
						Undistributed earnings	Total			
A1	Balance on January 1, 2023	\$1,030,865	\$ 150,532	\$ 96,923	\$ 44,054	\$ 359,046	\$ 500,023	(\$ 31,293)	(\$ 11,780)	\$1,638,347
	Earnings appropriation and distribution for 2022 (Note 20)									
B1	Legal reserve	-	-	16,745	-	( 16,745)	-	-	-	-
B3	Special reserve	-	-	-	( 12,761)	12,761	-	-	-	-
B5	Cash dividend	-	-	-	-	( 112,581)	( 112,581)	-	-	( 112,581)
		-	-	16,745	( 12,761)	( 116,565)	( 112,581)	-	-	( 112,581)
D1	Net income for 2023	-	-	-	-	273,734	273,734	-	-	273,734
	Other comprehensive income after tax for 2023	-	-	-	-	( 591)	( 591)	31,293	-	30,702
D5	Total comprehensive income for 2023	-	-	-	-	273,143	273,143	31,293	-	304,436
Z1	Balance as of December 31, 2023	1,030,865	150,532	113,668	31,293	515,624	660,585	-	( 11,780)	1,830,202
	Earnings appropriation and distribution for 2023 (Note 20)									
B1	Legal reserve	-	-	27,314	-	( 27,314)	-	-	-	-
B3	Special reserve	-	-	-	( 31,293)	31,293	-	-	-	-
B5	Cash dividend	-	-	-	-	( 137,144)	( 137,144)	-	-	( 137,144)
		-	-	27,314	( 31,293)	( 133,165)	( 137,144)	-	-	( 137,144)
N1	Share-based transactions (Notes 22 and 25)	-	8,969	-	-	-	-	-	-	8,969
D1	Net income for 2024	-	-	-	-	163,150	163,150	-	-	163,150
	Other comprehensive income after tax for 2024	-	-	-	-	( 42)	( 42)	( 1,827)	-	( 1,869)
D5	Total comprehensive income for 2024	-	-	-	-	163,108	163,108	( 1,827)	-	161,281
Z1	Balance as of December 31, 2024	\$1,030,865	\$ 159,501	\$ 140,982	\$ -	\$ 545,567	\$ 686,549	(\$ 1,827)	(\$ 11,780)	\$1,863,308

The accompanying notes are an integral part of the parent company only financial statements.

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd.  
Parent Company Only Statement of Cash Flows  
January 1 to December 31, 2024 and 2023

Unit: TWD thousand

Code		2024	2023
	Cash flows from operating activities		
A10000	Income before Income Tax	\$211,164	\$347,753
A20010	Income and expense items		
A20100	Depreciation expenses	82,037	82,302
A20200	Amortization expenses	2,619	4,614
A20300	Expected credit reversal of impairment loss recognized in profit or loss	( 47 )	( 754 )
A20400	Gain on financial assets at fair value through profit or loss	( 151 )	( 42 )
A20900	Financial costs	3,983	10,402
A21200	Interest revenue	( 21,782 )	( 7,215 )
A21300	Dividend income	( 7 )	( 6 )
A21900	Cost of employee stock options	8,969	-
A22400	Share of profit or loss recognized by subsidiaries accounted for using the equity method	3,144	( 155,972 )
A22500	Gain on disposal of property, plant and equipment	( 11,850 )	( 3,145 )
A29900	Loss from disposal of subsidiary	-	55,924
A23700	Inventory loss	8,143	8,846
A23900	Unrealized gains with subsidiaries	3,919	-
A24000	Realized gains with subsidiaries	-	( 3,107 )
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	-	64
A31150	Accounts receivable	( 10,647 )	11,479
A31180	Other receivables	1	17,707
A31200	Inventories	69,894	54,841
A31240	Other current assets	1,080	( 194 )
A32125	Contract liabilities	29,009	( 10,502 )
A32130	Notes payable	( 8,227 )	3,160
A32150	Accounts payable	( 52,867 )	( 40,591 )
A32180	Other payables	( 9,893 )	3,427
A32230	Other current liabilities	( 14,745 )	6,789
A32240	Net defined benefit liability	( 5,810 )	( 1,797 )
A33000	Cash from operations	287,936	383,983
A33100	Interest received	20,936	7,397
A33200	Dividends received	7	6

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Code		2024	2023
A33300	Interest paid	(\$ 4,929)	(\$ 10,634)
A33500	Income tax paid	( 117,407)	( 40,637)
AAAA	Net cash inflow from operating activities	<u>186,543</u>	<u>340,115</u>
	Cash flows from investing activities		
B01800	Acquisition of long-term equity investment accounted for using equity method	( 118,119)	-
B00040	Acquisition of financial assets at amortized cost	( 5,710)	-
B02300	Net cash inflow from disposal of subsidiary (Note 12)	-	587,118
B02700	Acquisition of property, plant and equipment	( 96,477)	( 30,895)
B02800	Proceeds from disposal of property, plant and equipment	18,608	8,415
B04500	Acquisition of intangible assets	( 1,230)	( 438)
B05900	Decrease in other receivables – related party	-	107,362
B06500	Increase in other financial assets	( 1,758)	( 1,265)
B06800	Decrease in other non-current assets	3,972	-
B07300	Increase in other non-current assets	<u>-</u>	<u>( 3,972)</u>
BBBB	Net cash inflows (outflows) from investing activities	( <u>200,714</u> )	<u>666,325</u>
	Cash flows from financing activities		
C00100	Decrease in short-term borrowings	( 20,000)	( 80,000)
C01600	Obtaining long-term borrowings	-	100,000
C01700	Repayment of long-term borrowings	( 250,424)	( 358,253)
C04020	Repayment of principal of lease liabilities	( 4,102)	( 2,426)
C04500	Cash dividend paid out	( 137,144)	( 112,581)
C05100	Receipt of employee subscription to treasury stock	<u>11,796</u>	<u>-</u>
CCCC	Net cash outflow from financing activities	( <u>399,874</u> )	( <u>453,260</u> )
EEEE	Net increase (decrease) in cash and cash equivalents	( 414,045)	553,180
E00100	Opening balance of cash and cash equivalents	<u>860,249</u>	<u>307,069</u>
E00200	Ending balance of cash and cash equivalents	<u>\$446,204</u>	<u>\$860,249</u>

The accompanying notes are an integral part of the parent company only financial statements.

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU Chief Accounting Officer:

CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd. and Its Subsidiarie  
Consolidated Financial Statements and Independent Auditors' Report  
For the Years Ended December 31, 2024 and 2023

Representation Letter

Considering that the companies to be included into the consolidated financial statements of affiliates under the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under IFRS 10 for 2024 (from January 1, 2024 to December 31, 2024), and the relevant information to be disclosed in the consolidated financial statements of the affiliates has already been disclosed in said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliates were prepared separately.

It is hereby certified that the information disclosed herein is true and correct.

Name of Company: Tsang Yow Industrial Co., Ltd.

Person in Charge: SU, CHI-TSE

February 24, 2025



## Independent Auditors' Report

To: Tsang Yow Industrial Co., Ltd.:

### **Audit Opinion**

We have audited the accompanying consolidated balance sheets of Tsang Yow Industrial Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) for the years ended December 31, 2024 and 2023 and the relevant consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

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

### **Basis of audit opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards of the Republic of China. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” paragraph of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

### **Key audit matters**

Key audit matters refer to the most vital matters in our audit of the Group’s consolidated financial statements for the year ended December 31, 2024 based on our professional judgment. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters.

Key audit matters of the Group’s consolidated financial statements for the year ended



December 31, 2024 are stated as follows:

Authenticity of sales revenue from consignment warehouses

The Group mainly engages in the manufacturing and sales of automobiles and parts thereof. Warehouse consignment is one of the Group's important sales models. As the Group needed to regularly verify the quantity of the goods sold from the consignment warehouses to recognize the sales revenue, during which manual reconciliation was involved, the potential risk of error posed to the authenticity of the Group's sales revenue has increased. Therefore, in accordance with the rule that revenue is presumed to be a significant risk under the auditing standards, the authenticity of the sales revenue from consignment warehouses is listed as a key audit matter.

Please refer to Note 4 (12) for the accounting policy on revenue recognition.

We have implemented the corresponding audit procedures below for the specific aspects of the above key audit item, including:

- I. Learned about and tested if the Group's internal control operations related to the sales were effective.
- II. Selected samples from the statements of sales revenue from the consignment warehouses, checked the account reconciliation records between the Group and clients, shipping documents, and payment collection documents, and checked if the recipients were consistent with the transaction counterparties or reviewed the confirmation made by clients to confirm the authenticity of the sales.

**Other Matters**

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

**Responsibilities of the management and the governing bodies for the consolidated financial statements**

The management's responsibilities are to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively referred to as "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China and to maintain necessary internal control associated with the preparation in order to ensure that the consolidated financial statements are free from material misstatement arising from fraud or error.

In preparing the consolidated financial statements, the management is responsible for



assessing the Group's ability in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease the operations without other viable alternatives.

The Group's governing bodies (including the Audit Committee) are responsible for supervising the financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error and to issue an independent auditors' report. Reasonable assurance is a high-level 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. Misstatement may arise from frauds or errors. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, they are considered material.

We have exercised our professional judgment and maintained professional doubt when performing the audit work in accordance with the auditing standards of the Republic of China.

We also:

- I. Identified and assessed the risks of material misstatement arising from fraud or error within the consolidated financial statements; designed and executed countermeasures in response to said risks, and obtained sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
- II. Understood the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- III. Evaluated the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by the management.
- IV. Concluded on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt over the Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in said statements within our audit report. If such



disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- V. Evaluated the overall presentation, structure, and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements adequately present the relevant transactions and events.
- VI. Obtained sufficient and appropriate audit evidence concerning the financial information of entities within the Group, to express an opinion on the consolidated financial statements. We were responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Group.

The matters communicated between us and the governing bodies included the planned scope and times of the audit and material audit findings (including any material defects in internal control identified during the audit).

We also provided the governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence and communicated with them all relations and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing bodies, we determined the key audit matters for the audit of the Group's consolidated financial statements for the year ended December 31, 2024. We have clearly indicated such matters in the auditors' report. Unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Deloitte Taiwan

CHEN, XIU-WEN, CPA

CHEN, LI-ZHEN, CPA



Document of Jin-Guan-Zheng-Shen-Zi No.  
1120349008 approved by Financial  
Supervisory Commission

Document of Jin-Guan-Zheng-Shen-Zi No.  
1010028123 approved by Financial  
Supervisory Commission

February 24, 2025



Tsang Yow Industrial Co., Ltd. and Its Subsidiaries  
Consolidated Balance Sheet  
December 31, 2024 and 2023

Unit: TWD thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
<b>Current assets</b>					
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 459,605	20	\$ 860,249	33
1110	Financial assets at fair value through profit or loss (Notes 4, 7, and 30)	636	-	485	-
1170	Accounts receivable, net (Notes 4, 5, 9, 23, and 31)	208,417	9	205,139	8
1200	Other receivables	846	-	1	-
1220	Current income tax assets (Notes 4 and 25)	-	-	937	-
1310	Inventory (Notes 4, 5, and 10)	297,748	13	369,051	14
1476	Other financial assets – current (Notes 11 and 32)	10,419	-	9,681	-
1479	Other current assets (Note 17)	9,618	-	10,698	1
11XX	Total current assets	<u>987,289</u>	<u>42</u>	<u>1,456,241</u>	<u>56</u>
<b>Non-current assets</b>					
1535	Financial assets at amortized cost-noncurrent (Notes 4 and 8)	5,710	-	-	-
1550	Investments using the equity method (Notes 4 and 14)	58,008	3	-	-
1600	Property, plant and equipment (Notes 4, 15, 32 and 33)	1,192,028	51	1,108,920	43
1755	Right-of-use assets (Notes 4 and 16)	4,928	-	5,753	-
1780	Intangible assets (Note 4)	3,629	-	5,018	-
1840	Deferred income tax assets (Notes 4 and 25)	33,977	2	32,816	1
1915	Advance payment for property and equipment (Note 15)	34,866	2	6,304	-
1975	Net defined benefit assets-noncurrent (Notes 4 and 21)	971	-	-	-
1980	Other financial assets – noncurrent (Notes 11 and 32)	4,552	-	3,460	-
1990	Other noncurrent assets (Note 17)	592	-	4,564	-
15XX	Total non-current assets	<u>1,339,261</u>	<u>58</u>	<u>1,166,835</u>	<u>44</u>
1XXX	Total assets	<u>\$ 2,326,550</u>	<u>100</u>	<u>\$ 2,623,076</u>	<u>100</u>
<b>Liabilities and equity</b>					
<b>Current Liabilities</b>					
2100	Short-term borrowings (Notes 18 and 31)	\$ -	-	\$ 20,000	1
2130	Contract liabilities (Note 23)	37,121	2	7,885	-
2150	Notes payable (Note 19)	2,642	-	10,869	-
2170	Accounts payable (Notes 19 and 31)	96,688	4	145,855	6
2200	Other payables (Note 20)	116,082	5	105,810	4
2230	Current income tax liabilities (Notes 4 and 25)	3,615	-	78,158	3
2280	Lease liabilities – current (Notes 4 and 16)	3,025	-	2,991	-
2322	Long-term borrowings – current portion (Notes 18, 31 and 32)	55,034	2	109,233	4
2399	Other current liabilities (Note 20)	40,235	2	43,184	2
21XX	Total current liabilities	<u>354,442</u>	<u>15</u>	<u>523,985</u>	<u>20</u>
<b>Non-current liabilities</b>					
2540	Long-term borrowings (Notes 18, 31 and 32)	65,078	3	261,303	10
2570	Deferred tax liabilities (Notes 4 and 25)	4,907	-	-	-
2580	Lease liabilities – noncurrent (Notes 4 and 16)	1,961	-	2,699	-
2640	Net defined benefit liabilities (Notes 4 and 21)	-	-	4,787	-
2670	Other non-current liabilities	100	-	100	-
25XX	Total non-current liabilities	<u>72,046</u>	<u>3</u>	<u>268,889</u>	<u>10</u>
2XXX	Total Liabilities	<u>426,488</u>	<u>18</u>	<u>792,874</u>	<u>30</u>
<b>Equity attributable to owners of the Company (Notes 4 and 22)</b>					
3110	Common Stock Capital	1,030,865	44	1,030,865	39
3200	Capital surplus	159,501	7	150,532	6
<b>Retained Earnings</b>					
3310	Legal reserve	140,982	6	113,668	4
3320	Special reserve	-	-	31,293	1
3350	Undistributed earnings	545,567	24	515,624	20
3300	Total retained earnings	<u>686,549</u>	<u>30</u>	<u>660,585</u>	<u>25</u>
3400	Other equity interests	(1,827)	-	-	-
3500	Treasury Shares	(11,780)	(1)	(11,780)	-
31XX	Total equity of the Company's owners	<u>1,863,308</u>	<u>80</u>	<u>1,830,202</u>	<u>70</u>
36XX	Non-controlling interests (Note 22)	36,754	2	-	-
3XXX	Total equity	<u>1,900,062</u>	<u>82</u>	<u>1,830,202</u>	<u>70</u>
Total liabilities and equity		<u>\$ 2,326,550</u>	<u>100</u>	<u>\$ 2,623,076</u>	<u>100</u>

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

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd. and Its Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to December 31, 2024 and 2023

Unit: TWD thousand; TWD for earnings per share

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue, net (Notes 4, 23, and 31)	\$ 1,049,324	100	\$ 1,193,076	100
5000	Operating costs (Notes 10, 24 and 31)	<u>757,464</u>	<u>72</u>	<u>791,631</u>	<u>66</u>
5900	Gross Profit	<u>291,860</u>	<u>28</u>	<u>401,445</u>	<u>34</u>
	Operating expenses (Notes 9 and 24)				
6100	Selling expenses	42,944	4	42,362	3
6200	Administrative expenses	83,673	8	79,235	7
6300	Research and development expenses	45,689	5	47,102	4
6450	Expected credit reversal of impairment loss recognized in profit or loss	( <u>47</u> )	<u>-</u>	( <u>754</u> )	<u>-</u>
6000	Total operating expenses	<u>172,259</u>	<u>17</u>	<u>167,945</u>	<u>14</u>
6900	Net operating income	<u>119,601</u>	<u>11</u>	<u>233,500</u>	<u>20</u>
	Non-operating revenue and expenses (Notes 24 and 31)				
7100	Interest revenue	21,885	2	7,964	1
7010	Other income	7	-	6	-
7020	Other gains and losses	71,081	7	18,644	1
7050	Financial costs	( <u>3,983</u> )	<u>-</u>	( <u>10,402</u> )	( <u>1</u> )
7000	Total	<u>88,990</u>	<u>9</u>	<u>16,212</u>	<u>1</u>
7900	Income before Income Tax	208,591	20	249,712	21
7950	Income tax expense (Notes 4 and 25)	<u>48,014</u>	<u>5</u>	<u>53,120</u>	<u>4</u>
8000	Net income from operations of continued segments	160,577	15	196,592	17



8100	Loss from discontinued operations (Note 12)	<u>          -</u>	<u>      -</u>	<u>      77,142</u>	<u>      6</u>
8200	Net income for this year	<u>      160,577</u>	<u>      15</u>	<u>      273,734</u>	<u>      23</u>

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income/losses (Notes 21, 22 and 25)				
8310	Items not reclassified to profit or loss				
8311	Remeasurement of defined benefit plans	(\$ 52)	-	(\$ 739)	-
8349	Income tax related to items not reclassified	10	-	148	-
8360	Items that may subsequently be reclassified to profit or loss				
8361	Exchange differences arising from the translation of the financial statements of foreign operations	( 4,151)	-	31,313	3
8399	Income tax related to items that may be reclassified	<u>457</u>	<u>-</u>	( <u>20</u> )	<u>-</u>
8300	Other comprehensive income for this year (net of tax)	( <u>3,736</u> )	<u>-</u>	<u>30,702</u>	<u>3</u>
8500	Total comprehensive income for this year	<u>\$ 156,841</u>	<u>15</u>	<u>\$ 304,436</u>	<u>26</u>
8600	Net income attributable to:				
8610	Owners of the Company	\$ 163,150	15	\$ 273,734	23
8620	Non-Controlling Interests	( <u>\$ 2,573</u> )	<u>-</u>	<u>\$ -</u>	<u>-</u>
		<u>\$ 160,577</u>	<u>15</u>	<u>\$ 273,734</u>	<u>23</u>
8700	Total comprehensive income attributable to:				



8710	Owners of the Company	\$ 161,281	15	\$ 304,436	26
8720	Non-Controlling Interests	(\$ 4,440)	-	\$ -	-
		<u>\$ 156,841</u>	<u>15</u>	<u>\$ 304,436</u>	<u>26</u>

Earnings per share (Note 26)

	From continuing operations				
9710	Basic	<u>\$ 1.59</u>		<u>\$ 1.92</u>	
9810	Dilution	<u>\$ 1.59</u>		<u>\$ 1.91</u>	
	From continuing operations and discontinued operations				
9750	Basic	<u>\$ 1.59</u>		<u>\$ 2.67</u>	
9850	Dilution	<u>\$ 1.59</u>		<u>\$ 2.66</u>	

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

Chairman: SU, CHI-TSE    General Manager: SU, CHI-HU    Chief Accounting Officer:  
CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd. and Its Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to December 31, 2024 and 2023

Unit: TWD thousand

		Equity attributable to owners of the Company						Other equity interests				
		Retained Earnings					Total	Exchange differences arising from the translation of the financial statements of foreign operations	Treasury Shares	Total	Non-Controlling Interests	Total equity
Code		Common Stock Capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings						
A1	Balance on January 1, 2023	\$ 1,030,865	\$ 150,532	\$ 96,923	\$ 44,054	\$ 359,046	\$ 500,023	(\$ 31,293)	(\$ 11,780)	\$ 1,638,347	\$ -	\$ 1,638,347
	Earnings appropriation and distribution for 2022 (Note 22)											
B1	Legal reserve	-	-	16,745	-	( 16,745)	-	-	-	-	-	-
B3	Special reserve	-	-	-	( 12,761)	12,761	-	-	-	-	-	-
B5	Cash dividend	-	-	-	-	( 112,581)	( 112,581)	-	-	( 112,581)	-	( 112,581)
		-	-	16,745	( 12,761)	( 116,565)	( 112,581)	-	-	( 112,581)	-	( 112,581)
D1	Net income for 2023	-	-	-	-	273,734	273,734	-	-	273,734	-	273,734
	Other comprehensive income after tax for 2023	-	-	-	-	( 591)	( 591)	31,293	-	30,702	-	30,702
D5	Total comprehensive income for 2023	-	-	-	-	273,143	273,143	31,293	-	304,436	-	304,436
Z1	Balance as of December 31, 2023	1,030,865	150,532	113,668	31,293	515,624	660,585	-	( 11,780)	1,830,202	-	1,830,202
	Earnings appropriation and distribution for 2023 (Note 22)											
B1	Legal reserve	-	-	27,314	-	( 27,314)	-	-	-	-	-	-
B3	Special reserve	-	-	-	( 31,293)	31,293	-	-	-	-	-	-
B5	Cash dividend	-	-	-	-	( 137,144)	( 137,144)	-	-	( 137,144)	-	( 137,144)
		-	-	27,314	( 31,293)	( 133,165)	( 137,144)	-	-	( 137,144)	-	( 137,144)
N1	Share-based transactions (Notes 22 and 27)	-	8,969	-	-	-	-	-	-	8,969	-	8,969
D1	Net income for 2024	-	-	-	-	163,150	163,150	-	-	163,150	( 2,573)	160,577
	Other comprehensive income after tax for 2024	-	-	-	-	( 42)	( 42)	( 1,827)	-	( 1,869)	( 1,867)	( 3,736)
D5	Total comprehensive income for 2024	-	-	-	-	163,108	163,108	( 1,827)	-	161,281	( 4,440)	156,841
O1	Increase in non-controlling interests (Note 22)	-	-	-	-	-	-	-	-	-	41,194	41,194
Z1	Balance as of December 31, 2024	\$ 1,030,865	\$ 159,501	\$ 140,982	\$ -	\$ 545,567	\$ 686,549	(\$ 1,827)	(\$ 11,780)	\$ 1,863,308	\$ 36,754	\$ 1,900,062

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

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



Tsang Yow Industrial Co., Ltd. and Its Subsidiaries

Consolidated Statement of Cash Flows

January 1 to December 31, 2024 and 2023

Unit: TWD thousand

Code		2024	2023
	Cash flows from operating activities		
A00010	Net profit before tax of continuing operations	\$208,591	\$249,712
A00020	Net income before tax of discontinued operations	-	87,769
A10000	Net income before tax for this year	<u>208,591</u>	<u>337,481</u>
A20010	Income and expense items		
A20100	Depreciation expenses	82,037	99,671
A20200	Amortization expenses	2,619	4,673
A20300	Gains from expected credit reversal	( 47 )	( 3,057 )
A20400	Gain on financial assets at fair value through profit or loss	( 151 )	( 42 )
A20900	Financial costs	3,983	10,503
A21200	Interest revenue	( 21,885 )	( 11,063 )
A21300	Dividend income	( 7 )	( 6 )
A21900	Cost of employee stock options	8,969	-
A22500	Gain on disposal of property, plant and equipment	( 11,850 )	( 15,034 )
A29900	Gain on disposal of subsidiary	-	( 214,201 )
A23700	Inventory loss	8,143	18,124
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	-	334
A31150	Accounts receivable	( 3,231 )	73,569
A31180	Other receivables	1	17,844
A31200	Inventories	63,160	79,827
A31240	Other current assets	1,080	4,780
A32125	Contract liabilities	29,236	( 10,502 )
A32130	Notes payable	( 8,227 )	3,160
A32150	Accounts payable	( 49,167 )	( 43,260 )
A32180	Other payables	( 9,893 )	37,228
A32230	Other current liabilities	( 14,745 )	( 20,748 )
A32240	Net defined benefit liability	<u>( 5,810 )</u>	<u>( 1,797 )</u>
A33000	Cash from operations	282,806	367,484
A33100	Interest received	21,039	11,063
A33200	Dividends received	7	6
A33300	Interest paid	( 4,929 )	( 10,735 )
A33500	Income tax paid	<u>( 117,407 )</u>	<u>( 40,881 )</u>
AAAA	Net cash inflow from operating activities	<u>181,516</u>	<u>326,937</u>

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Code		2024	2023
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	(\$ 5,710)	\$ -
B01800	Acquisition of long-term equity investment accounted for using equity method	( 58,008)	-
B02300	Net cash inflow from disposal of subsidiary	-	477,784
B02700	Acquisition of property, plant and equipment	( 175,279)	( 48,576)
B02800	Proceeds from disposal of property, plant and equipment	18,608	39,626
B04500	Acquisition of intangible assets	( 1,230)	( 438)
B06500	Increase in other financial assets	( 1,830)	( 1,265)
B06800	Decrease in other non-financial assets	3,972	-
B07300	Increase in other non-current assets	-	( 3,972)
BBBB	Net cash inflows (outflows) from investing activities	( <u>219,477</u> )	<u>463,159</u>
	Cash flows from financing activities		
C00200	Decrease in short-term borrowings	( 20,000)	( 80,000)
C01600	Obtaining long-term borrowings	-	100,000
C01700	Repayment of long-term borrowings	( 250,424)	( 358,253)
C04020	Repayment of principal of lease liabilities	( 4,102)	( 2,426)
C04500	Cash dividend paid out	( 137,144)	( 112,581)
C05100	Receipt of employee subscription for treasury stock	11,796	-
C05800	Changes in non-controlling interests	41,194	-
CCCC	Net cash outflow from financing activities	( <u>358,680</u> )	( <u>453,260</u> )
DDDD	Effect of movements in exchange rates on cash and cash equivalents	( <u>4,003</u> )	<u>64,696</u>
EEEE	Net increase (decrease) in cash and cash equivalents	( 400,644)	401,532
E00100	Opening balance of cash and cash equivalents	<u>860,249</u>	<u>458,717</u>
E00200	Ending balance of cash and cash equivalents	<u>\$459,605</u>	<u>\$860,249</u>

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

Chairman: SU, CHI-TSE

General Manager: SU, CHI-HU

Chief Accounting Officer: CHEN, HUI-JUNG



<Attachment 7>

**Tsang Yow Industrial Co., Ltd.  
2024 Earnings Distribution Table**

Unit: TWD thousands

Item	Amount
Unappropriated earnings at the beginning of 2024	382,457,776
2024 net profit plus the amount other than the current period net profit after tax recognized in the undistributed earnings of the current year	163,107,818
2024 net income after tax	163,149,508
Actuarial gains and losses included in retained earnings	(41,690)
Less: Legal reserve	(16,310,782)
Less: Special reserve	(1,826,579)
Earnings available for distribution	527,428,233
Less: Distribution items:	
Shareholder bonus – cash dividend (TWD 1.2/share)	(123,703,871)
Undistributed earnings at the end of 2024	403,724,362

Remarks:

1. The employee bonus of TWD 8,985,673 and the director and supervisor remuneration of TWD 4,492,837 were paid out in cash.
2. As of February 24, 2025, the number of outstanding shares was 103,086,559 as the basis for allotment.
3. The cash dividends at this time were calculated based on the shareholdings and rounded down to TWD 1, and the sum of each dividend of less than TWD 1 is included in the Company's other income.

Chairman: SU, CHI-TSE General Manager: SU, CHI-HU Chief Accounting Officer: Chen, Hui-Jung



<Attachment 8>

Comparison Table of Amendments to the “Articles of Incorporation”

Provisions after amendment	Current provisions	Explanation
<p>Article 2: The scope of the Company’s business is as follows: I. CB01990 Other Machinery Manufacturing. II. CD01010 Ships and Parts Manufacturing. III. CD01030 Motor Vehicles and Parts Manufacturing. IV. F113990 Wholesale of Other Machinery and Tools. V. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. VI. F114060 Wholesale Ship and Component Parts. IV. F213990 Retail Sale of Other Machinery and Tools. VIII. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. IX. F214060 Retail Sale of Ship and Component Parts Thereof. X. F401010 International Trade. XI. CD01040 Motorcycles and Parts Manufacturing. XII. CD01050 Bicycles and Parts Manufacturing. XIII. CD01060 Aircraft and Parts Manufacturing. XIV. CD01990 Other Transport Equipment and Parts Manufacturing. XV. F214040 Retail Sale of Bicycle and Component Parts Thereof. XVI. <del>CC01080 — Electronics — Components Manufacturing—CB01010 Machinery Equipment Manufacturing.</del> XVII. CC01110 Computer and Peripheral Equipment Manufacturing. XVIII. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing. XIX. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy Industry XX. ZZ99099 All business activities that are not prohibited or restricted by law, except those that are subject to special approval</p>	<p>Article 2: The scope of the Company’s business is as follows: I. CB01990 Other Machinery Manufacturing. II. CD01010 Ships and Parts Manufacturing. III. CD01030 Motor Vehicles and Parts Manufacturing. IV. F113990 Wholesale of Other Machinery and Tools. V. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. VI. F114060 Wholesale Ship and Component Parts. IV. F213990 Retail Sale of Other Machinery and Tools. VIII. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. IX. F214060 Retail Sale of Ship and Component Parts Thereof. X. F401010 International Trade. XI. CD01040 Motorcycles and Parts Manufacturing. XII. CD01050 Bicycles and Parts Manufacturing. XIII. CD01060 Aircraft and Parts Manufacturing. XIV. CD01990 Other Transport Equipment and Parts Manufacturing. XV. F214040 Retail Sale of Bicycle and Component Parts Thereof. XVI. <del>CC01080</del> <b>Electronics Components Manufacturing.</b> XVII. CC01110 Computer and Peripheral Equipment Manufacturing. XVIII. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing. XIX. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy Industry XX. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</p>	<p>1. In response to the Company’s operational needs, the business scope has been supplemented and amended, with applications filed to add or delete specific business activities.</p>
<p><del>Article 27:</del><u>Article 24:</u> The Company may have managers, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.</p>	<p><del>Article 27:</del> The Company may have managers, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 28:</del><u>Article 25:</u> The Company may recruit consultants and important staff by resolution of the Board of Directors.</p>	<p><del>Article 28:</del> The Company may recruit consultants and important staff by resolution of the Board of Directors.</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 29</del><u>Article 26:</u> The Company’s fiscal year is from January 1 to December 31 per year.</p>	<p><del>Article 29</del> The Company’s fiscal year is from January 1 to December 31 per year.</p>	<p>Adjustment of the order of the provisions.</p>



Provisions after amendment	Current provisions	Explanation
<p><del>Article 30:</del><a href="#">Article 27:</a> At the end of the Company’s each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders’ Meeting for ratification.</p> <p>-</p> <p>I. A business report. II. financial statements. III. A statement of earnings distribution or a statement of deficit compensation.</p>	<p><del>Article 30:</del> At the end of the Company’s each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders’ Meeting for ratification.</p> <p>-</p> <p>I. A business report. II. financial statements. III. A statement of earnings distribution or a statement of deficit compensation.</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 31:</del><a href="#">Article 28:</a> If the Company generates profits in a given fiscal year, no less than 3% shall be allocated as employee remuneration <u>(of which at least 40% shall be distributed to grassroots employees)</u>. The remuneration may be distributed in the form of shares or cash, as resolved by the Board of Directors, and may include employees of the Company’s parent or subsidiary companies who meet certain criteria determined by the Board of Directors. In addition, the Company may allocate no more than 5% of the aforementioned profit as directors’ remuneration, subject to a resolution by the Board of Directors. Distribution to employees and directors shall be reported in the shareholders’ meeting. When there is still a cumulative deficit, the Company shall reserve an amount to offset it in advance and provide employee remuneration and director remuneration based on the above percentages.</p>	<p><del>Article 31:</del> If the Company generates profits in a given fiscal year, no less than 3% shall be allocated as employee remuneration, to be distributed in the form of shares or cash as resolved by the Board of Directors. The recipients may include employees of the parent or subsidiary companies who meet certain criteria, which shall be determined by the Board of Directors. The Company may allocate no more than 5% of the aforementioned profit as directors' remuneration, subject to a resolution by the Board of Directors. Distribution to employees and directors shall be reported in the shareholders’ meeting. When there is still a cumulative deficit, the Company shall reserve an amount to offset it in advance and provide employee remuneration and director remuneration based on the above percentages.</p>	<p>I, Adjustment of the order of the provisions. II. Pursuant to Article 14, Paragraph 6 of the Securities and Exchange Act, and the Financial Supervisory Commission, Securities and Futures Bureau official letter No. 1130385442 dated November 8, 2024, this provision is amended accordingly.</p>
<p><del>Article 31-1:</del><a href="#">Article 28-1:</a> Profit appropriation will follow the order below if there is a surplus in the Company’s annual final accounts: 1. Paying taxes according to law. 2. Offsetting a cumulative deficit. 3. Providing 10% as a legal reserve. 4. Appropriating or reversing special reserve based on regulations or operation needs. 5. If there is a balance remaining, the balance, plus the undistributed earnings, shall be the basis for distributable earnings adopted by the Board of Directors to make a shareholder dividend distribution proposal and submit it to the Shareholders’ Meeting for approval before distribution. The dividend distribution can be in the form of stock or cash dividend. According to Paragraph 5, Article 240 of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses, as well as the legal reserve or capital reserve, in whole or in part, in cash, in accordance with a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and to report the results to a shareholders' meeting.</p>	<p><del>Article 31-1:</del> Profit appropriation will follow the order below if there is a surplus in the Company’s annual final accounts: 1. Paying taxes according to law. 2. Offsetting a cumulative deficit. 3. Providing 10% as a legal reserve. 4. Appropriating or reversing special reserve based on regulations or operation needs. 5. If there is a balance remaining, the balance, plus the undistributed earnings, shall be the basis for distributable earnings adopted by the Board of Directors to make a shareholder dividend distribution proposal and submit it to the Shareholders’ Meeting for approval before distribution. The dividend distribution can be in the form of stock or cash. According to Paragraph 5, Article 240 of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses, as well as the legal reserve or capital reserve, in whole or in part, in cash, in accordance with a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and to report the results to a shareholders' meeting.</p>	<p>Adjustment of the order of the provisions.</p>



Provisions after amendment	Current provisions	Explanation
<p><del>Article 31-2:</del><a href="#">Article 28-2:</a> The Company will consider the industry environment and growth stage, as well as future capital needs and long-term financial planning, to meet shareholders' demands for cash flow. A certain percentage of the distributable earnings will be allocated as dividends to shareholders, with cash dividends accounting for no less than 10% of the total dividends. However, the types and ratios of earnings distribution may be adjusted by the shareholders' meeting based on the actual profits and capital situation in the relevant fiscal year.</p>	<p><del>Article 31-2:</del> The Company will consider the industry environment and growth stage, as well as future capital needs and long-term financial planning, to meet shareholders' demands for cash flow. A certain percentage of the distributable earnings will be allocated as dividends to shareholders, with cash dividends accounting for no less than 10% of the total dividends. However, the types and ratios of earnings distribution may be adjusted by the shareholders' meeting based on the actual profits and capital situation in the relevant fiscal year.</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 32:</del><a href="#">Article 29:</a> In accordance with Article 267 of the Company Act, the Company shall reserve 10% to 15% of the total number of newly issued shares for purchase by employees when issuing new shares. -Employees of the Company who purchase shares in accordance with the previous clause may be restricted from transferring such shares for a certain period, in accordance with the relevant provisions of the Company Act.</p>	<p><del>Article 32:</del> In accordance with Article 267 of the Company Act, the Company shall reserve 10% to 15% of the total number of newly issued shares for purchase by employees when issuing new shares. -Employees of the Company who purchase shares in accordance with the previous clause may be restricted from transferring such shares for a certain period, in accordance with the relevant provisions of the Company Act.</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 33:</del><a href="#">Article 30:</a> Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act and other laws and regulations</p>	<p><del>Article 33:</del> Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act and other laws and regulations</p>	<p>Adjustment of the order of the provisions.</p>
<p><del>Article 34:</del><a href="#">Article 31:</a> -The Articles of Incorporation was formulated on December 20, 1984 -The 1st amendment was made on January 8, 1985. -The 2nd amendment was made in February 26, 1987. -(Omitted) The 31st amendment was made on June 9, 2022. <a href="#">The 32nd amendment was made on May 27, 2025.</a></p>	<p><del>Article 34:</del> -The Articles of Incorporation was formulated on December 20, 1984 -The 1st amendment was made on January 8, 1985. -The 2nd amendment was made on February 26, 1987. -(Omitted) The 31st amendment was made on June 9, 2022.</p>	<p>I, Adjustment of the order of the provisions. II. The number and date of the amendment is added.</p>



<Attachment 9>

**Tsang Yow Industrial Co., Ltd.**  
**Articles of Incorporation (Before amendment)**

Chapter 1 General Provisions

Article 1: The Company is duly incorporated in accordance with the Company Act. The name of the Company is 倉佑實業股份有限公司 and the English name is Tsang Yow Industrial Co., Ltd.

The scope of the Company's business is as follows:

- I. CB01990 Other Machinery Manufacturing.
- II. CD01010 Ships and Parts Manufacturing.
- III. CD01030 Motor Vehicles and Parts Manufacturing.
- IV. F113990 Wholesale of Other Machinery and Tools.
- V. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
- VI. F114060 Wholesale Ship and Component Parts.
- IV. F213990 Retail Sale of Other Machinery and Tools.
- VIII. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
- IX. F214060 Retail Sale of Ship and Component Parts Thereof.
- X. F401010 International Trade.
- XI. CD01040 Motorcycles and Parts Manufacturing.
- XII. CD01050 Bicycles and Parts Manufacturing.
- XIII. CD01060 Aircraft and Parts Manufacturing.
- XIV. CD01990 Other Transport Equipment and Parts Manufacturing.
- XV. F214040 Retail Sale of Bicycle and Component Parts Thereof.
- XVI. CC01080 Electronics Components Manufacturing.
- XVII. CC01110 Computer and Peripheral Equipment Manufacturing.
- XVIII. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.
- XIX. D101060 Self-usage Power Generation Equipment Utilizing Renewable Energy Industry
- XX. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

The Company may provide guarantees to

Article 2-1: The Company may provide endorsements/guarantees external entities for business needs, but it shall be submitted to the Board of Directors for approval in accordance with the Company's Operating Procedures for Endorsements and Guarantees.

Article 2-2: When the Company invests in another company and becomes a shareholder with limited liability, it may not be subject to the limit under Article 13 of the Company Act, but the investment shall not exceed 100% of the Company's paid-in share capital and shall be approved by the Board of Directors.

Article 3: The Company is headquartered in Chiayi County, Taiwan, and may establish branches, factories, or offices at home or abroad, when necessary, with the approval by resolution of the Board of Directors as per law.



Article 4: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

#### Chapter 2 Shares

Article 5: The Company's total capital amounts to TWD 1.5 billion, which is divided into 150 million shares, and each share is TWD 10. The Board of Directors is delegated to issue such shares in tranches.

Within the total capital mentioned in the preceding paragraph, TWD 40,000,000 is reserved for the issuance of employee stock options, totaling 4,000,000 shares, which may be issued in installments as resolved by the board of directors.

Article 6: When the amount of the Company's issued shares exceeds a certain amount set by the central competent authority, it shall issue stocks in accordance with the applicable provisions of the Company Act.

The Company may be exempted from printing stock certificates but shall register with the centralized securities depository enterprise for the stocks issued by the Company. The same shall also apply to the issuance of other securities.

Article 6-1: Where the Company intends to revoke the public offering, it shall be approved by the Board of Directors and adopted by resolution of the Shareholders' Meeting before the Company proceeds to apply for revocation of the public offering.

Article 7: The Company's stock affairs shall be handled in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies, unless otherwise stipulated by laws and the competent securities authority.

Article 8: The change of the shareholder register shall be suspended within 60 days before an annual general Shareholders' Meeting, within 30 days before an extraordinary Shareholders' Meeting, or within five days before the record date of the payout of dividends, bonuses, or other benefits.

Article 9: The recipients of the treasury shares purchased by the Company in accordance with the Company Act and employee stock warrants issued and the subscribers of restricted stock awards issued may include employees at the controlling company or subsidiaries who meet certain criteria.

The Board of Directors is delegated to set the certain criteria in the preceding paragraph.

#### Chapter 3 Shareholders' Meeting

Article 10: There are annual general and extraordinary Shareholders' Meetings.

I. The annual general Shareholders' Meeting shall be convened once per year within six months after the end of each fiscal year.

II. An extraordinary Shareholders' Meeting may be convened at any time in accordance with applicable laws and regulations when necessary.

Article 10-1: Each shareholder shall be notified of the date, time, place, and reason for convening such a meeting 30 days before an annual general Shareholders' Meeting and 15 days before an extraordinary Shareholders' Meeting. Any election of directors, amendments to the Articles of Incorporation, dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act shall be set out and the essential contents explained in the notice of the Shareholders' Meeting. None of the above matters may be raised by an questions and motions.



Article 10-2: The Company may convene Shareholders' Meeting by video conference or in other methods as announced by the central competent authority

Article 11: Any shareholder who is unable to attend a Shareholders' Meeting for any reason may appoint a proxy to attend the meeting by presenting a signed or sealed proxy form printed by the Company, indicating the scope of the authorization, and proceed in accordance with the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies promulgated by the competent authority.

Article 12: A Shareholders' Meeting shall be chaired by the Chairman. When the Chairman is absent, the Chairman shall designate one of the directors to act as the chair. Where the Chairman fails to make such a designation, the directors shall select from among themselves one person to serve as the chair. If a Shareholders' Meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 13: A shareholder shall be entitled to one vote for each of the Company's ordinary shares held. However, the shares issued by the Company held by the Company in accordance with the Company Act are deemed non-voting shares.

Article 14: Resolutions at a Shareholders' Meeting shall, unless otherwise provided by applicable laws and regulations, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 15: Matters relating to the resolutions by 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. Said distribution may be conducted through announcement on the Market Observation Post System (MOPS).

The original copy of the meeting minutes, together with the sign-in book, and the proxy forms shall be kept at the Company in accordance with Article 183 of the Company Act.

#### Chapter 4 Board of Directors and Audit Committee

Article 16: The Company shall have seven to eleven directors on the board, but the Board of Directors shall be delegated to determine the number of directors to be elected. Directors shall be elected through a candidate nomination system specified in Article 192-1 of the Company Act by the Shareholders' Meeting from a list of director candidates. Their term of office is three years, and they can be re-elected. Where the term of office ends and an election fails to be held in time, the original term of office may be extended until an election of new directors is held. The total shareholding of all directors shall be handled in accordance with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the competent authority.

Article 16-1: Pursuant to Articles 14-2 and 14-4 of the Securities and Exchange Act, of the number of directors under Article 16, the number of independent directors shall not be fewer than three, one of whom shall be the convener of the Audit Committee and at least one of whom shall have expertise in accounting or finance. They shall be elected through a candidate nomination system by the Shareholders' Meeting from a list of independent director candidates. The professional qualifications, shareholding, restrictions on positions held concurrently, nomination, and other matters to be complied with for



independent directors shall be governed by the regulations of the competent securities authority.

Article 16-2: The Company has established an Audit Committee formed by all independent directors in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for performing the duties specified in the Company Act, the Securities and Exchange Act, and other laws and regulations.

Article 17: When the vacancy of directors reaches one-third of all directors, the Board of Directors shall hold a Shareholders' Meeting for a by-election in accordance with the law; however, the term of office of the directors elected at the by-election shall be limited to the original term of office.

When the Shareholders' Meeting elects directors, each share shall be entitled to the number of voting rights equal to that of directors to be elected and may be cast for a single candidate or split among multiple candidates.

Where the Company's Shareholders' Meeting resolves a decision to elect new directors for the entire Board before the end of the existing directors' term of office, if the Shareholders' Meeting fails to resolve a decision to allow the existing directors to serve on the Board until the end of the term of office, they shall be dismissed early.

Article 18: The Board of Directors is formed by all directors, and the Chairman shall be elected by more than half of the directors from among themselves present at a Board meeting attended by two-thirds or more of all directors. The Chairman shall chair Shareholders' Meetings and Board meetings internally and represent the Company externally and execute all the Company's business in accordance with laws, regulations, and resolutions adopted by the Shareholders' Meeting and the Board of Directors. When the Chairman is unable to perform the duties for a specific reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is no such a position as managing director, the Chairman shall designate one person to act as the chair. Where the Chairman fails to make such a designation, the directors shall elect, from among themselves, one person to serve as the chair.

Article 19: Directors shall be obliged to act as joint guarantors for external loans taken out by the Company.

Article 20: The responsibilities of the Board of Directors are as follows:

- I. Determination of the Company's business policy and monitoring of business activities.
- II. Appointment, dismissal, and remuneration of managers.
- III. Appointment and dismissal of the chief accounting officer and internal auditors.
- IV. Review of budgets and financial statements.
- V. Drawing up a statement of earnings distribution or a statement of deficit compensation and making capital increase proposals.
- VI. Approval of investments in or provision of loans to other businesses and mortgage of assets.
- VII. Establishment, major restructuring, and dissolution of the Company's important organizations, as well as the review of important rules and important contracts.
- VIII. Approval of proposals for the purchase, disposal, and pledge or mortgage of movable, immovable, or intangible assets as referred to in the Company's Asset Acquisition and Disposal Operating Rules.
- IX. Convening of Shareholders' Meetings.



X. Review and approval of matters submitted by the Chairman for discussion.

XI. Performance of other duties conferred by laws and regulations and the Shareholders' Meeting.

Article 21: Unless otherwise provided by the Company Act, resolutions by the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. In case a director is unable to attend a Board meeting in person for a specific reason, they shall issue a proxy form and state therein the scope of authority with reference to the subjects to be discussed at the meeting to entrust a proxy to attend the meeting on their behalf. The proxy mentioned in the preceding paragraph is limited to only one proxy.

When a Board meeting is held by video conference, the directors who participate in the meeting by video conference shall be deemed to be present in person.

When a Board meeting is called, a meeting notice shall state the reasons for calling a meeting and be sent to each director no later than seven days prior to the scheduled meeting date. However, in case of emergency, a Board meeting may be called at any time. The Company may send such a meeting in writing or by e-mail or fax.

Article 22: Matters relating to the resolutions by a Board 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 original copy of the meeting minutes, together with the sign-in book, and the proxy forms shall be kept at the Company.

Article 23: The remuneration paid to directors is determined by the Board of Directors according to individual directors' involvement and contribution to the business operation with reference to the general standard in the industry without exceeding the standards specified in the Company's salary determination regulations. All directors may receive transportation allowance according to the actual situation.

The Company may purchase liability insurance for directors during their terms in accordance with the law for the scope of their duties depending on the needs with the consent of more than half of the directors present at a Board meeting attended by more than half of the directors.

#### Chapter 5 Managers

Article 27: The Company may appoint managers, whose appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Article 28: The Company may recruit consultants and important staff by resolution of the Board of Directors.

#### Chapter 6 Accounting

Article 29: The Company's fiscal year is from January 1 to December 31 each year.

Article 30: At the end of the Company's each fiscal year, the Board of Directors shall prepare the following documents and submit them to the Shareholders' Meeting for ratification.

- I. Business report.
2. Financial statement.
3. A statement of earnings distribution or a statement of deficit compensation.

Article 31: Where the Company makes a profit for a fiscal year, it shall provide no less than 3% of the balance for employee remuneration, which shall be distributed in stock or cash by resolution of the Board of Directors. The recipients of the remuneration may



include the employees at the controlling company or subsidiaries who meet certain criteria, and the criteria shall be determined by the Board of Directors as delegated. The Company may provide no greater than 5% of said balance for director remuneration by resolution of the Board of Directors.

Distribution to employees and directors shall be reported in the shareholders' meeting.

When there is still a cumulative deficit, the Company shall reserve an amount to offset it in advance and provide employee remuneration and director remuneration based on the above percentages.

Article 31-1: The Company's net income based on the annual financial statements shall be distributed in the following order:

1. Paying taxes according to law.
2. Offsetting a cumulative deficit.
3. Providing 10% as a legal reserve.
4. Providing an amount for or reversing the special reserve as per laws and regulations or as needed in business.
5. If there is a balance remaining, the balance, plus the undistributed earnings, shall be the basis for distributable earnings adopted by the Board of Directors to make a shareholder dividend distribution proposal and submit it to the Shareholders' Meeting for approval before distribution. The dividend distribution can be in the form of stock or cash.

According to Paragraph 5, Article 240 of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses, as well as legal reserves or capital reserves, in whole or in part in cash, in accordance with a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and to report the results to a shareholders' meeting.

Article 31-2: The Company will factor in the industry conditions and the growth stage of the Company to meet capital needs and long-term financial planning, as well as cash flow demands from the shareholders. Therefore, a certain percentage of distributable earnings will be set aside for shareholder dividends, with the cash distribution not being lower than 10%. The type and percentage of such distribution might be adjusted by the shareholders' meeting depending on the actual surplus and capital needs.

#### Chapter 7 Supplementary Provisions

Article 32: In accordance with Article 267 of the Company Act, when issuing new shares, the Company shall reserve 10% to 15% of the total number of new shares to be issued for subscription by employees. The shares subscribed for by the Company's employees in accordance with the preceding paragraph may not be transferred within a certain period of time in accordance with the applicable provisions of the Company Act.

Article 33: Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act and other laws and regulations.

Article 34: The Articles of Incorporation were formulated on December 20, 1984. The 1st amendment was made on January 8, 1985. The 2nd amendment was made on February 26, 1987. The 3rd amendment was made on June 23, 1988. The 4th amendment was made on December 20, 1988. The 5th amendment was made on July 28, 1989. The 6th amendment was made on May 20, 1992. The 7th amendment was



made on November 19, 1996. The 8th amendment was made on February 21, 1997. The 9th amendment was made on December 25, 1997. The 10th amendment was made on October 15, 1998. The 11th amendment was made on June 15, 1999. The 12th amendment was made on July 3, 2000. The 13th amendment was made on July 5, 2001. The 14th amendment was made on December 21, 2001. The 15th amendment was made on June 7, 2002. The 16th amendment was made on June 3, 2003. The 17th amendment was made on June 3, 2003. The 18th amendment was made on June 11, 2004. The 19th amendment was made on June 16, 2005. The 20th amendment was made on June 16, 2005. The 21st amendment was made on June 15, 2006. The 22nd amendment was made on June 28, 2007. The 23rd amendment was made on December 6, 2007. The 24th amendment was made on June 25, 2010. The 25th amendment was made on June 29, 2012. The 26th amendment was made on June 23, 2014. The 27th amendment was made on June 7, 2016. The 28th amendment was made on June 13, 2018. The 29th amendment was made on June 18, 2019. The 30th amendment was made on September 10, 2021. The 31st amendment was made on June 9, 2022.



## **Eight. Appendixes**

**<Appendix 1>**

### **Tsang Yow Industrial Co., Ltd. Rules of Procedure for Shareholders' Meetings**

- I. Purpose: To establish an excellent governance system for the Company's Shareholders' Meeting, improve the supervisory function, and strengthen the management function, these Rules are formulated in accordance with the provisions of Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies for compliance.
- II. Scope: Unless otherwise stipulated by laws or regulations, the rules of procedure for the Company's Shareholders' Meeting shall be governed by these Rules.
- III. Responsible unit: The unit in charge of these Rules shall be the Shareholders' Meeting affairs unit.
- IV. Contents:
  1. Unless otherwise provided by law or regulation, the Company's Shareholders' Meetings shall be convened by the Board of Directors.
    - 1.1 Changes to the method of convening a 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.
    - 1.2 Thirty days before the Company convenes an annual general Shareholders' Meeting or 15 days before an extraordinary Shareholders' Meeting, the Company shall prepare electronic files of the meeting notice, proxy form, information on proposals for ratification, matters for discussion, election or dismissal of directors or supervisors, and other matters on the Shareholders' Meeting agenda and upload them to the MOPS. Meanwhile, 21 days before the Company convenes an annual general Shareholders' Meeting or 15 days before an extraordinary Shareholders' Meeting, it shall prepare an electronic file of the Shareholders' Meeting agenda handbook and the supplementary materials and upload them to the MOPS. However, the Company, with the paid-in capital amounting to TWD10 billion or more at the end of the most recent fiscal year or the total shareholding ratio of foreign capital and capital from China reaching 30% or more as per the shareholder register for the annual general Shareholders' Meeting held in the most recent fiscal year, shall upload such an electronic file 30 days before the meeting. Fifteen days before the Company convenes a Shareholders' Meeting, it shall prepare the Shareholders' Meeting agenda handbook and supplementary materials and make them available for the shareholders to obtain and review at any time. In addition, the handbook shall be displayed at the Company and its stock affairs agency.
    - 1.3 The Company shall provide said handbook and supplementary materials mentioned in the preceding paragraph to the shareholders on the day of the Shareholders' Meeting in the following methods:
      - I. When a physical Shareholders' Meeting is convened, such materials shall be distributed on-site at the Shareholders' Meeting.
      - II. When a video-assisted Shareholders' Meeting is convened, such materials shall be distributed on-site at the Shareholders' Meeting, and an electronic file of such materials uploaded to the video conference platform.
      - III. When a shareholder meeting is held by video conference, the electronic file should be transmitted to the video conference platform.
    - 1.4 The reasons for convening the meeting shall be specified in the notice and



announcement. The notice may be given by electronic means with the consent of the addressee.

- 1.5 Election or dismissal of directors, supervisors, change of Articles of Incorporation, capital reduction, application for cessation of public offering, director's permission to compete in business, capital increase from earnings, capital reserve, company dissolution, merger, spin-off, 1 and various subparagraphs of Securities and Exchange Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" the main contents of the motions shall be listed and explained in the reason for convening the meeting, and shall not be proposed as a provisional motion; the main contents may be placed on the website designated by the securities authority or the company, and the website address shall be stated in the notice.
- 1.6 Where an election of all directors or supervisors and their inauguration date is stated in the Shareholders' Meeting notice, after the completion of the election in said meeting, such inauguration date may not be altered by any questions and motions or otherwise in the same meeting.
- 1.7 A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at an annual general 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's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board of Directors. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.
- 1.8 Prior to the book closure date before an annual general Shareholders' Meeting is held, the Company shall publicly announce its acceptance of shareholders' proposals in writing or by electronic means and the location and time period for their submission; the period for acceptance of shareholders' proposals may not be fewer than ten days.
- 1.9 Each of such proposals is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. Each shareholder making the proposal shall be present in person or by proxy at the annual general Shareholders' Meeting and take part in the discussion of the proposal.
- 1.10 Prior to the date for issuance of the Shareholders' Meeting notice, 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. For shareholders' proposals that are not included in the agenda, the board of directors shall explain the reasons for not including such proposals at the shareholders' meeting.
2. For each Shareholders' Meeting, a shareholder may appoint a proxy to attend the meeting by providing a proxy form issued by the Company, with the scope of authorization for the proxy stated therein.
  - 2.1 Each shareholder may issue only one proxy form and appoint only one proxy and shall deliver the proxy form to the Company no later than five days before the date of the Shareholders' Meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form.
  - 2.2 Once a proxy form is received by the Company, if a shareholder wishes to attend the Shareholders' Meeting in person or to exercise their voting rights in writing or by



electronic means, a written proxy rescission notice shall be filed with the Company no later than two days prior to the date of the Shareholders' Meeting, otherwise the voting rights exercised by the authorized proxy at the meeting shall prevail.

- 2.3 Once a proxy form is received by the Company, in the case that the shareholder intends to attend the Shareholders' Meeting by video conference, a written proxy rescission notice shall be filed with the Company two days prior to the date of the Shareholders' Meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.
3. Principles for the location and time of a Shareholders' Meeting
  - 3.1 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 not start earlier than 9 a.m. or later than 3 p.m. Consider the opinions of independent directors.
  - 3.2 When the Company convenes a Shareholders' Meeting by video conference, it is not subject to the restriction on location of the meeting under paragraph 3.1.
4. Preparation of an attendance book and other documents
  - 4.1 The Company shall state, in the meeting notice, the sign-in time and place for shareholders, solicitors, and proxies (hereinafter referred to as "shareholders"), and other matters that shall be noted.
  - 4.2 The time at which shareholders' sign-in begins, as stated in paragraph 4.1, shall be at least 30 minutes prior to the time the meeting commences. The sign-in location place shall be clearly marked and staffed with a sufficient number of suitable personnel. When the Shareholders' Meeting is convened by video conference, the sign-in process shall begin on the video conference platform 30 minutes before the meeting commences. Shareholders who have completed the sign-in shall be deemed to have attended the Shareholders' Meeting in person.
  - 4.3 Shareholders shall attend the Shareholders' Meetings with their attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
  - 4.4 The Company shall furnish the attending shareholders or the proxies they entrusted (hereinafter collectively referred to as "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
  - 4.5 The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, ballots shall also be furnished.
  - 4.6 When the government or a juridical person is a shareholder, it may be represented by more than one representative at a Shareholders' Meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
  - 4.7 If a Shareholders' Meeting is convened by video conference, shareholders who wish to attend by video conference should register with the Company no later than two days prior to the Shareholders' Meeting.
  - 4.8 If a Shareholders' Meeting is convened by video conference, the Company shall upload the meeting agenda handbook, annual report, and other relevant materials to the video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them till the end of the meeting.
- 4-1 Matters to be included in a meeting notice when a Shareholders' Meeting is convened by video conference



- 4-1.1 When the Company convenes a Shareholders' Meeting by video conference, the information below shall be stated in the meeting notice:
- I. Shareholders' methods of participating in the video conference and exercising their rights.
  - II. The response to the obstacles to the video conference platform or to the participation in the video conference due to natural disasters, incidents, or other force majeure events shall include at least the following:
    - (I) The time and the date of the next meeting when the meeting needs to be postponed or resumed as such obstacles cannot be resolved.
    - (II) Shareholders who did not register to participate in the original Shareholders' Meeting by video conference shall not participate in the meeting to be postponed or resumed.
    - (III) When a video-assisted Shareholders' Meeting is convened, if the video conference cannot continue, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical Shareholders' Meeting reaches the number as required by law, the Shareholders' Meeting shall continue. For shareholders participating via video conference, the number of their shares shall be included in the total number of shares in attendance, and they shall be deemed to abstain for all motions resolved at the Shareholders' Meeting.
    - (IV) The handling method in the event that the resolution results of all motions have been announced, while questions and motions have not been resolved.
  - III. When a Shareholders' Meeting is to be convened by video conference, appropriate alternatives to shareholders who have difficulty participating in the meeting by video means shall be specified.
5. Chair of the Shareholders' Meeting and attendees
- 5.1 If a Shareholders' Meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is such a position as managing director, Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to not make such a designation, the managing directors or directors shall elect from among themselves one person to serve as the chair.
  - 5.2 When a managing director or a director serves as the chair, as referred to in paragraph 5.1, the managing director or director shall have held that position for six months or more with great understanding of the Company's financial position. The same shall apply if the chair is served by the representative of an institutional director.
  - 5.3 It is advisable that Shareholders' Meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the directors, at least one supervisor, and at least one representative of various functional committee members in person; the attendance shall be recorded in the Shareholders' Meeting minutes.
  - 5.4 If a Shareholders' Meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
  - 5.5 The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a Shareholders' Meeting in a non-voting capacity.
6. Audio and video recordings of the process from shareholders' sign-in, the proceedings of the meeting to the process of voting and vote counting.



- 6.1 The Company shall make an uninterrupted audio and video recording of the entire process of the Shareholders' Meeting from shareholders' sign-in, the proceedings of the meeting to the process of voting and vote counting.
- 6.2 The audio and video recording in paragraph 6.1 shall be kept for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, the records shall be retained until the end of the lawsuit.
- 6.3 If a Shareholders' Meeting is convened by video conference, the Company shall keep records of shareholders' registration, sign-in, questions raised, and voting and the Company's vote counting results and retain the records, while making an uninterrupted audio and video recording of the entire video conference.
- 6.4 The above-mentioned materials and audio and video recording shall be properly kept by the Company during the period of its existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for storage.
- 6.5 If a Shareholders' Meeting is convened by video conference, the Company is advised to make an audio and video recording of the back-end interface of the video conference platform.
7. Attendance at Shareholders' Meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in and the sign-in record on the video conferencing platform plus the number of shares whose voting rights are exercised in writing or by electronic means.
  - 7.1 The chair shall call the meeting to order upon the meeting time. 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 attending shareholders still represent fewer than one-third of the total number of issued shares after two postponements, the chair shall declare the meeting adjourned. If a Shareholders' Meeting is convened by video conference, the Company shall also declare the meeting adjourned on the video conference platform.
  - 7.2 If there are not enough shareholders representing at least one-third of the issued shares attending the meeting after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another Shareholders' Meeting will be convened within one month. If a Shareholders' Meeting is convened by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with paragraphs 4.1–4.8.
  - 7.3 When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the Shareholders' Meeting pursuant to Article 174 of the Company Act.
8. Proposal discussion
  - 8.1 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 the proposals on the agenda one by one (including questions and 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 by the Shareholders' Meeting.
  - 8.2 The provisions of the preceding paragraph apply mutatis mutandis to a Shareholders' Meeting convened by a party with the power to convene other than the Board of Directors.
  - 8.3 The chair may not declare the meeting adjourned prior to completion of deliberation on



the meeting agenda of the preceding two paragraphs (including questions and motions), except by a resolution by 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 to continue the meeting.

- 8.4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or questions and 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, and schedule sufficient time for voting.
9. Speeches delivered by shareholders
  - 9.1 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.
  - 9.2 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 is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.
  - 9.3 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; however, if the shareholder's speech violates the rules or exceeds the scope of the motion, the chair may have the shareholder stop the speech.
  - 9.4 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.
  - 9.5 When a juridical person shareholder appoints two or more representatives to attend a shareholder meeting, only one of the representatives so appointed may speak on the same proposal.
  - 9.6 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
  - 9.7 If a Shareholders' Meeting is convened by video conference, shareholders who participate by video conference may ask questions in text on the video conference platform after the chair calls the meeting to order and before the chair declares the meeting adjourned. The number of questions raised by each shareholder for each motion shall not exceed two, each question shall be limited to 200 words, and the provisions of paragraphs 9.1 to 9.5 shall not apply.
  - 9.8 If such questions in the preceding paragraph are not in violation of the regulations or not outside the scope of the motions, it is advisable to disclose such questions on the video conference platform.
10. Counting of the number of voting shares and a recusal mechanism
  - 10.1 Voting at Shareholders' Meetings shall be calculated based on numbers of shares.
  - 10.2 The non-voting shares held by shareholders shall not be counted toward the total number of outstanding shares for any resolution to be adopted at a Shareholders' Meeting.
  - 10.3 A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the Company's interest, shall not vote nor exercise the voting right on behalf of another shareholder.
  - 10.4 Shares for which voting right cannot be exercised as provided in the preceding paragraph shall not be counted toward the number of votes of shareholders present at the meeting.



- 10.5 Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting rights represented by them shall not exceed 3% of the total number of the Company's voting shares, otherwise, the portion of excessive voting rights shall not be counted.
11. 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.
- 11.1 When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the 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's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, however, the shareholder shall be deemed a waiver of voting rights in respect of any questions and motions and amendment to the original proposal.
- 11.2 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 at least 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.
- 11.3 After shareholders exercise their voting rights in writing or by electronic means, if they wish to attend the Shareholders' Meeting in person or by video conference, they shall serve a declaration of intent to retract the voting rights already exercised under the preceding paragraph two days before the Shareholders' Meeting in the same manner in which the voting rights were exercised; otherwise the voting rights exercised in writing or by electronic means shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the Shareholders' Meeting, the voting right exercised by the attending proxy at the meeting shall prevail.
- 11.4 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each cause of action the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a vote by the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered on the MOPS.
- 11.5 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.
- 11.6 Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.
- 11.7 Vote counting for proposals or elections at a Shareholders' Meeting shall be conducted in public at the place of the Shareholders' Meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and recorded.
- 11.8 When written proposals made by shareholders in accordance with Article 172-1 of the Company Act included in a shareholders' general meeting agenda, if they are of the



same type as those made by the Board of Directors, they shall be combined and handled in accordance with paragraph 11.5 mutatis mutandis.

- 11.9 The chair shall determine the order of proposals for discussion and voting made by shareholders in the questions and motions session.
  - 11.10 When a shareholders' meeting is convened by video conference, shareholders participating by video conference shall vote on various motions and election(s) on the video conference platform after the chair calls the meeting to order. They shall complete the voting before the chair declares the voting closed; otherwise, they shall be deemed to have waived their voting rights.
  - 11.11 When a Shareholders' Meeting is convened by video conference, after the chair declares the voting closed, the votes shall be counted in one go, and the voting and election results shall be announced.
  - 11.12 Shareholders who have registered to attend the shareholders meeting by way of video communication in accordance with the provisions of 4.1 to 4.8 of the Company when the Company holds a video-assisted shareholders meeting and wish to attend the physical shareholders meeting in person shall cancel the registration in the same manner as for the registration two days before the meeting ; if the revocation is made after the time limit, the shareholder may attend the shareholders' meeting by way of video conference only.
  - 11.13 Those who exercise their voting rights in writing or by electronic means without retracting their declaration of intention and participate in the Shareholders' Meeting by video conference shall not exercise their voting rights on the same motions, propose amendment to the same motions, or exercise their voting rights for revised motions, except for questions and motions.
12. Elections
- 12.1 The election of directors or supervisors 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 or supervisors and the numbers of votes they won.
  - 12.2 The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept properly for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, the records shall be retained until the end of the lawsuit.
13. Meeting minutes and documents to be signed
- 13.1 Matters relating to the resolutions by 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 by electronic means.
  - 13.2 Said distribution may be conducted through an announcement on the MOPS.
  - 13.3 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.
  - 13.4 When a Shareholders' Meeting is convened by video conference, the minutes of the Shareholders' Meeting shall contain the start and end time of the Shareholders' Meeting, the method of convening the meeting, the names of the chair and the meeting taker, as well as the response method and the response situation when any natural disasters,



accidents, or other force majeure events have obstructed the video conference platform or the participation in the video conference in addition to the matters that shall be recorded in accordance with the preceding paragraph.

13.5 When a Shareholders' Meeting is convened by video conference, the Company shall proceed as per the preceding paragraph and shall specify the alternative measures provided to shareholders who have difficulty participating in the video conference in the minutes of the Shareholders' Meeting.

#### 14. Public announcement

14.1 The Company shall, on the day of the Shareholders' Meeting, compile a statistical statement in the prescribed format and disclose the number of shares solicited by the solicitor, the number of shares represented by the proxies, and the number of shares in attendance in writing or by electronic means clearly on-site at the Shareholders' Meeting. When a Shareholders' Meeting is convened by video conference, the Company shall upload the aforementioned information to the video conference platform at least 30 minutes before the start of the meeting and continue to disclose it till the end of the meeting.

14.2 When a Shareholders' Meeting is convened by video conference, when the chair calls the meeting to order, the total number of shares in attendance shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights in attendance are counted during the meeting.

If any resolutions by the Shareholders' Meeting are material information as stipulated by laws and regulations or the Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall upload the content to the MOPS prior to a deadline.

#### 15. Maintenance of order at the meeting venue

15.1 Staff handling administrative affairs of a Shareholders' Meeting shall wear an identification badge or an armband.

15.2 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 badge or an armband, reading "Proctor."

15.3 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.

15.4 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.

#### 16. Break and continuation of meeting

16.1 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.

16.2 If the meeting venue is no longer available for continued use and not all of the items (including questions and motions) on the meeting agenda have been addressed, the Shareholders' Meeting may adopt a resolution to resume the meeting at another venue.

16.3 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.

#### 17. Disclosures for video conferences

17.1 When a Shareholders' Meeting is convened by video conference, the Company shall immediately disclose the voting results and election results of various motions on the video conference platform in accordance with the regulations, and shall continue to disclose for at least 15 minutes after the chair declares the meeting adjourned.



18. Location of the chair and the minute taker of Shareholders' Meeting by video conference
  - 18.1 When a Shareholders' Meeting is convened by video conference, the chair and the minute taker shall be at the same location in Taiwan, and the chair shall disclose the address of the place when calling the meeting to order.
19. Response to disconnection
  - 19.1 When a Shareholders' Meeting is convened by video conference, the Company may allow shareholders to perform a simple test of the connection before the meeting commences and provide relevant services immediately before and during the meeting to assist with any technical communication problems.
  - 19.2 When a Shareholders' Meeting is convened by video conference, the chair shall, when calling the meeting to order, announce that there is no need for postponement or resumption of the meeting as stipulated in Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies; that the meeting shall be postponed or resumed within five days due to any force majeure events that have obstructed the video conference platform or the participation in the video conference for 30 minutes or more before the chair declares the meeting adjourned; that Article 182 of the Company Act shall not apply.
  - 19.3 In the event of any incident in the preceding paragraph that caused the meeting to be postponed or resumed, shareholders who have not registered to participate in the original Shareholders' Meeting by video conference shall not participate in the meeting postponed or resumed.
  - 19.4 For the meeting to be postponed or resumed under paragraph 19.2, shareholders who have registered to participate in the original Shareholders' Meeting by video conference and have completed the registration but fail to participate in said meeting, the number of shares in attendance and the voting rights and voting rights for elections exercised at the original Shareholders' Meeting shall be included in the total number of attending shareholders' shares, voting rights, and voting rights for elections at the meeting postponed or resumed.
  - 19.5 When a Shareholders' Meeting is postponed or resumed in accordance with paragraph 19.2, the motions for which the voting and counting of votes have been completed and the voting results or the list of elected directors have been announced, do not need to be discussed or resolved again.
  - 19.6 When the Company convenes a Shareholders' Meeting, supplemented by a video conference, if the video conference cannot continue as under paragraph 19.2, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical Shareholders' Meeting reaches the number as required by law, the Shareholders' Meeting shall continue. There is no need to postpone or resume the meeting in accordance with paragraph 19.2.
  - 19.7 When the meeting shall continue as in the preceding paragraph, for shareholders participating via video conference, the number of their shares shall be included in the total number of shares in attendance; however, they shall be deemed to abstain for all motions resolved at the Shareholders' Meeting.
  - 19.8 When the Company postpones or resumes the meeting in accordance with paragraph 19.2, it shall handle the relevant matters in accordance with the provisions set forth in Article 44-27 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and relevant preparations shall be made as per the date of the original Shareholders' Meeting and the provisions of this article.
  - 19.9 Based on the period under Article 12, second-half paragraph and Article 13, paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies; 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 postpone or resume the Shareholders' Meeting at a date as per paragraph 19.2.

20. Response to the digital gap

20.1 When the Company convenes a Shareholders' Meeting by video conference, it shall provide appropriate alternatives to shareholders who have difficulty attending the Shareholders' Meeting by video conference.

21. These Rules and all amendments thereto shall take effect upon approval by a Shareholders' Meeting.

21.1 These Rules were passed by the Shareholders' Meeting on July 3, 2000.

The 1st amendment was made on December 21, 2001.

The 2nd amendment was made on June 3, 2003.

The 3rd amendment was made on June 15, 2006.

The 4th amendment was made on October 18, 2007.

The 5th amendment was made on June 29, 2012.

The 6th amendment was made on June 10, 2013.

The 7th amendment was made on June 22, 2015.

The 8th amendment was made on June 15, 2020.

The 9th amendment was made on July 15, 2021.

The 10th amendment was made on June 9, 2022.

V. References:

1. Company Act
2. Securities and Exchange Act

VI. Relevant tables: None.



<Appendix 2>

Tsang Yow Industrial Co., Ltd.

**Shareholdings of Directors**

- I. As of March 29, 2025, the paid-in capital was TWD 1,030,865,590, and the number of issued shares was 103,086,559 shares
- II. Pursuant to Article 26 of the Securities and Exchange Act and Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,” the minimum number of shares to be held by all directors is 8,000,000 shares.
- III. The number of shares held by individual directors and all directors, as recorded in the shareholder register as of the book closure date for the Shareholders' Meeting, is as follows:

Title	Name	Date elected	Term of Office	Director	
				Shareholding (Shares)	Shareholding (%)
Chairman	SU, CHI-TSE	May 24, 2024	3 years	1,781,867	1.73%
Director	Rich Pool Investment Co., Ltd. Representative:HSIEH, HSIN-SHU	May 24, 2024	3 years	7,961,779	7.72%
Director	SU, HSIN-CHENG	May 24, 2024	3 years	1,717,762	1.67%
Director	CHU, SAN-TU	May 24, 2024	3 years	601,058	0.58%
Director	SU, CHI-HU	May 24, 2024	3 years	1,773,000	1.72%
Director	CHU, CHEN-YI	May 24, 2024	3 years	1,513,491	1.47%
Independent Director	OU, CHIN-SHYH	May 24, 2024	3 years	-	-
Independent Director	CHEN, CHIH-CHANG	May 24, 2024	3 years	-	-
Independent Director	LIN, CHIU-HSIEN	May 24, 2024	3 years	-	-
Number of shares held by all directors				15,348,957	14.89%