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Zeng Hsing Industrial Co., Ltd.

Procedure for the 2026 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairperson's Remarks
3. Management Presentation (Company Reports)
4. Proposals
5. Discussion
6. Questions and Motions
7. Adjournment

Zeng Hsing Industrial Co., Ltd.
Agenda of 2026 Annual Meeting of Shareholders

1. Type of Meeting: Physical Shareholders' Meeting
2. Time and Date: 9:00 a.m., 25 May 2026 (Monday)
3. Place: 4F., No. 78, Yongcheng Rd., Taiping Dist., Taichung City, Taiwan
4. Attendants: All shareholders and their proxy holders
5. Chairperson: Chairman, Mr. Chih-Cheng Lin
6. Chairperson's Remarks
7. Management Presentations (Company Report)
 - (1) 2025 Business Report
 - (2) Audit Committee's Review Report on the 2025 Financial Statements
 - (3) The Status of Endorsement and Guarantee
 - (4) Report on Employee Compensation and Director Remuneration Distribution
 - (5) Report on Remuneration to Directors for 2025
 - (6) Report on the Implementation of Share Buyback Program
8. Proposals
 - (1) Adoption of the 2025 Business Report and Financial Statements
 - (2) Adoption of the Proposal for Distribution of 2025 Profits
9. Discussion
 - (1) Amendment to the "Articles of Incorporation"
 - (2) Proposal for a Cash Capital Increase through Private Placement
10. Questions and Motions
11. Adjournment

Management Presentations (Company Reports)

1. 2025 Business Reports (Proposed by the Board)

Explanation: The 2025 Business Report is attached as pp. [9-11], Attachment 1.

2. Audit Committee's Review Report on the 2025 Financial Statements (Proposed by the Board)

Explanation: The Audit Committee's Review Report is attached as p. [12], Attachment 2.

3. The Status of Endorsement and Guarantee (Proposed by the Board)

Explanation: The Status of Endorsement and Guarantee is attached as p. [13], Attachment 3.

4. Report on Employee Compensation and Director Remuneration Distribution (Proposed by the Board)

Explanation:(1) In accordance with Article 35 of the Company's Articles of Incorporation

(2) The Company's profit before tax for 2025, before deducting remuneration to directors and employees' compensation, amounted to NT\$478,394,937. The Company proposes to distribute remuneration to directors of NT\$7,700,000 and employees' compensation of NT\$20,000,000 for 2025, which is consistent with the amounts accrued in the financial statements.

5. Report on Remuneration to Directors for 2025 (Proposed by the Board)

Explanation: Information regarding directors' remuneration, including the remuneration policy, the details of individual remuneration, and the corresponding amounts is attached as p. [14], Attachment 4.

6. Report on the Implementation of Share Buyback Program (Proposed by the Board)

Explanation: (1) In accordance with Article 28-2 of the Securities and Exchange Act, the Board of Directors' resolution on the share buyback and the status of its implementation shall be reported in the most recent shareholders' meeting.

(2) The Company's implementation of the share buyback for 2025 is as follows:

31 March 2026

Buyback Program No.	Fifth Share Buyback
Purpose of the Buyback:	To maintain the Company's credit and protect shareholders' equity.
Buyback Period	7 November 2025 to 6 January 2026
Buyback Price Range	NT\$80 - NT\$120 (Buyback may continue if the market price falls below the lower limit)
Type and Number of Shares Bought Back	2,000,000 common shares
Total Amount of Shares Bought Back	NT\$201,919,398
Percentage of Shares Bought Back to the Planned Buyback (%)	100%
Number of Shares Cancelled or Transferred	2,000,000 shares
Cumulative Number of Treasury Shares Held	0 share
Percentage of Treasury Shares to Total Outstanding Issued Shares (%)	0%

Proposals

1. (Proposed by the Board)

Proposal: Adoption of the 2025 Business Report and Financial Statements

Explanation: (1) The Company's Business Report and Financial Statements for 2025 have been approved by the Board and examined by the Audit Committee of the Company.

(2) The above-mentioned Business Report and Financial Statements are attached as pp. [9-11], Attachment 1 and pp. [15-37], Attachment 5.

Resolution:

2. (Proposed by the Board)

Proposal: Adoption of the Proposal for Distribution of 2025 Profits

Explanation: (1) The Board has adopted a Proposal for Distribution of 2025 Profits on 6 March 2026.

(2) The proposed dividend to shareholders is NT\$ 322,678,155.

(3) Upon the approval of the Annual Shareholders' Meeting, it is proposed to authorize the Chairman to determine the ex-dividend date. Shareholders listed on the shareholders' list on that date will be eligible to receive a cash dividend of NT\$5,000 per thousand shares held. If there are share cancellations due to share buybacks or the exercise of employee stock options afterward, resulting in changes to the outstanding shares, the Chairman is requested to adjust the distribution ratio based on the actual outstanding shares on the ex-dividend date and the total amount of profit to be distributed according to the resolution of this shareholders' meeting.

(4) The Company's Profit Distribution Table for 2025 is attached as p. [38], Attachment 6.

Resolution:

Discussion

1. (Proposed by the Board)

Proposal: Amendment to the "Articles of Incorporation". Please proceed to discuss.

Explanation: In order to comply with the requirements of the competent authority and practical corporate needs, the Company hereby proposes amendment to the "Articles of Incorporation". Please refer to pp. [39-40] (Attachment 7) for details.

Resolution:

2. (Proposed by the Board)

Proposal: Proposal for a cash capital increase through private placement. Please proceed to discuss.

Explanation: To expand the Company's operating scale and introduce strategic investors, the Company proposes to conduct a cash capital increase through a private placement of common shares. The proceeds will be used to strengthen working capital, procure materials overseas, repay bank loans, or address other funding needs for the Company's future development thereby enhancing the overall competitiveness of the Group.

1. Date of Board Resolution: 22 January 2026.
2. Type of Securities for Private Placement: Common shares.
3. Offerees and Their Relationship with the Company: The offerees shall be limited to specific persons meeting the requirements of Article 43-6 of the Securities and Exchange Act and shall be strategic investors. Priority will be given to those who can contribute to the Company's long-term development and competitiveness and enhance the interests of existing shareholders.
4. Number of Shares to Be Privately Placed: It is proposed that the shareholders' meeting authorize the Board of Directors to conduct the private placement of common shares within a limit of up to 10,000 thousand shares.
5. Maximum Private Placement Amount: Not exceeding 10,000 thousand shares.
6. Basis and Reasonableness of Pricing: The private placement price shall be determined in accordance with applicable laws and regulations, with reference to the pricing benchmarks described below. Considering the three-year transfer restriction imposed on privately placed securities under the Securities and Exchange Act, the pricing is deemed reasonable.

7. Use of Proceeds: To expand operations and introduce strategic investors, the private placement may be conducted once or in multiple tranches (up to three times) within one year, depending on market conditions and negotiations with specific persons. The proceeds will be used to strengthen working capital, procure materials overseas, repay bank loans, or meet other funding needs related to the Company's future development.
8. Reason for Not Adopting a Public Offering: The Company intends to introduce strategic investors to enhance future competitiveness. As privately placed securities are subject to a three-year transfer restriction, such restriction helps ensure a long-term cooperative relationship with strategic partners. Therefore, the Company plans to raise funds through private placement to improve the timeliness and flexibility of capital raising.
9. Actual Pricing Date: To be determined by the Board of Directors upon authorization by the shareholders' meeting.
10. Reference Price: The private placement price per common share shall not be lower than 80 percent of the reference price. The reference price shall be the higher of the following: (1) The simple average of the closing prices of the Company's common shares for any one of the 1, 3, or 5 business-day periods prior to the pricing date, adjusted for stock dividends, cash dividends, and capital reduction; or (2) The simple average of the closing prices of the Company's common shares for the 30 business days prior to the pricing date, adjusted for stock dividends, cash dividends, and capital reduction.

11. Actual Issue Price: The actual pricing date and issue price shall be determined by the Board of Directors, upon authorization by the shareholders' meeting, in accordance with the above principles and taking into account market conditions, objective factors, and the results of negotiations with specific persons, provided that the final price is not lower than the percentage approved by the shareholders' meeting.
12. Rights and Obligations of the Newly Issued Shares: Except for the transfer restrictions under Article 43-8 of the Securities and Exchange Act, the rights and obligations of the newly issued privately placed common shares shall be the same as those of the existing common shares.
13. The private placement is not expected to result in any material change in the Company's control.
14. Other Matters: (1) The key terms of the issuance plan, including the issue price, number of shares, issuance conditions, total private placement amount, record date, project items, expected schedule, and anticipated benefits, shall be determined and adjusted by the Board of Directors upon authorization by the shareholders' meeting and based on market conditions. Should any amendments be required due to changes in laws or regulations, instructions from the competent authorities, operational assessments, or objective market conditions, the Board of Directors shall be fully authorized to handle such matters. (2) The Chairman, or a person designated by the Chairman, shall be authorized to handle all matters relating to the private placement of common shares and to execute all necessary agreements and documents on behalf of the Company.

Resolution:

Questions and Motions
Adjournment

Zeng Hsing Industrial Co., Ltd.

2025 Annual Business Report

1. Management policy and implementation summary

- (1) The sewing machine business aims to expand cooperation with existing clients and undertake OEM production of new products, while simultaneously enhancing its professional technical capabilities. As for non-core operations, the Company actively seeks OEM opportunities for other products to broaden the Group's revenue base and increase profitability.
- (2) The Group is streamlining resources by improving asset utilization and optimizing production planning to reduce total manufacturing costs and enhance overall operational efficiency and profitability.
- (3) R&D efforts focus on incorporating more energy-saving and efficiency-oriented concepts into new product designs, aiming to create differentiated products from competitors, enhance product value, and align more closely with global environmental awareness.
- (4) To instill and deepen quality awareness, the Company continues to implement the Quality Promotion Plan, adhering to the 'Three Reals' policy (actual place, actual thing, actual situation). This approach ensures the identification of root causes, enables the development of optimal solutions, and facilitates proactive responses to improve production quality and elevate overall quality standards.
- (5) The Company continues to invest in semi-automation of production equipment and high-level production leveling activities, while optimizing jig and fixture design to enhance overall product quality and production efficiency. Efforts are also underway to accelerate the integration of machine networking and big data analytics to support better decision-making and improve overall operational efficiency.
- (6) The Company actively recruits external professionals with technical expertise, aiming to break through current limitations in R&D and quality, thereby enhancing the competitiveness of its products.
- (7) In terms of environmental sustainability, the Company assesses product carbon footprints to understand emission patterns and incorporates green design, energy-saving, and recyclability concepts to reduce carbon emissions and promote environmental sustainability. On the factory management side, policies for reducing carbon emissions, water usage, and waste generation continue to be actively implemented.

2. The Result of Implementation of Business plan

The 2025 consolidated net revenue of the Company amounted to NT\$8,104 million, representing a 2.79% decrease from NT\$8,337 million in 2024. The 2025 consolidated income before tax amounted to NT\$864 million, which reflects a 28.12% decrease compared to NT\$1,202 million in 2024.

3. Execution of the Budget of Operating income and expenditure

The financial forecast was not disclosed publicly by the Company, as a result, there is no related statement available.

4. Profitability analysis

Unit: In NT\$ thousands; %

Item		Year	2025	2024
Operational performance	Operating revenues		\$8,103,980	\$8,337,227
	Gross profit		2,182,305	2,455,681
	Operating profit and loss		730,043	931,208
	Income before Tax		863,530	1,201,634
	Net income attributable to stockholder of the parent		366,154	453,188
	Earnings per share (NT\$)		5.52	6.81
Profitability Analysis	Return on Total Assets (%)		5.06	7.46
	Return on Equity (%)		7.15	10.41
	Operating profit / paid-in capital (%)		109.72	139.96
	Pre-tax net profit / paid-in capital (%)		129.78	180.6
	Net Margin (%)		7.78	11.04

Note: The presented information is the data from the consolidated financial statement.

5. Research development status

(1) Since its establishment, the Company has continuously invested in research and development talents and material resources to maintain competitiveness. The research and development expenditure in 2025 reached NT\$375,965 thousand, accounting for 4.64% of the net operating revenue, representing a 0.89% increase compared to NT\$372,659 thousand in 2024.

(2) Successfully developed technologies or products

Year	Research results
2025	CH01CX (Wi-Fi Combo Computerized Embroidery & Sewing Machine) H71KS (Horizontal Full-Rotation Computerized Sewing Machine) KB75A (Vertical Half-Rotation Mechanical Sewing Machine) KB75AE (Vertical Half-Rotation Electronic Sewing Machine) Q60MP.D (Horizontal Full-Rotation Mechanical Sewing Machine) MAxxF (Vertical Half-Rotation Mechanical Sewing Machine) QxxNST.D (Horizontal Full-Rotation Mechanical Sewing Machine) CJ05BX (Combo Computerized Embroidery & Sewing Machine) BJA (Upright Vacuum Cleaner) BPAE2 (Battery-Powered Backpack Vacuum Cleaner)

Chairman: Chih-Cheng Lin Manager: Tung-Liang Liu Chief Accountant: Tzu-Ho Chuang

Zeng Hsing Industrial Co., Ltd.

Audit Committee 's Review Report

The Board of Directors has prepared and submitted to us the Company's 2025 Business Report, proposal for earnings distribution and the financial statements audited by the accountant, who issued an audit report accordingly. Pursuant to Article 219 of the Company Act, we hereby submit this report.

Sincerely,

For the 2026 Annual Meeting of Shareholders of Zeng Hsing Industrial Co., Ltd.

Audit Committee Convenor:

Hui-Yu Huang

6 March 2026

ZENG HSING INDUSTRIAL CO., LTD.**The Status of Endorsement and Guarantee as of 28 February 2026**

Unit: In NT\$ thousand

Endorser/ Guarantor	Receiving Parties		Ceilings of guarantee/ endorsement provided to a single entity	Maximum balance for the period	Ending	Actual amount provided	Amount of endorsement guarantee secured by assets	Percentage of accumulated guarantee amount to net assets value from the most recent financial statements	Ceilings of total guarantee/ endorsement
	Relationship	Name							
The Company	Subsidiary	Zeng Hsing Industrial Co., Ltd. (VN)	1,551,471	875,028	750,024	0	0	14.50	2,068,629
Total					750,024	0	0		

- Note: 1. The total amount of endorsements/guarantees shall not exceed 40% of the current net worth of the Company.
2. The ceilings of guarantee/ endorsement provided to any single overseas affiliated company shall not exceed 30% of the current net worth of the Company.
3. The total amount of endorsements and guarantees made by the Company and its subsidiaries collectively shall not exceed 45% of the current net worth of the Company.
4. The amount of endorsements and guarantees made by the Company and its subsidiaries to any single enterprise shall not exceed 30% of the current net worth of the Company.
5. The Company, directly or indirectly holding 100% voting shares of foreign companies, is not subject to the limitations stated in points 1 and 2 above regarding

【Attachment 4】

Unit: in NT\$ Thousand; Thousand Shares

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Compensation related to concurrent employment								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation received from investments outside of subsidiaries or from the parent company	
		Base Compensation (A)		Retirement Pension (B)		Bonus to Directors (C) (Proposed figures)		Expense from Professional Practice (D)				Salary, Bonuses, and Allowances (E)		Retirement Pension (F)		Employees' Compensation (G) (Proposed figures)							
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies included in the financial statements		
Independent Director	Young-Yaw Pai	780	780	0	0	0	0	20	20	800	800	0	0	0	0	0	0	0	0	0	800	800	None
										0.22%	0.22%												
Independent Director	Hui-Yu Huang	780	780	0	0	0	0	25	25	805	805	0	0	0	0	0	0	0	0	0	805	805	None
										0.22%	0.22%												
Independent Director	Yung-Sheng Hsu	780	780	0	0	0	0	30	30	810	810	0	0	0	0	0	0	0	0	0	810	810	None
										0.22%	0.22%												
Chairman	Chih-Cheng Lin	5,657	5,778	0	0	2,200	2,800	30	70	7,887	8,648	0	0	0	0	0	0	0	0	0	7,887	8,648	None
										2.15%	2.36%												
Director	Ruei-Yi Hong	0	0	0	0	1,100	1,100	30	30	1,130	1,130	0	0	0	0	0	0	0	0	0	1,130	1,130	None
										0.31%	0.31%												
Director	Su-Chen Liao	0	0	0	0	1,100	1,100	30	30	1,130	1,130	0	0	0	0	0	0	0	0	0	1,130	1,130	None
										0.31%	0.31%												
Director	Jin-Tan Lee	0	0	0	0	1,100	1,100	30	30	1,130	1,130	0	0	0	0	0	0	0	0	0	1,130	1,130	None
										0.31%	0.31%												
Director	Chung-Ting Tsai	0	0	0	0	1,100	1,400	30	70	1,130	1,470	3,513	3,513	108	108	467	0	467	0	0	5,217	5,557	None
										0.31%	0.40%												
Director	Meng-Chung Ho	0	0	0	0	1,100	1,100	30	30	1,130	1,130	0	0	0	0	0	0	0	0	0	1,130	1,130	None
										0.31%	0.31%												

1. Directors and independent directors' remuneration payment policies, systems, standards and structure, and state the relevance to the amount of remuneration according to the responsibilities, risks, time invested, etc.:

- (1) In accordance with the Company's Articles of Incorporation, directors' remuneration is determined by the Board of Directors based on the directors' contribution to the Company's performance, individual performance results, and with reference to the compensation levels generally adopted in the industry.
- (2) The Articles of Incorporation also provide that directors' remuneration shall not exceed 4% of the Company's annual profit. In determining remuneration, the Company follows its "Regulations for the Compensation of Directors and Managerial Officers" and "Board Performance Evaluation Procedures," taking into account the Company's overall operating performance, industry risks and development trends, as well as each director's individual performance results and contribution to the Company's performance, so as to ensure reasonable compensation.
- (3) The related performance evaluation and compensation reasonableness are reviewed by the Remuneration Committee and the Board of Directors. The remuneration system is reviewed from time to time depending on the actual operation and relevant laws in order to keep the balance between the Company's sustainable operation and risk control.

2. Apart from the aforementioned disclosure, the remunerations for directors of the Company providing services (such as serving as a consultant, not concurrently an employee, in the parent company/ all companies included in the financial statements /reinvestment business) to consolidated subsidiaries: None

Independent Auditors' Report Translated from Chinese

To ZENG HSING INDUSTRIAL CO., LTD

Opinion

We have audited the accompanying consolidated balance sheets of Zeng Hsing Industrial Co., Ltd (the “Company”) and its subsidiaries as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2025 and 2024, and their consolidated financial performance and cash flows for the years ended December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of accounts receivable

As of December 31, 2025, the Company and its subsidiaries' accounts receivable and allowance for doubtful accounts amounted to NTD 1,645,023 thousand and NTD 53,429 thousand, respectively. Net accounts receivable represented 12% of the total consolidated assets that could have significant impacts on the Company and its subsidiaries. Since the collection of notes and accounts receivable is the key factor in the working capital management of the Company and its subsidiaries, and the adoption of provision policy requires significant management judgement whose the measurement results affect the net amount of accounts receivable, we therefore determined this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of internal control over accounts receivable; assessing the reasonableness of loss allowance policy, including understanding related information to evaluate expected credit loss ratio; investigating accounts receivable details at end of the period, recalculating the reasonableness of loss allowance based on the expected credit loss ratio of each group; analyzing the receivable turnover to evaluate recoverability based on individual customers with significant sales amount; evaluating the reasonableness of the allowance for doubtful accounts based on individual customers with significant overdue accounts or longer aging, reviewing the collection in subsequent period.

In addition, we considered the adequacy of the disclosures related to accounts receivable in Notes 5 and 6 to the consolidated financial statements.

Valuation for inventories

As of December 31, 2025, the net inventories amounted to NTD 1,462,018 thousand accounting for 11% of the total consolidated assets that could have significant impacts on the Company and its subsidiaries. The Company and its subsidiaries starts manufacturing after receiving orders from customers, so we mainly assessed the allowance for inventory valuation and slow-moving losses for raw materials, supply and parts. Due to diversity of products and uncertainty arising from rapid changes in products, allowance for obsolete and slow-moving inventory valuation requires significant management judgement, we therefore determined the issue as a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of internal control system with respect to obsolete and slow-moving inventory; understanding the allowance for inventory loss and slow-moving inventory policies; sampling important storage locations to observe inventory counts; testing the correctness of the inventory aging intervals to make sure that the inventory aging schedule was appropriate. In addition, we sample tested inventories to check related certificates of purchases and sales and to re-calculate the unit cost of inventories to evaluate the reasonableness of the net realizable value of inventory.

In addition, we also considered the adequacy of the disclosures related to inventory in Notes 5 and 6 to the consolidated financial statements.

Other Matter – Making Reference to the Audit of Other Auditors

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of the other auditors. These associates and joint ventures under equity method amounted to NT\$31,172 thousand and NT\$31,027 thousand, representing both 0.24% of consolidated total assets as of December 31, 2025 and 2024, respectively. The related shares of profits from the associates and joint ventures under the equity method amounted to NT\$3,695 thousand and NT\$7,261 thousand, representing 0.43% and 0.60% of the consolidated net income before tax for the years ended December 31, 2025 and 2024, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024.

Huang, Ching Ya
Lo, Wen Chen
Ernst & Young, Taiwan
March 6, 2026

Notice to Readers :

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

Assets	Notes	As of			
		31 December 2025		31 December 2024	
		Amount	%	Amount	%
Current Assets					
Cash and cash equivalents	4, 6(1), 12	\$2,670,322	21	\$2,279,804	17
Financial assets measured at amortized cost, current	4, 6(2), 8, 12	303,220	2	551,236	4
Accounts receivable, net	4, 6(3), 6(13), 12	1,591,594	12	1,767,318	14
Other receivables	12	73,490	1	82,464	1
Inventories, net	4, 6(4)	1,462,018	11	1,621,789	12
Prepayment		52,504	-	50,710	-
Other current assets		181,825	2	140,838	1
Total current assets		<u>6,334,973</u>	<u>49</u>	<u>6,494,159</u>	<u>49</u>
Non-current assets					
Financial assets measured at amortized cost, non-current	4, 6(2), 8, 12	738,113	5	588,479	4
Investments accounted for under the equity method	4, 14	108,978	1	114,157	1
Property, plant and equipment	4, 6(5), 8	3,723,378	29	3,907,309	30
Right of use assets	4, 6(14)	356,312	3	356,176	3
Intangible assets	4,6(6)	1,483,801	11	1,534,238	12
Deferred tax assets	4, 6(18)	39,846	-	38,414	-
Net defined benefit assets, non-current	4,6(9)	10,684	-	2,689	-
Other non-current assets	4	202,553	2	105,083	1
Total non-current assets		<u>6,663,665</u>	<u>51</u>	<u>6,646,545</u>	<u>51</u>
Total assets		<u>\$12,998,638</u>	<u>100</u>	<u>\$13,140,704</u>	<u>100</u>

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

(continued)

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		31 December 2025		31 December 2021	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	4, 6(7), 12	\$1,686,385	13	\$906,000	7
Contract liabilities, current	6(12)	53,959	-	74,357	1
Notes payable	12	58,362	1	74,174	1
Accounts payable	12	670,058	5	820,247	6
Other payables	12	479,765	4	638,861	4
Current tax liabilities	4	117,115	1	142,779	1
Long-term borrowings (including current portion with maturity less than 1 year)	4, 6(8), 12	133,052	1	107,525	1
Other current liabilities	4, 6(14), 12	136,362	1	117,288	1
Total current liabilities		3,335,058	26	2,881,231	22
Non-current liabilities					
Long-term loans	4, 6(8), 12	483,125	3	616,177	5
Deferred tax liabilities	4, 6(18)	491,867	4	454,210	3
Other non-current liabilities	4, 6(14), 12	134,063	1	110,975	1
Total non-current liabilities		1,109,055	8	1,181,362	9
Total liabilities		4,444,113	34	4,062,593	31
Equity attributable to the parent company	4, 6(10)				
Capital					
Common stock		665,356	5	665,356	5
Capital surplus		1,890,261	14	1,890,261	14
Retained earnings					
Legal reserve		730,563	6	730,563	6
Special reserve		200,145	2	265,979	2
Unappropriated earnings		2,229,064	17	2,213,091	17
Total Retained earnings		3,159,772	25	3,209,633	25
Other components of equity					
Exchange differences on translation of foreign operations - the parent company		(361,771)	(3)	(200,145)	(2)
Treasury shares		(182,045)	(1)	-	-
Equity attributable to owners of the parent		5,171,573	40	5,565,105	42
Non-controlling interests	6(11)	3,382,952	26	3,513,006	27
Total equity		8,554,525	66	9,078,111	69
Total liabilities and equity		\$12,998,638	100	\$13,140,704	100

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

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the years ended 31 December			
		2025		2024	
		Amount	%	Amount	%
Net Sales	4, 6(12)	\$8,103,980	100	\$8,337,227	100
Cost of Sales	6(4), 6(15)	(5,921,675)	(73)	(5,881,546)	(71)
Gross Profit		2,182,305	27	2,455,681	29
Operating Expenses	6(14), 6(15)				
Selling and marketing		(282,230)	(3)	(291,103)	(4)
Management and administrative		(793,906)	(10)	(821,729)	(10)
Research and development		(375,965)	(5)	(372,659)	(4)
Expected credit losses	4, 6(13)	(161)	-	(38,982)	-
Total Operating Expenses		(1,452,262)	(18)	(1,524,473)	(18)
Operating Income		730,043	9	931,208	11
Non-operating income and expenses	6(16)				
Other income		135,405	2	158,954	2
Other gains and losses		34,684	-	127,652	1
Financial costs		(37,978)	-	(21,928)	-
Share of profit or loss of associates and joint ventures		1,376	-	5,748	-
Subtotal		133,487	2	270,426	3
Income before income tax		863,530	11	1,201,634	14
Income tax expense	4, 6(18)	(233,179)	(3)	(281,281)	(3)
Income, net of tax		630,351	8	920,353	11
Other comprehensive income	6(17), 6(18)				
Items that may not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		8,465	-	14,196	-
Income tax related to items that may not be reclassified subsequently		(1,693)	-	(2,839)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(240,842)	(3)	182,317	2
Income tax related to items that may be reclassified subsequently		28,532	-	(16,458)	-
Total other comprehensive (loss) income, net of tax		(205,538)	(3)	177,216	2
Total comprehensive income		\$424,813	5	\$1,097,569	13
Net income attributable to:					
Stockholders of the parent		\$366,154		\$453,188	
Non-controlling interests		264,197		467,165	
		\$630,351		\$920,353	
Comprehensive income attributable to:					
Stockholder of the parent		\$210,737		\$529,171	
Non-controlling interests		214,076		568,398	
		\$424,813		\$1,097,569	
Earnings per share (NTD)	6(19)				
Earnings per share-basic		\$5.52		\$6.81	
Earnings per share-diluted		\$5.50		\$6.79	

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

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Notes	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Treasury shares	Total	Non-Controlling Interests	Total Equity
Balance as of 1 January 2024	6(10)	\$665,356	\$1,890,261	\$730,563	\$202,396	\$2,125,301	\$(265,978)	\$ -	5,347,899	\$3,263,589	\$8,611,488
Appropriations of earnings, 2023:											
Special reserve appropriated					63,583	(63,583)			-		-
Cash dividends						(252,836)			(252,836)		(252,836)
Net income for the year ended 31 December 2024						453,188			453,188	467,165	920,353
Other comprehensive income, net of tax for the year ended 31 December 2024						11,357	64,626		75,983	101,233	177,216
Total comprehensive income		-	-	-	-	464,545	64,626	-	529,171	568,398	1,097,569
Cash dividends of subsidiary	6(11)									(248,848)	(248,848)
Difference between the actual acquisition or disposal price and carrying amounts of subsidiaries						(60,336)	1,207		(59,129)	(70,149)	(129,278)
Changes in non-controlling interests										16	16
Balance as of 31 December 2024	6(10)	\$665,356	\$1,890,261	\$730,563	\$265,979	\$2,213,091	\$(200,145)	\$ -	\$5,565,105	\$3,513,006	\$9,078,111
Balance as of 1 January 2025	6(10)	\$665,356	\$1,890,261	\$730,563	\$265,979	\$2,213,091	\$(200,145)	\$ -	\$5,565,105	\$3,513,006	\$9,078,111
Appropriations of earnings, 2024:											
Reversal of special reserve					(65,834)	65,834			-		-
Cash dividends						(399,214)			(399,214)		(399,214)
Net income for the year ended 31 December 2025						366,154			366,154	264,197	630,351
Other comprehensive income, net of tax for the year ended 31 December 2025						6,772	(162,189)		(155,417)	(50,121)	(205,538)
Total comprehensive income		-	-	-	-	372,926	(162,189)	-	210,737	214,076	424,813
Purchase of treasury shares								(182,045)	(182,045)		(182,045)
Cash dividends of subsidiary	6(11)									(317,043)	(317,043)
Difference between the actual acquisition or disposal price and carrying amounts of subsidiaries						(23,573)	563		(23,010)	(27,087)	(50,097)
Balance as of 31 December 2025	6(10)	\$665,356	\$1,890,261	\$730,563	\$200,145	\$2,229,064	\$(361,771)	\$(182,045)	\$5,171,573	\$3,382,952	\$8,554,525

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

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

	For the years ended 31 December	
	2025	2024
Cash flows from operating activities:		
Net income before tax	\$863,530	\$1,201,634
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	540,979	557,231
Amortization	109,912	105,101
Loss (gain) on disposal of property, plant and equipment	(15,943)	6,643
Loss (gain) from market value decline, obsolete and slow-moving of inventories	11,580	(6,869)
Share of profit or loss of associates and joint ventures	(1,376)	(5,748)
Expected credit loss	161	38,982
Interest income	(65,520)	(72,456)
Interest expense	37,978	21,928
Changes in operating assets and liabilities:		
Notes receivable	8,141	(11,458)
Accounts receivable	153,220	(264,647)
Inventories	148,653	(341,201)
Other receivables	27,225	6,567
Prepayments	(5,845)	(9,301)
Other current assets	(44,471)	(20,380)
Contract liabilities	(20,398)	4,784
Notes payable	(15,812)	(70,561)
Accounts payable	(150,063)	87,628
Other payables	(163,133)	184,097
Current liabilities	2,323	(13,044)
Net defined benefit liabilities, non-current	-	(19,672)
Net defined benefit assets, non-current	(7,995)	(2,689)
Cash generated from operations	<u>1,413,146</u>	<u>1,376,569</u>
Interest received	47,269	72,456
Income tax paid	<u>(198,697)</u>	<u>(239,902)</u>
Net cash provided by operating activities	<u>1,261,718</u>	<u>1,209,123</u>

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

(continued)

ZENG HSING INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

	For the years ended 31 December	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets measured at amortized cost	98,382	(959,924)
Acquisition of property, plant and equipment	(328,672)	(451,003)
Proceeds from disposal of property, plant and equipment	19,910	23,303
Decrease (increase) in refundable deposits	1,420	(184)
Dividends received	3,550	3,550
Acquisition of intangible assets	(12,578)	(9,946)
Increase in other non-current assets	(178,970)	(105,726)
Net cash used in investing activities	<u>(396,958)</u>	<u>(1,499,930)</u>
Cash flows from financing activities:		
Increase in short-term loans	9,863,562	3,474,800
Decrease in short-term loans	(9,083,177)	(2,961,800)
Increase in long-term loans	-	24,000
Decrease in long-term loans	(107,525)	(156,525)
Increase in other non-current liabilities	11,491	287
Lease principal repayment	(51,808)	(64,599)
Cash dividends	(399,214)	(252,836)
Payments to acquire treasury shares	(182,045)	-
Interest paid	(36,916)	(21,614)
Cash dividends of subsidiary	(317,043)	(248,848)
Acquisition of ownership interests in subsidiaries	(50,097)	(129,278)
Net cash used in financing activities	<u>(352,772)</u>	<u>(336,413)</u>
Effect of exchange rate changes on cash and cash equivalents	(121,470)	61,794
Net increase (decrease) in cash and cash equivalents	390,518	(565,426)
Cash and cash equivalents at beginning of period	2,279,804	2,845,230
Cash and cash equivalents at end of period	<u>\$2,670,322</u>	<u>\$2,279,804</u>

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

Independent Auditors' Report Translated from Chinese

To ZENG HSING INDUSTRIAL CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of Zeng Hsing Industrial Co., Ltd. (the "Company") as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, the parent company only changes in equity and the parent company only cash flows for the years ended December 31, 2025 and 2024, and notes to the parent company only financial statements, including the summary of material accounting policies.

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audit of Other Auditors* section of our report), the accompanying parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and the parent company only cash flows for the years ended December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 the parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of accounts receivable

As of December 31, 2025, the Company's accounts receivable and allowance for doubtful accounts amounted to NTD 808,564 thousand and NTD 39,858 thousand, respectively. Net accounts receivable represented 12% of the parent company only total assets and have significant impacts on the Company. The collection of accounts receivable is a key factor in the working capital management of the Company, and the adoption of provision policy requires significant management judgement whose the measurement results affect the net amount of accounts receivable, we therefore determined the issue as a key audit mater.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of internal control over assessment of client credit risk and accounts receivable collection management; assessing the reasonableness of loss allowance policy, including understanding related information to evaluate expected credit loss ratio; investigating accounts receivable details at end of the period, recalculating the reasonableness of loss allowance based on the expected credit loss ratio of each group; analyzing the receivable turnover to evaluate recoverability based on individual customers with significant sales amount; evaluating the reasonableness of the allowance for doubtful accounts based on individual customers with significant overdue accounts or longer aging, reviewing the collection in subsequent period.

In addition, we also considered the adequacy of the disclosures related to accounts receivable in Notes 5 and 6 to the parent company only financial statements.

Other Matter – Making Reference to the Audit of Other Auditors

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of the other auditors. These associates and joint ventures under equity method amounted to NTD 31,172 thousand and NTD 31,027 thousand, representing 0.45% and 0.41% of the parent company only total assets as of December 31, 2025 and 2024, respectively. The related shares of profits from the associates and joint ventures under the equity method amounted to NTD 3,695 thousand and NTD 7,261 thousand, representing 0.82% and 1.38% of the parent company only net income before tax for the years ended December 31, 2025 and 2024, respectively.

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

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

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Huang, Ching Ya

Lo, Wen Chen

Ernst & Young, Taiwan

March 6, 2026

Notice to Readers :

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

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

Assets	Notes	As of			
		31 December 2025		31 December 2024	
		Amount	%	Amount	%
Current Assets					
Cash and cash equivalents	4, 6(1), 12	\$492,914	7	\$762,820	10
Accounts receivable, net	4, 6(2), 6(12), 12	649,388	10	791,344	11
Accounts receivable-related parties, net	4, 6(2), 6(12), 7, 12	119,318	2	119,117	2
Other receivables	12	4,943	-	12,375	-
Inventories, net	4, 6(3)	11,141	-	16,413	-
Prepayment		54	-	129	-
Other current assets		1,108	-	3,238	-
Total current assets		<u>1,278,866</u>	<u>19</u>	<u>1,705,436</u>	<u>23</u>
Non-current assets					
Financial assets measured at amortized cost, non-current	4, 8, 12	200	-	200	-
Investments accounted for under the equity method	4, 6(4)	4,963,793	72	5,165,711	68
Property, plant and equipment	4, 6(5), 8	556,374	8	599,717	8
Investment property	4, 6(6)	59,982	1	61,212	1
Intangible assets	4	13,190	-	16,563	-
Deferred tax assets	4, 6(17)	18,186	-	19,576	-
Net defined benefit assets, non-current	4, 6(9)	10,684	-	2,689	-
Other non-current assets	4, 6(13)	5,489	-	6,583	-
Total non-current assets		<u>5,627,898</u>	<u>81</u>	<u>5,872,251</u>	<u>77</u>
Total assets		<u>\$6,906,764</u>	<u>100</u>	<u>\$7,577,687</u>	<u>100</u>

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

(continued)

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2025 and 2024
(Expressed in Thousand New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		31 December 2025		31 December 2024	
		Amount	%	Amount	%
Current liabilities					
Short-term loans	4, 6(7), 12	\$425,000	6	\$450,000	6
Contract liabilities, current	6(11)	49,329	1	66,955	1
Notes payable	12	68	-	657	-
Accounts payable	12	73,123	1	82,282	1
Accounts payable-related parties	7, 12	596,009	9	797,232	11
Other payables	12	123,148	2	110,771	2
Current tax liabilities	4	47,120	1	31,424	-
Long-term borrowings (including current portion with maturity less than 1 year)	4, 6(8), 12	24,000	-	24,000	-
Other current liabilities	4, 6(13), 12	17,682	-	18,003	-
Total current liabilities		<u>1,355,479</u>	<u>20</u>	<u>1,581,324</u>	<u>21</u>
Non-current liabilities					
Long-term loans	4, 6(8), 12	144,000	2	168,000	2
Deferred tax liabilities	4, 6(17)	234,521	3	258,039	4
Other non-current liabilities	4, 6(13), 12	1,191	-	5,219	-
Total non-current liabilities		<u>379,712</u>	<u>5</u>	<u>431,258</u>	<u>6</u>
Total liabilities		<u>1,735,191</u>	<u>25</u>	<u>2,012,582</u>	<u>27</u>
Equity attributable to the parent company	4, 6(10)				
Capital					
Common stock		665,356	10	665,356	9
Capital surplus		1,890,261	27	1,890,261	25
Retained earnings					
Legal reserve		730,563	11	730,563	10
Special reserve		200,145	3	265,979	3
Unappropriated earnings		2,229,064	32	2,213,091	29
Total Retained earnings		<u>3,159,772</u>	<u>46</u>	<u>3,209,633</u>	<u>42</u>
Other components of equity					
Exchange differences on translation of foreign operations - the parent company		(361,771)	(5)	(200,145)	(3)
Treasury shares		(182,045)	(3)	-	-
Total equity		<u>5,171,573</u>	<u>75</u>	<u>5,565,105</u>	<u>73</u>
Total liabilities and equity		<u>\$6,906,764</u>	<u>100</u>	<u>\$7,577,687</u>	<u>100</u>

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

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended 31 December 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the Years Ended 31 December			
		2025		2024	
		Amount	%	Amount	%
Net Sales	4, 6(11), 7	\$3,985,620	100	\$3,878,276	100
Cost of Sales	6(3), 6(14), 7	(3,399,773)	(85)	(3,326,690)	(86)
Gross Profit		585,847	15	551,586	14
Unrealized Intercompany Profit	7	(815)	-	(4,589)	-
Realized Intercompany Profit		4,589	-	2,545	-
Gross Profit		589,621	15	549,542	14
Operating Expenses	7				
Selling and marketing		(88,700)	(2)	(97,885)	(2)
Management and administrative		(264,665)	(7)	(231,322)	(6)
Research and development		(126,758)	(3)	(114,766)	(3)
Expected credit loss (gain)	4, 6(12)	2,091	-	(37,112)	(1)
Total Operating Expenses		(478,032)	(12)	(481,085)	(12)
Operating income (loss), net		111,589	3	68,457	2
Non-operating income and expenses	6(15)				
Other income		47,750	1	65,812	2
Other gains and losses		(35,671)	(1)	49,002	1
Financial costs		(13,145)	-	(10,747)	-
Share of profit or loss of associates and joint ventures	4, 6(4)	340,172	8	352,925	9
Subtotal		339,106	8	456,992	12
Income before income tax		450,695	11	525,449	14
Income tax expense	4, 6(17)	(84,541)	(2)	(72,261)	(2)
Income, net of tax		366,154	9	453,188	12
Other comprehensive income	6(16), 6(17)				
Items that may not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		8,465	-	14,196	-
Income tax related to items that may not be reclassified subsequently		(1,693)	-	(2,839)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(202,596)	(5)	81,084	2
Income tax related to items that may be reclassified subsequently		40,407	1	(16,458)	-
Total other comprehensive loss, net of tax		(155,417)	(4)	75,983	2
Total comprehensive income		\$210,737	5	\$529,171	14
Earnings per share (NTD)	6(18)				
Earnings per share-basic		\$5.52		\$6.81	
Earnings per share-diluted		\$5.50		\$6.79	

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

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended 31 December 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Notes	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Treasury stock	Total Equity
Balance as of 1 January 2024	6(10)	\$665,356	\$1,890,261	\$730,563	\$202,396	\$2,125,301	(\$265,978)	\$ -	\$5,347,899
Appropriations of earnings, 2023:									
Special reserve appropriated					63,583	(63,583)			-
Cash dividends						(252,836)			(252,836)
Net income for the year ended 31 December 2024						453,188			453,188
Other comprehensive income, net of tax for the year ended 31 December 2024						11,357	64,626		75,983
Total comprehensive income		-	-	-	-	464,545	64,626	-	529,171
Difference between the actual acquisition or disposal price and carrying amounts of subsidiaries			-			(60,336)	1,207		(59,129)
Balance as of 31 December 2024	6(10)	\$665,356	\$1,890,261	\$730,563	\$265,979	\$2,213,091	\$(200,145)	\$ -	\$5,565,105
Balance as of 1 January 2025	6(10)	\$665,356	\$1,890,261	\$730,563	\$265,979	\$2,213,091	\$(200,145)	\$ -	\$5,565,105
Appropriations of earnings, 2024:									
Reversal of special reserve					(65,834)	65,834			-
Cash dividends						(399,214)			(399,214)
Net income for the year ended 31 December 2025						366,154			366,154
Other comprehensive income, net of tax for the years ended 31 December 2025						6,772	(162,189)		(155,417)
Total comprehensive income		-	-	-	-	372,926	(162,189)	-	210,737
Purchase of treasury shares								(182,045)	(182,045)
Difference between the actual acquisition or disposal price and carrying amounts of subsidiaries						(23,573)	563		(23,010)
Balance as of 31 December 2025	6(10)	\$665,356	\$1,890,261	\$730,563	\$200,145	\$2,229,064	\$(361,771)	\$(182,045)	\$5,171,573

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

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the Years Ended 31 December 2025 and 2024

(Expressed in Thousand New Taiwan Dollars)

	For the Years Ended 31 December	
	2025	2024
Cash flows from operating activities:		
Net income before tax	\$450,695	\$525,449
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	49,094	52,216
Amortization	15,272	16,884
Gain on disposal of property, plant and equipment	(2)	(122)
Gain from market value decline, obsolete and slow-moving of inventories	(6,280)	(2,913)
Share of profit or loss of associates and joint ventures	(340,172)	(352,925)
Expected credit (gain) losses	(2,091)	37,112
Unrealized intercompany loss	815	4,589
Realized intercompany profit	(4,589)	(2,545)
Interest income	(17,379)	(24,344)
Interest expense	13,145	10,747
Changes in operating assets and liabilities:		
Accounts receivable	144,047	(205,728)
Accounts receivable-related parties	(201)	(48,431)
Inventories, net	11,552	29,125
Other receivables	7,432	5,310
Prepayments	75	172
Other current assets	371	(1,737)
Net defined benefit assets	(7,995)	(2,689)
Other non-current assets	(8,935)	(9,795)
Contract liabilities	(17,626)	8,889
Notes payable	(589)	398
Accounts payable	(9,159)	(7,230)
Accounts payable-related parties	(201,223)	(72,049)
Other payables	12,377	16,208
Other current liabilities	(97)	(36)
Net defined benefit liabilities	8,465	(5,476)
Cash generated from (used in) operations	97,002	(28,921)
Interest received	17,379	24,344
Income tax paid	(52,259)	(49,666)
Net cash provided by (used in) operating activities	62,122	(54,243)

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

(Continued)

ZENG HSING INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the Years Ended 31 December 2025 and 2024

(Expressed in Thousand New Taiwan Dollars)

	For the Years Ended 31 December	
	2025	2024
Cash flows from investing activities:		
Acquisition of investments accounted for under the equity method	-	(88,631)
Acquisition of property, plant and equipment	(2,517)	(5,489)
Proceeds from disposal of property, plant and equipment	2	7,049
(Increase) Decrease in refundable deposits	414	(92)
Acquisition of intangible assets	(2,529)	(4,990)
Proceeds from capital reduction or investments accounted for under the equity method	72,082	103,892
Dividends received	298,273	154,783
Net cash provided by investing activities	<u>365,725</u>	<u>166,522</u>
Cash flows from financing activities:		
Increase in guarantee deposits received	(3,999)	-
Increase in short-term loans	3,115,000	1,835,000
Decrease in short-term loans	(3,140,000)	(1,755,000)
Decrease in long-term loans	(24,000)	(24,000)
Lease principal repayment	(253)	(1,973)
Payments to acquire treasury shares	(182,045)	-
Interest paid	(13,145)	(10,747)
Cash dividends	(399,214)	(252,836)
Acquisition of ownership interests in subsidiaries	(50,097)	(129,278)
Net cash used in financing activities	<u>(697,753)</u>	<u>(338,834)</u>
Net decrease in cash and cash equivalents	(269,906)	(226,555)
Cash and cash equivalents at beginning of period	762,820	989,375
Cash and cash equivalents at end of period	<u>\$492,914</u>	<u>\$762,820</u>

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

【 Attachment 6 】

Zeng Hsing Industrial Co., Ltd.
Profit Distribution Table
2025

Unit: NT\$

Items	Total	Remark
Beginning retained earnings	\$ 1,879,710,397	
Less: Difference between the actual acquisition or disposal price and carrying amounts of subsidiaries	(23,573,248)	
Add: Net profit after tax for 2025	366,153,957	
Other comprehensive income (remeasurements of defined benefit plans (for the year ended 2025))	6,772,347	
Less:		
10% legal reserve		0
Special reserve	(161,626,053)	
Distributable net profit	<u>2,067,437,400</u>	
Distributable items:		
Shareholders' cash dividends	(322,678,155)	
Unappropriated retained earnings	\$ 1,744,759,245	

Note:

Note 1: Profit distribution shall set aside for the distribution of unappropriated retained earnings for the year ended 2025.

Note 2: The fractional amount of cash dividends distributed less than one unit is recorded as other income of the company.

Note 3: In accordance with Article 36 of the Articles of Incorporation, as the accumulated statutory surplus reserve has equaled the additional paid-in capital of the company, there is no requirement to allocate further statutory surplus reserve.

Chairman: Chih-Cheng Lin Manager: Tung-Liang Liu Chief Accountant: Tzu-Ho Chuang

Zeng Hsing Industrial Co., Ltd.
Comparison Table of Amendment to the “Articles of Incorporation”

Article	Original Provision	Amended Provision	Reasons for Amendment
Article 7	<p>The total capital amount of the Company shall be NT\$850 million accounting for 85 million shares, at a par value of Dollars (NT\$10) per share. The Board of Directors is authorized to issue the unissued shares in installments. Among them, 5 million shares of the reserved share certificate are attached to the special stock option or the shareholding company bond is used for exercise of the stock option.</p>	<p>The total capital amount of the Company shall be NT\$<u>1,200</u> million accounting for <u>120 million shares</u>, at a par value of Dollars (NT\$10) per share. The Board of Directors is authorized to issue the unissued shares in installments. Among them, 5 million shares of the reserved share certificate are attached to the special stock option or the shareholding company bond is used for exercise of the stock option.</p>	<p>Amended to increase the authorized capital in line with practical operational needs.</p>
Article 21	<p>The Company shall have five (5) to thirteen (13) directors to be elected at a shareholders’ meeting through a nomination system from persons of legal capacity to serve a term of three years.</p> <p>A director may be re-elected. At least three (3) directors or one-<u>fifth</u> of all directors, whichever the higher number, shall be the independent directors.</p> <p>The qualification, shareholding percentage and the limitations of concurrently serving other positions, the methods of nomination and election and other related.</p>	<p>The Company shall have five (5) to thirteen (13) directors to be elected at a shareholders’ meeting through a nomination system from persons of legal capacity to serve a term of three years.</p> <p>A director may be re-elected. At least three (3) directors or one-<u>third</u> of all directors, whichever the higher number, shall be the independent directors.</p> <p>The qualification, shareholding percentage and the limitations of concurrently serving other positions, the methods of nomination and election and other related.</p>	<p>Amended to comply with regulatory amendments.</p>

Article	Original Provision	Amended Provision	Reasons for Amendment
	<p>Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Securities and Exchange Act and relevant laws and regulations. The independent and non-independent directors are elected at the same time, but in separately calculated numbers.</p> <p>The company may purchase liability insurance for directors to cover the compensation responsibility that they should bear within their term of office for executing business within the scope of their duties according to the law.</p>	<p>Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Securities and Exchange Act and relevant laws and regulations. The independent and non-independent directors are elected at the same time, but in separately calculated numbers.</p> <p>The company may purchase liability insurance for directors to cover the compensation responsibility that they should bear within their term of office for executing business within the scope of their duties according to the law.</p>	
Article 39	<p>These Articles of Incorporation were enacted on 11 Dec.1974.</p> <p>Omitted.</p> <p>Amended on 13 June 2025 for the forty-third time.</p>	<p>These Articles of Incorporation were enacted on 11 Dec.1974.</p> <p>Omitted.</p> <p>Amended on 13 June 2025 for the forty-third time.</p> <p><u>Amended on 25 May 2026 for the forty-fourth time.</u></p>	Addition of the amendment date.

Appendix 1

Zeng Hsing Industrial Co., Ltd.

Articles of Incorporation (Before amendment)

- Article 1 The Company shall be incorporated as a company limited by shares under the Company Act and its name shall be “Zeng Hsing Industrial Co., Ltd.”
- Article 2 The scope of business of the Company shall be as follows:
1. CBO1010 Machinery and Equipment Manufacturing.
 2. CB01990 Other machinery manufacturing.
 3. CC01030 electrical and audio-visual electronic products manufacturing.
 4. CD01050 bicycle and its parts manufacturing.
 5. CH01010 Sporting Goods Manufacturing.
 6. CQ01010 Mold Manufacturing.
 7. C805990 The plastic products manufacturing.
 8. F401010 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
 9. F113020 Wholesale of Electrical Appliances.
 10. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
 11. F213010 Retail Sale of Electrical Appliances.
 12. F401010 International Trade.
 13. JZ99990 Unclassified Other Services.
 14. ZZ99999 In addition to the licensing business, it is a business that is not prohibited or restricted by the business law.
- Article 3 The Company may act as a guarantor.
- Article 4 The Company may reinvest in other company as necessary, and may be a limited liability shareholder of another company through the resolution of the Board of Directors. The total investment shall not be subject to the restrictions on the amount of investment transferred under Article 13 of the Company Act.
- Article 5 The Company shall have its head office in TAICHUNG and, if necessary, may set up branches or business offices in and out of this country upon a resolution of its Board of Directors and approval from the competent government authority.
- Article 6 Deleted

Section II Shares

Article 7 The total capital amount of the Company shall be NT\$850 million accounting for 85 million shares, at a par value of Dollars (NT\$10) per share. The Board of Directors is authorized to issue the unissued shares in installments. Among them, 5 million shares of the reserved share certificate are attached to the special stock option or the shareholding company bond is used for exercise of the stock option.

Article 8 The share certificate of the Company can be all name-bearing share certificates and shall be signed by, and affixed with the seals or by signature of directors of the Company, and issued after duly authentication pursuant to the law.

The shares issued by the Company may be exempted from printing any share certificate for the shares issued but shall register the issued shares with a centralized securities depository enterprise.

Article 9 The shareholders of the company handle stock transfer, pledge setting, loss reissuance, inheritance, donation, seal loss, replacement, or address change, and other securities matters. Except where otherwise provided by laws and securities regulations, they shall be processed in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies”.

Article10 The transfer of the Company’s treasury stock to employees, the issuance of employee stock options, the new restricted employee shares, and new shares reserved for employee subscription by cash investment may include employees of affiliated companies who meet certain conditions. The conditions and the method of subscription are authorized by the board.

Article11 Deleted

Article12 Deleted

Article13 Registration for transfer of shares shall all be suspended 60 days before the convocation of any ordinary shareholders’ meeting, 30 days before the convocation of extraordinary shareholders’ meeting, or 5 days before the record day for distribution of dividend, interest and bonus or any other benefit as scheduled by the Company.

Section III Shareholders' Meeting

Article14 Shareholders' meeting shall be of two types, namely general and extraordinary shareholders' meeting; the former shall be convened once a year by the Board of Directors in accordance with laws within six months after the close of each accounting fiscal year and the latter shall be convened in accordance with laws whenever necessary.

The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article15 The convening of shareholders shall be announced in accordance with the Company Act, Securities and Exchange Act and the relevant laws and regulations promulgated by competent securities authorities.

Article16 In case a shareholder is unable to attend a shareholders' meeting, he/she may issue proxy printed by the Company setting forth the scope of authorization by signing or affixing his/her seal on the proxy form for the representative to be present on his/her behalf in accordance with Article 177 of the Company Act, Article 25-1 of the Securities and Exchange Act, and relevant regulations issued by the competent securities authority.

The use and revocation of proxy authorization in the preceding paragraph shall be handled in accordance with the provisions of the Company Act and relevant laws and regulations.

Article17 When the shareholders meeting is held, the chairman of the Board of Directors is the chairman: when the chairman is absent, the chairman of the Board of Directors appoints a director; if not appointed, the directors may elect one chair from among themselves.

Article18 Unless otherwise provided in the laws, a shareholder of the Company shall have one vote for each share held by him or her.

Article19 Unless otherwise provided in the Company Act, Securities and Exchange Act or other laws, resolution(s) shall be made at the meeting attended by shareholders holding and representing a majority of the total number of issued and outstanding shares and at which meeting a majority of the shareholders shall vote in favor of the resolution.

Article20 The shareholders' resolutions shall contain detailed information, signed by the chairman, and announced within 20 days after the meeting. The proceedings of the proceedings in the shareholder's signature book and the proxy letter of attendance are kept in the Company.

Section IV Directors

Article21 The Company shall have five (5) to thirteen (13) directors to be elected at a shareholders' meeting through a nomination system from persons of legal capacity to serve a term of three years. A director may be re-elected. At least three (3) directors or one-fifth of all directors, whichever the higher number, shall be the independent directors. The qualification, shareholding percentage and the limitations of concurrently serving other positions, the methods of nomination and election and other related.

Article21-1 Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be prescribed by the Securities and Exchange Act and relevant laws and regulations.

The independent and non-independent directors are elected at the same time, but in separately calculated numbers.

The company may purchase liability insurance for directors to cover the compensation responsibility that they should bear within their term of office for executing business within the scope of their duties according to the law.

Article22 When the director's vacancy exceeds one-third, the temporary shareholders' meeting shall be convened within 60 days to fill the term of the term to cover the original term.

Article23 When the term ends and it is too late to re-elect, his or her term will be extended to perform his duties until the director is re-elected.

Article24 The Board of Directors shall be organized by directors. The chairman of the board shall be elected by the majority of directors present at a meeting attended by more than two thirds of directors. The directors may also elect a vice chairman of the board whenever they may deem necessary to carry out the Company's activities. The chairman of the board shall externally represent the Company and conduct activities on behalf of the Company pursuant to relevant laws, the Company's Articles of Incorporation and resolutions of the shareholders' and board meeting.

Article25 Except for the inaugural meeting of each term convened in accordance with Article 203 of the Company Act, all other board meetings shall be convened and chaired by the Chairman. In case the chairman of the Board of Directors is on leave or unable to perform his duties for cause, the vice chairman of the Board of Directors, if any, shall act as the chairman. If there is no vice chairman of the board or the vice chairman of the board is also on leave or unable to perform his duties for cause, the chairman of the board shall designate a director to act as the chairman. If there is no such designation, the directors shall elect one from amongst themselves.

The notice may be effected in writing, e-mail or fax.

Article26 In case a board member is unable to attend the Board of Directors' meeting, he/she may issue proxy setting forth the scope of authorization by signing or affixing his/her seal on the proxy form for another board member to present on his/her behalf. The representative shall serve as the proxy for one director only. Other than what is demanded by the Company Act, Securities and Exchange Act or other laws, the resolution of the Board of Directors shall be adopted by a majority of the directors present at the meeting attended by more than half of the directors.

Article27 The deliberations of the Board of Directors shall be recorded as a deliberation, with detailed information, signed or sealed by the chairman, and distributed to the directors within 20 days after the meeting. The proceedings shall be accompanied by the signature book of the directors and the proxy letter of appointment shall be kept in the Company.

Article28 The remuneration of the directors shall be determined in accordance with the contribution and their participation, and with reference to the usual standards of the Company with the same industry to authorize the Board of Directors. If the Company has surplus, it shall also distribute remuneration in accordance with the provisions of Article 36.

Article29 The Company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee shall be composed of all independent directors. The audit committee shall be responsible for implementing the functions and powers of what are specified for supervisors in the Company Act, Securities and Exchange Act and other relevant laws.

Section V Managers

Article30 The Company has one general manager and its appointment and dismissal is decided by the Board of Directors. The general manager accepts the order of the chairman and handles all business of the Company.

Article31 In addition to the competent authority or the statute, the general manager may hire a consultant as required by the business and report to the Board of Directors for verification.

Article32 Deleted

Section VI Accounting

Article33 The Company's fiscal year starts from January 1 to December 31 of each year.

Article34 At the close of each fiscal year, the Board of Directors shall prepare the following statements and records and in accordance with the procedure prescribed by law not later than the 30th day prior to the meeting date of a general meeting of shareholders, and submit the same to the general shareholders meeting for acceptance:

- (1) Business report;
- (2) Financial Statements;
- (3) Proposal of Distribution of Earnings or Making Up of Loss

Article35 The Company shall allocate 2% to 6% of profit as employees' compensation with at least 0.5% of the profit specifically allocated for distribution to non-managerial employees and no more than 4% of profit as directors' compensation for each profitable fiscal year after offsetting any cumulative losses.

The aforementioned employees' compensation will be distributed in shares or cash. Directors may only receive compensation in cash. The Company may, by 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, distribute the aforementioned employees' and director's compensation and report to the shareholders' meeting for such distribution.

The employees of the Company's subsidiaries who fulfill specific requirements stipulated by the Board of Directors may be granted such compensation.

The determination of directors remuneration takes into account the Company's overall operating performance, the future operating risks and development trends of the industry, reference is also made to the individual performance achievement rate and contribution to company performance to determine reasonable compensation. The related performance appraisal and reasonableness of remuneration are reviewed by the remuneration committee and the Board of Directors, and the remuneration system is reviewed from time to time according to the actual operating conditions and relevant laws and regulations, to achieve balance between sustainable operations and risk control.

Article36 If the company has a surplus in the year, in addition to the tax paid according to the law, it should first make up for the loss in previous years, and the next 10% is the statutory surplus reserve, but the statutory surplus accumulation has reached the paid-up capital of the company. The statutory surplus reserve shall not be included; and the special surplus reserve shall be paid or renewed in accordance with the regulations of the competent authority. After the accumulated undistributed surplus is added to the balance, the resolution of the chairman of the Board of Directors is distributed by the shareholders' meeting.

The company is a traditional industry, the company is mature, profitable and financial structure is sound, so the surplus distribution, in addition to the company law and the company's articles of association, will regard the company's capital planning and operating results, determine the annual dividend distribution. However, the principle of dividend stability and balance is adopted in principle. Before the annual shareholders' meeting, the Board of Directors formulates the method of surplus distribution based on the financial situation, but at least 50% of the distributable earnings for the current year shareholders' dividends are paid. The term "distributable earnings for the current year" as referred to herein shall be based on the undistributed earnings for the year as defined in Paragraph 1 of this Article. The cash dividend ratio is not less than 30% of the total dividend. However, the company shall not distribute dividends if there is no surplus earning.

Section VII Additional Provisions

- Article37 The organization by-law of the Company shall be provided otherwise.
- Article37-1 If the Company plans to withdraw the public issuance, it should report it to the shareholders' meeting.
- Article38 In regard to all matters not provided for in these Articles of Incorporation, the Company Act, Securities and Exchange Act or other laws shall govern.
- Article39 These Articles of Incorporation were enacted on Dec. 11, 1974
Amended on 20 December 1976 for the first time
Amended on 27 Sep 1977 for the second time
Amended on 20 June 1978 for the third time
Amended on 10 January 1981 for the fourth time
Amended on 2 November 1981 for the fifth time
Amended on 14 September 1982 for the sixth time
Amended on 5 September 1983 for the seventh time
Amended on 21 October 1983 for the eighth time
Amended on 5 January 1984 for the ninth time
Amended on 16 July 1985 for the tenth time
Amended on 8 October 1988 for the eleventh time
Amended on 25 May 1989 for the twelfth time
Amended on 2 February 1990 for the thirteenth time
Amended on 15 November 1991 for the fourteenth time
Amended on 6 January 1993 for the fifteenth time
Amended on 25 June 1994 for the sixteenth time,
Amended on 3 December 1994 for the seventeenth time
Amended on 10 May 1995 for the eighteenth time
Amended on 9 July 1997 for the nineteenth time
Amended on 10 June 1998 for the twentieth time
Amended on 16 June 1999 for the twenty-first time
Amended on 28 June 2002 for the twenty-second time
Amended on 10 June 2003 for the twenty-third time
Amended on 10 June 2003 for twenty-fourth time
Amended on 29 June 2004 for twenty-fifth time
Amended on 29 June 2004 for twenty-sixth time
Amended on 30 June 2005 for the twenty-seventh time
Amended on 14 June 2006 for the twenty-eighth time
Amended on 9 March 2007 for the twenty-ninth time

Amended on 13 June 2007 for the thirtieth time
Amended on 13 June 2008 for the thirty-first time
Amended on 19 June 2009 for the thirty-second time
Amended on 15 June 2011 for the thirty-third time
Amended on 27 June 2012 for the thirty-fourth time
Amended on 11 June 2013 for the thirty-fifth time
Amended on 20 June 2014 for the thirty-sixth time
Amended on 15 June 2016 for the thirty-seventh time.
Amended on 14 June 2017 for the thirty- eighth time.
Amended on 13 June 2018 for the thirty- ninth time
Amended on 14 June 2019 for the fortieth time.
Amended on 20 July 2021 for the forty-first time.
Amended on 15 June 2022 for the forty-second time.
Amended on 13 June 2025 for the forty-third time.

Zeng Hsing Industrial Co., Ltd.

Chairman: Chih-Cheng Lin

Appendix 2

Zeng Hsing Industrial Co., Ltd.

Rules of Procedure for Shareholders Meetings

Article 1: Purpose:

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

Article 2:

The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3:

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the Board of Directors.

Unless otherwise provided in these Regulations, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of

the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation proposal to urge the Company to promote public interests or fulfill its social responsibilities, provided that the number of items proposed shall be limited to one item only 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.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4:

Entrusted to attend the shareholder authorization:

Shareholders may, at each shareholder meeting, issue a letter of appointment issued by the Company, register the scope of authorization, entrust an agent, attend the shareholders' meeting.

The shareholder shall issue a power of attorney and have entrusted one person to the extent that it shall be delivered to the Company five days before the meeting of the shareholders. If the power of attorney is repeated, the first person to serve shall prevail. However, the statement is revoked before the commissioner, no longer this limit.

After the power of attorney has been delivered to the Company, the shareholders wishing to attend the shareholders' meeting in person, or wish to exercise their voting rights in writing or electronically, shall notify the Company in writing of the cancellation of the entrustment in writing two days before the meeting of the Shareholders' Meeting; The voting right to attend the trip shall prevail.

Article 5:

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions as set forth in the preceding paragraph on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 6: (Preparation of documents such as the attendance book)

The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, preprinted ballots shall also be furnished. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting.

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1: (Particulars to be included in the shareholders meeting notice of convening a virtual shareholders meeting)

To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - (3) Virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except for the circumstances specified in Article 44-9, Paragraph 6 of the “Regulations Governing the Administration of Shareholder Services of Public Companies”, at least shareholder connectivity equipment and necessary assistance should be provided. Additionally, the notice should specify the period for shareholders to apply to the company and other relevant considerations.

Article 7: (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the Board of Directors be chaired by the chairman of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but 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.

The Company may appoint its attorneys, CPAs, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8: (Documentation of a shareholders meeting by audio or video)

The company shall record continuously and uninterruptedly the entire process of shareholder registration, meeting proceedings, and voting tabulation from the acceptance of shareholder registration

The recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9:

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

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

Article 10: (Discussion of Proposals)

If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11: (Shareholder Speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in items 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12: (Calculation of Voting Shares and Recusal System)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13:

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.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph 6.11.1 shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under Article 6.11.2 shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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 proposal, 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 poll of 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 into the MOPS.

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.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections 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 a record made of the vote.

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14: (Election of directors and supervisors)

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15:

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders meeting is convened, in addition to the

particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 16: (Public disclosure)

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17:

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

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor".

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.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18: (Recess and resumption of a shareholders meeting)

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.

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

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19: (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20: (Location of the chair and secretary of virtual-only shareholders meeting)

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

Article 21: (Handling of disconnection)

In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under Paragraph 2, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under Paragraph 2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in Paragraph 2, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under Paragraph 2 is required.

When postponing or resuming a meeting according to Paragraph 2, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company's shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under Paragraph 2.

Article 22:

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except in the circumstances set out in Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

Article 23:

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 3

Shareholding of Directors

1. The company's additional paid-in capital is NT\$645,356,310, with a total issued shares of 64,535,631 shares.
2. According to Article 26 of the Securities and Exchange Act, the minimum required combined shareholding of all directors is 5,162,850 shares.
3. As of the book closure date for this shareholders' meeting, the individual and collective shareholding of directors is as listed in the table below:

Position	Name	Number of Shares Held	Remark
Chairman	Chih-Cheng Lin	1,033,080	
Director	Su-Chen Liao	729,774	
Director	Ruei-Yi Hong	1,952,129	
Director	Chung-Ting Tsai	904,305	
Director	Meng-Chung Ho	1,071,261	
Director	Chin-Tan Lee	666,608	
Independent Director	Hui-Yu Huang	0	
Independent Director	Young-Yaw Pai	0	
Independent Director	Yung-Sheng Hsu	0	
Total Shares Held by All Directors		6,357,157	

Thank you for attending the shareholders'
meeting!

We sincerely appreciate your feedbacks!