

Stock Code:8936



**Kuo Toong
International
Co., Ltd.**

Kuo Toong International Co., Ltd.

2024 Annual General Shareholders' Meeting Meeting Agenda

Date: June 18, 2024 at 9:00 am

Venue: No. 2, Yuanshan Rd., Niaosong Dist., Kaohsiung City
(Grand Garden Restaurant, 5F, Grand Hotel Kaohsiung)

Meeting Type: In-person Meeting

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Kuo Toong International Co., Ltd.

Procedures for the 2024 Annual General Shareholders' Meeting

1. Call to order
2. Opening remarks by the Chair
3. Reports
4. Recognition
5. Discussions
6. Extemporaneous Motions
7. Adjournment

Kuo Toong International Co., Ltd.

Agenda for the 2024 Annual General Shareholders' Meeting

1. Date: June 18, 2024 at 9:00 am
2. Venue: No. 2, Yuanshan Rd., Niaosong Dist., Kaohsiung City (Grand Garden Restaurant, 5F, Grand Hotel Kaohsiung)
3. Meeting Type: In-person Meeting
4. Call to order
5. Opening remarks by the Chair
6. Reports
 - (1) Annual Business Report 2023
 - (2) Annual Audit Committee Report 2023
 - (3) Report on the distribution of employee and director remuneration for 2023
 - (4) Report on the distribution of cash dividends from 2023 earnings
7. Recognition
 - (1) Adoption of the 2023 Business Report and Financial Statements
 - (2) Adoption of the 2023 Proposal for Distribution of Earnings
8. Discussions
 - (1) Discussion of amendments to the Company's "Articles of Incorporation"
 - (2) Discussion of amendments to the Company's "Shareholders' Meeting Rules"
9. Extemporaneous Motions
10. Adjournment

1. Reports:

Motion 1

Content: Annual Business Report 2023 for review.

Description: Please refer to page 6 of Annex 1 of this brochure for the 2023 Annual Business Report.

Motion 2

Content: Annual Audit Committee Report 2023 for review.

Description: Please refer to page 7 of Annex 2 of this brochure for the 2023 Annual Audit Committee Report.

Motion 3

Content: Report on the distribution of employee and director remuneration for 2023 for review.

Description: Pursuant to Article 235-1 of the Company Act and Article 20 of the Company's Articles of Incorporation, no less than 2% of profit for the remuneration of employees and no more than 4% of profit for the remuneration of directors for 2023 were contributed. Employees' remuneration in the amount of NT\$ 46,460,882, representing 4.5% of profit, and directors' remuneration in the amount of NT\$ 40,782,330, representing 3.95% of profit, were distributed in cash.

Motion 4

Content: Report on the distribution of cash dividends from 2023 earnings for review.

Description:

1. Subject to Article 20-1 of the Articles of Incorporation, the Board of Directors is hereby authorized to resolve that all or part of the dividends and bonuses to be distributed shall be paid in cash and reported to the shareholders' meeting.
2. The Board of Directors distributed cash dividends of NT\$ 372,117,236 to shareholders from the 2023 earnings at a rate of NT\$1.5 per share, which were rounded to the whole dollar amount, with the total amount of less than one dollar transferred to other income of the Company.
3. This motion has been approved by the Board of Directors and the Chairman is authorized to set a separate ex-dividend date and payment date for the payment of dividends. In the event that the number of outstanding shares is affected by subsequent changes in share capital and the dividend payout ratio has to be adjusted as a result, the Chairman is also delegated to deal with the matter at his sole discretion.

2. Recognition

Motion 1 by the Board of Directors

Content: Adoption of the 2023 Business Report and Financial Statements for recognition.

Description:

1. The Company's 2023 financial statements have been approved by the Board of Directors and have been audited and certified by Ernst & Young Taiwan's CPAs Hong Kuo-Sen and Huang, Shih-Chieh, who have issued an unqualified audit report.
2. The 2023 Annual Business Report and Financial Statements have been audited by the Audit Committee with an audit report issued and kept on file for reference.
3. For the foregoing business report and financial statements, please refer to page 6 of Annex 1, page 8-20 of Annex 3 and pages 21-34 of Annex 4 of this manual.

Resolution:

Motion 2 by the Board of Directors

Content: Adoption of the 2023 Proposal for Distribution of Earnings for recognition.

Description:

1. The Company's 2023 earnings distribution proposal has been approved by the Audit Committee and the Board of Directors.
2. Please refer to page 35-36 of Annex 5 of this manual for the earnings distribution for 2023.

Resolution:

3. Discussions

Motion 1 by the Board of Directors

Content: Discussion of amendments to the Company's "Articles of Incorporation".

Description:

For the purpose of meeting the operational needs, it is proposed to amend certain provisions of the Company's "Articles of Incorporation". For the table comparing the provisions before and after the amendment, please refer to pages 37-38 of Annex 6 of this manual for discussion.

Resolution:

Motion 2 by the Board of Directors

Content: Discussion of amendments to the Company's " Rules of Procedure for Shareholders Meetings ".

Description:

For the purpose of future needs, it is proposed to amend certain provisions of the Company's " Rules of Procedure for Shareholders Meetings " in accordance with the "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." Announced by the competent authority. For the table comparing the provisions before and after the amendment, please refer to pages 37-38 of Annex 6 of this manual for discussion.

Resolution:

4. Extemporaneous Motions

5. Adjournment

Kuo Toong International Co., Ltd. 2023 Business Report

The 2023 consolidated net operating revenue was NTD 4,132,263 thousand, an increase of NTD 340,540 thousand, or a 9% increase in consolidated revenue from NTD 3,791,723 thousand in 2022. This was mainly due to the continued acquisition of construction project bids and sales orders for pipes. The 2023 consolidated gross profit was NTD 1,568,840 thousand, an increase of NTD 464,056 thousand from NTD 1,104,784 thousand in 2022. The 2023 operating gross profit margin was 38%, an increase of 9% from 29% in 2022.

The 2023 consolidated operating expenses were NTD 238,261 thousand, a decrease of NTD 66,340 thousand from NTD 304,601 thousand in 2022; the 2023 consolidated operating gross profit was NTD 1,568,840 thousand, after deducting the consolidated operating expense of NTD 238,261 thousand, the consolidated operating profit was NTD 1,330,579 thousand, an increase of NTD 530,396 thousand from NTD 800,183 thousand in 2022.

The 2023 consolidated non-operating net expense was NTD 226,742 thousand, an increase of NTD 257,656 thousand from NTD 30,914 thousand in 2022. This was mainly due to the 2023 accrual of Xiamen Guoxin financial assets impairment loss of approximately NTD 219,806 thousand.

In 2023, the consolidated operating income was NTD 1,330,579 thousand, the consolidated non-operating net expense was NTD 226,742 thousand, the consolidated profit before tax was NTD 1,103,837 thousand. After deducting the consolidated income tax expense of NTD 290,089 thousand, and the net profit after tax of NTD 813,748 thousand, the net profit after tax attributable to the parent company amounted to NTD 713,870 thousand.

Kuo Toong International Co., Ltd.

Audit Committee Report

The Audit Committee has approved and the Board of Directors endorsed the Company's 2023 annual business report, parent company only financial statements, consolidated financial statements and appropriation of earnings, of which the Company's 2023 parent company only financial statements and consolidated financial statements have been audited and completed by Ernst & Young Taiwan's CPAs Hong Kuo-Sen and Huang, Shih-Chieh, appointed by the Board of Directors, and issued an unqualified audit report.

The Audit Committee has responsibility for overseeing the financial reporting process of the Company.

The Certified Public Accountants (CPAs) are required to communicate with the Audit Committee regarding the following matters in order to certify the Company's parent company only financial statements and consolidated financial statements for 2023:

1. The scope and timing of the audit planned by the CPAs have not yet resulted in any significant audit findings.
2. The CPAs have provided the Audit Committee with a statement that the personnel of the firms for which they work who are subject to independence regulations have complied with the CPA code of professional ethics with respect to independence, and no other relationships or other matters have been identified that might undermine the independence of the CPAs.
3. In the course of communication between the CPAs and the Audit Committee on the critical audit issues, it was determined that there were no critical audit issues that needed to be communicated in the audit report.

The Company's 2023 annual business report, parent company only financial statements, and consolidated financial statements and earnings distribution proposal, as approved by the Audit Committee and endorsed by the Board of Directors, are in compliance with the relevant laws and regulations and are reported as above pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for review and approval.

To

Kuo Toong International Co., Ltd.'s 2024 Annual General Shareholders' Meeting

Audit Committee Convenor: Wang, Sen-Lung

March 11, 2024

Annex 3

Independent Auditors' Report

To KUO TOONG INTERNATIONAL CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of KUO TOONG INTERNATIONAL CO., LTD. (the "Company") as of 31 December 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of significant accounting policies (together "the parent company only financial statements").

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31 December 2023 and 2022, and its financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China on Taiwan. 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 on Taiwan (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of 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 the 2023 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.

1. Operating Revenue

For the year ended 31 December 2023, the Company's public work construction revenue amounted to NT\$2,179,433 thousand, and constituted 68% of total revenue, and is significant to parent company only financial statements. Because public work construction revenue is gradually satisfied over time and recognize revenue by degree of completion while the degree of completion is measured as the cumulative cost incurred as a proportion of the estimated total contract cost. The assumptions used in relation to the estimated total contract costs may involve significant management estimates and judgements, therefore we determined this as a key audit matter.

Our audit procedures included but not limited to assessing the timing and accuracy regarding the recognition of construction revenues and costs; selecting samples of significant contracts and interviewing management to understand the specific clauses involving recognition of revenue in each significant contract; selecting samples to test the rationality of estimated amount about total cost of contracts, the degree of completion of contracts, the reasonableness of the variable consideration of contracts and onerous contract losses; check the relevant vouchers of the current cost and expenses to confirm the correctness of the current construction in progress; recalculate the completion percentage to confirm the rationality of the recognition of revenue.

We also assessed the adequacy of disclosures of public work construction revenue. Please refer to Notes V and VI to the Company's parent company only financial statements.

2. Contingent Liabilities – Fines to Overdue Construction

Kuo Toong Company's main business operations include engineering contracts signed with customers. The possible fines for overdue projects involve significant estimates and judgments, therefore, they are considered key audit matters.

Our audit procedures included selecting samples of significant contracts and interviewing with management to understand the clauses of breach of contract regarding overdue construction; reviewing the communication documents between the Company and the owners and the mediation meeting minutes from authorities, and reviewing the management's assessment documents and the lawyers' opinions on major disputes to assess whether the Company disclosed contingent liabilities appropriately.

We also assessed the adequacy of disclosures of relevant contingent liabilities. Please refer to Note V and IX to the Company's parent company only financial statements.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of 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.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China on Taiwan 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 of the Republic of China on Taiwan, we exercise professional judgment and maintain 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 auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause 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 and appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Group audit engagement, and is responsible for forming the Group 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 2023 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hong, Kuo Sen

Huang, Shih-Chieh

Ernst & Young, Taiwan

11 March 2024

Notice to Readers

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	31 Dec. 2023	31 Dec. 2022
Current Assets			
Cash and cash equivalents	IV/VI.1	\$827,910	\$693,802
Financial assets measured at amortized cost-current	IV/VI.3、19/VIII	717,496	547,726
Current contract assets	IV/VI.18、19	987,073	923,344
Notes receivable-net	IV/VI.4、19	7,785	10,349
Accounts receivable-net	IV/VI.5、19	248,306	194,451
Accounts receivable - related parties -net	IV/VI.5/VII	730,577	876,987
Other receivables	IV/VI.6、19	907	1,040
Other receivables -related parties	IV/VI.6/VII	55,316	30,650
Inventories-net	IV/VI.7	306,005	250,759
Other current assets	IV/VI.8/VII	181,670	93,587
Construction refundable deposit		17,268	5,540
Total current assets		4,080,313	3,628,235
Non-current assets			
Financial assets at fair value through other comprehensive income-noncurrent	IV/VI.2	527,472	481,198
Financial assets measured at amortized cost-non-current	IV/VI.3、19/VIII	100,194	134,910
Investments accounted for under equity method	IV/VI.9	2,428,906	2,748,636
Property, plant and equipment	IV/VI.10/VIII	306,025	281,878
Right-of-use asset	IV/VI.20/VIII	11,050	-
Deferred tax assets	IV/VI.23	25,980	40,766
Guarantee deposits paid	VIII	32,825	17,581
Long-term receivables	VI.5/VIII	115,867	115,867
Other non-current assets -others	IV/VI.8	43,543	31,317
Total non-current assets		3,591,862	3,852,153
Total Assets		\$7,672,175	\$7,480,388

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 Dec. 2023	31 Dec. 2022
Current liabilities			
Short-term loans	IV/VI.11/VII	\$175,500	\$280,000
Short-term notes payable	IV/VI.12	50,000	-
Contract liabilities-current	IV/VI.18/VII	91,831	161,001
Notes payable		143,403	133,078
Accounts payable		542,918	365,213
Accounts payable -related parties	VII	410	255
Other payables	VI.13	189,662	123,474
Other payables - related parties	VI.13/VII	11,062	8,896
Current tax liabilities	IV/VI.24	212,408	143,772
Lease liabilities, current	IV/VI.20	4,704	-
Current portion of long-term liability	IV/VI.15/VII	44,400	128,710
Other current liabilities - others	VII	13,660	102,476
Total current liabilities		1,479,958	1,446,875
Non-current liabilities			
Bonds payable	IV/VI.14	249,802	249,624
Long-term loans	IV/VI.15	85,866	236,045
Deferred tax liabilities	IV/VI.24	155,307	153,847
Lease liabilities, non current	IV/VI.20	6,411	-
Net defined benefit liabilities - non current	IV/VI.16	5,918	7,782
Other non-current liabilities, others		21,954	26,628
Total non-current liabilities		525,258	673,926
Total liabilities		2,120,801	2,120,801
Equity attributable to the parent company			
Capital	IV/VI.17		
Common stock		2,480,782	2,480,782
Capital surplus	IV/VI.17	1,470,181	1,470,181
Retained earnings	IV/VI.17		
Legal reserve		463,673	399,779
Special reserve		205,904	249,554
Unappropriated earnings		1,401,779	965,195
Subtotal		2,071,356	1,614,528
Other equity	IV/VI.23		

Exchange differences resulting from translating the financial statements of a foreign operations		(89,822)	(86,692)
Unrealized (profit) and loss of financial assets measured at fair value through other comprehensive income		(265,538)	(119,212)
Subtotal		(355,360)	(205,904)
Total equity		5,666,959	5,359,587
Total liabilities and equity		<u><u>\$7,672,175</u></u>	<u><u>\$7,480,388</u></u>

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	Notes	2023	2022
Operating revenues	IV/VI.18	\$3,224,302	\$2,398,708
Operating costs	IV/VI.7、16、20、21/VII	(2,006,779)	(1,636,740)
Gross profit		1,217,523	761,968
Unrealized gross profit on sales		3	(7,998)
Realized gross profit on sales		8,142	9,073
Gross profit-net		1,225,668	763,043
Operating expenses	IV/VI.16、20/VII		
Sales and marketing expenses		(2,347)	(3,416)
General and administrative expenses		(164,869)	(103,326)
Research and development expenses		(30,353)	(23,304)
Subtotal		(197,569)	(130,046)
Operating income		1,028,099	632,997
Non-operating income and expenses			
Other revenue	VI.22	37,442	56,150
Other gain and loss	VI.22	(8,093)	116,876
Financial costs	VI.22	(13,790)	(31,537)
Share of profit or loss of associates and joint ventures	IV/VI.9	(98,452)	15,661
Subtotal		(82,893)	157,150
Income from continuing operations before income tax		945,206	790,147
Income tax expense	IV/VI.23	(231,336)	(165,001)
Net income		713,870	625,146
Other comprehensive income (loss)	IV/VI.22		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plan		(11,205)	17,246
Unrealized loss on investments in equity instruments at fair value through other comprehensive income		(146,326)	(19,845)
Income tax related to items that may not be reclassified subsequently		2,241	(3,449)
To be reclassified to profit or loss in subsequent periods			
Exchange differences resulting from translating the financial statements of a foreign operations		(3,130)	63,495
Total other comprehensive income, net of tax		(158,420)	57,447
Total comprehensive income		\$555,450	\$682,593

Earnings per share (NTD)			
Earnings per share-basic	IV/VI.24	\$2.88	\$2.52
Earnings per share-diluted	IV/VI.24	\$2.86	\$2.51

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	Common Stock	Capital surplus	Retained earnings			Other equity		Total Equity
			Legal reserve	Special reserve	Unappropriated earnings	Exchange differences resulting from translating the financial statements of a foreign operations	Unrealized gain (Loss) on financial assets at fair value through other comprehensive income	
	3110	3200	3310	3320	3350	3410	3420	3XXX
Balance as of 1 January 2022	\$2,480,782	\$1,470,181	\$345,058	\$241,753	\$502,813	\$(150,187)	\$(99,367)	\$4,801,033
Appropriation and distribution of 2020 retained earning								
Legal Reserve	-	-	44,721	-	(44,721)	-	-	-
Cash dividends	-	-	-	-	(7,801)	-	-	(124,039)
Reversal of special reserve	-	-	-	7,801	(124,039)	-	-	-
Net income for the year ended 31 December 2022	-	-	-	-	625,146	-	-	625,146
Other comprehensive income, net of tax for the year ended 31 December 2022	-	-	-	-	13,797	63,495	(19,845)	57,447
Total comprehensive income	-	-	-	-	638,947	63,495	(19,845)	682,593
Balance as of 31 December 2022	<u>\$2,480,782</u>	<u>\$1,470,181</u>	<u>\$399,779</u>	<u>\$249,554</u>	<u>\$965,195</u>	<u>\$(86,692)</u>	<u>\$(119,212)</u>	<u>\$5,359,587</u>
Balance as of 1 January 2023	\$2,480,782	\$1,470,181	\$399,779	\$249,554	\$965,195	\$(86,692)	\$(119,212)	\$5,359,587
Appropriation and distribution of 2022 retained earning								
Legal Reserve	-	-	63,894	-	(63,894)	-	-	-
Special reserve	-	-	-	(43,650)	(248,078)	-	-	(248,078)
Cash dividends	-	-	-	-	(43,650)	-	-	-
Net income for the year ended 31 December 2023	-	-	-	-	713,870	-	-	713,870

Other comprehensive income, net of tax for the year ended 31 December 2023	-	-	-	(8,964)	(3,130)	(146,326)	(158,420)
Total comprehensive income	-	-	-	704,906	(3,130)	(146,326)	555,450
Balance as of 31 December 2023	<u>\$2,480,782</u>	<u>\$1,470,181</u>	<u>\$463,673</u>	<u>\$205,904</u>	<u>\$1,401,779</u>	<u>\$(89,822)</u>	<u>\$(265,538)</u>
	<u><u>\$2,480,782</u></u>	<u><u>\$1,470,181</u></u>	<u><u>\$463,673</u></u>	<u><u>\$205,904</u></u>	<u><u>\$1,401,779</u></u>	<u><u>\$(89,822)</u></u>	<u><u>\$(265,538)</u></u>
							<u><u>\$5,666,959</u></u>

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the year ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	2023	2022	ITEMS	2023	2022
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$945,206	\$790,147	Acquisition of financial assets at amortized cost	(135,054)	(165,322)
Adjustments for:			Acquisition of equity investments under equity method	-	(100,000)
Income and expense adjustments:			Acquisition of property, plant and equipment	(65,548)	(15,552)
Depreciation	40,681	47,537	(Increase) in refundable deposits	(27,172)	-
Amortization	355	226	Decrease in refundable deposits	-	64,423
Expected credit impairment (gain) losses	107	(60)	Acquisition of intangible assets	(1,713)	-
Interest expense	13,790	31,537	(Increase) of other non-current financial assets	(10,868)	-
Interest revenue	(30,649)	(31,991)	Decrease of other non-current financial assets	-	42,272
Share of losses(profit) of subsidiaries, associates and joint ventures recognized by the equity method	98,452	(15,661)	Dividends received	33,693	-
Losses on disposal of property, plant and equipment	1,694	-	Net cash flow from investing activities	(206,662)	(174,179)
Property, plant and equipment transferred to expense	4,261	-			
Losses on disposal of investments accounted for under equity method	-	(155,352)	Cash flows from financing activities:		
Impairment loss on non-financial assets	2,498	2,189	Increase in short-term loans	219,454	888,900
Unrealized gross profit	(3)	7,998	Decrease in short-term loans	(323,954)	(1,534,706)
Realized gross profit	(8,142)	(9,073)	Increase in short-term notes payable	100,000	-
Unrealized foreign currency exchange gains	-	30,220	Decrease in short-term notes payable	(50,000)	(10,000)
(Gain) on lease liabilities modification	(2)	-	Proceeds from bonds issued	-	249,514
(Gain) on bargain purchase	-	(20,810)	Redemption of bonds	-	(250,000)
Income and expense adjustments	123,042	(113,240)	Increase in long-term loans	79,400	150,000
Changes in operating assets and liabilities:			Decrease in long-term loans	(315,720)	(181,053)
Contract assets	(63,729)	(182,659)	Cash dividends	(3,861)	-
Notes receivable-net	2,564	10,304	Net cash used in financing activities	(248,078)	(124,039)
Accounts receivable-net	(53,855)	(96,858)		(542,759)	(811,384)
Accounts receivable- related parties -net	146,410	780,942	Net increase in cash and cash equivalents		
Other receivables	26	379,989	Cash and cash equivalents at beginning of period	134,108	484,412
Other receivables - related parties	(24,666)	1,401	Cash and cash equivalents at end of period	693,802	209,390
Inventories	(58,851)	11,792		\$827,910	\$693,802
Other current assets	(61,904)	(47,005)			
Contract liabilities	(69,170)	113,120			
Notes payable	10,325	30,106			
Accounts payable	177,705	(32,030)			
Accounts payable - related parties	155	(482)			
Other payables	67,667	(34,707)			
Other payables - related parties	2,166	2			
Other current liabilities	(88,816)	(18,122)			

Accrued pension liabilities	(13,069)	(2,277)		
Other non-current liabilities	(4,674)	9,028		
Cash generated from operations	1,036,532	1,599,451		
Interest received	6,301	29,438		
Interests paid	(15,091)	(30,021)		
Income tax paid	(144,213)	(128,893)		
Net cash provided by operating activities	883,529	1,469,975		

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

Independent Auditors' Report

To KUO TOONG INTERNATIONAL CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of KUO TOONG INTERNATIONAL CO., LTD. ("the Company") and its subsidiaries (the "Group") as of 31 December 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, 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, and interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China on Taiwan.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China on Taiwan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China on Taiwan (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of 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 2023 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.

1. Operating Revenue

For the years ended 31 December 2023, the Group's public work construction revenue amounted to NT\$2,256,554 thousand which constituted 55% of total consolidated revenue, and is significant to the Group's consolidated financial statements. Because public work construction revenue is gradually satisfied over time and recognize revenue by degree of completion while the degree of completion is measured as the cumulative cost incurred as a proportion of the estimated total contract cost. The assumptions used in relation to the estimated total contract costs may involve significant management estimates and judgements, therefore we determined this as a key audit matter.

Our audit procedures included but not limited to assessing the timing and accuracy regarding the recognition of construction revenues and costs; selecting samples of significant contracts and interviewing management to understand the specific clauses involving recognition of revenue in each significant contract; selecting samples to test the rationality of estimated amount about total cost of contracts, the degree of completion of contracts, the reasonableness of the variable consideration of contracts and onerous contract losses; check the relevant vouchers of the current cost and expenses to confirm the correctness of the current construction in progress; recalculate the completion percentage to confirm the rationality of the recognition of revenue.

We also assessed the adequacy of disclosures of public work construction revenue. Please refer to Notes V and VI to the Group's consolidated financial statements.

2. Contingent Liabilities – Fines to Overdue Construction

Kuo Toong Group's main business operations include engineering contracts signed with customers. The possible fines for overdue projects involve significant estimates and judgments, therefore, they are considered key audit matters.

Our audit procedures included selecting samples of significant contracts and interviewing with management to understand the clauses of breach of contract regarding overdue construction; reviewing the communication documents between the Group and the owners and the mediation meeting minutes from authorities, and reviewing the management's assessment documents and the lawyers' opinions on major disputes to assess whether the Group disclosed contingent liabilities appropriately.

We also assessed the adequacy of disclosures of contingencies. Please refer to Notes V and IX to the Group's consolidated financial statements.

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 on Taiwan 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 or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China on Taiwan 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 Standards on Auditing of the Republic of China on Taiwan, we exercise professional judgment and maintain 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other

KUO TOONG INTERNATIONAL CO., LTD. has prepared parent company only financial reports in 2023 and 2022, and the auditor's report with unqualified opinions were issued by auditors, that have been filed for reference.

Hong, Kuo Sen

Huang, Shih Chieh

Ernst & Young, Taiwan

11 March 2024

Notice to Readers

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	31 Dec. 2023	31 Dec. 2022
Current Assets			
Cash and cash equivalents	IV/VI.1	\$1,195,292	\$965,896
Financial assets measured at amortized cost-current	IV/VI.3、21/VIII	937,552	737,544
Current contract assets	IV/VI.20、21	2,142,798	1,830,969
Notes receivable-net	IV/VI.4、21	7,785	10,349
Accounts receivable-net	IV/VI.5、12、21/VIII	522,336	461,559
Other receivables	VI.6/VII	907	1,040
Inventories-net	IV/VI.7	306,023	277,422
Other current assets	IV/VI.8/VII	294,160	194,864
Construction refundable deposits		27,563	61,657
Total current assets		<u>5,434,416</u>	<u>4,541,300</u>
Non-current assets			
Financial assets at fair value through other comprehensive income-noncurrent	IV/VI.2	637,087	784,908
Financial assets measured at amortized cost-non-current	IV/VI.3、21/VIII	107,694	134,910
Property, plant and equipment	IV/VI.10/VIII	422,888	367,969
Right of use assets	IV/VI.22/VIII	24,857	14,492
Intangible assets	IV/VI.11、12	1,671,304	1,516,689
Deferred tax assets	IV/VI.26	27,413	42,415
Guarantee deposits paid	VIII	52,099	84,179
Long-term receivables	VI.5、12、21/VIII	3,410,594	3,738,303
Other non-current assets -others	IV/VI.8	42,215	31,247
Total non-current assets		<u>6,396,151</u>	<u>6,715,112</u>
Total Assets		<u><u>\$11,830,567</u></u>	<u><u>\$11,256,412</u></u>

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

English Translation of Financial Statements Originally Issued in Chinese
KUO TOONG INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 Dec. 2022	31 Dec. 2021
Current liabilities			
Short-term loans	IV/VI.13/VII	\$301,500	\$489,980
Short-term notes payable	IV/VI.14	50,000	-
Current contract liabilities	IV/VI.20	67,636	56,716
Notes payable	IV	149,663	135,192
Accounts payable	IV	593,180	371,331
Other payables	VI.15	220,657	154,354
Current tax liabilities	IV/VI.26	243,789	160,430
Lease liability-current	IV/VI.22	5,314	594
Current portion of long-term liability	IV/VI.17/VII	285,400	308,635
Other current liabilities - others		5,509	6,233
Total current liabilities		1,922,648	1,683,465
Non-current liabilities			
Bonds payable	IV/VI.16	249,802	249,624
Long-term loans	IV/VI.17/VIII	1,905,681	1,971,330
Deferred tax liabilities	IV/VI.26	321,702	303,022
Lease liability-non current	IV/VI.22	20,300	14,499
Net defined benefit liabilities - non current	IV/VI.18	5,918	7,782
Other non-current liabilities, others	IV	21,759	26,433
Total non-current liabilities		2,525,162	2,572,690
Total liabilities		4,447,810	4,256,155
Equity attributable to the parent company			
Capital	IV/VI.19		
Common stock		2,480,782	2,480,782
Capital surplus	IV/VI.19	1,470,181	1,470,181
Retained earnings	IV/VI.19		
Legal reserve		463,673	399,779
Special reserve		205,904	249,554
Unappropriated earnings		1,401,779	965,195
Subtotal		2,071,356	1,614,528
Other equity	IV/VI.25		
Exchange differences resulting from translating the financial statements of a foreign operations		(89,822)	(86,692)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income		(265,538)	(119,212)
Subtotal		(355,360)	(205,904)
Total Equity attributable to the parent company		5,666,959	5,359,587
Non-controlling interests	IV/VI.19、 28	1,715,798	1,640,670

Total equity		7,382,757	7,000,257
Total liabilities and equity		\$11,830,567	\$11,256,412

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

Items	Notes	2022	2021
Operating revenues	IV/VI.20	4,132,263	\$3,791,723
Operating costs	IV/VI.7、11、23/VII	(2,536,423)	(2,686,939)
Gross profit		1,568,840	1,104,784
Operating expenses	IV/VI.11、22、23/VII		
Sales and marketing expenses		(2,241)	(113,783)
General and administrative expenses		(205,239)	(167,961)
Research and development expenses		(30,674)	(29,829)
Expected credit impairment (losses) profit	IV/VI.21	(107)	6,972
Subtotal		(238,261)	(304,601)
Operating income		1,330,579	800,183
Non-operating income and expenses			
Other revenue	VI.24	18,742	36,351
Other gain and loss	VI.24	(228,426)	182,501
Financial costs	VI.24	(17,058)	(59,193)
Share of profit or loss of associates and joint ventures	IV/VI.9	-	(128,745)
Subtotal		(226,742)	30,914
Income from continuing operations before income tax		1,103,837	831,097
Income tax expense	IV/VI.26	(290,089)	(209,095)
Net income		813,748	622,002
Other comprehensive income(loss)	IV/VI.25		
Items that may not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plan		(11,205)	17,246
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(146,326)	(19,845)
Income tax related to items that may not be reclassified subsequently		2,241	(3,449)
To be reclassified to profit or loss in subsequent periods			
Exchange differences resulting from translating the financial statements of a foreign operations		(3,130)	72,938

Total other comprehensive income(loss), net of tax		(158,420)	66,890
Total comprehensive income		<u>\$655,328</u>	<u>\$688,892</u>
Net income(loss) attributable to:			
Stockholders of the parent		\$713,870	\$625,146
Non-controlling interests		99,878	(3,144)
		<u>\$813,748</u>	<u>\$622,002</u>
Comprehensive income attributable to:			
Stockholders of the parent		\$555,450	\$682,593
Non-controlling interests		99,878	6,299
		<u>\$655,328</u>	<u>\$688,892</u>
Earnings per share (NTD)	IV/VI.27		
Earnings per share-basic		\$2.88	\$2.52
Earnings per share-diluted		<u>\$2.86</u>	<u>\$2.51</u>

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

English Translation of Financial Statements Originally Issued in Chinese
KUO TOONG INTERNATIONAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to the parent company								Non controllin g interests	Total Equity		
	Common Stock	Capital surplus	Legal reserve	Retained earnings		Other equity						
				Special reserve	Unappropriate d earnings	Exchange differences resulting from translating the financial statements of a foreign operations	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensiv e income					
Balance as of 1 January 2022	\$2,480,782	\$1,470,181	\$355,058	\$241,753	\$502,813	\$(150,187)	\$(99,367)	\$4,801,033	\$1,941,958	\$6,742,991		
Appropriation and distribution of 2021 retained earnings												
Legal Reserve	-	-	44,721	-	(44,721)	-	-	-	-	-		
Cash dividends	-	-	-	7,801	(7,801)	-	-	-	-	-		
Reversal of special reserve	-	-	-	-	(124,039)	-	-	(124,039)	-	(124,039)		
Net income for the year ended 31 December 2022	-	-	-	-	625,146	-	-	625,146	(3,144)	622,002		
Other comprehensive income, net of tax for the year ended 31 December 2022	-	-	-	-	13,797	63,495	(19,845)	57,447	9,443	66,890		
Total comprehensive income	-	-	-	-	638,943	63,495	(19,845)	682,593	6,299	688,892		
Other – Disposal of subsidiaries									(307,587)	(307,587)		
Balance as of 31 December 2022	<u>\$2,480,782</u>	<u>\$1,470,181</u>	<u>\$399,779</u>	<u>\$249,554</u>	<u>\$965,195</u>	<u>\$(86,692)</u>	<u>\$(119,212)</u>	<u>\$5,359,587</u>	<u>\$1,640,670</u>	<u>\$7,000,257</u>		
Balance as of 1 January 2023	\$2,480,782	\$1,470,181	\$399,779	\$249,554	\$965,195	\$(86,692)	\$(119,212)	\$5,359,587	\$1,640,670	\$7,000,257		
Appropriation and distribution of 2022 retained earnings												
Legal Reserve	-	-	63,894	-	(63,894)	-	-	-	-	-		
Special reserve	-	-	-	-	(248,078)	-	-	(248,078)	-	(248,078)		
Cash dividends	-	-	-	(43,650)	43,650	-	-	-	-	-		
Net income for the year ended 31 December 2022	-	-	-	-	713,870	-	-	713,870	99,878	813,748		

Other comprehensive income, net of tax for the year ended 31 December 2023	-	-	-	-	(8,964)	(3,130)	(146,326)	(158,420)	-	(158,420)
Total comprehensive income	-	-	-	-	704,906	(3,130)	(146,326)	555,450	99,878	655,328
Other - Disposal of subsidiaries	-	-	-	-	-	-	-	-	(24,750)	(24,750)
Balance as of 31 December 2023	<u>\$2,480,782</u>	<u>\$1,470,181</u>	<u>\$463,673</u>	<u>\$205,904</u>	<u>\$1,401,779</u>	<u>\$(89,822)</u>	<u>\$(265,538)</u>	<u>\$5,666,959</u>	<u>\$1,715,798</u>	<u>\$7,382,757</u>

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

English Translation of Financial Statements Originally Issued in Chinese

KUO TOONG INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended 31 December 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Items	2023	2022	Items	2022	2021
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$1,103,837	\$831,097	Acquisition of financial assets at amortized cost	(172,792)	(27,727)
Adjustments for:			Disposal of financial assets at amortized cost	-	(176,022)
Income and expense adjustments:			Acquisition of property, plant and equipment	(106,895)	(43,469)
Depreciation	51,940	54,385	Disposal of property, plant and equipment	-	136
Amortization	76,941	66,293	Decrease in refundable deposits	65,974	19,913
Expected credit impairment (gain) losses	107	(6,972)	Acquisition of intangible assets	(1,713)	-
Interest expense	17,058	59,193	Acquisition of right-to-use assets	-	(31)
Interest revenue	(10,918)	(6,465)	Decrease in other non-current assets	(10,968)	(162)
Share of loss (profit) of associates and joint ventures accounted for under equity method	-	128,745	Net cash used in investing activities	(226,394)	(227,362)
Losses on disposal of property, plant and equipment	1,694	1,801			
Property, plant and equipment transferred to expense	4,261	-	Cash flows from financing activities:		
Disposal of investments (gains) accounted for using the equity method	-	(233,341)	Increase in short-term loans	593,034	1,386,280
Impairment loss on financial assets	219,806	-	Decrease in short-term loans	(781,514)	(2,006,364)
Impairment loss on non-financial assets	2,498	-	Increase in short-term notes payable	100,000	-
Unrealized foreign currency exchange gains	-	2,477	Decrease in short-term notes payable	(50,000)	(10,000)
(Gain) on lease liabilities modification	(2)	29,795	Proceeds from bonds issued	-	249,514
(Gain) on bargain purchase	-	(26,248)	Redemption of bonds	-	(250,000)
Income and expense adjustments:	363,385	69,663	Increase in long-term loans	423,500	1,203,160
Changes in operating assets and liabilities:			Decrease in long-term loans	(516,945)	(346,755)
Contract assets	(471,324)	(480,491)	Payments of lease liabilities	(4,454)	(578)
Notes receivable-net	2,564	11,326	Cash dividends	(248,078)	(124,039)
Accounts receivable-net	45,486	(50,187)	Net cash used in financing activities	(484,457)	101,218
Other receivables	26	20,813			
Inventories	(32,206)	(103,482)	Effect of exchange rate changes on cash and cash equivalents	5	41,374
Other current assets	(95,623)	(301,139)			
Contract liabilities	10,920	(1,540)	Net Increase in cash and cash equivalents	229,396	269,696
Notes payable	14,471	(54,407)	Cash and cash equivalents at beginning of period	965,896	696,200
Accounts payable	221,849	178,089	Cash and cash equivalents at end of period	\$1,195,292	\$965,896
Accounts payable - related parties	-	(327)			
Other payables	41,868	483,825			
Other payables - related parties	-	(19,850)			
Other current liabilities	(724)	4,560			
Accrued pension liabilities	(13,069)	(2,277)			

Other non current liabilities	(4,674)	9,028		
Cash generated from operations	1,186,786	594,701		
Interest received	10,918	6,465		
Interests paid	(87,543)	(106,051)		
Income tax paid	(169,919)	(140,649)		
Net cash provided by operating activities	940,242	354,466		

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

Annex 5

Kuo Toong International Co., Ltd
Earnings Distribution
2023

Unit: NTD

Item	Subtotal	Total	Remark
A. Undistributed earnings at beginning of period		696,873,520	
Current-period change in remeasurements of defined benefit plans	(8,964,284)		
B. Adjustment to undistributed earnings at the beginning of the later period		687,909,236	
C. Net profit after tax for the period		713,870,259	
D. Provision of legal reserve		(70,490,598)	(Note 1)
Provision of special reserve		(149,456,373)	(Note 2)
E. Earnings available for allocation		1,181,832,524	
Items distributed			
F. Shareholder dividends-cash	(372,117,236)		(Notes 3&4)
Total number of items distributed		(372,117,236)	
G. Undistributed earnings at the end of the period		809,715,288	

Note:

1. In accordance with the Ministry of Economic Affairs 1090109 Jing-Shang-Zi letter No. 10802432410, starting from the appropriation of the Company's earnings in the 2019 financial statements, "net income after tax for the period plus the amount of items other than net income after tax for the period included in undistributed earnings for the year" shall be used as a basis for setting aside legal reserve. The net income after tax for the period of NT\$713,870,259 plus the current change in the remeasurement of the defined benefit plan - NT\$(8,964,284) multiplied by 10%, resulted in a provision of NT\$70,490,598 for legal reserve for the period.
2. In accordance with Jin-Guan-Zheng-Fa-Zi Order No. 1090150022, after the adoption of IFRSs for the preparation of financial statements, a special reserve of the same amount should be set aside from the current period's profit or loss and the prior period's undistributed earnings to account for the net decrease in other shareholders' equity that occurred during the year (e.g., the exchange differences on the translation of the financial statements of foreign operations, and the accumulated balance of unrealized gains and losses on available-for-sale financial assets.), and if there is a subsequent reversal of the other net equity, the reversed portion should be reversed to distribute

the earnings to the special reserve. The net amount of other shareholders' equity for the year was NTD 355,359,867. The special reserve of NTD 205,903,494 had been set aside in the deduction account, and NTD 149,456,373 should be provided as the special reserve for the year.

3. Pursuant to Article 20-1 of the Company's Articles of Incorporation, the distribution of dividends and bonuses, if made in the form of cash, shall be decided by a resolution adopted by at least a majority of directors present in a meeting of the Board of Directors attended by two-thirds or more of all directors.
4. Based on the number of 248,078,157 shares outstanding as at the date prior to the Board meeting, a cash dividend of NT\$1.5 per share, i.e., NT\$1500 per thousand shares, was allotted, amounting to NT\$372,117,236.

Chairperson:

Manager:

Accounting Manager:

Kuo Toong International Co., Ltd.
Amendments of “Articles of Incorporation”

After	Before	修正
<p>Article 15</p> <p>The Board of Directors shall be organized by the directors, and the Chairman shall be elected from among them by a majority of the directors present at the meeting attended by more than two-thirds of the directors. <u>A vice chairman may be elected from among themselves in the same manner.</u></p> <p>The Chairman represents the Company.</p>	<p>Article 15</p> <p>The Board of Directors shall be organized by the directors, and the Chairman shall be elected from among them by a majority of the directors present at the meeting attended by more than two-thirds of the directors. The Chairman represents the Company.</p>	<p>In response to future operational needs.</p>
<p>Article 22.</p> <p>These Articles of Incorporation were first established on June 2, 1978.</p> <p>The 1st amendment was made on July 11, 1978.</p> <p>The 2nd amendment was made on January 6, 1979.</p> <p>The 3rd amendment was made on March 2, 1979.</p> <p>The 4th amendment was made on January 20, 1980.</p> <p>The 5th amendment was made on December 10, 1980.</p> <p>The 6th amendment was made on August 30, 1981.</p> <p>The 7th amendment was made on March 25 1983.</p> <p>The 8th amendment was made on September 10, 1984.</p> <p>The 9th amendment was made on November 15, 1987.</p> <p>The 10th amendment was made on August 1, 1990.</p> <p>The 11th amendment was made on January 4, 1992.</p> <p>The 12th amendment was made on June 24, 1992.</p> <p>The 13th amendment was made on June 5, 1997.</p> <p>The 14th amendment was made on March 20, 1998.</p> <p>The 15th amendment was made on May 30, 1999.</p> <p>The 16th amendment was made on July 31, 1999.</p> <p>The 17th amendment was made on September 23, 1999.</p> <p>The 18th amendment was made on June 2, 2001.</p> <p>The 19th amendment was made on June 28, 2002.</p> <p>The 20th amendment was made on</p>	<p>Article 22.</p> <p>These Articles of Incorporation were first established on June 2, 1978.</p> <p>The 1st amendment was made on July 11, 1978.</p> <p>The 2nd amendment was made on January 6, 1979.</p> <p>The 3rd amendment was made on March 2, 1979.</p> <p>The 4th amendment was made on January 20, 1980.</p> <p>The 5th amendment was made on December 10, 1980.</p> <p>The 6th amendment was made on August 30, 1981.</p> <p>The 7th amendment was made on March 25 1983.</p> <p>The 8th amendment was made on September 10, 1984.</p> <p>The 9th amendment was made on November 15, 1987.</p> <p>The 10th amendment was made on August 1, 1990.</p> <p>The 11th amendment was made on January 4, 1992.</p> <p>The 12th amendment was made on June 24, 1992.</p> <p>The 13th amendment was made on June 5, 1997.</p> <p>The 14th amendment was made on March 20, 1998.</p> <p>The 15th amendment was made on May 30, 1999.</p> <p>The 16th amendment was made on July 31, 1999.</p> <p>The 17th amendment was made on September 23, 1999.</p> <p>The 18th amendment was made on June 2, 2001.</p> <p>The 19th amendment was made on June 28, 2002.</p> <p>The 20th amendment was made on</p>	<p>Adding amendment number and date.</p>

After	Before	修正
<p>November 25, 2002.</p> <p>The 21st amendment was made on March 29, 2004.</p> <p>The 22nd amendment was made on June 22, 2005.</p> <p>The 23rd amendment was made on June 23, 2006.</p> <p>The 24th amendment was made on March 30, 2007.</p> <p>The 25th amendment was made on June 10, 2008.</p> <p>The 26th amendment was made on June 24, 2009.</p> <p>The 27th amendment was made on June 8, 2010.</p> <p>The 28th amendment was made on June 23, 2011.</p> <p>The 29th amendment was made on June 5, 2013</p> <p>The 30th amendment was made on June 18, 2015.</p> <p>The 31st amendment was made on June 8, 2016.</p> <p>The 32nd amendment was made on June 12, 2019.</p> <p>The 33rd amendment was made on June 19, 2020.</p> <p>The 34th amendment was made on July 22, 2021.</p> <p>The 35th amendment was made on June 21, 2023</p> <p><u>The 36th amendment was made on June 18, 2024.</u></p>	<p>November 25, 2002.</p> <p>The 21st amendment was made on March 29, 2004.</p> <p>The 22nd amendment was made on June 22, 2005.</p> <p>The 23rd amendment was made on June 23, 2006.</p> <p>The 24th amendment was made on March 30, 2007.</p> <p>The 25th amendment was made on June 10, 2008.</p> <p>The 26th amendment was made on June 24, 2009.</p> <p>The 27th amendment was made on June 8, 2010.</p> <p>The 28th amendment was made on June 23, 2011.</p> <p>The 29th amendment was made on June 5, 2013</p> <p>The 30th amendment was made on June 18, 2015.</p> <p>The 31st amendment was made on June 8, 2016.</p> <p>The 32nd amendment was made on June 12, 2019.</p> <p>The 33rd amendment was made on June 19, 2020.</p> <p>The 34th amendment was made on July 22, 2021.</p> <p>The 35th amendment was made on June 21, 2023.</p>	

KUO TOONG INTERNATIONAL CO., LTD.

Comparison Table of the "Rules of Procedure for Shareholders Meetings"

Before and After Amendment

Article after amendment	Original Article	Reasons for amendment
<p><u>Article 1</u></p> <p><u>In order to establish a good governance system, improve the supervisory function and strengthen the management function of the Company's shareholders' meeting, these Rules are adopted in accordance with Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p>
<p><u>Article 12</u></p> <p><u>The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by laws and regulations or the Articles of Incorporation, shall be in accordance with these Rules.</u></p>	<p><u>Article 1</u></p> <p>Procedures at shareholders' meetings of the Company shall be conducted in accordance with these Rules. Any matters not covered herein shall be governed in accordance with the Company Act and other relevant laws and regulations .</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original Article is adjusted.
<p><u>Article 3</u></p> <p><u>Shareholders' meetings of the Company shall be convened by the Board of Directors, unless otherwise provided in the law. Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company convening 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</u></p>		<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video. 2. The numbering of the original

Article after amendment	Original Article	Reasons for amendment
<p><u>at least two-thirds of the total number of directors.</u></p> <p><u>Any change of the means for convening of a shareholders' meeting shall be resolved by the Board of Directors. The change shall be made at the latest prior to sending a letter of notification of shareholders' meeting.</u></p> <p><u>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 annual general shareholders' meeting or before 15 days before the date of a special shareholders' meeting.</u></p> <p><u>The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the annual general shareholders' meeting or before 15 days before the date of the special shareholders' meeting. If, however, the Company has a 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 annual general shareholders' meeting. 15 days before the date of the shareholders' meeting, the Company shall also have</u></p>		Article is adjusted.

Article after amendment	Original Article	Reasons for amendment
<p><u>prepared the shareholders'</u> <u>meeting agenda and</u> <u>supplemental meeting materials</u> <u>and made them available for the</u> <u>shareholders to obtain and</u> <u>review at any time.</u></p> <p><u>The shareholders' meeting</u> <u>agenda handbook and</u> <u>supplemental materials under the</u> <u>preceding paragraph shall be</u> <u>provided for review by the</u> <u>shareholders by the following</u> <u>means on the date the</u> <u>shareholder's meeting is</u> <u>convened:</u></p> <p><u>I. For physical shareholders'</u> <u>meetings, they shall be</u> <u>distributed on-site at the</u> <u>meeting.</u></p> <p><u>II. For hybrid shareholders'</u> <u>meetings, they shall be</u> <u>distributed on-site at the meeting</u> <u>and shared on the virtual</u> <u>meeting platform.</u></p> <p><u>III. For virtual-only</u> <u>shareholders' meetings, they</u> <u>shall be distributed via</u> <u>electronic files and shared on the</u> <u>virtual meeting platform.</u></p> <p><u>The reasons for convening the</u> <u>meeting shall be specified in the</u> <u>notice and announcement. The</u> <u>notice may be given by</u> <u>electronic means with the</u> <u>consent of the addressee.</u></p> <p><u>Election or dismissal of</u> <u>directors, amendments to the</u> <u>articles of incorporation,</u> <u>reduction of capital, application</u> <u>for the approval of ceasing its</u> <u>status as a public company,</u> <u>approval of competing with the</u> <u>company by directors, surplus</u> <u>profit distributed in the form of</u> <u>new shares, reserve distributed</u> <u>in the form of new shares, the</u> <u>dissolution, merger, or demerger</u> <u>of the Company, or any matter</u> <u>under Paragraph 1, Article 185</u> <u>of the Company Act, Articles</u> <u>26-1 and 43-6 of the Securities</u> <u>Exchange Act, Articles 56-1 and</u> <u>60-2 of the Regulations</u> <u>Governing the Offering and</u></p>		

Article after amendment	Original Article	Reasons for amendment
<p><u>Issuance of Securities by</u> <u>Securities Issuers shall be set out</u> <u>and the essential contents</u> <u>explained in the notice of the</u> <u>reasons for convening the</u> <u>shareholders meeting. None of</u> <u>the above matters may be raised</u> <u>by an extraordinary motion.</u></p> <p><u>Where re-election of all</u> <u>directors as well as their</u> <u>inauguration date is stated in the</u> <u>notice of the reasons for</u> <u>convening the shareholders'</u> <u>meeting, after the completion of</u> <u>the re-election in said meeting</u> <u>such inauguration date may not</u> <u>be altered by any extraordinary</u> <u>motion or otherwise in the same</u> <u>meeting.</u></p>		
<p>Article 1-1</p> <p>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 annual general shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. 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.</p> <p>A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>Prior to the book closure date before a annual general shareholders' meeting is held,</p>	<p>Article 1-1</p> <p>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 annual general shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. 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 for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>Prior to the book closure date before a annual general shareholders' meeting is held, the</p>	

Article after amendment	Original Article	Reasons for amendment
<p>the Company shall publicly announce its acceptance of shareholder proposals by correspondence 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.</p> <p>Each proposal submitted by shareholders is limited to 300 words. A proposal exceeding 300 words will not be included in the discussion agenda.</p> <p>Shareholders making proposals should attend the general shareholders' meeting in person or entrust an agent to attend and participate in the discussion of the proposal.</p> <p>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.</p>	<p>Company shall publicly announce its acceptance of shareholder proposals, and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Each proposal submitted by shareholders is limited to 300 words. If exceeding 300 words, a proposal will not be included in the discussion agenda. Shareholders making proposals should attend the general shareholders' meeting in person or entrust an agent to attend and participate in the discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, the Company shall make known 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.</p>	
<p><u>Article 4</u></p> <p><u>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</u></p> <p><u>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p>

Article after amendment	Original Article	Reasons for amendment
<p><u>cancel the previous proxy appointment.</u></p> <p><u>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p> <p><u>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>		
<p>Article 5</p> <p><u>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 on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p>
<p>Article 6</p> <p><u>The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters</u></p>		<p>1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for</p>

Article after amendment	Original Article	Reasons for amendment
<p>for attention.</p> <p><u>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. For virtual meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the shareholders' meeting in person.</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</u></p>		<p>improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p> <p>2. The numbering of the original Article is adjusted.</p>
<p>Article 2</p> <p><u>The term "shareholder" as used in these Rules means the shareholder in person and the proxies entrusted by the shareholder to attend the</u></p>	<p>Article 2</p> <p>The term "shareholder" as used in these Rules means the shareholder in person and the proxies entrusted by the shareholder to attend the meeting.</p>	

Article after amendment	Original Article	Reasons for amendment
<p><u>meeting. When the government or a legal person is a shareholder, he/she may be represented by more than one representative at a shareholders' meeting.</u> When a legal person is appointed to attend as proxy, he/she may designate <u>only</u> one person to represent himself/herself in the meeting.</p> <p><u>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.</u></p> <p><u>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.</u></p>	<p>When a legal person is appointed to attend as proxy, he/she may designate one person to represent himself/herself in the meeting.</p>	
<p><u>Article 6-1</u></p> <p><u>To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:</u></p> <p><u>I. How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>(I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>(II) Shareholders not having registered to attend the affected virtual</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p>

Article after amendment	Original Article	Reasons for amendment
<p><u>shareholders' meeting</u> <u>shall not attend the</u> <u>postponed or resumed</u> <u>session.</u></p> <p><u>(III) In case of a hybrid</u> <u>shareholders' meeting,</u> <u>when the virtual meeting</u> <u>cannot be continued, if the</u> <u>total number of shares</u> <u>represented at the</u> <u>meeting, after deducting</u> <u>those represented by</u> <u>shareholders attending the</u> <u>virtual shareholders'</u> <u>meeting online, meets the</u> <u>minimum legal</u> <u>requirement for a</u> <u>shareholder meeting, then</u> <u>the shareholders' meeting</u> <u>shall continue. The shares</u> <u>represented by</u> <u>shareholders attending the</u> <u>virtual meeting online</u> <u>shall be counted towards</u> <u>the total number of shares</u> <u>represented by</u> <u>shareholders present at the</u> <u>meeting, and the</u> <u>shareholders attending the</u> <u>virtual meeting online</u> <u>shall be deemed</u> <u>abstaining from voting on</u> <u>all proposals on meeting</u> <u>agenda of that</u> <u>shareholders' meeting.</u></p> <p><u>(IV) Actions to be taken if the</u> <u>outcome of all proposals</u> <u>have been announced and</u> <u>extraordinary motion has</u> <u>not been carried out.</u></p> <p><u>III. To convene a virtual-only</u> <u>shareholders' meeting,</u> <u>appropriate alternative</u> <u>measures available to</u> <u>shareholders with difficulties</u> <u>in attending a virtual</u> <u>shareholders' meeting online</u> <u>shall be specified. Except for</u> <u>the situations specified in</u> <u>Article 44-9, Paragraph 6 of</u> <u>the Regulations Governing</u> <u>the Administration of</u> <u>Shareholder Services of</u> <u>Public Companies,</u></p>		

Article after amendment	Original Article	Reasons for amendment
<u>connection equipment and necessary assistance shall be at least provided to shareholders, and the period during which shareholders may apply to the Company and other relevant matters shall be specified.</u>		
<p><u>Article 57</u></p> <p>If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman. When the chairman is on leave or for any reason unable to exercise the powers of the chairman, <u>the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman</u>, the chairman shall <u>appoint one of the managing directors to act as chair</u>, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, <u>the managing directors or</u> the directors shall select from among themselves one person to serve as chair.</p> <p><u>It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairman in person and attended by a majority of the directors, at least one supervisor 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.</u></p> <p>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. <u>When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p>	<p><u>Article 5</u></p> <p>If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman. When the chairman is on leave or for any reason unable to exercise the powers of the chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</p> <p>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.</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original text is adjusted.

Article after amendment	Original Article	Reasons for amendment
<p>Article 9 (Paragraph 1)</p> <p><u>The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting.</u></p>	<p>Article 9 (Paragraph 1)</p> <p>The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting.</p>	
<p>Article 498</p> <p><u>The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.</u></p> <p><u>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p> <p><u>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.</u></p> <p><u>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.</u></p>	<p>Article 19</p> <p>The Company shall audio or videotape the proceedings of the shareholders' meeting and shall be retained 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.</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video. 2. The numbering of the original text is adjusted.
<p>Article 39</p> <p>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</p>	<p>Article 3</p> <p>Attendance and voting 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</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.

Article after amendment	Original Article	Reasons for amendment
<p><u>Article 4</u></p> <p>cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and disclose <u>information concerning</u> the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</p> <p>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, <u>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.</u></p> <p><u>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-</u></p>	<p>cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p><u>Article 4</u></p> <p>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.</p> <p>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 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</p>	<p>Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p> <p>2. The numbering of the original text is adjusted.</p>

Article after amendment	Original Article	Reasons for amendment
<p><u>register to the Company in accordance with Article 6.</u></p> <p>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 <u>shareholders' meeting</u> pursuant to Article 174 of the Company Act.</p>	<p>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.</p>	
<p><u>Article 610</u></p> <p>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 <u>proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda)</u>. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>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.</p> <p>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.</p> <p><u>After the meeting is adjourned, shareholders shall not elect a new chairman to continue the meeting at the original site or at another venue. However, if the chair declares the meeting adjourned in violation of the rules of procedure, a new chair may be elected by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.</u></p>	<p>Article 6</p> <p>If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>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.</p> <p>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.</p> <p>After the meeting is adjourned, shareholders shall not elect a new chairman to continue the meeting at the original site or at another venue. However, if the chairperson declares the meeting adjourned in violation of the rules of procedure, a new chairperson may be elected by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.</p>	<p>1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p> <p>2. The numbering of the original text is adjusted.</p>

Article after amendment	Original Article	Reasons for amendment
Article 13 <p>The chair shall allow ample opportunity during the meeting for explanation and <u>discussion of proposals and of amendments or extraordinary motions put forward by the shareholders</u>; 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, <u>and schedule sufficient time for voting</u>.</p>	Article 13 <p>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.</p>	
Article 7¹¹ <p>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.</p> <p>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.</p>	Article 7 <p>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.</p> <p>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.</p>	1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video. 2. The numbering of the original text is adjusted.
Article 8 (Paragraph 2) <p>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. <u>If the shareholder's speech violates the rules or exceeds the scope of the agenda item, or disrupts the order of the meeting</u>, the chair may terminate the speech.</p>	Article 8 (Paragraph 2) <p>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.</p> <p>Where the shareholder's speech violates the rules or exceeds the scope of the agenda item, or disrupts the order of the meeting, the chair may terminate the speech.</p>	
Article 7 (Paragraph 3) <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought or obtained the consent of the chair and the</p>	Article 7 (Paragraph 3) <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought or obtained the consent of the chair and the</p>	

Article after amendment	Original Article	Reasons for amendment
<p>obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p>	<p>shareholder that has the floor; the chair shall stop any violation.</p>	
<p>Article 8 (Paragraph 1) When a corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p>	<p>Article 8 (Paragraph 1) When a corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p>	
<p>Article 9 (Paragraph 2) After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting 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 Paragraphs 1 to 5 do not apply.</u></p>	<p>Article 9 (Paragraph 2) After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	
<p>(merged into Article 11, Paragraph 5 and Article 11 Paragraph 3, respectively, with partial modifications)</p>	<p>Article 8 When a corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal. 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. Where the shareholder's speech violates the rules or exceeds the scope of the agenda item, or disrupts the order of the meeting, the chair may terminate the speech.</p>	<p>1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original text is adjusted.</p>
<p>(merged into Article 7, Paragraph 4 and Article 11 Paragraph 6, respectively)</p>	<p>Article 9 The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a</p>	<p>1. These Rules are amended with reference to the latest "Sample Template of Rules</p>

Article after amendment	Original Article	Reasons for amendment
	<p>shareholders' meeting.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p> <p>2. The numbering of the original text is adjusted.</p>
<p>Article 12</p> <p><u>Voting at a shareholders' meeting shall be calculated based the number of shares.</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>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.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p>

Article after amendment	Original Article	Reasons for amendment
<p>Article 13</p> <p><u>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.</u></p> <p><u>When the Company holds a shareholders' meeting, it shall exercise voting rights by correspondence or electronic means. 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. However, 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.</u></p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company 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.</u></p> <p><u>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</u></p>		<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video. 2. The numbering of the original text is adjusted.

Article after amendment	Original Article	Reasons for amendment
<p><u>rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 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.</u></p> <p><u>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.</u></p>		
<p>Article 10</p> <p>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, <u>if there is no objection by all shareholders present following an inquiry by the chair, the proposal shall be deemed passed with the same effect as a poll.</u></p>	<p>Article 10</p> <p>Except as otherwise provided in the Company Act and in the 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 voting, if there is no objection by all shareholders present following an inquiry by the chair, the proposal shall be deemed passed with the same effect as a poll.</p>	
<p>Article 11 (Paragraph 5)</p> <p><u>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. Votes shall be cast on each separate proposal in the agenda. 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.</u></p>	<p>Article 11 (Paragraph 5)</p> <p>At the time of a vote, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending 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.</p>	
<p>Article 12</p> <p>When there is an amendment or an alternative to a proposal, the</p>	<p>Article 12</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or</p>	

Article after amendment	Original Article	Reasons for amendment
<p>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.</p>	<p>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.</p>	
<p>Article 15</p> <p>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.</p> <p><u>Voting results shall be made known on site immediately and recorded in writing.</u></p>	<p>Article 15</p> <p>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.</p> <p>Voting results shall be made known on-site immediately and recorded in writing.</p>	
<p>Article 11 (Paragraph 8)</p> <p>Vote counting for shareholders' meeting proposals or elections shall be conducted <u>in public</u> 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.</p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, if shareholders who have</u></p>	<p>Article 11 (Paragraph 8)</p> <p>Vote counting for shareholders' meeting proposals or elections shall be conducted at the place of the shareholders' meeting.</p> <p>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.</p>	

Article after amendment	Original Article	Reasons for amendment
<p><u>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.</u></p> <p><u>If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
(merged into Article 13, Paragraph 6)	<p>Article 12</p> <p>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.</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original text is adjusted.
(merged into Article 10, Paragraph 4, with partial modifications)	<p>Article 13</p> <p>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.</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original text is adjusted.

Article after amendment	Original Article	Reasons for amendment
<p>Article 14</p> <p><u>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.</u></p> <p><u>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.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p>
<p>Article 15</p> <p><u>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.</u></p> <p><u>The meeting minutes may be produced and distributed in electronic form.</u></p> <p><u>The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u></p> <p><u>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p>

Article after amendment	Original Article	Reasons for amendment
<p><u>Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online</u></p>		
<p>Article 16</p> <p><u>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.</u></p> <p><u>During the Company's virtual shareholders' meeting, when the</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p>

Article after amendment	Original Article	Reasons for amendment
<p><u>meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p><u>If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>		
(merged into Article 18, Paragraph 1)	<p>Article 14</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations.</p>	<ol style="list-style-type: none"> These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. The numbering of the original text is adjusted.
(merged into Article 13, Paragraph 7)	<p>Article 15</p> <p>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. Voting results shall be made known on-site immediately and recorded in writing.</p>	<ol style="list-style-type: none"> These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. The numbering of the original text is adjusted.
<p>Article 167</p> <p>Staff and the protectors (including security personnel) handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.</p>	<p>Article 16</p> <p>Staff and the protectors (including security personnel) handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.</p>	<ol style="list-style-type: none"> These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. The numbering of the original text is adjusted.

Article after amendment	Original Article	Reasons for amendment
<p>Article 17</p> <p>The chair may direct the proctors (or security personnel) to help maintain order at the meeting place.</p> <p><u>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.</u></p> <p><u>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.</u></p>	<p>Article 17</p> <p>The chair may direct the proctors (or security personnel) to help maintain order at the meeting place.</p>	<p>Co., Ltd." for improvement.</p> <p>2. The numbering of the original text is adjusted.</p>
<p>Article 148</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations. <u>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.</u></p> <p><u>Before the completion of the agenda of the shareholders' meeting (including extraordinary motions), if the meeting venue is no longer in use, the shareholders' meeting may resolve to find another venue to continue the meeting.</u></p> <p><u>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.</u></p>	<p>Article 14</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations.</p>	<p>1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement.</p> <p>2. The numbering of the original text is adjusted.</p>
<p>Article 19</p> <p><u>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.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to</p>

Article after amendment	Original Article	Reasons for amendment
		the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.
<p><u>Article 20</u></p> <p><u>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.</u></p>		These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.
<p><u>Article 21</u></p> <p><u>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 Paragraph 4, Article 44-20 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.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.</u></p>		These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.

Article after amendment	Original Article	Reasons for amendment
<p><u>For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders' meeting held under the first paragraph, 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.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all</u></p>		

Article after amendment	Original Article	Reasons for amendment
<p><u>proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20.</u></p> <p><u>Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.</u></p>		
<p><u>Article 22</u></p> <p><u>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 for the situations specified in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least connection equipment and necessary assistance shall be provided to shareholders, and the period during which shareholders may apply to the Company and other relevant matters.</u></p>		<p>These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement due to the amendments to the Articles of Incorporation for 2023 that the shareholders' meetings may be convened by video.</p>

Article after amendment	Original Article	Reasons for amendment
<p>Article 18²³</p> <p>These Rules, and any amendments hereto, shall be implemented after approval by the shareholders' meeting.</p>	<p>Article 18</p> <p>These Rules and any amendments hereto shall be implemented after approval by the Shareholders' Meeting.</p>	<ol style="list-style-type: none"> 1. These Rules are amended with reference to the latest "Sample Template of Rules of Procedure for Shareholders' Meetings of ○○ Co., Ltd." for improvement. 2. The numbering of the original text is adjusted.

Kuo Toong International Co., Ltd.

Articles of Incorporation

Chapter 1 General Principles

Article 1: The Company is organized under the Company Act and is named **Kuo Toong International Co., Ltd.**

Article 2: The business activities of the Company are as follows:

1. C901030 Cement Manufacturing.
2. C901040 Manufacture of Ready-mix Concrete.
3. C901050 Cement and Concrete Products Manufacturing.
4. CA01020 Iron and Steel Rolling and Extruding.
5. CA01050 Steel Secondary processing.
6. CA02050 Valves Manufacturing.
7. CB01990 Other Machinery Manufacturing.
8. E501011 Tap Water Pipelines Contractors.
9. E603110 Cold Work Engineering.
10. F106040 Wholesale of Plumbing Materials.
11. E502010 Fuel Catheter Installation Engineering.
12. CB01010 Mechanical Equipment Manufacturing.
13. F401010 International Trade.
14. CH01010 Sporting Goods Manufacturing.
15. F112020 Wholesale of Coal and Coal Products.
16. E604010 Machinery Installation.
17. E601010 Electric Appliance Construction.
18. E103101 Environmental protection works Specialized Construction Enterprises.
19. E103071 Underground Pipeline Works Specialized Construction Enterprises.
20. CA01030 Iron and Steel Casting.
21. CA02060 Metal Containers Manufacturing.
22. E401010 Dredging industry.
23. E402010 Sandstone, Silt Sea Throwing.
24. E599010 Piping Engineering.
25. E603010 Cable Installation Engineering.
26. E603020 Elevator Installation Engineering.

27. E603040 Fire Safety Equipment Installation Engineering.
28. E603050 Automatic Control Equipment Engineering.
29. E603080 Traffic Signs Installation Engineering.
30. E603090 Lighting Equipments Construction.
31. E603100 Electric Welding Engineering.
32. E603120 Sand Blasting Engineering.
33. E605010 Computer Equipment Installation.
34. E901010 Painting Engineering.
35. E903010 Anti-Corrosion and Anti-Rust Engineering.
36. EZ05010 Instrument and Meters Installation Engineering.
37. EZ07010 Drilling Engineering.
38. EZ09010 Electrostatic Protection and Cancellation Engineering.
39. EZ15010 Warming and Cooling Maintenance Construction.
40. D301010 Water Operator.
41. F212050 Retail Sale of Petroleum Products.
42. Wastewater (Sewage) Treatment
43. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company may make an external endorsement or guarantee, and the related operations shall be handled in accordance with the Company's endorsement or guarantee handling procedures.

Article 4: The total amount of the Company's reinvestment shall not be limited by Article 13 of the Company Act, but the Board of Directors may be authorized to determine the amount.

Article 5: The Company has its headquarters in Pingtung County, Taiwan, and may establish branches in Taiwan and abroad if necessary by resolution of the Board of Directors.

Chapter 2 Shares

Article 6: The authorized capital of the Company is NT\$4.5 billion divided into 0.45 billion shares with a par value of NT\$10 per share. The unissued shares are authorized to be issued by the Board of Directors in installments as required for business purposes. The above-mentioned capital includes NT\$45 million reserved for the issuance of employee stock options, totaling 4.5 million shares with a par value of NT\$10 per share, which may be issued in installments as determined by the Board of Directors.

Article 7: Except as otherwise provided in the Securities and Exchange Act, the Company shall follow the "Regulations Governing the Handling of Stock Issued to Public Companies" for the transfer of stock, pledge of rights, loss, inheritance, gift, loss of seal, change of seal or change of address, and other stock transactions by shareholders.

Article 8: The Company's shares shall be issued in registered form under the signature or seal of the director representing the Company, and shall be licensed in accordance with the law. The Company is exempted from the requirement of Article 162-2 of the Company Act to print the share certificates, but shall register them with the centralized securities depository.

Article 9: The transfer of the shareholders' name shall cease within 60 days prior to the date of the regular shareholders' meeting, within 30 days prior to the date of the special shareholders' meeting, or within five days prior to the date on which the Company decides to distribute dividends and bonuses or other benefits.

Chapter 3 Shareholders' Meeting

Article 10: There are two types of shareholders' meetings: regular meetings, which are held once a year within six months after the end of each fiscal year, are convened by the Board of Directors in accordance with the law, and special meetings are convened when necessary in accordance with the law.
The Company's shareholders' meetings may be held by means of visual communication network or other methods promulgated by the central competent authority.
Unless otherwise prescribed by the competent authority in charge of securities affairs, the prerequisites, procedures, and other compliance matters. shall be followed.

Article 11: If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting by issuing a proxy form specifying the scope of authority.

Article 12: Each shareholder of the Company shall have one vote per share, except that each shareholder of the Company shall not have the right to vote if required by Article 179 of the Company Act and related laws and regulations.

Article 13: Unless otherwise provided in the relevant laws and regulations, a resolution at a shareholders' meeting shall be made with the approval of a majority of the votes of the shareholders present, representing a majority of the total number of outstanding shares.

Chapter 4 Directors

Article 14: The Company shall have a Board of Directors consisting of 5 to 11 members, each serving a term of three years, and shall be elected by the shareholders' meeting from persons with legal capacity, with the option of re-election. The total number of shares held by all directors shall not be less than the percentage specified by the competent authority. The Company may, by resolution of the Board of Directors, procure liability insurance for the directors during their term of office in respect of liabilities arising out of the performance of their business.

Article 14-1: In accordance with Article 14-2 of the Securities and Exchange Act, the number of independent directors shall not be less than two and not less than one-fifth of the total number of directors, and the election of directors and independent directors shall be based on a candidate nomination system. The professional qualifications, shareholdings, restrictions on part-time employment, nomination and election of independent directors and other matters to be complied with shall be in accordance with the relevant regulations of the competent securities authorities.

Article 14-2: The Company may remunerate its directors for performing their duties for the Company and authorizes the Board of Directors to determine the value of their participation in and contribution to the Company's operations with reference to the standards of the relevant industry peers and listed companies.

Article 15: The Board of Directors shall be organized by the directors, and a chairman shall be elected by and from among the directors with the presence of at least two-thirds of the directors and the approval of a majority of the directors present, who shall represent the Company externally.

Article 16: If the chairman of the board of directors is absent from work or unable to exercise his or her duties for any reason, his or her proxy shall be governed by Article 208 of the Company Act.

Article 17: Unless otherwise provided in the Company Act and the Articles of Incorporation, a resolution of the Board of Directors shall be made with the consent of a majority of the directors present. If a director is unable to attend the meeting for any reason, he/she may issue a proxy letter listing the scope of authority to convene the meeting and appoint other directors to attend the meeting by proxy, but only if one person is appointed by one person.

Chapter 5 Manager

Article 18: The Company may have a president and a chief executive officer, and several vice presidents and managers, whose appointment, dismissal and remuneration shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 19: At the end of each fiscal year, the Board of Directors shall prepare (1) a report on operations (2) financial statements (3) a proposal for distribution of earnings or appropriation of losses, and submit them to the shareholders' meeting for recognition in accordance with the law.

Article 20: If the Company makes a profit in a year, it shall appropriate not less than 4%

of the remuneration of its employees and not more than 4% of the remuneration of its directors, provided that if the Company has accumulated losses, it shall retain the amount to cover such losses before making any appropriation.

Article 20-1: The Company is in the growth stage of the business, and based on the operational needs of the Company and the consideration of maximizing shareholders' equity, the Company adopts a residual dividend policy for dividend distribution. If there is any net income in the annual accounts, it will be distributed in the following order:

- (1) To make up for prior years' losses.
- (2) The Company shall set aside 10% as legal reserve. However, when the legal reserve has reached the Company's total capital, this limitation shall no longer apply.
- (3) The special reserve is set aside or reversed by decree or order of the competent authority.
- (4) The remaining balance of the shareholders' bonus after the amounts set forth in paragraphs 1 to 3, together with the undistributed earnings from previous years, shall be distributed after the Board of Directors has prepared a proposal for the distribution of earnings by issuing new shares and shall be submitted to the shareholders' meeting for resolution. In accordance with Article 240(5) of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses or all or part of the legal reserve and capital surplus required by Article 241(1) of the Company Act in the form of cash by a resolution of a majority of the directors present, with at least two-thirds of the directors present, and to report to the shareholders' meeting. The distribution of earnings should be at least 15% of the distributable earnings. Cash dividends from the appropriation of earnings shall not be less than 20% of the total amount of dividends distributed in the year.

Chapter 7 Supplementary Provisions

Article 21: All matters not provided for in these Articles of Incorporation shall be governed by the provisions of the Company Act.

Article 22: These Articles of Incorporation were first established on June 2, 1978.

The 1st amendment was made on July 11, 1978.

The 2nd amendment was made on January 6, 1979.

The 3rd amendment was made on March 2, 1979.

The 4th amendment was made on January 20, 1980.

The 5th amendment was made on December 10, 1980.

The 6th amendment was made on August 30, 1981.

The 7th amendment was made on March 25 1983.

The 8th amendment was made on September 10, 1984.

The 9th amendment was made on November 15, 1987.

The 10th amendment was made on August 1, 1990.

The 11th amendment was made on January 4, 1992.

The 12th amendment was made on June 24, 1992.

The 13th amendment was made on June 5, 1997.

The 14th amendment was made on March 20, 1998.

The 15th amendment was made on May 30, 1999.

The 16th amendment was made on July 31, 1999.

The 17th amendment was made on September 23, 1999.
The 18th amendment was made on June 2, 2001.
The 19th amendment was made on June 28, 2002.
The 20th amendment was made on November 25, 2002.
The 21st amendment was made on March 29, 2004.
The 22nd amendment was made on June 22, 2005.
The 23rd amendment was made on June 23, 2006.
The 24th amendment was made on March 30, 2007.
The 25th amendment was made on June 10, 2008.
The 26th amendment was made on June 24, 2009.
The 27th amendment was made on June 8, 2010.
The 28th amendment was made on June 23, 2011.
The 29th amendment was made on June 5, 2013
The 30th amendment was made on June 18, 2015.
The 31st amendment was made on June 8, 2016.
The 32nd amendment was made on June 12, 2019.
The 33rd amendment was made on June 19, 2020.
The 34th amendment was made on July 22, 2022.
The 35th amendment was made on June 21, 2023.

Kuo Toong International Co., Ltd.

Chairman: Hong Ya-Man

Kuo Toong International Co., Ltd.
Rules of Procedure for Shareholders Meetings

Jul.22, 2021

Article 1: The Company's shareholders' meetings shall be conducted in accordance with these rules. If there is any matter not covered by these rules, the Company shall comply with the provisions of the Company Act and other relevant laws and regulations.

Article 1-1: Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a annual general shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the 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 make a proposal to promote the public interest or social responsibility, but it shall be limited to one proposal in accordance with Article 172-1 of the Company Act, and any proposal exceeding shall not be included in the motion.

Prior to the date on which share transfer registration is suspended before the convention of a annual general shareholders' meeting, this Corporation shall give a public notice announcing acceptance of proposal, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (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 2: The shareholders referred to in these Rules shall mean the

shareholders themselves and their proxies attending by proxy.

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

Article 3: 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 plus the number of shares whose voting rights are exercised by correspondence or electronically.

Article 4: The chair shall call the meeting to order at the appointed meeting time and the number of non-voting rights and the number of shares present will be announced at the same time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If 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. 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 5: 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 chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair. 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.

Article 6: If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene 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 two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After close of the shareholders meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place; if the chairman declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

Article 7: 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.

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.

Article 8: 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.

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 preceding rules or exceeds the scope of the agenda item, or disrupts the order of the meeting, the chair may terminate the speech.

Article 9: This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholder's meeting.

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

Article 10: Except as otherwise provided in the Company Act and in this Corporation'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. When a proposal comes

to a vote, if the chair puts the matter before all shareholders present at the meeting and none voices an objection, the matter is deemed approved with the same effect as if it had been put to a vote.

Article 11: 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. The vote counting for resolutions or elections at a shareholders' meeting shall be conducted on site and the results, including the number of votes counted, shall be announced immediately after the vote counting is completed and recorded.

Article 12: 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.

Article 13: When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote.

Article 14: When a meeting is in progress, the chair may announce a break based on time considerations.

Article 15: 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 this Corporation.

Article 16: Staff handling administrative affairs and proctors or security personnel of a shareholders meeting shall wear identification cards or arm bands.

Article 17: The chair may direct the proctors or security personnel to help maintain order at the meeting place.

Article 18: 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.

Article 19: The Company shall make an uninterrupted audio and video record of the shareholders' meeting and keep it 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.

Shareholding of Directors

1. The paid-in capital of the Company is NT\$2,480,781,570 and the total number of issued shares is 248,078,157.
2. In accordance with Article 26 of the Securities and Exchange Act, the minimum number of shares to be held by all directors is 12,000,000 shares; in addition, the Company has formed an audit committee of all independent directors in lieu of supervisors in accordance with Article 14-4 of the Securities and Exchange Act.
3. As of the date of the share transfer registration deadline for shareholders' meeting (April 20, 2024), the shareholding status of individual shareholders and all directors are listed in the table below:

Title	Name	Shareholding
Chairman	Tong-Chuan Industry Co.Ltd. Representative: Hong Ya-Man	11,000,224
Director	Tong-Chuan Industry Co. Ltd. Representative: Lo Wei-Jer	11,000,224
Director	Tong-Chuan Industry Co. Ltd. Representative: Pan Ren-Zhi	11,000,224
Director	Tong-Chuan Industry Co. Ltd. Representative: Chou Huang-Tsan	11,000,224
Director	Zhou Ting Property Co., Ltd. Representative: Hsu Cheng-Che	3,800,000
Independent Director	Wang Sen-Lung	3,000
Independent Director	Cheng Shuenn-Ren	0
Independent Director	Wu Yen-Chiu	0
Independent Director	Chen Tsung-Kun	0
Combined Shareholding of All Directors		14,803,224