

Stock No: 1525



# Kian Shen Corporation

## 2025 Annual Shareholders' Meeting Handbook

**May 26, 2025**

Venue: China-Motor Training Center, No. 3, Qingnian Rd.,  
(Youth Industrial Park) Yangmei Dist., Taoyuan City

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# **Kian Shen Corporation**

## **2025 Annual Shareholders' Meeting**

Means of convention: Physical meeting

Time: 2:00 p.m., May 26, 2025 (Monday)

Venue: China-Motor Training Center, No. 3, Qingnian Rd., Yangmei Dist., Taoyuan City, 326013, Taiwan (R.O.C.)

### **Meeting Agenda**

- I. Call the Meeting to Order
- II. Chairperson's Remarks
- III. Management Presentation (Company Reports)
  - (I) 2024 Business Report.
  - (II) Audit Committee's Review Report on the 2024 Financial Statements.
  - (III) The 2024 distribution of compensation of directors.
  - (IV) The 2024 distribution of compensation to employees.
- IV. Matters for Ratification
  - (I) Adoption of the 2024 Financial Statements. Please proceed to approve.
  - (II) Adoption of the proposal for distribution of 2024 profits. Please proceed to approve.
- V. Discussion
  - (I) Amendment to the Articles of Incorporation.
- VI. Election
  - (I) Election for the 13th board of directors and independent directors.
- VII. Other Matters
  - (I) Proposal for Release the Prohibition on Directors from Participation in Competitive Business under Company Act 209.
- VIII. Questions and Motions
- IX. Adjournment

# **Management Presentation (Company Reports)**

## **(I) 2024 Business Report**

### **Kian Shen Corporation Business Report**

#### **I. Operational Highlights**

- (1) Sale of vehicle chassis grew in the first 3 quarters of 2024, owing to rush orders from customers before the discontinuation of mid-sized and large commercial vehicles. In the 4th quarter, the Company encountered issues relating to the validation of electric bus chassis and battery supply, which resulted in a postponement of orders, leading to a year-on-year decline in sales volume. Parts were the only product that saw strong sales, as the Company worked with customers to sell to Indonesia; combined with proceeds from the molding of new vehicle models, the Company concluded operating revenues of NT\$1.459 billion for 2024. However, the main product line achieved much stronger sale last year, and the high base of comparison resulted in a 9% year-on-year decline in revenues.
- (2) The Company had adjusted monthly production capacity throughout 2024 to accommodate changes in customers' demand. While efforts were made to mitigate the adverse impacts of production scale-down, ongoing acquisition of new equipment did increase depreciation expenses and resulted in a year-on-year decline in gross profit. Furthermore, the Company invested in additional IT hardware and software in response to cybersecurity risks, and continued to improve the office environment, lounge, and dormitory facilities; all of which contributed to an increase in operating expenses. Operating profits for 2024 were reported at NT\$54.66 million, down 16% year-on-year.
- (3) With regards to business investments, the strong sale of China-made EVs has enabled Chinese EV makers to gradually secure market leadership in the domestic market. Meanwhile, Japanese cars encountered unprecedented sales decline that made it difficult for business investments to survive. For this reason, every business investment has taken proactive steps to lower raw material cost, raise operating efficiency and quality, and curtail spending in an attempt to stay profitable. The Company recognized NT\$266 million of gain from investment for the year, down 42% year-on-year or 10% year-on-year after excluding one-time impact from the disposal of Hangzhou Jinlong Kian Shen.
- (4) Overall, net income after taxes for 2024 was reported at NT\$302 million, equivalent to earnings per share of NT\$4.12.

## II. Future Outlook

- (1) The Directorate-General of Budget, Accounting and Statistics estimates an economic growth rate of 3.14% for 2025 as private consumption recovers to normal level and investment outlook grows optimistic, particularly with regards to AI-related business opportunities around the world. However, uncertainties associated with new policies of the Trump administration still loom ahead. Nevertheless, Taiwan's economy remains resilient, and the ongoing push for net zero transformation and electricity-powered public transportation continue to drive demand for EVs. Taiwan's automobile market should see a moderate growth in sales volume in 2025.
- (2) The Company's 2025 business efforts will continue to focus on R&D enhancement and production procedure optimization as ways to improve competitive advantage in the sale of electric bus chassis. Additionally, the Company will actively explore new customers and new business activities, while at the same time working with customers to develop and mass-produce new vehicle models and maintain a consistent supply of existing products to increase revenues.
- (3) Business investments have benefited from the Chinese government's vehicle renewal/replacement subsidies. Price war in the automobile market continues and has intensified as penetration of EVs rises further to squeeze out competition. In response, every one of our business investments not only supported customers' production plans to concentrate resources on best-selling models but also set challenging goals for cost reduction and expenditure control, hoping to improve the operating performance of the Company.

Chairperson:  
Tung-Tai Hsiung

Manager:  
Chiung-Chih Tseng

Head of Accounting:  
I-Yu Chen

## **(II) Audit Committee's Review Report on the 2024 Financial Statements**

### **Kian Shen Corporation Audit Committee's Review Report**

The 2024 parent company only and consolidated financial statements have been audited by CPAs Yu-Ting Huang and Chien-Tse Huang of Ernst & Young. The reports, together with the business report and proposal for distribution of earnings, have been reviewed and determined to be correct and accurate by the Audit Committee. We hereby submit this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

The report is hereby presented for approval

Sincerely,

2025 Annual Shareholders' Meeting

Kian Shen Corporation

Convener of the Auditing Committee: Hsuan Wang

March 7, 2025

### **(III) The 2024 distribution of compensation of directors**

- I. According to Article 16 of the Company's Articles of Incorporation, the directors of the Company may receive remuneration, and the remuneration shall be set based on the industry standard. The remuneration provided to the Company's general and independent directors is established through a thorough evaluation of various factors, including the obligations, risks, and temporal investments linked to their positions and their involvement in functional committees. A clear correlation exists between these variables and the remuneration received. In addition, the compensation levels are compared to those of directors in comparable industries and other publicly traded companies affiliated with the same conglomerate. The remuneration scheme is approved by the Board of Directors following a resolution and in accordance with applicable Company Act regulations. Directors' remuneration is evaluated based on their participation in the Company's operations (40%), selection and continuing education of directors (20%), internal control (20%), and knowledge of the Company and responsibilities (20%). These factors are included in performance evaluation and remuneration considerations.
- II. Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall appropriate no higher than 1% of its profit, if any, as remuneration to Directors. All directors of the Company are representatives of legal entities, except for independent directors. No remuneration has been paid to individual directors. Independent directors only receive a fixed amount of remuneration and do not participate in the distribution of directors' remuneration.
- III. The Company's 2024 net income before tax before deduction of remuneration to employees and Directors is NT\$390,431,395. A cash distribution of director remuneration in the amount of NT\$1,952,000 (0.5%) was made, with a difference of NT\$12,635 from the estimated amount for 2024. This difference will be adjusted to 2025 profit and loss.
- IV. For a detailed breakdown of directors' remuneration, please refer to "Remuneration to General Directors and Independent Directors" on the next page.
- V. The aforementioned distribution of remuneration to Directors has been resolved and passed during the 8th meeting of the 5th Remuneration Committee and the 16th meeting of the 12th board of directors.

#### **(IV) The 2024 distribution of compensation to employees**

- I. Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall appropriate no less than 0.1% of its profit, if any, as remuneration to employees.
- II. The Company's 2024 net income before tax before deduction of remuneration to employees and Directors is NT\$390,431,395. A cash distribution of employee remuneration in the amount of NT\$2,539,833 (0.65%) was made, with a difference of NT\$157,270 from the estimated amount for 2024. This difference will be adjusted to 2025 profit and loss.
- III. In addition to the aforementioned remuneration to employees, the Company distributes incentives such as the three-festival-bonuses, year-end bonuses, and operating performance bonuses based on factors including the Company's operating performance and individual's performance so as to encourage the employees to work together towards one common goal with the Company and its shareholders.
- IV. The aforementioned distribution of remuneration to employees has been resolved and passed during the 8th meeting of the 5th Remuneration Committee and the 16th meeting of the 12th board of directors.



# Remuneration to General Directors and Independent Directors

Unit: NTD thousands

Position	Name	Directors' remuneration								Sum of A, B, C, and D and as a percentage of net income after tax				Remuneration to directors holding employee positions concurrently				Sum of A, B, C, D, E, F and G and as a percentage of net income after tax			Remuneration from an invested company other than the Company's subsidiaries or parent company
		Compensation (A)		Severance pay and pension (B)		Remuneration to Directors (C)		Fees for services rendered (D)		Salaries, bonuses and special allowances (E)		Severance pay and pension (F)		Remuneration to employees (G)				The Company in financial statements	All companies in financial statements	The Company in financial statements	
		The Company in financial statements	All companies in financial statements	The Company in financial statements	All companies in financial statements	The Company in financial statements	All companies in financial statements	The Company in financial statements	All companies in financial statements	The Company in financial statements	All companies in financial statements	The Company in financial statements	All companies in financial statements	Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares				
Corporate director	China Motor Corporation	-	-	-	-	651	651	-	-	-	-	-	-	-	-	-	-	0.22%	0.22%	-	
Corporate director	Kuozui Motors, Ltd.	-	-	-	-	780	780	-	-	-	-	-	-	-	-	-	-	0.26%	0.26%	-	
Corporate director	Yulon-Administered Enterprises Co., Ltd.	-	-	-	-	521	521	-	-	-	-	-	-	-	-	-	-	0.17%	0.17%	-	
Chairman (Note 2)	Chao-Wen Chen	654	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.25%	0.25%	6,100	
Director	Chiung-Chih Tseng	-	-	-	-	-	-	96	96	2,802	2,802	103	103	53	-	53	-	1.01%	1.01%	1,017	
Director	Wen-Chih Chien	-	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.03%	0.03%	-	
Director (Note 1)	Kun-Sheng Lan	-	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.03%	0.03%	-	
Director (Note 1)	Shih-Jung Ho	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Director (Note 1)	Naoki Kobayashi	-	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.03%	0.03%	-	
Director (Note 1)	Satoshi Kodaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Director	Hung-Ching Yang	-	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.03%	0.03%	4,242	
Director (Note 2 and 3)	Tung-Tai Hsiung	-	-	-	-	-	-	96	96	-	-	-	-	-	-	-	-	0.03%	0.03%	4,005	
Independent director	Te-Chang Yeh	-	-	-	-	-	-	550	550	-	-	-	-	-	-	-	-	0.18%	0.18%	-	
Independent director	Hsuan Wang	-	-	-	-	-	-	550	550	-	-	-	-	-	-	-	-	0.18%	0.18%	-	
Independent director	Yung-An Lo	-	-	-	-	-	-	530	530	-	-	-	-	-	-	-	-	0.18%	0.18%	-	

Note 1 : Kun-Sheng Lan and Naoki Kobayashi, the representatives of Kuozui Motors, Ltd., departed on February 1, 2025; and Shih-Jung Ho and Satoshi Kodaka were appointed as directors.

Note 2 : Chao-Wen Chen, the representative of China Motor Corporation, departed on April 1, 2025; and Tung-Tai Hsiung was appointed as director.

Note 3 : Tung-Tai Hsiung, the representative of China Motor Corporation, departed on April 1, 2025; and Ching-Chi Chen was appointed as director.

## **Matters for Ratification**

### **Item 1 Proposed by the Board of Directors**

Subject: Adoption of the 2024 Financial Statements. Please proceed to approve.

Description:

- I. The Company's 2024 standalone and consolidated financial statements have been audited by auditors Yu-Ting Huang and Chien-Tse Huang of Ernst Young. The financial statements, together with the business report, have been reviewed and determined to be correct and accurate by the Audit Committee.
- II. We hereby submit the 2024 business report and financial statements, please refer to pages 2 and 7 to 18.
- III. Please proceed to approve.

Resolution:

## Independent Auditors' Report

To Kian Shen Corporation

### **Opinion**

We have audited the accompanying consolidated balance sheets of Kian Shen Corporation (the “Company”) and its subsidiaries as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2024 and 2023, and their consolidated financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, 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 2024 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.

### Revenue recognition

The Company and its subsidiaries mainly sell the products such as automotive frames and woodworks. For the years ended December 31, 2024, the sales revenue of the Group amounted to NT\$1,458,634 thousand. Sales revenue is the main indicator used by investors and management to evaluate a company's financial or business performance. Considering that revenue recognition inherently carries a higher risk of fraud, and management is under pressure to achieve expected financial goals, these factors add a risk to the authenticity of revenue, which is considered material to the consolidated financial statements. Therefore, the revenue recognition was determined to be a key audit matter.

Our audit procedures include (but are not limited to) understanding and testing the effectiveness of internal controls related to revenue recognition in the sales cycle, selecting samples to perform test of details of transactions and reviewing the revenue recognition requirements in orders or contracts to ensure performance obligations are met, verifying significant terms and conditions and checking relevant vouchers to determine the correctness of the timing when commodity rights were transferred, and checking relevant vouchers for revenue from the transactions for the periods before and after the balance sheet date to ensure revenue is recognized at the appropriate time.

We also considered the appropriateness of operating revenues disclosures in Note 6 to the 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 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 2024 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Others**

We have audited and expressed an unqualified opinion and an unqualified opinion including an other matter paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2024 and 2023, respectively.

Ernst & Young, Taiwan

Huang, Yu-Ting

Huang, Chien- Che

March 7, 2025

## **Notice to Readers**

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

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

Kian Shen Corporation and Subsidiaries  
CONSOLIDATED BALANCE SHEETS  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Assets			December 31, 2024		December 31, 2023		Liabilities and equity			December 31, 2024		December 31, 2023	
Code	Accounts	Note	Amount	%	Amount	%	Code	Accounts	Note	Amount	%	Amount	%
	Current assets							Current liabilities					
1100	Cash and cash equivalents	4, 6 (1) and 12	\$1,790,232	31	\$1,787,196	31	2100	Short-term borrowings	4, 12	\$-	-	\$60,000	1
1110	Financial assets at fair value through profit or loss - current	4 and 12	75,481	1	75,072	1	2130	Contract liabilities - current	4 and 6 (8)	11,588	-	65,408	1
1150	Trade receivables, net	4, 6 (2) and 12	76,938	1	11,299	-	2150	Notes payable	12	187,055	3	181,639	3
1180	Trade receivables from related parties, net	4, 6 (2), 7 and 12	176,088	3	218,623	4	2170	Trade payables	12	72,370	1	74,982	2
130x	Inventories	4 and 6 (3)	185,182	3	208,580	4	2180	Trade payables to related parties	7 and 12	32,812	1	27,990	-
1410	Prepayments	4	10,421	-	5,585	-	2219	Other payables	7 and 12	77,903	1	76,217	1
1479	Other current assets	4	224,378	4	164,341	3	2230	Current tax liabilities	4 and 6 (12)	224,198	4	31,564	1
11xx	Total current assets		2,538,720	43	2,470,696	43	2320	Long-term borrowings, current portion	4 and 12	-	-	51,563	1
	Non-current assets						2399	Other current liabilities		2,650	-	6,551	-
							21xx	Total current liabilities		608,576	10	575,914	10
1550	Investments accounted for using equity method	4 and 6 (4)	2,704,796	46	2,692,058	47		Non-current liabilities					
1600	Property, plant and equipment	4 and 6 (5)	571,514	10	553,995	10		Deferred tax liabilities	4 and 6 (12)	256,457	5	390,816	7
1780	Intangible assets		7,874	-	6,117	-	2570	Deposits received		772	-	740	-
1840	Deferred tax assets	4	2,674	-	2,853	-	2645	Total non-current liabilities		257,229	5	391,556	7
1900	Other non-current assets	4 and 6 (12)	30,329	1	26,067	-	25xx	Total liabilities		865,805	15	967,470	17
15xx	Total non-current assets	6 (6)	3,317,187	57	3,281,090	57	2xxx						
							31xx	Equity attributable to owners of the parent					
							3100	Share capital					
							3110	Common stock	4 and 6 (7)	734,001	12	734,001	12
							3200	Capital surplus	4 and 6 (7)	1,251	-	1,251	-
							3300	Retained earnings	4 and 6 (7)				
							3310	Legal reserve		718,483	12	678,128	12
							3320	Special reserve		425,427	8	340,524	6
							3350	Undistributed earnings		3,397,203	58	3,455,839	60
								Total retained earnings		4,541,113	78	4,474,491	78
							3400	Other equity					
							3410	Exchange differences on translation of foreign financial statements		(286,263)	(5)	(425,427)	(7)
								Total other equity		(286,263)	(5)	(425,427)	(7)
								Total equity		4,990,102	85	4,784,316	83
1xxx	Total assets		\$5,855,907	100	\$5,751,786	100	3xxx	Total liabilities and equity		\$5,855,907	100	\$5,751,786	100

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



Kian Shen Corporation and Subsidiaries  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the year ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Note	2024		2023	
			Amount	%	Amount	%
4000	Operating revenue	4, 6 (8) and 7	\$1,458,634	100	\$1,598,496	100
5000	Operating costs	6 (9) and 7	(1,280,131)	(88)	(1,417,745)	(89)
5900	Gross profit		178,503	12	180,751	11
6000	Operating expenses	6 (9) and 7				
6100	Selling expenses		(3,220)	-	(3,195)	-
6200	Administrative expenses		(94,759)	(6)	(88,609)	(6)
6300	Research and development expenses		(25,861)	(2)	(23,554)	(1)
	Total operating expenses		(123,840)	(8)	(115,358)	(7)
6900	Operating income		54,663	4	65,393	4
7000	Non-operating income and expenses	6 (10) and 7				
7100	Interest income		43,572	3	31,865	2
7010	Other income		2,415	-	1,034	-
7020	Other gains and losses		20,102	1	645	-
7050	Finance costs		(488)	-	(1,697)	-
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method	4 and 6 (4)	265,531	18	454,939	29
	Total non-operating income and expenses		331,132	22	486,786	31
7900	Profit before tax		385,795	26	552,179	35
7950	Income tax expense	4 and 6 (12)	(83,631)	(5)	(148,356)	(10)
8200	Net income		302,164	21	403,823	25
8300	Other comprehensive income (Net)	6 (11)				
8310	Items that may not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans		8,347	1	(343)	-
8349	Income tax related to the items not to be reclassified to profit or loss		(1,669)	-	68	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences resulting from translating the financial statements of a foreign operation		45,654	3	(23,549)	(1)
8370	Share of other comprehensive income(loss) of associates and joint ventures accounted for using the equity method - Items that may be reclassified subsequently to profit or loss	4 and 6 (4)	93,510	5	(61,354)	(4)
	Total other comprehensive income(loss) , net of tax		145,842	9	(85,178)	(5)
8500	Total comprehensive income		\$448,006	30	\$318,645	20
8600	Net income attributable to:					
8610	Owners of the parent		\$302,164		\$403,823	
8700	Total comprehensive income attributable to:					
8710	Owners of the parent		\$488,006		\$318,645	
	Earnings per share (NT\$)	4 and 6 (13)				
9750	Basic earnings per share		\$4.12		\$5.50	
9850	Diluted earnings per share		\$4.11		\$5.50	

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

Kian Shen Corporation and Subsidiaries  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Note	Equity attributable to owners of the parent						Total equity
			Share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Other equity Exchange differences on translation of foreign financial statements	
A1	Balance as of January 1, 2023	6 (7)	3110	3200	3310	3320	3350	3410	3XXX
B1	Appropriation and distribution of earnings for the year ended December 31, 2022		\$734,001	\$1,251	\$650,273	\$397,006	\$3,177,804	\$(340,524)	\$4,619,811
B5	Legal reserve appropriated				27,855		(27,855)		-
B17	Cash dividends of common stock						(154,140)		(154,140)
D1	Reversal of special reserve					(56,482)	56,482		-
D3	Net income for the year ended December 31, 2023						403,823		403,823
D5	Other comprehensive income for the year ended December 31, 2023	6 (11)					(275)	(84,903)	(85,178)
Z1	Total comprehensive income		-	-	-	-	403,548		318,645
	Balance as of December 31, 2023	6 (7)	\$734,001	\$1,251	\$678,128	\$340,524	\$3,455,839	\$(425,427)	\$4,784,316
A1	Balance as of January 1, 2024	6 (7)	\$734,001	\$1,251	\$678,128	\$340,524	\$3,455,839	\$(425,427)	\$4,784,316
B1	Appropriation and distribution of earnings for the year ended December 31, 2023						(40,355)		-
B3	Legal reserve appropriated				40,355	84,903	(84,903)		-
B5	Special reserve appropriated						(242,220)		(242,220)
D1	Cash dividends of common stock						302,164		302,164
D3	Net income for the year ended December 31, 2024	6 (11)					6,678	139,164	145,842
D5	Other comprehensive income for the year ended December 31, 2024		-	-	-	-	308,842	139,164	448,006
Z1	Total comprehensive income	6 (7)	\$734,001	\$1,251	\$718,483	\$425,427	\$3,397,203	\$(286,263)	\$4,990,102
	Balance as of December 31, 2024								

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

Kian Shen Corporation and Subsidiaries  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Note	2024	2023	Code	Items	Note	2024	2023
AAAA	Cash flows from operating activities:				BBBB	Cash flows from investing activities:			
A10000	Profit before tax		\$385,795	\$552,179	B00100	Acquisition of financial assets at fair value through profit or loss		(170,000)	(315,000)
A20000	Adjustments for:				B00200	Proceeds from disposal of financial assets at fair value through profit or loss		170,167	255,301
A20010	Adjustments to reconcile profit(loss):				B02700	Acquisition of property, plant and equipment		(69,582)	(66,360)
A20100	Depreciation expense (including right-of-use assets)		74,163	62,766	B02800	Proceeds from disposal of property, plant and equipment		223	39
A20200	Amortization expense		3,010	2,274	B03700	Increase in refundable deposits		-	(6)
A20400	Net gain from financial asset measured at fair value through profit or loss		(385)	(68)	B04500	Acquisition of intangible assets		(4,767)	(6,361)
A20900	Interest expenses		488	1,697	B07100	Increase in prepayments for equipment		(19,513)	(15,494)
A21200	Interest income		(43,572)	(31,865)	B07500	Interest received		38,771	31,865
A22300	Share of profit of associates and joint ventures accounted for using the equity method		(265,531)	(454,939)	B07600	Dividends received		348,169	651,786
A22500	Loss (Gain) on disposals of property, plant and equipment		452	(39)	BBBB	Net cash from investing activities		293,468	535,770
A23100	Gain on disposals of investments		(191)	(301)	CCCC	Cash flows from financing activities:			
A29900	(Gain from price recovery of inventories) Loss for market price decline and obsolete and slow-moving inventories		(898)	2,820	C00100	Increase in short-term borrowings		80,000	220,000
A30000	Changes in operating assets and liabilities:				C00200	Decrease in short-term borrowings		(140,000)	(230,000)
A31130	(Increase) Decrease in notes and trade receivables		(65,639)	27,832	C01700	Repayments of long-term borrowings		(51,563)	(17,187)
A31160	Decrease in trade receivables from related parties		42,535	38,242	C03000	Increase in deposits received		113	189
A31200	Decrease in inventories		24,296	118,845	C03100	Decrease in deposits received		(81)	(80)
A31230	(Increase) Decrease in prepayments		(4,836)	385	C04020	Payment of lease liabilities		-	(207)
A31240	Increase in other current assets		(10,251)	(1,839)	C04500	Cash dividends paid		(242,220)	(154,140)
A32125	(Increase) Decrease in contract liabilities		(53,820)	910	CCCC	Net cash used in financing activities		(353,751)	(181,425)
A32130	Increase (Decrease) in notes payable		5,416	(59,572)	DDDD	Effect of changes in exchange rate on cash and cash equivalents		43,788	(23,549)
A32150	Decrease in trade payables		(2,612)	(21,250)	EEEE	Increase in current cash and cash equivalents		3,036	437,124
A32160	Increase (Decrease) in trade payables to related parties		4,822	(8,296)	E00100	Cash and cash equivalents at the beginning of the period		1,787,196	1,350,072
A32180	Increase in other payables		2,830	1,276	E00200	Cash and cash equivalents at the end of the period	6 (1)	\$1,790,232	\$1,787,196
A32230	Decrease in other current liabilities		(3,901)	(12,753)					
A32240	Increase in net defined benefit assets		(218)	(257)					
A33000	Cash generated from operations		91,953	218,047					
A33300	Interest paid		(591)	(1,685)					
A33500	Income tax paid		(71,831)	(110,034)					
AAAA	Net cash from operating activities		19,531	106,328					

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

## Independent Auditors' Report

To Kian Shen Corporation:

### **Opinion**

We have audited the accompanying parent company only balance sheets of Kian Shen Corporation (the “Company”) as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements, including the summary of material accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the financial performance and cash flows for the years ended December 31, 2024 and 2023, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, 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 2024 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.

### **Revenue Recognition**

The Company mainly sells the products such as automotive frames and woodworks. For the years ended December 31, 2024, the sales revenue of the Company amounted to NT\$1,458,634 thousand. Sales revenue is the main indicator used by investors and management to evaluate a company's financial or business performance. Considering that revenue recognition inherently carries a higher risk of fraud, and management is under pressure to achieve expected financial goals, these factors add a risk to the authenticity of revenue, which is considered material to the parent company only financial statements. Therefore, the revenue recognition was determined to be a key audit matter.

Our audit procedures include (but are not limited to) understanding and testing the effectiveness of internal controls related to revenue recognition in the sales cycle, selecting samples to perform test of details of transactions and reviewing the revenue recognition requirements in orders or contracts to ensure performance obligations are met, verifying significant terms and conditions and checking relevant vouchers to determine the correctness of the timing when commodity rights were transferred, and checking relevant vouchers for revenue from the transactions for the periods before and after the balance sheet date to ensure revenue is recognized at the appropriate time.

We also considered the appropriateness of operating revenue disclosures in Note 6 to the 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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, 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 auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Huang, Yu-Ting

Huang, Chien-Che

Ernst & Young, Taiwan

March 7, 2025

#### **Notice to Readers**

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

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



Kian Shen Corporation  
PARENT COMPANY ONLY BALANCE SHEETS  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Code	Assets Accounts	Note	December 31, 2024		December 31, 2023		Code	Liabilities and equity Accounts		Note	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%		Amount	%		Amount	%	Amount	%
1100	Current assets							Current liabilities						
1110	Cash and cash equivalents	4, 6 (1) and 12	\$243,176	5	\$34,916	1	2100	Short-term borrowings		4 and 12	\$-	-	\$60,000	1
1170	Financial assets at fair value through profit or loss - current	4 and 12	75,481	1	75,072	1	2130	Contract liabilities - current		4 and 6 (8)	11,588	-	65,408	1
1180	Trade receivables, net	4, 6 (2) and 12	76,938	1	11,299	-	2150	Notes payable		12	187,055	3	181,639	3
130x	Trade receivables from related parties, net	4, 6 (2), 7 and 12	176,088	3	218,623	4	2170	Trade payables		12	72,370	1	74,982	2
1410	Inventories	4 and 6 (3)	185,182	3	208,580	4	2180	Trade payables to related parties		7 and 12	32,812	1	27,990	-
1479	Prepayments	4	10,421	-	5,585	-	2219	Other payables		7 and 12	77,903	1	76,217	1
11xx	Other current assets	4	82,575	2	1,874	-	2230	Current tax liabilities		4 and 6 (12)	224,198	4	31,564	1
	Total current assets		849,861	15	555,949	10	2320	Long-term borrowings, current portion		4 and 12	-	-	51,563	1
							2399	Other current liabilities			2,650	-	6,075	-
1550	Non-current assets						21xx	Total current liabilities			608,576	10	575,438	10
1600	Investments accounted for using equity method	4 and 6 (4)	4,393,655	75	4,606,329	80								
1780	Property, plant and equipment	4 and 6 (5)	571,514	10	553,995	10								
1840	Intangible assets	4	7,874	-	6,117	-								
1900	Deferred tax assets	4 and 6 (12)	2,674	-	2,853	-	2570	Non-current liabilities		4 and 6 (12)	256,457	5	390,816	7
15xx	Other non-current assets	6 (6)	30,329	-	26,067	-	2645	Deferred tax liabilities			772	-	740	-
	Total non-current assets		5,006,046	85	5,195,361	90	25xx	Deposits received			257,229	5	391,556	7
							2xxx	Total non-current liabilities			865,805	15	966,994	17
								Total liabilities						
								Equity						
							3100	Share capital						
							3110	Common stock		4 and 6 (7)	734,001	12	734,001	12
							3200	Capital surplus		4 and 6 (7)	1,251	-	1,251	-
							3300	Retained earnings		4 and 6 (7)				
							3310	Legal reserve			718,483	12	678,128	12
							3320	Special reserve			425,427	8	340,524	6
							3350	Undistributed earnings			3,397,203	58	3,455,839	60
								Total retained earnings			4,541,113	78	4,474,491	78
							3400	Other equity						
							3410	Exchange differences on translation of foreign financial statements			(286,263)	(5)	(425,427)	(7)
								Total other equity			(286,263)	(5)	(425,427)	(7)
							3xxx	Total equity			4,990,102	85	4,784,316	83
1xxx	Total assets		\$5,855,907	100	\$5,751,310	100		Total liabilities and equity			\$5,855,907	100	\$5,751,310	100

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

Kian Shen Corporation  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
For the year ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Note	2024		2023	
			Amount	%	Amount	%
4000	Operating income	4, 6 (8) and 7	\$1,458,634	100	\$1,598,496	100
5000	Operating costs	6 (9) and 7	(1,280,131)	(88)	(1,417,745)	(89)
5900	Gross profit		178,503	12	180,751	11
6000	Operating expenses	6 (9) and 7				
6100	Selling expenses		(3,220)	-	(3,195)	-
6200	Administrative expenses		(94,403)	(6)	(88,403)	(6)
6300	Research and development expenses		(25,861)	(2)	(23,554)	(1)
	Total operating expenses		(123,484)	(8)	(115,152)	(7)
6900	Operating income		55,019	4	65,599	4
7000	Non-operating income and expenses	6 (10) and 7				
7100	Interest income		9,742	1	996	-
7010	Other income		1,925	-	1,034	-
7020	Other gains and losses		20,101	1	639	-
7050	Finance costs		(488)	-	(1,697)	-
7060	Share of profit or loss of associates and joint ventures accounted for using the equity method	4 and 6 (4)	299,496	20	485,608	30
	Total non-operating income and expenses		330,776	22	486,580	30
7900	Profit before tax		385,795	26	552,179	34
7950	Income tax expense	4 and 6 (12)	(83,631)	(5)	(148,356)	(9)
8200	Net income		302,164	21	403,823	25
8300	Other comprehensive income (Net)	6 (11)				
8310	Items that may not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans		8,347	1	(343)	-
8349	Income tax related to the items not to be reclassified to profit or loss		(1,669)	-	68	-
8360	Items that may be reclassified subsequently to profit or loss					
8380	Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using the equity method-					
	Items that may be reclassified subsequently to profit or loss	4 and 6 (4)	139,164	9	(84,903)	(5)
	Total other comprehensive (loss) income, net of tax		145,842	10	(85,178)	(5)
8500	Total comprehensive income		448,006	31	318,645	20
	Earnings per share (NT\$)	4 and 6 (13)				
9750	Basic earnings per share		\$4.12		\$5.50	
9850	Diluted earnings per share		\$4.11		\$5.50	

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

Kian Shen Corporation  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

	Items	Note	Equity attributable to owners of the parent						Total equity
			Share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Other equity Exchange differences on translation of foreign financial statements	
Code			3110	3200	3310	3320	3350	3410	3XXX
A1	Balance as of January 1, 2023	6 (7)	\$734,001	\$1,251	\$650,273	\$397,006	\$3,177,804	\$(340,524)	\$4,619,811
B1	Appropriation and distribution of earnings for the year ended December 31, 2022								
B5	Legal reserve appropriated				27,855		(27,855)		-
B17	Cash dividends of common stock					(56,482)	(154,140)		(154,140)
D1	Reversal of special reserve						56,482		-
D3	Net income for the year ended December 31, 2023						403,823		403,823
D5	Other comprehensive income for the year ended December 31, 2023	6 (11)					(275)	(84,903)	(85,178)
Z1	Total comprehensive income		-	-	-	-	403,548		318,645
	Balance as of December 31, 2023	6 (7)	\$734,001	\$1,251	\$678,128	\$340,524	\$3,455,839	\$(425,427)	\$4,784,316
A1	Balance as of January 1, 2024	6 (7)	\$734,001	\$1,251	\$678,128	\$340,524	\$3,455,839	\$(425,427)	\$4,784,316
B1	Appropriation and distribution of earnings for the year ended December 31, 2023								
B3	Legal reserve appropriated				40,355		(40,355)		-
B5	Special reserve appropriated					84,903	(84,903)		-
D1	Cash dividends of common stock						(242,220)		(242,220)
D3	Net income for the year ended December 31, 2024						302,164		302,164
D5	Other comprehensive income for the year ended December 31, 2024	6 (11)					6,678	139,164	145,842
Z1	Total comprehensive income		-	-	-	-	308,842	139,164	448,006
	Balance as of December 31, 2024	6 (7)	\$734,001	\$1,251	\$718,483	\$425,427	\$3,397,203	\$(286,263)	\$4,990,102

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

Kian Shen Corporation  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Note	2024	2023	Code	Items	Note	2024	2023
AAAA	Cash flows from operating activities:				BBBB	Cash flows from investing activities:			
A10000	Profit before tax		\$385,795	\$552,179	B00100	Acquisition of financial assets at fair value through profit or loss		(170,000)	(315,000)
A20000	Adjustments for:				B00200	Proceeds from disposal of financial assets at fair value through profit or loss		170,167	255,301
A20010	Adjustments to reconcile profit(loss):				B02700	Acquisition of property, plant and equipment		(69,582)	(66,360)
A20100	Depreciation expense (including right-of-use assets)		74,163	62,766	B02800	Proceeds from disposals of property, plant and equipment		223	39
A20200	Amortization expense		3,010	2,274	B03700	Increase in refundable deposits		-	(6)
A20400	Net gain from financial asset measured at fair value through profit or loss		(385)	(68)	B04500	Acquisition of intangible assets		(4,767)	(6,361)
A20900	Interest expenses		488	1,697	B07100	Increase in prepayments for equipment		(19,513)	(15,494)
A21200	Interest income		(9,742)	(996)	B07500	Interest received		4,941	996
A22300	Share of profit of associates and joint ventures accounted for using the equity method		(299,496)	(485,608)	B07600	Dividends received		586,381	80,200
A22500	Loss (gain) on disposals of property, plant and equipment		452	(39)	BBBB	Net cash from (used in) investing activities		497,850	(66,685)
A23100	Gain on disposals of investments		(191)	(301)	CCCC	Cash flows from financing activities:			
A29900	(Gain from price discovery of inventories) Loss for market price decline and obsolete and slow-moving inventories		(898)	2,820	C00100	Increase in short-term borrowings		80,000	220,000
A30000	Changes in operating assets and liabilities:				C00200	Decrease in short-term borrowings		(140,000)	(230,000)
A31130	(Increase) Decrease in notes and trade receivables		(65,639)	27,832	C01700	Repayments of long-term borrowings		(51,563)	(17,187)
A31160	Decrease in trade receivables from related parties		42,535	38,242	C03000	Increase in deposits received		113	189
A31200	Decrease in inventories		24,296	118,845	C03100	Decrease in deposits received		(81)	(80)
A31230	(Increase) Decrease in prepayments		(4,836)	385	C04020	Payment of lease liabilities		-	(207)
A31240	Increase in other current assets		395	8,326	C04500	Cash dividends paid		(242,220)	(154,140)
A32125	(Decrease) Increase in contract liabilities		(53,820)	910	CCCC	Net cash used in financing activities		(353,751)	(181,425)
A32130	Increase (Decrease) in notes payable		5,416	(59,572)	EEEE	Increase (Decrease) in current cash and cash equivalents		208,260	(65,010)
A32150	Decrease in trade payables		(2,612)	(21,250)	E00100	Cash and cash equivalents at the beginning of the period		34,916	99,926
A32160	Increase (Decrease) in trade payables to related parties		4,822	(8,296)	E00200	Cash and cash equivalents at the end of the period		\$243,176	\$34,916
A32180	Increase in other payables		2,830	1,276			6 (1)		
A32230	Decrease in other current liabilities		(3,425)	(12,745)					
A32240	Decrease in net defined benefit assets		(218)	(257)					
A33000	Cash generated from operations		102,940	228,420					
A33300	Interest paid		(591)	(1,685)					
A33500	Income tax paid		(38,188)	(43,635)					
AAAA	Net cash from operating activities		64,161	183,100					

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

## Item 2 Proposed by the Board of Directors

Subject: Adoption of the proposal for distribution of 2024 profits. Please proceed to approve.

Description:

- I. According to Article 20 of the Company's Articles of Incorporation, the proposal for profit distribution for the year 2024 is formulated as follows: a cash dividend of NT\$3.1 per share, with a total distribution of NT\$228 million. The profit distribution table is as follows:

2024 Profit Distribution Table (Proposed)	Unit: NTD
Beginning unappropriated retained earnings	\$3,088,361,138
Profit	302,164,435
Remeasurement of the defined benefit plan recognized in retained earnings	6,677,614
Distributable net profit	3,397,203,187
Appropriation of legal reserve	(30,884,205)
Reversal of special reserves	139,164,220
Cash dividend to shareholders (NT\$3.1/share)	(227,540,419)
Unappropriated retained earnings	<u>\$3,277,942,783</u>

- II. The base date for dividend distribution is set at July 2, 2025, and the dividend distribution will be rounded down to the nearest NTD. The fractional amounts will be recognized as other income.
- III. It is proposed that the undistributed profits of year 2024 be prioritized for the aforementioned profit distribution.
- IV. Please proceed to approve.

Resolution:

# Discussion

## Item 1 Proposed by the Board of Directors

Subject: Amendment to the Articles of Incorporation. Please proceed to resolve.

Description:

- I. According to the amended version of the Securities and Exchange Act announced on August 7, 2024, the Company is required to specify in the Articles of Incorporation a certain percentage of annual earnings to be allocated for salary adjustment or paid out as remuneration for entry-level employees. Furthermore, the Company proposes to create a vice chairperson position to support various duties of the board of directors, and will make partial amendments to existing policies after taking into consideration The Company Act and peer practices.
- II. For comparison table of the before and after amendments of the "Articles of Incorporation," please refer to [Appendix 4] in pages 39 to 40.
- III. Please proceed to resolve.

Resolution:

# Election

## Item 1 Proposed by the Board of Directors

Subject: Election for the 13th board of directors and independent directors.

Description:

- I. General and independent directors of the current (the 12th) board will end their 3-year service on June 30 this year (2025). A proposal has been raised to re-elect directors (including 3 independent directors) to serve from July 1, 2025 until June 30, 2028 during this year's annual shareholders' meeting.
- II. Election of general and independent directors shall proceed according to the nomination system mentioned in Article 192-1 of The Company Act. Votes shall be counted separately for general and independent directors; candidates that receive the highest number of votes will be allotted to available seats.

### (1) Director candidates

Shareholder name, name of corporate entity, and shares held	Name of representative and shares held	Representative's education/career background
ID: 000000001 China Motor Corporation Shares held: 32,201,367 shares	Tung-Tai Hsiung Shares held: 0	EMBA, National Central University Vice President of China Motor Corporation The Department of Mechanical Engineering at National Cheng-Kung University (NCKU) Director of China Engine Corporation Director of Yueki Industrial Co., Ltd. Chairman of ROC-Spicer Ltd.
	Chiung-Chih Tseng Shares held: 0	Department of Mechanical Engineering, Tamkang University Director and President of Kiang Shen Corporation Assistant Vice President of China Motor Corporation Fuzhou Fuxiang Automobile Industry Co., Ltd. Director of Guangzhou Enten Yulong Transmission System Co., Ltd. Director of Xiamen Jinlong Kian Shen Vehicle Shell Co., Ltd. Director of Xiangyang Enten Yulong Transmission System Co., Ltd. Director of Taiwan Teleportation Vehicle Manufacturers Association
Shareholder name,	Name of	Representative's education/career background

name of corporate entity, and shares held	representative and shares held	
ID: 000000002 Kuozui Motors, Ltd. Shares held: 24,178,711 shares	Wen-Chih Chien Shares held: 0	Department of Industrial Design, Datong University Director and Vice President of Kuozui Motors, Ltd. Standing Director of Taiwan Transportation Vehicle Manufacturers Association Vice Chairperson of Car Safety Association Fuzhou Fuxiang Automobile Industry Co., Ltd.
	Shih-Jung Ho Shares held: 0	EMBA, National Central University AVP of Kuozui Motors, Ltd. Director of Xiamen Jinlong Kian Shen Vehicle Shell Co., Ltd.
	Satoshi Kodaka Shares held: 0	Department of Mechanical Engineering, Seikei University AVP of Kuozui Motors, Ltd.
ID: 000027321 Yulon-Administered Enterprises Co., Ltd. Shares held: 10,600 shares	Hung-Ching Yang Shares held: 0	Department of Business Administration, National Chengchi University Vice President of China Motor Corporation Director of Coc Tooling & Stamping Co., Ltd. Director of China Engine Corporation Director of UNI-CALSONIC Corporation
	Ching-Chi Chen Shares held: 0	Associate Vice Presidents of China Motor Corporation Director of Uni Auto Parts Manufacture Co., Ltd. Director of Uni-Calsonic Corporation Director of Coc Tooling & Stamping Co., Ltd. Director of Roc-Spicer, Ltd.

## (2) Independent Director Candidates

Shareholder ID or ID card number	Name	Representative's education/career background
F100000729	Te-Chang Yeh Shares held: 0	Schl of Economics, National Cheng Chi University Independent Director of Carnival Industrial Corporation Independent Director of DFI Inc. Supervisor of Maxkit Technology Co., Ltd. Supervisor of Shanghai Wafer Works Supervisor of Zhengzhou Wafer Works Supervisor of Shanghai Jingmeng Silicon Materials Co., Ltd.



Shareholder ID or ID card number	Name	Representative's education/career background
R2○○○○○723	Hsin-Chin Hsiao Shares held: 0	Ph.D. in Accounting, National Chengchi University Director of the 13th board, Taiwan Small & Medium Enterprise Counseling Foundation Vice President of National Taipei University Dean of School of Accounting and Finance and Professor of Accounting Information, National Taipei University Head of Accounting Information, National Taipei University
R1○○○○○693	Hung-En Liu Shares held: 0	Ph.D. in Law, Science and Technology, Stanford University Associate Professor for the Graduate Institute of Law and Interdisciplinary Studies, National Chengchi University Jointly Appointed Associate Professor, of the International College of Innovation, National Chengchi University Part-time Researcher of International Artificial Intelligence and Law Research Foundation Superintendent of Center for Bioethics and Medical Law, National Chengchi University Member of Pharmacists Disciplinary Committee, Ministry of Health and Welfare Member of Patent and Technology Transfer Committee, National Taiwan University Director of Ma Clansmen Culture and Education Foundation

III. Please refer to [Appendix 4] in page 41 for the Company's "Directors Election Policy."

IV. The election is ready to proceed.

Outcome of election:

# **Other Motions**

## **Item 1 Proposed by the Board of Directors**

Subject: Proposal for Release the Prohibition on Directors from Participation in Competitive Business under Company Act 209. Please proceed to resolve.

Description:

- I. Handled in accordance with Article 209 of the Company Act.
- II. Due to possible practical need for holding positions as a director at the Company and a subsidiary within the same industry as the Company or other company in consideration of positive effects on overall operating performance, full utilization of talents and the Company's long-term development, there is no need for prohibition on directors from participation in competitive businesses.
- III. Proposal to remove non-compete restriction for directors of the 12th board and newly elected directors of the 13th board.
- IV. The topic is ready for discussion.

Resolution:

# Questions and Motions

## [Appendix 1]

### Shareholding of the Directors

In accordance with Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director Share Ownership Ratios at Public Companies, the total shareholding of the all of the Company's Directors shall be no less than 8%, or 5,872,010 shares. As of March 28, 2025, the total shareholding of the all of the Company's Directors amounted to 56,390,678 shares (76.82%), which is in compliant with the requirement. A detailed breakdown of directors' shareholding is as follows:

Position	Name	Number of shares held	Shareholding percentage	Remarks
Chairman	Chao-Wen Chen	32,201,367	43.87%	Representatives of China Motor Corporation (Note 2)
Director	Chiung-Chih Tseng			
Director	Wen-Chih Chien	24,178,711	32.94%	Representatives of Kouzui Motors Ltd.
Director	Shih-Jung Ho			
Director	Satoshi Kodaka			
Director	Hung-Ching Yang	10,600	0.01%	Representatives of Yulon-Administ ered Enterprises Co., Ltd. (Note 3)
Director	Tung-Tai Hsiung			
Independent director	Te-Chang Yeh	-	-	
Independent director	Hsuan Wang	-	-	
Independent director	Yung-An Lo	-	-	
Total shareholding of the all Directors		56,390,678	76.82%	

Note 1: The Company has assembled an Audit Committee; therefore, supervisors' statutory minimum shareholding requirements do not apply.

Note 2: Chao-Wen Chen, the representative of China Motor Corporation, departed on April 1, 2025; and Tung-Tai Hsiung was appointed as director.

Note 3: Tung-Tai Hsiung, the representative of China Motor Corporation, departed on April 1, 2025; and Ching-Chi Chen was appointed as director.

## [Appendix 2]

### Kian Shen Corporation

#### Rules of Procedure for Shareholder Meetings

Formulated on June 27, 1998.

Amended on June 20, 2002.

Amended June 25, 2015.

Amended June 18, 2020.

Amended July 29, 2021.

Amended June 21, 2022.

Amended June 15, 2023.

1. The Company's shareholders' meetings shall be handled in accordance with the Rules of Procedures for Shareholder Meetings

2. Shareholders and their proxies 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.

Shareholders (or proxies) attending the shareholders' meetings shall hand in sign-in cards and check-in their shareholder's number on the virtual meeting platform in lieu of signing in, from which, the number of shares in attendance shall be calculated.

Attendance and voting at a shareholders' meeting shall be calculated based on the number of shares.

3. A shareholders meeting shall, unless otherwise provided for in other law or regulation, be convened by the Board of Directors.

Unless otherwise provided in these Rules of Procedure, if the Company wishes to convene a shareholders' meeting via visual communication network, it shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution passed by at least half of the Directors in attendance in a Board meeting attended by no less than two-thirds of all Board members.

Alterations to the Company's convening of shareholders' meetings shall be resolved by the Board of Directors no later than the mailing of the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the reporting website specified by the Financial Supervisory Commission no later than 30 days before the date of a regular shareholders meeting and no later than 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and send them to the reporting website specified by the Financial Supervisory Commission no later than 21 days before the date of a regular shareholders' meeting and no later than 15 days

before the date of a special shareholders' meeting. At least 15 days before the date of the shareholders' meeting, the Company shall also prepare the shareholders' meeting handbook and supplementary meeting materials and make them available for review by shareholders at any time. The shareholders' meeting handbook and supplementary meeting materials shall also be displayed at the Company premises and the professional shareholder services agent designated thereby.

The aforementioned shareholders' meeting handbook and supplementary meeting materials shall be distributed to the shareholders for their reference on the date of shareholders' meeting by the following means:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For physical meetings assisted by visual communication network, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For meetings held via visual communication network, electronic files shall be shared on the virtual meeting platform.

The cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the meeting notice to be given to shareholders and public announcement; and the notice may, as an alternative, be given by electronic means, after obtaining a prior consent from the recipient(s) thereof.

Matters pertaining to election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions.

Essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice. Where the election of all directors, as well as their inauguration date, is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the election in said meeting, such inauguration date may not be altered by any extempore motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares of the Company may propose to the Company a proposal for discussion at a regular 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. However, proposals urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals

to be discussed at a regular meeting of shareholders by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.

Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, 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.

The number of words of a proposal to be submitted by a shareholder shall be limited to three hundred words; any proposal containing more than 300 words shall not be included in the meeting agenda.

A shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal. The company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article.

4. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened. A shareholder may appoint a proxy to attend a shareholders' meeting on their behalf by providing a proxy form printed by the Company stating therein the scope of power authorized to the proxy.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must be received by the Company at least 5 days before the shareholder' meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

After a proxy form has been delivered to the Company, in case the shareholder issuing the said proxy form intends to attend the shareholders' meeting in person or to exercise their voting power in writing or by electronic means, a proxy rescission notice shall be filed with the Company in writing no later than two days prior to the date of the shareholders' meeting so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

After a proxy form has been delivered to the Company, in case the shareholder issuing the said proxy form intends to attend the shareholders' meeting via visual communication network, a proxy rescission notice shall be filed with the Company in writing two days prior to the date of the shareholders' meeting so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

4-1. (Principles determining the time and venue of a shareholders' meeting)

A shareholders' meeting shall be held in the place where the Company is located or at any other place that is convenient for the shareholders to attend and appropriate to convene such meeting, and a shareholders' meeting shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.

When the Company convenes shareholders' meetings via visual communication network, the aforementioned requirements on meeting venues are not applicable.

The Company may designate entrusted attorneys, CPAs, or other relevant personnel to be present at a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders' meeting shall wear identification badges or arm bands.

5. The chair of the meeting shall call the meeting to order at the scheduled time. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chair may announce a postponement of the meeting, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. In the event that the meeting is attended by shareholders not up to the specified quorum but representing more than one-third or more of the total issued shares after two postponements, a tentative resolution may be made in accordance with paragraph one of Article 175 of the Company Act by an affirmative vote of a majority of the voting rights represented by the attending shareholders. For meetings held via visual communication network, if shareholders intend to participate via visual communication network, they shall sign up again with the Company in accordance with Article 10.

In the event that the number of shares represented by attending shareholders reaches more than half of the total issued shares before that same meeting is adjourned, the chair may resubmit the tentative resolution(s) made at the meeting for a vote in accordance with Article 174 of the Company Act.

6. If a shareholders' meeting is convened by the Board of Directors, the chairman of the board of directors shall act as the chair of the meeting. In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairman of the board of directors. For a shareholders' meeting convened by any other person, other than the board of director, having the convening right, they shall act as the chair of that meeting, provided, however, that if there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.



7. If a shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The motions (including extempore motions or amended motions) shall be passed one at a time, and the meeting shall proceed in the order set forth in the agenda, which may not be changed without a resolution at 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 shall not announce adjournment of the meeting until the agenda in the two preceding paragraphs is completed (including extemporaneous motion) unless duly resolved at the shareholders' meeting.

During the session of a shareholders' meeting, if the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chair may be elected by a resolution to be adopted by an affirmative vote of a majority of the voting rights represented by the attending shareholders. to continue the proceedings of the meeting.

After the meeting is adjourned, shareholders shall not elect another chair to continue the meeting at the same place or at any other place.

When necessary, the chair may announce the discussion closed, call for a vote, and allow sufficient time for voting.

8. (Documentation of a shareholders' meeting by audio or video)

The Company shall make an uninterrupted audio and video recording of the registration procedure, the entire proceedings of the shareholders' meeting, and the voting, and vote counting procedures, starting from the shareholder attendance registration.

The recorded materials mentioned in the preceding paragraph shall be kept for at least 1 year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials involved shall be kept until the legal proceedings of the foregoing lawsuit have been concluded.

When a shareholders' meeting is convened via visual communication network, the Company shall keep records of shareholder registration, sign-up, sign-in, questions raised, votes cast and results of votes counted by the Company, and make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting.

The aforementioned audio and video recordings shall be kept for the duration of the existence of the Company, and kept with the meeting agency who is entrusted to make such recording.

When a shareholders' meeting is convened via visual communication network, the Company should make an audio and video recording of the back-end operation interface of the virtual meeting platform.

9. An attending shareholder must complete and submit a speaker's slip before speaking at the shareholders' meeting, specifying their shareholder account number, account name, and the subject their speech.
- The order in which shareholders speak shall be determined 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.
- In the event of any discrepancies between the contents of the shareholder's speech and those recorded on the speaker's slip, the contents of the shareholder's speech shall prevail. When an attending shareholder is speaking, no other shareholders may interrupt the speaking shareholder, unless permitted by the chair and the speaking shareholder; the chair may stop any violations.
- A shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.
- The chair may stop the speaking of any shareholder that is in violation of the preceding paragraph or whose speech exceeds the scope of the proposal.
10. (Furnishing of documents such as attendance book)
- The Company shall indicate on the meeting notice the sign-in time and place for shareholders, solicitors, and proxies (hereinafter collectively referred to as "shareholders"), and other related matters.
- Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with adequate and competent personnel. In the case of meetings held via visual communication network, admission of meeting participants shall take place on the video conferencing platform within the 30 minutes before meeting commences; shareholders who complete the admission are deemed to have attended the shareholders' meeting personally.
- The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.
- Where the government or a juristic person is a shareholder it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
- For meetings held via visual communication network, if shareholders intend to participate via visual communication network, they shall sign up with the Company 2 days before the shareholders' meeting.
- For meetings held via visual communication network, the shareholders' meeting handbook, annual reports, and other relevant documents shall be uploaded onto the virtual meeting platform at least 30 minutes prior to the commencement of the meeting and shall be kept disclosed until the meeting is adjourned.

- 10-1. (Matters to be stated in the meeting notice when convening a virtual shareholders' meeting)
- When the Company convenes shareholders' meeting via visual communication network, the following matters shall be stated in the shareholders' meeting notice:
1. Method of attending a shareholders' meeting via visual communication network and exercising rights by the shareholders
  2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
    - (1) The time to which the meeting is postponed or from which the meeting will resume if the above obstruction continues and cannot be cleared, and the date to which the meeting is postponed or on which the meeting will resume.
    - (2) Shareholders not having signed up to attend the affected virtual shareholders' meeting may not attend the postponed or resumed session.
    - (3) In case of physical meetings assisted by visual communication network, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the meeting via visual communication network, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting via visual communication network shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting via visual communication network shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.
    - (4) Actions to be taken if the outcome of all proposals have been announced and extempore motions have not been carried out.
  3. For meetings held via visual communication network, the Company shall provide appropriate alternative measures to shareholders with difficulties in attending meetings via visual communication network.
- Unless otherwise provided by Paragraph 6 Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with online equipment and other necessary assistance, and specify the period during which shareholders can apply therefor and other related matters.
11. When a juristic shareholder appoints two or more representatives to attend a shareholders' meeting, only one representative may speak on the same proposal.
- After an attending shareholder speaks at the meeting, the chair may answer either in person or through a designee.

When a shareholders' meeting is convened via visual communication network, attending shareholders may raise questions in writing on the virtual meeting platform after the meeting is called to order and before the meeting is adjourned. No more than 2 questions may be raised for each motion, and each question shall not exceed 200 characters, and shall not be subject to Article 9.

If the aforementioned questions do not violate the rules or exceed the scope of the agenda item, the questions should be disclosed on the virtual meeting platform for everyone's information.

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

When the Company convenes a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the meeting in person. However, their rights with respect to the extemporaneous motions and amendments to scheduled proposals of that meeting are deemed to have been waived. Therefore, the Company should refrain from proposing extraordinary motions, or amendments to the scheduled proposals.

Instructions to exercise written and electronic votes must be delivered to the Company at least 2 days before the shareholders' meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous instruction.

Shareholders who wish to attend the shareholders' meeting in person or via video conferencing after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholders' meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. In case a shareholder has exercised their voting power in writing or by electronic means, and has also authorized a proxy to attend the shareholders' meeting on their behalf, then the voting power exercised by the authorized proxy for the said shareholder shall prevail.

When the Company convenes a shareholders' meeting via visual communication network, after the meeting is called to order, shareholders attending the meeting via visual communication network shall cast votes on motions and elections on the virtual meeting platform before the chair announces the voting session closed or shall be deemed abstained from voting.

When the Company convenes a shareholders' meeting via visual communication network, after the chair announces the voting session closed, a single vote counting session shall be conducted and the results of the voting or election shall be announced.

For physical meetings assisted by visual communication network, if the shareholders, solicitors, or proxies who have signed up for attendance via visual communication network in accordance with Article 10 intend to attend the meeting in person, they shall rescind in the same manner as the sign-up process no later than 2 days before the shareholders' meeting. Shareholders who do not rescind in time may only participate in the shareholder meeting via video conference.

Shareholders, solicitors, or proxies who are attending the meeting via visual communication network, and do not rescind their intention of exercising voting rights by correspondence or electronic means, except for extempore motions, shall not be able to exercise their voting rights on the scheduled motions, propose amendments to the scheduled motions, or exercise their voting rights on amended motions.

13. If there shall be an amendment or alternative to a motion, the chair shall determine their orders of the amendment, alternative, and scheduled motion for resolution. When any motion among them is passed, the others will then be deemed rejected, and no further voting shall be required. Vote monitoring and counting personnel for the voting on a motion shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting motions or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting is completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.

14. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the adoption 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, proposals shall be, one at a time, put to a vote by shareholders. On the same day the meeting is held, the numbers of votes for and against and the number of abstentions for each proposal shall be uploaded to the reporting website specified by the Financial Supervisory Commission

A shareholder shall have one voting power in respect of each share in their possession.

Pursuant to Article 177 Paragraph 2 of the Company Act, except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power they represent shall not exceed 3% of the total number of voting shares of the Company, otherwise, the portion of excess voting power shall not be counted.

15. During the meeting, the chair may announce a break, taking into consideration the time. Where proposals can not be resolved in a shareholders' meeting, the shareholders' meeting may make a resolution to reconvene the meeting within five days without notification or public announcement.
16. Shareholders' meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chair, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The preparation and distribution of the minutes of shareholders' meeting may be affected by electronic means. The Company may distribute the meeting minutes mentioned in the preceding paragraph by means of a public announcement made through the reporting website specified by the Financial Supervisory Commission. The meeting minutes shall accurately record the year, month, day, meeting venue, the chair's full name, the methods by which resolutions were adopted, and a summary of the meeting proceeding, and the voting results (including the number of voting rights), and in case of director elections, the number of voting rights won by each candidate shall be disclosed. The minutes shall be retained for the duration of the existence of the Company.

For meetings held via visual communication network, besides the records as required in the preceding paragraph, the meeting minutes shall also include the starting and ending time of the meetings, convening method of the meetings, full names of the chair and minute-taker(s), and the handling methods and the handling process in case of disruption to the visual meeting platform or participation via visual communication network under the circumstances of force majeure.

When the Company convenes a shareholders' meeting via visual communication network, in addition to the aforementioned rules, the Company shall provide alternative measures to shareholders with difficulties in attending meetings via visual communication network.

17. The chair may instruct patrol personnel (or security personnel) to assist in maintaining the order at the meeting venue. Such patrol personnel (or security personnel) shall wear arm bands marked with "Security" while assisting in maintaining the order on site.
18. (Public announcements)

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 via correspondence or via visual communication network, and shall make an express disclosure at the meeting venue on the day of the meeting. For meetings held via visual communication network, the aforementioned documents shall be uploaded onto the virtual meeting platform at least 30 minutes prior to commencement of the meeting and shall be kept disclosed until the meeting is adjourned.

When the Company convenes a shareholders' meeting via visual

communication network, the number of attending shares shall be disclosed on the virtual meeting platform when the meeting is called to order. The number of attending shares and voting rights recorded during the proceeding of the meeting shall also be disclosed.

If matters put to a resolution at a shareholders' meeting constitute material information identified by the laws and regulations, and Taiwan Stock Exchange Corporation (or the Taipei Exchange), the Company shall upload the content of such resolution to the reporting website specified by the Financial Supervisory Commission.

19. (Disclosures for meetings held via visual communication network)

For meetings held via visual communication network, the Company shall disclose the voting and election results on the virtual meeting platform immediately after the voting, and the results shall be kept disclosed for at least 15 minutes after the chair declares the meeting adjourned.

20. (Location of the chair and the minute taker(s) for meetings held via visual communication network)

When the Company convenes meetings via visual communication network, the chair and the minute taker(s) shall be situated at the same location, the chair shall announce the address of such location when the meeting is called to order.

21. (Handling of disconnection)

For meetings held via visual communication network, the Company may provide basic connection testing for shareholders prior to the meetings, and provide instant necessary services before or during the meetings to resolve any connection or technical issues.

For meetings held via visual communication network, when the meeting is called to order, the chair shall announce that, unless postponement or resumption of meetings are required in situations stipulated in Article 44-20 Paragraph 4 in the Regulations Governing the Administration of Shareholder Services of Public Companies, the new date for postponement or resumption of meetings that is within 5 days is not subject to Article 182 of the Company Act in circumstances where disruption to the virtual meeting platform or participation via visual communication network due to natural disasters, accidents or force majeure occurs and lasts for more than 30 minutes before the chair declares meeting adjourned.

In the event of the aforementioned postponement or resumption of meetings, shareholders not having signed up to attend the affected virtual shareholders' meeting may not attend the postponed or resumed session.

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

In the postponed or resumed meetings mentioned in paragraph 2, a new

deliberation, or resolution is not required for completed voting, vote counting, and proposals whose voting results or list of elected directors are announced.

In case of physical meetings assisted by visual communication network, when the virtual meeting cannot be continued due to a situation mentioned in paragraph 2, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the meeting via visual communication network, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and no postponement or resumption of meetings under paragraph 2 is required.

Under circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the meeting via visual communication network shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting via visual communication network shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting.

When the Company carries out a postponement or resumption of meetings in accordance with paragraph 2, the postponement or resumption of meetings shall be carried out pursuant to Article 44-20 Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. The Company shall conduct preliminary works in accordance with the original shareholders' meeting date and all rules and regulations.

Regarding the periods and dates stated in the later part of the Article 12, and Article 13 Paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Article 44-5 Paragraph 2, Article 44-15, Article 44-17 Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the postponement and resumption of meetings shall be conducted in accordance with paragraph 2.

22. (Handling of digital divide)

When the Company holds a shareholders' meeting via visual communication network, it shall provide appropriate alternative measures to shareholders with difficulties in attending meetings via visual communication network. Unless otherwise provided by Paragraph 6 Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with online equipment and other necessary assistance, and specify the period during which shareholders can apply therefor and other related matters.

23. Any matters inadequately provided for herein shall be subject to provisions set forth in the Company's Articles of Incorporation, and relevant laws and regulations.

These Rules, and any amendments hereto, shall be implemented after adoption at shareholders' meetings.



## **Articles of Incorporation of Kian Shen Corporation**

The Articles were enacted on April 26, 1963.

1st amendment was made on April 26, 1963

2nd amendment was made on September 6, 1963.

3rd amendment was made on September 10, 1966.

4th amendment was made on May 4, 1970.

5th amendment was made on December 7, 1976.

6th amendment was made on June 7, 1978.

7th amendment was made on October 29, 1979.

8th amendment was made on November 1, 1980.

9th amendment was made on November 30, 1980.

10th amendment was made on December 24, 1980.

11th amendment was made on September 25, 1982.

12th amendment was made on March 3, 1984.

13th amendment was made on November 6, 1984.

14th amendment was made on February 5, 1986.

15th amendment was made on September 16, 1988.

16th amendment was made on November 22, 1989.

17th amendment was made on August 18, 1990.

18th amendment was made on November 6, 1991.

19th amendment was made on April 15, 1992.

20th amendment was made on May 22, 1993.

21st amendment was made on June 14, 1994.

22nd amendment was made on May 26, 1995.

23rd amendment was made on May 20, 1998.

24th amendment was made on July 13, 1998.

25th amendment was made on April 23, 1999.

26th amendment was made on June 3, 2000.

27th amendment was made on June 12, 2001.

28th amendment was made on June 20, 2002.

29th amendment was made on June 3, 2004.

30th amendment was made on June 2, 2005.

31st amendment was made on June 7, 2006.

32nd amendment was made on June 13, 2007.

33rd amendment was made on June 16, 2009.

34th amendment was made on June 25, 2010.

35th amendment was made on June 18, 2012.

36th amendment was made on June 20, 2013.

37th amendment was made on June 19, 2014.

38th amendment was made on June 25, 2015.

39th amendment was made on June 22, 2016.

40th amendment was made on June 18, 2020.

41st amendment was made on June 21, 2022.

42nd amendment was made on May 29, 2024.

- Article 1: The Company is duly incorporated in accordance with the regulations regarding corporations in the Company Act and bears the title of Kian Shen Corporation.
- Article 2: Business activities of the Company are as follows:
- I. C501030 Plywood Manufacturing
  - II. C501060 Manufacture of Wooden Containers
  - III. C501990 Other Wooden Woods Manufacturing
  - IV. CA04010 Surface Treatments
  - V. CD01020 Tramway Cars Manufacturing
  - VI. CD01030 Motor Vehicles and Parts Manufacturing
  - VII. CD01040 Motorcycles and Parts Manufacturing
  - VIII. CD01050 Bicycles and Parts Manufacturing
  - IX. CD01990 Other Transport Equipment and Parts Manufacturing
  - X. CQ01010 Die Manufacturing
  - XI. CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified
  - XII. F401010 International Trade
  - XIII. Z99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company shall be headquartered in Taoyuan City, ROC, and shall be free, upon resolution of the Board of Directors to set up branches or offices at other locations within the territory of ROC or abroad.
- Article 4: (Deleted)
- Article 5: The total authorized capital of the Company is NT\$800 million which may be distributed as 80 million shares, with par value of NT\$10 each. For shares not yet issued, the Board of Directors is authorized to issue the shares in installments depending on actual needs.
- Article 6: The total amount of the Company's investment in other businesses is not subject to the restriction requiring that total investment not exceed 40 percent of its paid-in capital as provided in Article 13 of the Company Act.
- Article 7: The Company's shares shall all be name-bearing share certificates signed by at least 3 Directors affixed with seals thereof and shall be duly certified or authenticated before issuance thereof. The Company may issue the name-bearing shares without printing any share certificates, but such shares shall be registered with a central securities depository organization.
- Article 8: The rename for transfer of shares shall not be conducted within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.
- Article 9: There are two kinds of shareholders' meetings: the regular shareholders' meeting and the special shareholders' meeting. Regular shareholders' meetings are convened once a year within six months after the close of each fiscal year. Special shareholders' meetings are called at any time when necessary.

When the Company holds a shareholders' meeting, such meeting can be held by means of visual communication network or other methods promulgated by the central competent authority in circumstances of force majeure.

Article 10: Shareholders who are unable to attend the shareholders' meeting in person may appoint a proxy to attend the meeting by providing a signed and sealed proxy form printed by the Company stating therein the scope of power authorized to the proxy.

Article 11: A shareholder shall be entitled to one vote for each share held, but this shall not apply to the shares under the circumstances specified in Article 179 of the Company Act.

Article 12:

I. A resolution at a shareholders' meeting shall be adopted by a majority of the attending shareholders who represent two-thirds or more of the total number of its outstanding shares. Where stricter criteria require a higher number of shares represented by the attending shareholders or requires a higher number of votes at the shareholders' meeting as specified in the laws or regulations, such stricter criteria shall govern. The Company's shareholders may exercise their voting power by electronic means, and a shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the meeting in person.

II. The following matters at a shareholders' meeting shall be resolved by more than two-thirds of the attending shareholders who represent two-thirds or more of the total number of its outstanding shares. Where stricter criteria require a higher number of shares represented by the attending shareholders or requires a higher number of votes at the shareholders' meeting as specified in the laws or regulations, such stricter criteria shall govern.

1. Modification or alteration in the Company's Articles of Incorporation;
2. Increase or decrease in the Company's capital through any method;
3. Issuance of new shares;
4. Transfer of the entire or any essential part of the Company's business;
5. Disposal of an essential part of the Company's property;
6. Matters related to distribution of retained earnings;
7. Issuance of corporate bonds; and
8. Other matters that shall be resolved in this manner pursuant to the laws and regulations.

Article 13:

I. The Company has 9-12 directors. It adopts the nomination system and the shareholders shall elect directors from among the candidates listed in the roster of director candidates. The total shareholding of all directors of the Company's shall be no less than a specified percentage of the Company's total name-bearing shares, with the percentage calculated pursuant to the regulations of the competent authorities.

- II. The Company's directors have a three-year term of office and may be re-elected after the term. In case no election of new directors is affected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. When the number of vacancies in the board of directors of the Company is equal to or higher than one-third of the total number of directors, the board of directors shall call, within 60 days, a special shareholders' meeting to elect succeeding directors to fill the vacancies.
- III. Among the aforementioned seats of directors, there shall be seats for independent directors. There shall be no less than 3 independent directors, representing no less than one-fifth of the total number of directors. The Company adopts the nomination system and the shareholders shall elect independent directors from among the candidates listed in the roster of independent director candidates. Independent directors and non-independent directors shall be elected in the same election, but the number of independent directors and non-independent directors elected shall be calculated separately. The professional qualifications, restrictions on shareholding and concurrent positions, method of nomination and election, and other matters of compliance shall be subject to the related regulations of the authority in charge of securities.

Article 14:

- I. The directors shall be organized into the Board. The Board shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman shall represent the Company externally.
- II. A board meeting shall be held at least once every quarter. However, in case of any emergency, such meetings may be convened at any time. A board meeting may be convened by contacting directors in ways of written notice, e-mails or facsimile. A director may authorize another director to attend a board meeting to exercise voting rights on all proposed motions at a meeting on their behalf. However, one director may only act on behalf of one other director.
- III. A resolution at a board meeting shall be adopted by a majority of the attending directors who represent at least two-thirds of the total director seats. Where stricter criteria for the total number of attending directors or the required number of votes are specified in the laws or regulations, such stricter criteria shall govern.
- IV. The following matters shall be executed pursuant to a resolution at a board meeting:
  1. Establishment and dissolution of branches;
  2. Approval for financing, providing guarantees, acceptance with a financial institution or third party, or any credit extension, or borrowings, at an amount between NT\$20 million and NT\$ 50 million (excluding) for each proposal, provided that proposals

with an amount less than NT\$20 million (excluding) shall be reported at the most recent board meeting;

3. Appointment, dismissal and remuneration of the Company's CPAs.
  4. Approval for capital expenditures, at an amount between NT\$20 million and NT\$50 million (excluding) for each proposal, provided that proposals with an amount less than NT\$20 million (excluding) shall be reported at the most recent board meeting;
  5. Approval for financing, providing guarantees, acceptance in the name of the Company shall be executed after passage by resolution at board meetings;
  6. Hiring and dismissal of employees at managerial level (including) or above;
  7. Investment in another company or transfer of shares at an amount no higher than NT\$ 50 million (excluding) for each proposal;
  8. Approval, amendment or termination of the obtaining, transfer, granting and technical cooperation contracts of special technology or patent right, at an amount no higher than NT\$ 10 million (excluding) for each proposal; and
- V. The following matters at a board meeting shall be resolved by more than two-thirds of the attending directors who represent two-thirds or more of the total seats of directors.
1. Proposal to amend the Company's Articles of Incorporation;
  2. Approval of annual budgets and review of annual financial statements, including review and supervision of the business plan execution;
  3. Proposal for the distribution of earnings.
  4. Investment in another company or transfer of shares at an amount higher than NT\$50 million (including) for each proposal;
  5. Approval of disposal of all or essential part of the Company's property through pawning, sales, leasing out, pledging, use as collateral, or other methods. However, this shall not apply to the following circumstances:
    - (1) The need for borrowing or financing an amount less than NT\$ 20 million (excluding);
    - (2) The need for borrowing or financing that has been approved by the board; and
    - (3) Leasing out of an essential part of the Company's property with leasing term no longer than 1 year.
  6. Approval for financing, providing guarantees, acceptance with a financial institution or third party, or any credit extension, or borrowings, at an amount of NT\$ 50 million or higher for each proposal;
  7. Approval for capital expenditures, at an amount higher than NT\$50 million (including) for each proposal;

8. Approval of significant transactions with related parties (including affiliates), with transaction price more than NT\$50 million (including) for each proposal or with transaction terms of one year.
9. Approval of major contracts or other material matters. Major contracts or other material matters, refers to those with a price more than NT\$50 million (including) or with transaction terms of more than 1 year;
10. Acquisition, transfer, and grant of intellectual property or patent right, and the approval, amendment or termination of technical cooperation contracts at an amount higher than NT\$10 million (including).
11. Other authorities (responsibilities) conferred by laws, regulations, and resolutions of the shareholders' meeting.

Article 15: In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the designation of a person acting on his behalf shall be conducted in accordance to Article 208 of the Company Act.

Article 16: The board of directors may receive remuneration, and the remuneration shall be based on industry standards. If the Company operates at a profit, remuneration shall be determined in accordance with Article 20.

Article 17: The Company may establish functional committees. The regulations governing the exercise of powers by the functional committees shall be formulated and they shall be enacted after approval by the board of directors.

Article 18: The Company may have a president and several vice presidents and managers. The appointment, discharge and the remuneration shall be handled in accordance with Article 29 of the Company Act.

Article 19: The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, reports shall be prepared by the board of directors in accordance with Article 228 of the Company Act, and reported at the shareholders' meeting for approval.

Article 20: The Company's net income before tax before deduction of remuneration to employees and directors shall be distributed in accordance with the following:

- (1) No higher than 1% as remuneration to directors; and
- (2) No less than 0.1% as remuneration to employees.

However, when there are accumulated losses, the Company shall first set aside a portion of the profit to offset its accumulated losses, then distribute the profit in accordance with the preceding two items. The aforementioned employees' remuneration may be distributed in the form of shares or cash; however, the directors' remuneration may be distributed only in the form of cash. The employees' and directors' remuneration shall be reported at the shareholders' meetings.

When the Company operates at a profit, it shall first offset any accumulated losses, set aside 10% of the earning as legal reserve, and then allocate or reverse special reserve pursuant to relevant laws and regulations issued by the competent authority. The board of directors shall draft an earnings distribution proposal of dividends to shareholders regarding the remaining amount along with accumulated undistributed retained earnings and submit it to the shareholders' meeting for approval. Considering the volatility of the Company's industry, the Company being at the maturity phase in its industry life cycle, future working capital needs, and long-term financial planning, the Company distributes no less than 20% of net profit after tax for the year as shareholders' dividends in forms of shares or cash, provided that cash dividends shall account for no less than 20% of total dividends.

Article 21: Any matters inadequately provided for herein shall be subject to provisions set forth in the Company Act.

Article 22: (Deleted)

## [Appendix 4]

### Comparison Table of Amendments to the Articles of Incorporation

Amended clause	Existing clause
<p>Article 3</p> <p>The Company shall be headquartered in Taoyuan City, ROC, and shall be free, upon resolution of the Board of Directors to set up branches or offices at other locations within the territory of ROC or abroad.</p>	<p>Article 3</p> <p>The Company shall be headquartered in Taoyuan City, ROC, and shall be free, upon resolution of the Board of Directors to set up branches or offices at other locations within the territory of ROC or abroad.</p>
<p>Article 7</p> <p>The Company's shares shall all be name-bearing share certificates, <u>serially numbered and signed by the director that represents the Company</u>, and shall be duly certified or authenticated before issuance thereof. The Company may issue the name-bearing shares without printing any share certificates, but such shares shall be registered with a central securities depository organization.</p>	<p>Article 7</p> <p>The Company's shares shall all be name-bearing share certificates <u>signed by at least 3 Directors affixed with seals thereof</u> and shall be duly certified or authenticated before issuance thereof. The Company may issue the name-bearing shares without printing any share certificates, but such shares shall be registered with a central securities depository organization.</p>
<p>Article 9</p> <p>There are two kinds of shareholders' meetings: the regular shareholders' meeting and the special shareholders' meeting. Regular shareholders' meetings are convened <u>by the board of directors at least</u> once a year within six months after the close of each fiscal year. Special shareholders' meetings are called at any time when necessary.</p> <p>When the Company holds a shareholders' meeting, such meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.</p>	<p>Article 9</p> <p>There are two kinds of shareholders' meetings: the regular shareholders' meeting and the special shareholders' meeting. Regular shareholders' meetings are convened once a year within six months after the close of each fiscal year. Special shareholders' meetings are called at any time when necessary.</p> <p>When the Company holds a shareholders' meeting, such meeting can be held by means of visual communication network or other methods promulgated by the central competent authority <del>in circumstances of force majeure</del>.</p>
<p>Article 11</p> <p><u>Every</u> shareholder shall be entitled to one vote for each share held, <u>unless otherwise regulated in the Company Act</u>.</p>	<p>Article 11</p> <p>A shareholder shall be entitled to one vote for each share held, <u>but this shall not apply to the shares under the circumstances specified in Article 179 of the Company Act</u>.</p>



Amended clause	Existing clause
<p>Article 14</p> <p>1. The directors shall be organized into the Board. The Board shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. <u>The board may also elect one vice chairman using the same method. The chairman shall chair shareholders' meetings and board of directors internally, and</u> represent the Company externally.</p>	<p>Article 14</p> <p>1. The directors shall be organized into the Board. The Board shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman shall represent the Company externally.</p>
<p>Article 15</p> <p>In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, <u>the vice chairman shall act on behalf; if the vice chairman is also on leave or unable to exercise power and authority for any reason,</u> the designation of a person acting on his behalf shall be conducted in accordance to Article 208 of the Company Act.</p>	<p>Article 15</p> <p>In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the designation of a person acting on his behalf shall be conducted in accordance to Article 208 of the Company Act.</p>
<p>Article 20</p> <p>The Company's net income before tax before deduction of remuneration to employees and directors <u>shall be distributed in accordance with the following:</u></p> <p>(1) No higher than 1% as remuneration to directors; and</p> <p>(2) No less than 0.1% as remuneration to employees, <u>of which, no less than 0.05% shall be distributed as remuneration to entry-level employees.</u></p>	<p>Article 20</p> <p>The Company's net income before tax before deduction of remuneration to employees and directors shall be distributed in accordance with the following:</p> <p>(1) No higher than 1% as remuneration to directors; and</p> <p>(2) No less than 0.1% as remuneration to employees.</p>

Amended clause	Existing clause
<p>However, when there are accumulated losses, the Company shall first set aside a portion of the profit to offset its accumulated losses, then distribute the profit in accordance with the preceding items. The aforementioned employees' remuneration may be distributed in the form of shares or cash <u>at board of directors' resolution</u>; however, the directors' remuneration may be distributed only in the form of cash. The employees' and directors' remuneration shall be reported at the shareholders' meetings.</p> <p>When the Company operates at a profit, it shall first offset any accumulated losses, set aside 10% of the earning as legal reserve, and then allocate or reverse special reserve pursuant to relevant laws and regulations issued by the competent authority. <u>However, no further provision is needed when legal reserve has accumulated to an amount equal to the Company's paid-in capital.</u></p> <p>Omitted hereafter.</p>	<p>However, when there are accumulated losses, the Company shall first set aside a portion of the profit to offset its accumulated losses, then distribute the profit in accordance with the preceding <del>two</del> items. The aforementioned employees' remuneration <u>may</u> be distributed in the form of shares or cash; however, the directors' remuneration may be distributed only in the form of cash. The employees' and directors' remuneration shall be reported at the shareholders' meetings.</p> <p>When the Company operates at a profit, it shall first offset any accumulated losses, set aside 10% of the earning as legal reserve, and then allocate or reverse special reserve pursuant to relevant laws and regulations issued by the competent authority.</p> <p>Omitted hereafter.</p>
<p>Article 21</p> <p><u>Any</u> matters inadequately provided for herein shall be subject to provisions set forth in the Company Act.</p>	<p>Article 21</p> <p>Any matters inadequately provided for herein shall be subject to provisions set forth in the Company Act.</p>
<p>Article 22</p> <p><u>The 43rd amendment of the Articles of Incorporation was made on May 26, 2025.</u></p>	<p>Article 22</p> <p>(Deleted)</p>

## [Appendix 5]

### **Kian Shen Corporation Directors Election Policy**

Formulated on March 20, 1999

Amended on March 9, 2006

Amended on June 25, 2015

Amended on July 29, 2021

Article 1 The Policy has been established in accordance with Articles 21 and 41 of "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" to ensure fairness, justice, and transparency of the director election process.

Article 2 Unless otherwise specified by law or the Articles of Incorporation, election of the Company's directors shall proceed according to the procedures stated herein.

Article 3 Election of directors shall take into consideration the overall composition of the board. Board members should be diversified in a manner that supports the organization's operations, business activities, and growth. The diversification should be based on, but is not limited to, the following two principles:

1. Background and value: Gender, age, nationality, culture etc.
2. Knowledge and skills: Career background (e.g. law, accounting, industry, finance, marketing, or technology), professional skill, and industry experience.

All board members shall possess the knowledge, skills, and characters needed to exercise their duties. The board as a whole shall possess the following capacity:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Business administration.
4. Crisis management ability.
5. Knowledge of the industry.
6. International market perspective.
7. Leadership.
8. Decision making.

More than half of the Company's board members shall consist of persons who are neither a spouse nor a second-degree relative or closer to any director.

Composition of the board of directors shall be determined after taking into consideration the overall performance evaluation.

- Article 4 Independent directors are subject to the eligibility criteria specified in Articles 2, 3, and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."
- Election of independent directors shall comply with Articles 5, 6, 7, 8, and 9 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and Article 24 of "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies."
- Article 5 Election of directors shall proceed according to the nomination system mentioned in Article 192-1 of The Company Act.
- If the Company has less than five active directors at any given time due to dismissal of director, a by-election shall be held in the upcoming shareholder meeting to fill the open position. However, if the shortfall amounts to one-third of the seats mentioned in the Articles of Incorporation, the Company shall convene a special shareholder meeting within the next 60 days to elect candidates for the shortfall.
- If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene a special shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall.
- Article 6 Directors of the Company shall be elected using the cumulative voting system. Each share shall be vested with voting rights equal to the number of directors to be elected. These voting rights may be concentrated on one candidate or spread across multiple candidates.
- Article 7 The board of directors shall produce ballots in quantities that match the number of directors to be elected, and print the number of voting rights before distributing them to shareholder meeting participants. Conference pass serial number can be printed on the ballot for identification purpose instead of voter's name.
- Article 8 Votes shall be counted separately for independent and non-independent directors, based on the number of director seats specified in the Articles of Incorporation. Candidates who receive the highest number of votes shall be allocated to available seats. If two or more candidates receive the same number of votes, they shall draw for the remaining seats available. The chair will draw on behalf of those

who are absent during the meeting.

Article 9 Before the election begins, the chair shall appoint ballot examiners and ballot counters to perform various duties relating to the election. The role of ballot examiner must be served by a shareholder. A ballot box shall be made available by the board of directors, and shall be opened for inspection by the ballot examiner prior to voting.

Article 10 Ballots are considered void in any of the following circumstances:

- (1) Use of ballot that is not prepared by authorized convener.
- (2) Casting of blank ballot into the ballot box.
- (3) Ballots with illegible writing or are altered.
- (4) The identity of the candidate specified in ballot does not match the candidates list.
- (5) Ballots that contain writings other than the number of votes to be allocated.

Article 11 Ballots are to be counted openly immediately after voting. The chair shall announce on-site the outcome of the vote, including the names of elected directors and the number of votes received.

All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the materials involved shall be kept until the legal proceedings of the foregoing lawsuit have been concluded.

Article 12 The board of directors will issue confirmations to director elects to certify their elected roles.

Article 13 This Policy shall take effect once approved during shareholder meeting; the same applies to all subsequent revisions.