

Stock Code : 3093

The logo consists of the letters 'TKK' in a bold, green, sans-serif font. The letters are slightly shadowed, giving them a 3D appearance as if they are floating above a white surface.

TAIWAN KONG KING CO., LTD.

Annual Shareholders' Meeting 2024
Meeting Agenda

June 18, 2024

Table of Contents

1. Meeting Procedure	2
2. Meeting Agenda	3
(1) Report Items	3
(2) Matters for Ratification	4
(3) Matters for Election.....	5
(4) Other Matters.....	6
(5) Extempore motion.....	6
(6) Adjournment.....	6

Attachment

《Attachment 1》 Business Report	7
《Attachment 2》 Audit Committee’s Review Report.....	11
《Attachment 3》 Consolidated Financial Statements and Independent Auditor’s Report.....	12
《Attachment 4》 Stand-alone Financial Statements and Independent Auditor’s Report.....	22
《Attachment 5》 Directors and Independent Directors Candidates List.....	32
《Attachment 6》 Lifting the Non-competiton Restrictions for Directors	34

Appendix

《Appendix 1》 TKK Rules and Procedure of Shareholders’ Meeting	35
《Appendix 2》 TKK Articles of Incorporation	39
《Appendix 3》 Procedures for Election of Directors	47
《Appendix 4》 Impact of The Proposed Bonus Shares on the Company’s Operating	49
《Appendix 5》 Shareholdings and The Minimum Shareholdings of All Directors.....	50

Taiwan Kong King Co., Ltd.

Procedure of the 2023 Shareholders' Meeting

1 、 Call Meeting to Order

2 、 Chairman's Address

3 、 Report Items

4 、 Matters for Ratification

5 、 Matters for Discussion

6 、 Matters for Election

7 、 Extempore motion

8 、 Adjournment

Taiwan Kong King Co., Ltd.

Procedure of the 2024 Shareholders' Meeting

Time : Tue., June 18, 2024 at 10 a.m

Place : Taiwan Kong King Co., Ltd.

(Rm. 1, 5F., No. 65, Sec. 2, Nankan Rd., Luzhu Dist., Taoyuan City 338)

Means of Meeting Convention: Physical communication

1.Meeting Procedure

(1) Call Meeting to Order

(2) Chairman's Address

(3) Report Items

<1>Business Report of 2023

<2> Audit Committee's review report on the 2023 financial statements

<3>Compensation Distribution for Employees and Directors of 2023

<4> Report on the distribution of cash dividends from 2023 earnings

(4) Matters for Ratification

<1>Business Report and Financial Statements of 2023

<2>Appropriation of 2023 earnings

(5) Matters for Election

<1>Election of the Directors (including Independent Directors) of the
Company

(6) Other Matters

<1>Release of the Company's Directors from Restrictions on Non-
Competition Clause is hereby submitted for discussion

(7) Extempore motion

(8) Adjournment

2. Meeting Agenda

(1) Report Items

<1>

Proposed by the Board of Directors

Proposal: Business Report of 2023

Explanation: Business Report of 2023, attached in Attachment 1 (page 7~10) of the Meeting Agenda.

<2>

Proposed by the Board of Directors

Proposal : Audit Committee's review report on the 2023 financial statements

Explanation:

[1] The Audit Committee completed the review of the Company's 2023 financial statements and prepared the Audit Committee Review Report.

[2] Audit Committee Review Report, attached in Attachment 2 (page 11) of the Meeting Agenda.

<3>

Proposed by the Board of Directors

Proposal: Compensation Distribution for Employees and Directors of 2022

Explanation:

[1] On March 12, 2024, the Board of Directors has resolved that the compensation for employees and directors of 2023 will be paid in cash. The compensation for employees and directors is NT\$3,671,555 and NT\$3,671,555, respectively.

[2] There is no difference between the above resolutions and the number of 2023 recognitions.

<4>

Proposed by the Board of Directors

Proposal : Report on the distribution of cash dividends from 2023 earnings

Explanation:

- [1] In accordance with Article 18 of the Company's Articles of Incorporation, the Board of Directors is authorized to distribute dividends and bonuses or all or part of the legal reserve and capital surplus as provided in Article 241, Paragraph 1 of the Company Act in cash by the presence of at least two-thirds of the directors and by a resolution of a majority of the directors present, and to report such distribution to the shareholders' meeting.
- [2] Allocated NT\$261,280,037 in cash dividends for shareholders, NT\$1.80 per share.
- [3] The cash dividend distribution less than NTD 1 was transferred to Taiwan Kong King Employees' Welfare Committee.

(2) Matters for Ratification

<1>

Proposed by the Board of Directors

Proposal: Business Report and Financial Statement of 2023

Explanation:

- [1] The Company's 2023 business report and financial statements have been approved by the board of directors and reviewed by the Audit Committee. The financial statements of 2023 were verified by Ernst & Young accountants Chang, Chih-Ming and Hsh, Jung-Huang, and an audit report was issued.
- [2] For the business report and financial statement, please refer to [Attachment 1] (page 7~10), [Attachment 3] (page 12~21) and [Attachment 4] (page 22~31).
- [3] For your adoption.

Resolution:

<2>

Proposed by the Board of Directors

Proposal: Appropriation of 2023 earnings.

Explanation:

1. Our 2023 earnings distribution was approved by the board of directors and audited by the Audit Committee. The available earnings for the year is allocated according to The Company Act and TTK Articles of Incorporation as follows:

2023 annual earnings allocation table

Unit: NTD

2023 net profit	
2023 after-tax net profit	292,581,919
Less: Legal reserve	(29,331,230)
Plus: Reverse special reserve	233,153
Plus: Other consolidated profit or loss (Actuarial profit or loss on the defined benefit) plan)	730,385
2023 distributable earnings	264,214,227
Plus: Beginning distributable earnings	99,985,438
Accumulated Distributable Earnings	364,199,665
Distributable items	
Less: Shareholder bonus - cash (NTD 1.80/ share)	(261,280,037)
Unappropriated retained earnings	102,919,628

2. For your adoption.

Resolution:

(3) Matters for Election

<1>

Proposed by the Board of Directors

Proposal: Election of the Directors (including Independent Directors) of the Company

Explanation:

1. The 15th board of directors of the Company will be ended on August 9, 2024 for a term of three years and re-election should be held in accordance with the law. Ten directors (including three independent directors) shall be elected. The new directors shall take office immediately after the shareholders' meeting and serve for a term of three years from June 18, 2024 to June 17, 2027.

2. In accordance with the Company's 2024 General Meeting of Shareholders, the terms of office of the 15th board of directors of the Company will be automatically terminated upon the completion of the election of the new Directors.
3. The Company shall establish an audit committee in accordance with the law. The audit committee shall consist of all independent directors and the audit committee shall be responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations.
4. For a list of candidates for director and independent director and related information, please refer to [Attachment 5] (page 32~33) of this Handbook.
5. Please conduct the election.

Resolution:

(4) Other Matters

<1>

Proposed by the Board of Directors

Proposal: Release of the Company's Directors from Restrictions on Non-Competition Clause is hereby submitted for discussion

Explanation:

1. In accordance with Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
2. For the reason of meeting current status, approval of the shareholders' meeting is sought for release of the Company's newly elected Directors from restrictions on non-competition clause and of corporate directors when they replace their representatives without prejudice to the Company's interests.
3. Related information of all nominated directors is attached hereto as [Attachment 6] (page 34).

Resolution:

(5) Extempore motion

(6) Adjournment

《Attachment 1》 Business Report

Dear shareholders, distinguished guests:

Major industry in Taiwan anticipated the prosperity this year as follows: Global coronavirus epidemic (COVID-19) and general environmental uncertainties has made a considerable impact on global macroeconomy. In addition to the continued expansion of investment in the semiconductor industry and PCB high-end carrier boards, the sales market for end products in the electronics industry has been significantly reduced and the proportion of investment has slowed down; However, the Company is expected to maintain a stable growth trend this year. To become the staunchest backing of our customers, the Company as a professional agent of high-end products for the electronics industry has maintained existing advanced equipment, materials and general agent of key components and parts and actively crossed to new production field in the electronics industry to grow jointly with customers and suppliers.

The performance in 2023 remained stable and profitable. In the future, we will continue to adhere to the solid operation, and endeavor to maintain profitability by controlling operating costs and improving business performance. The results of the 2023 business are as follows:

The consolidated operating income of the Company as of December 31, 2023 was NTD 1,802,085 thousand, a decrease of 29.75% compared with NTD 2,565,379 thousand in 2022. The net profit attributable to owners of the parent company was NTD 292,582 thousand, which was 38.84% decrease from NTD 478,384 thousand in 2022. The earnings per share was NTD 2.02, an decrease of 38.79% from NTD 3.30 in 2022.

1. 2023 Consolidated Business Results:

A. Operational implementation results

Units: NT\$ in thousands, %

Item	2022	2023	Diff	Diff%
Operating income	2,565,379	1,802,085	(763,294)	(29.75)
Operating gross profit	986,042	689,529	(296,513)	(30.07)
Operating net income	592,799	353,868	(238,931)	(40.31)
Net rofit before tax	595,998	366,941	(229,057)	(38.43)
Net profit	478,384	292,582	(185,802)	(38.84)
Net profit attributable to owners of the parent company	478,384	292,582	(185,802)	(38.84)
Basic earnings per share (NT\$)	3.30	2.02	(1.28)	(38.79)

B. Consolidated Financial income and expenditures

Units: NT\$ in thousands

Item	2022	2023
Cash flow from operating activities	529,852	205,253
Cash flow from investment activities	(22,758)	(8,352)
Cash flow from financing activities	(231,529)	(437,933)
Gains (losses) on cash and cash equivalents	284,821	(243,701)
Cash and cash equivalents at the beginning of the period	920,645	1,205,466
Cash and cash equivalents at the end of the period	1,205,466	961,765

C. Profitability

Item	2022	2023	
Return on assets (%)	24.79	15.56	
Return on equity (%)	40.86	23.81	
Ratio to paid-in capital (%)	Operating profit margin	163.36	97.51
	Income before Tax	164.24	101.12
Net Profit Margin (%)	18.65	16.24	
EPS (NT\$)	3.30	2.02	

2. 2024 Business Plan

- A. Enhance customer satisfaction and provide instant service.
- B. Develop new product distributorship that respond to customer needs.
- C. Update information architecture and process optimization continuously to improve management performance with computer systems.
- D. Strengthen employee education and training to serve customers with professional employees.
- E. Steady operation and increase shareholders' equity.

3. The Future Development Strategy of The Company

- A. Seeking local and international strategic alliance partners, and distribute products in high-tech fields.
- B. Establish a talent network in the high-tech field and find talented employees to serve customers.
- C. Strict and reasonable implementation of credit control and continuous strengthening of risk control.

4. The influence of external competitive environment, regulatory environment and overall business environment:

Under the global concern about corporate social responsibility and environmental protection issues, Taiwan Kong King will fulfill its corporate social responsibility with a sense of mission to society. In order to protect the earth, we will continue to introduce the most advanced green energy equipment, materials and key technologies from the electronics industry to the Taiwan market to provide products with low energy consumption and high production value.

Finally, I would like to thank all the shareholders of Taiwan Kong King. With the long-term support of the shareholders and the efforts of the company's employees, I believe Taiwan Kong King can continue to grow in stability. I wish you good health and good luck!

Taiwan Kong King Co., Ltd.

Chairman: Ho, Shu-Chan

General Manager: Liao, Hung-Ying

Accounting Supervisor: Zhou, Cui-Xia

《Attachment 2》 Audit Committee's Review Report

Taiwan Kong King Co., Ltd.

Audit Committee's Review Report

The Board of Directors prepared the Company's 2023 Business Report, financial statements, and proposal for earnings distribution, among which the financial statements have been audited by Accountants, Zhang, Zhi-Ming and Xu, Rong-Huang, from Ernst & Young Global Limited, by whom a Review Report with no qualifications have been issued accordingly. The said Business Report, Financial Statements, and the Proposal for Earnings Distribution have been audited by the Audit Committee and determined to be in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

To

2024 Annual Shareholders' Meeting of Taiwan Kong King Co. ,Ltd.

Convenor of the Audit Committee: Wei Hsing-Hai

March 12,2024

《Attachment 3》 Consolidated Financial Statements and Independent Auditor's Report



安永聯合會計師事務所

11012 台北市基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road
Taipei City, Taiwan, R.O.C.

Tel: 886 2 2757 8888

Fax: 886 2 2757 6050

www.ey.com/taiwan

Independent Auditors' Report Translated from Chinese

To TAIWAN KONG KING CO., LTD.

Opinion

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

In our opinion, based on our audit, 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 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting 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 Audit and Attestation of Financial Statement by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for impairment losses of accounts receivables

Accounts receivables and allowance for impairment losses by the Company and its subsidiaries amounted to NT\$243,650 thousand and NT\$449 thousand as of 31 December 2023, respectively. The net amount of accounts receivables was approximately 15% of total assets and which is significant to the Company. Considering the assessment of allowance for impairment losses is measured by lifetime expected credit loss; the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate aging intervals, the aging loss rate for each interval and the use of forward-looking information, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding and evaluating whether the internal control is appropriate; when performing internal control, randomly selecting sales orders and vouching them to aging schedule to ensure the accuracy of aging intervals of accounts receivables; confirming whether the customer properly grouped by significantly different loss types and evaluating the reasonableness of management's estimates of assumptions; testing provision matrix, including evaluating the appropriateness of aging intervals and the accuracy of raw data by vouching them to supporting evidences, testing statistical information for the credit loss rate computed by roll rate over a one-year period, considering the reasonableness of forward-looking information used on the credit loss rate, and evaluating whether such forward-looking information would affect credit loss rate. In addition, performing the analytical review procedure to identify whether any material unusual fluctuations between the two-period of accounts receivables turnover exist. Also, reviewing the collections of accounts receivables during the subsequent period for customers with material period-end balances.

We also assessed the adequacy of disclosures of accounts receivables. Please refer to Note 5, 6 and 12 to the Company's consolidated financial statements.

Valuation of inventories

Net inventories by the Company and its subsidiaries amounted to NT\$83,352 thousand, was

approximately 5% of total assets as of 31 December 2023. Considering the possibility of impairment of the inventory driven by economic conditions, the industry competition, and the unexpected decrease of total sales, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding the internal control of management's inventory valuation process. When performing internal control, sampling purchase orders and vouching them to supporting evidences to ensure the inventory aging and the calculation of write-downs from slow-moving inventories are accurate and reasonable; performing the analytical review procedure to assess whether any material unusual fluctuation of ending balances, inventory turnover and gross margin per product between the year ended 31 December 2023 and the prior year exists; sampling sales orders and purchase orders to verify the calculation of allowance for inventory valuation losses to evaluate whether the valuation of inventories is appropriate.

We also assessed the adequacy of disclosures of inventories. Please refer to Note 4, 5 and 6 to the Company's consolidated financial statement.

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 the 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 2023 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.

Other

We have audited and expressed unqualified opinion on the parent company only financial statements of the Company as of and for the years ended 31 December 2023 and 2022, respectively.

CHANG, CHIH-MING

HSU, JUNG-HUANG

Ernst & Young, Taiwan

12 March 2024

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.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LTD. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEETS
 31 December 2023 and 2022
 (Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of 31 December	
		2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4,6&12	\$961,765	\$1,205,466
Notes receivable, net	4,6&12	3,724	4,384
Accounts receivable, net	4,6&12	243,201	312,882
Other receivables	12	4,974	5,775
Current tax assets	7&12	648	-
Inventories, net	4&6	83,352	162,812
Prepayments		37,212	57,169
Other current assets		3,972	2,482
Total Current Assets		1,338,848	1,750,970
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss, noncurrent	4,6&12	4,906	5,053
Financial assets at fair value through other comprehensive income, noncurrent	4,6&12	19,787	15,830
Property, plant and equipment	4&6	267,192	275,379
Right-of-use asset	4&6	3,860	6,213
Intangible assets	4&6	1,913	2,843
Deferred tax assets	4&6	24,784	28,492
Other noncurrent assets	4&12	6,392	8,987
Total Non-Current Assets		328,834	342,797
TOTAL ASSETS		\$1,667,682	\$2,093,767

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of 31 December	
		2023	2022
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Contract liabilities, current	6	\$83,222	\$200,660
Notes payable	12	20	2,632
Accounts payable	12	117,908	194,355
Accounts payable-related parties	7&12	101,328	48,428
Other payables	12	170,516	224,975
Other payables-related parties	7	-	473
Current tax liabilities	4	13,852	91,670
Lease liabilities, current	4&6	2,382	2,304
Other current liabilities		419	1,653
Total Current Liabilities		<u>489,647</u>	<u>767,150</u>
NON-CURRENT LIABILITIES			
Non-current provisions	4&6	17,954	22,315
Deferred tax liabilities	4&6	595	474
Lease liabilities, noncurrent	4&6	1,464	3,884
Total Non-Current Liabilities		<u>20,013</u>	<u>26,673</u>
TOTAL LIABILITIES		<u>509,660</u>	<u>793,823</u>
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY			
Capital			
Common stock	6	362,888	362,888
Total Capital stock		<u>362,888</u>	<u>362,888</u>
Capital surplus	6	44,670	44,670
Retained earnings			
Legal reserve		356,933	308,741
Special reserve		47,632	52,405
Unappropriated earnings		393,298	578,872
Total Retained earnings		<u>797,863</u>	<u>940,018</u>
Other components of equity		<u>(47,399)</u>	<u>(47,632)</u>
TOTAL EQUITY		<u>1,158,022</u>	<u>1,299,944</u>
TOTAL LIABILITIES AND EQUITY		<u>\$1,667,682</u>	<u>\$2,093,767</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

ITEM	NOTES	For the years ended 31 December	
		2023	2022
OPERATING REVENUES	4,6&7	\$1,802,085	\$2,565,379
COST OF GOODS SOLD	4&7	(1,112,556)	(1,579,337)
GROSS PROFIT		<u>689,529</u>	<u>986,042</u>
OPERATING EXPENSES	4&7		
Sales and marketing expense		(177,213)	(214,628)
General and administrative expense		(155,196)	(175,188)
Research and development expenses		(3,252)	(3,427)
Total Operating Expense		<u>(335,661)</u>	<u>(393,243)</u>
OPERATING INCOME		<u>353,868</u>	<u>592,799</u>
NON-OPERATING INCOME AND EXPENSES			
Interest income	6	16,986	8,308
Other income	6	1,818	3,417
Other gains and losses	6	(5,564)	(8,224)
Financial cost	6	(167)	(302)
Subtotal		<u>13,073</u>	<u>3,199</u>
INCOME BEFORE INCOME TAX		366,941	595,998
INCOME TAX EXPENSE	4&6	(74,359)	(117,614)
PROFIT FROM CONTINUING OPERATIONS		<u>292,582</u>	<u>478,384</u>
NET INCOME		<u>292,582</u>	<u>478,384</u>
OTHER COMPREHENSIVE (LOSS) INCOME	6		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		913	7,182
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		3,966	(8,198)
Income tax related to items that will not be reclassified subsequently		(976)	203
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(2,940)	9,129
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		<u>963</u>	<u>8,316</u>
TOTAL COMPREHENSIVE INCOME		<u>\$293,545</u>	<u>\$486,700</u>
NET INCOME ATTRIBUTABLE TO:			
Stockholders of the parent		\$292,582	\$478,384
Non-controlling interests		-	-
		<u>\$292,582</u>	<u>\$478,384</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Stockholders of the parent		\$293,545	\$486,700
Non-controlling interests		-	-
		<u>\$293,545</u>	<u>\$486,700</u>
Earnings per share (NTD)			
Basic earnings per share	6		
Basic earnings per share from continuing operations		<u>\$2.02</u>	<u>\$3.30</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LTD. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 For the years ended 31 December 2023 and 2022
 (Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to the Parent Company							Total	Total Equity
	Retained earnings					Other components of equity			
	Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income		
Balance as of 1 January 2022	\$362,888	\$44,670	\$282,175	\$43,967	\$360,569	\$(31,937)	\$(20,468)	\$1,041,864	\$1,041,864
Appropriation and distribution of 2021 retained earnings:									
Legal reserve	-	-	26,566	-	(26,566)	-	-	-	-
Special reserve	-	-	-	8,438	(8,438)	-	-	-	-
Cash dividends	-	-	-	-	(228,620)	-	-	(228,620)	(228,620)
Net income for the year ended 31 December 2022	-	-	-	-	478,384	-	-	478,384	478,384
Other comprehensive income (loss) for the year ended 31 December 2022, net of income tax	-	-	-	-	5,746	9,129	(6,559)	8,316	8,316
Total comprehensive income	-	-	-	-	484,130	9,129	(6,559)	486,700	486,700
Difference between consideration given/received and carrying amount interest in subsidiaries acquired/disposed of	-	-	-	-	(2,203)	-	2,203	-	-
Balance as of 31 December 2022	\$362,888	\$44,670	\$308,741	\$52,405	\$578,872	\$(22,808)	\$(24,824)	\$1,299,944	\$1,299,944
Balance as of 1 January 2023	\$362,888	\$44,670	\$308,741	\$52,405	\$578,872	\$(22,808)	\$(24,824)	\$1,299,944	\$1,299,944
Appropriation and distribution of 2022 retained earnings:									
Legal reserve	-	-	48,192	-	(48,192)	-	-	-	-
Special reserve	-	-	-	-	(435,467)	-	-	(435,467)	(435,467)
Cash dividends	-	-	-	(4,773)	4,773	-	-	-	-
Net income for the year ended 31 December 2023	-	-	-	-	292,582	-	-	292,582	292,582
Other comprehensive income (loss) for the year ended 31 December 2023, net of income tax	-	-	-	-	730	(2,940)	3,173	963	963
Total comprehensive income	-	-	-	-	293,312	(2,940)	3,173	293,545	293,545
Balance as of 31 December 2023	\$362,888	\$44,670	\$356,933	\$47,632	\$393,298	\$(25,748)	\$(21,651)	\$1,158,022	\$1,158,022

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

TAIWAN KONG KING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

ITEM	For the years ended		ITEM	For the years ended	
	2023	2022		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			CASH FLOWS FROM INVESTING ACTIVITIES:		
Net income before tax	\$366,941	\$595,998	Disposal of financial assets at fair value through other comprehensive income	-	2,329
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Disposal of financial assets at fair value through profit or loss	988	-
Depreciation expense	21,299	21,366	Acquisition of property, plant and equipment	(11,049)	(26,050)
Amortization expense	2,439	2,465	Disposal of property, plant and equipment	623	3,381
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(842)	4,791	Acquisition of intangible assets	(1,509)	(1,476)
Interest expense	167	302	Decrease (increase) in refundable deposits	2,706	(297)
Interest income	(16,986)	(8,308)	Increase in other non-current assets	(111)	(645)
Dividend income	(604)	(1,583)	Net cash used in investing activities	(8,352)	(22,758)
Gain on disposal of property, plant and equipment	(470)	(3,304)			
Total adjustments to reconcile profit (loss)	5,003	15,729	CASH FLOWS FROM FINANCING ACTIVITIES:		
Changes in operating assets and liabilities:			Repayment of lease principal	(2,466)	(2,909)
Notes receivable	660	28,467	Cash dividends	(435,467)	(228,620)
Accounts receivable	69,681	(8,877)	Net cash used in financing activities	(437,933)	(231,529)
Other receivables	2,315	(2,401)	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
Inventories	79,460	(56,223)	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		
Prepayments	19,957	(4,103)	CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		
Other current assets	(1,490)	(163)	CASH AND CASH EQUIVALENTS, END OF PERIOD		
Contract liabilities	(117,438)	(4,856)			
Notes payable	(2,612)	(22,093)			
Accounts payable	(76,447)	7,094			
Accounts payable-related parties	52,900	(25,707)			
Other payables	(54,459)	73,432			
Other payables-related parties	(473)	123			
Provisions	(3,631)	(7,707)			
Other current liabilities	(1,234)	22			
Total changes in operating assets and liabilities	(32,811)	(22,992)			
Cash generated from operations	339,133	588,735			
Interest received	15,472	6,079			
Dividends received	604	1,583			
Interest expense paid	(167)	(302)			
Income taxes paid	(149,789)	(66,243)			
Net cash generated by operating activities	205,253	529,852			

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

《Attachment 4》 Stand-alone Financial Statements and Independent Auditor's Report



安永聯合會計師事務所

11012 台北市基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road
Taipei City, Taiwan, R.O.C.

Tel: 886 2 2757 8888

Fax: 886 2 2757 6050

www.ey.com/taiwan

Independent Auditors' Report Translated from Chinese

To Taiwan Kong King Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Taiwan Kong King Co., Ltd. (the “Company”) as of 31 December 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of 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 31 December 2023 and 2022, and its financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers 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 Audit and Attestation of Financial Statement by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the parent company only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the

other auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 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.

Allowance for impairment losses of accounts receivables

Accounts receivables and allowance for impairment losses by the Company amounted to NT\$205,113 thousand and NT\$449 thousand as of 31 December 2023, respectively. The net amount of accounts receivables was approximately 13% of total assets and which is significant to the Company. Considering the assessment of allowance for impairment losses is measured by lifetime expected credit loss; the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate aging intervals, the aging loss rate for each interval and the use of forward-looking information, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding and evaluating whether the internal control is appropriate; when performing internal control, randomly selecting sales orders and vouching them to aging schedule to ensure the accuracy of aging intervals of accounts receivables; confirming whether the customer properly grouped by significantly different loss types and evaluating the reasonableness of management's estimates of assumptions; testing provision matrix, including evaluating the appropriateness of aging intervals and the accuracy of raw data by vouching them to supporting evidences, testing statistical information for the credit loss rate computed by roll rate over a one-year period, considering the reasonableness of forward-looking information used on the credit loss rate, and evaluating whether such forward-looking information would affect credit loss rate. In addition, performing the analytical review procedure to identify whether any material unusual fluctuations between the two-period of accounts receivables turnover exist. Also, reviewing the collections of accounts receivables during the subsequent period for customers with material period-end balances.

We also assessed the adequacy of disclosures of accounts receivables. Please refer to Note 5, 6 and 12 to the parent company only financial statements.

Valuation of inventories

Net inventories by the Company amounted to NT\$25,712 thousand, was approximately 2% of total assets as of 31 December 2023. Considering the possibility of impairment of the inventory driven by economic conditions, the industry competition, and the unexpected decrease of total sales, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding the internal control of management's inventory valuation process. When performing internal control, sampling purchase orders and vouching them to supporting evidences to ensure the inventory aging and the calculation of write-downs from slow-moving inventories are accurate and reasonable; performing the analytical review procedure to assess whether any material unusual fluctuation of ending balances, inventory turnover and gross margin per product between the year ended 31 December 2023 and the prior year exists; sampling sales orders and purchase orders to verify the calculation of allowance for inventory valuation losses to evaluate whether the valuation of inventories is appropriate.

We also assessed the adequacy of disclosures of inventories. Please refer to Note 4, 5 and 6 to the parent company only financial statement.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 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 the 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 Standard 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 Standard on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

7. 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.
8. 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.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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.
11. 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.
12. 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 2023 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.

CHANG, CHIH-MING

HSU, JUNG-HUANG

Ernst & Young, Taiwan

12 March 2024

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 Standard 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.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

TAIWAN KONG KING CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of 31 December	
		2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4,6&12	\$559,422	\$768,214
Notes receivable, net	4,6&12	54	1,760
Accounts receivable, net	4,6&12	204,601	277,254
Accounts receivable-related parties, net	4,6,7&12	63	40
Other receivables	12	3,718	2,145
Other receivables-related parties, net	7&12	1,065	1,598
Inventories, net	4&6	25,712	75,444
Prepayments	7	21,422	34,945
Other current assets		3,972	2,482
Total Current Assets		<u>820,029</u>	<u>1,163,882</u>
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss, non current	4,6&12	4,906	5,053
Financial assets at fair value through other comprehensive income, non current	4,6&12	18,524	15,191
Investments accounted for using equity method	4&6	432,255	446,675
Property, plant and equipment	4&6	174,408	180,321
Investment property, net	4&6	59,963	60,411
Intangible assets	4&6	1,725	2,129
Deferred tax assets	4&6	23,415	26,943
Other noncurrent assets	4&12	5,469	8,174
Total Non-Current Assets		<u>720,665</u>	<u>744,897</u>
TOTAL ASSETS		<u>\$1,540,694</u>	<u>\$1,908,779</u>

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LTD.
 PARENT COMPANY ONLY BALANCE SHEETS
 31 December 2023 and 2022
 (Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of 31 December	
		2023	2022
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Contract liabilities, current	6	\$56,186	\$138,931
Notes payable	12	20	1,448
Accounts payable	12	61,896	126,217
Accounts payable-related parties	7&12	105,859	66,697
Other payables	12	127,247	171,708
Other payables-related parties	6,7&12	104	597
Current tax liabilities	4	13,088	79,113
Other current liabilities		93	1,335
Total Current Liabilities		<u>364,493</u>	<u>586,046</u>
NON-CURRENT LIABILITIES			
Non-current provisions	4&6	17,584	22,315
Deferred tax liabilities	4&6	595	474
Total Non-Current Liabilities		<u>18,179</u>	<u>22,789</u>
TOTAL LIABILITIES		<u>382,672</u>	<u>608,835</u>
EQUITY			
Capital			
Common stock	6	362,888	362,888
Capital surplus	6	44,670	44,670
Retained earnings			
Legal reserve		356,933	308,741
Special reserve		47,632	52,405
Unappropriated earnings		393,298	578,872
Total Retained earnings		<u>797,863</u>	<u>940,018</u>
Other components of equity		(47,399)	(47,632)
TOTAL EQUITY		<u>1,158,022</u>	<u>1,299,944</u>
TOTAL LIABILITIES AND EQUITY		<u>\$1,540,694</u>	<u>\$1,908,779</u>

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LTD.
 PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
 For the years ended 31 December 2023 and 2022
 (Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

ITEM	NOTES	For the years ended 31 December	
		2023	2022
OPERATING REVENUES	4,6&7	\$1,231,777	\$1,926,240
COST OF GOODS SOLD	4,6&7	(673,131)	(1,145,057)
GROSS PROFIT		<u>558,646</u>	<u>781,183</u>
OPERATING EXPENSES	4,6&7		
Sales and marketing expense		(177,213)	(214,813)
General and administrative expense		(65,357)	(83,069)
Total Operating Expense		<u>(242,570)</u>	<u>(297,882)</u>
OPERATING INCOME		<u>316,076</u>	<u>483,301</u>
NON-OPERATING INCOME AND EXPENSES			
Interest income	6&7	11,888	4,398
Other income	6&7	5,043	5,015
Other gains and losses	6	(5,502)	(3,324)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net		<u>32,308</u>	<u>86,042</u>
Subtotal		<u>43,737</u>	<u>92,131</u>
INCOME BEFORE INCOME TAX		359,813	575,432
INCOME TAX EXPENSE	4&6	(67,231)	(97,048)
PROFIT FROM CONTINUING OPERATIONS		<u>292,582</u>	<u>478,384</u>
NET INCOME		<u>292,582</u>	<u>478,384</u>
OTHER COMPREHENSIVE INCOME (LOSS)	6		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		975	6,535
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		3,332	(10,393)
Share of other comprehensive income of associates and joint ventures accounted for using equity method		578	2,712
Income tax related to items that will not be reclassified subsequently		(982)	333
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(2,940)	9,129
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		<u>963</u>	<u>8,316</u>
TOTAL COMPREHENSIVE INCOME		<u>\$293,545</u>	<u>\$486,700</u>
Earnings per share (NTD)			
Basic earnings per share	6		
Basic earnings per share from continuing operations		<u>\$2.02</u>	<u>\$3.30</u>

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LTD.
 PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
 For the years ended 31 December 2023 and 2022
 (Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other components of equity		Total equity
	Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	
Balance as of 31 December 2022	\$362,888	\$44,670	\$282,175	\$43,967	\$360,569	\$(31,937)	\$(20,468)	\$1,041,864
Appropriation and distribution of 2021 retained earnings:								
Legal reserve	-	-	26,566	-	(26,566)	-	-	-
Special reserve	-	-	-	8,438	(8,438)	-	-	-
Cash dividends	-	-	-	-	(228,620)	-	-	(228,620)
Net income for the year ended 31 December 2022	-	-	-	-	478,384	-	-	478,384
Other comprehensive income (loss) for the year ended 31 December 2022, net of income tax	-	-	-	-	5,746	9,129	(6,559)	8,316
Total comprehensive income	-	-	-	-	484,130	9,129	(6,559)	486,700
Difference between consideration given/received and carrying amount interest in subsidiaries acquired/disposed of	-	-	-	-	(2,203)	-	2,203	-
Balance as of 31 December 2022	\$362,888	\$44,670	\$308,741	\$52,405	\$578,872	\$(22,808)	\$(24,824)	\$1,299,944
Balance as of January 1, 2023	\$362,888	\$44,670	\$308,741	\$52,405	\$578,872	\$(22,808)	\$(24,824)	\$1,299,944
Appropriation and distribution of 2022 retained earnings:								
Legal reserve	-	-	48,192	-	(48,192)	-	-	-
Cash dividends	-	-	-	-	(435,467)	-	-	(435,467)
Special reserve	-	-	-	(4,773)	4,773	-	-	-
Other changes in capital surplus:								
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	-
Net income for the year ended 31 December 2023	-	-	-	-	292,582	-	-	292,582
Other comprehensive income (loss) for the year ended 31 December 2023, net of income tax	-	-	-	-	730	(2,940)	3,173	963
Total comprehensive income	-	-	-	-	293,312	(2,940)	3,173	293,545
From difference between the consideration received and the carrying amount of the subsidiaries' net assets during actual acquisition	-	-	-	-	-	-	-	-
Disposal of investments in equity instruments at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-
Balance as of 31 December 2023	\$362,888	\$44,670	\$356,933	\$47,632	\$393,298	\$(25,748)	\$(21,651)	\$1,158,022

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

ITEM	For the years ended		ITEM	For the years ended	
	2023	2022		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			CASH FLOWS FROM INVESTING ACTIVITIES:		
Net income before tax	\$359,813	\$575,432	Disposal of financial assets at fair value through profit or loss	988	-
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Acquisition of property, plant and equipment	(6,908)	(20,086)
Depreciation expense	13,269	13,096	Disposal of property, plant and equipment	565	3,342
Amortization expense	1,714	1,654	Decrease (increase) in refundable deposits	2,706	(277)
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(842)	4,791	Acquisition of intangible assets	(1,310)	(1,133)
Interest income	(11,888)	(4,398)	Net cash used in investing activities	(3,959)	(18,154)
Dividends income	(15)	(16)			
Share of profit of associates and joint ventures accounted for using equity method	(32,308)	(86,042)	CASH FLOWS FROM FINANCING ACTIVITIES:		
Gain on disposal of property, plant and equipment	(565)	(3,342)	Cash dividends paid	(435,467)	(228,620)
Total adjustments to reconcile profit (loss)	(30,635)	(74,257)	Net cash used in financing activities	(435,467)	(228,620)
Changes in operating assets and liabilities:					
Notes receivable	1,706	(1,406)	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(208,792)	189,442
Accounts receivable	72,653	(32,817)	CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	768,214	578,772
Accounts receivable-related parties	(23)	1,076	CASH AND CASH EQUIVALENTS, END OF PERIOD	\$559,422	\$768,214
Other receivables	(91)	69			
Other receivable-related parties	533	(1,087)			
Inventories	49,732	(46,901)			
Prepayments	13,523	(15,612)			
Other current assets	(1,490)	(177)			
Contract liabilities	(82,745)	5,716			
Notes payable	(1,428)	1,428			
Accounts payable	(64,321)	34,228			
Accounts payable-related parties	39,162	(30,456)			
Other payables	(44,461)	67,673			
Other payables-related parties	(493)	125			
Provisions	(3,756)	(6,787)			
Other current liabilities	(1,242)	(71)			
Total changes in operating assets and liabilities	(22,741)	(24,999)			
Cash generated from operations	306,437	476,176			
Interest received	10,406	2,330			
Dividends received	44,381	7,812			
Income taxes paid	(130,590)	(50,102)			
Net cash generated by operating activities	230,634	436,216			

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

《Attachment 5》 Directors and Independent Directors candidates List

Title/Name	Shareholding (shares)	Education & Professional Qualifications	Major Past Positions	Rationale for Nomination
Director VINCI WONG (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	the University of British Columbia with a Bachelor of Commerce (marketing major) degree	<ul style="list-style-type: none"> ● Director of Wong's Kong King International (Holdings) Limited ● Director and general manager of 3 Kings Medical Limited ● Independent non-executive Director, chairman of the Remuneration committee and member of each of the Audit Committee and Nomination Committee of Kato (Hong Kong) Holdings Limited 	Not Applicable
Director SENTA WONG (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	Chu Hai College of Higher Education	Director and chairman of Wong's Kong King International (Holdings) Limited	Not Applicable
Director TSUI YING-CHUN (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	Bachelor of Arts degree from the University of Hong Kong	Group Director and CEO of Wong's Kong King International (Holdings) Limited	Not Applicable
Director HSU HUNG-CHIEH (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	Bachelor degree in Electrical Engineering from Tatung University	<ul style="list-style-type: none"> ● Chairman of Taiwan Kong King Co., Ltd. ● Director of Wong's Kong King International (Holdings) Limited 	Not Applicable
Director CHEN MEI-FEN (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	Department of Business Management from Chung Yuan Christian University	<ul style="list-style-type: none"> ● Senior deputy general Manager of Taiwan Kong King Co., Ltd. 	Not Applicable
Director CHANG JUI-SHUM (Wong's Kong King International (Holdings) Limited Representative)	97,895,344	<ul style="list-style-type: none"> ● MBA from City University of Hong Kong ● Bachelor degree in Commerce (Accounting & Finance) from the Monash University of Melbourne 	<ul style="list-style-type: none"> ● Director and President of WKK Distribution Limited ● Director of Wong's Kong King International (Holdings) Limited ● Director of The Kong King Technology Co., Ltd, (Suzhou) 	Not Applicable
Director LIAO HUNG-YING	1,426,000	The 31st NCCU entrepreneurship academy	General Manager of Taiwan Kong King Co., Ltd.	Not Applicable
Independent Director WEI HSING-HAI	0	<ul style="list-style-type: none"> ● Bachelor of Business, Accounting, Department of Business, National Taiwan University ● Master of EMBA, National Jiaotong University 	Accountant of Auditing Department, KPMG Current position : <ul style="list-style-type: none"> ● Accountant of Chuan Jhih CPA Firm ● ADLINK Technology Inc. Independent Director ● Unizyx Holding Corporation Remuneration Committee Members 	Not Applicable

<p>Independent Director CHEN CHAO-HUANG</p>	<p>0</p>	<p>Master of EMBA, National Jiaotong University</p>	<ul style="list-style-type: none"> ● R&D and Manufacturing Manager, UMAX Computer Corporation ● Deputy General Manager/Director, AVISION INC. <p>Current position :</p> <ul style="list-style-type: none"> ● Independent Director, Feedback Technology Corp. ● Responsible person, Jiaying International Investment Co., Ltd. ● Founder/Director, Seongnam Organic Farm ● Director, Andatek Technology Ltd. 	<p>Not Applicable</p>
<p>Independent Director SHEN, SYUE-REN</p>	<p>0</p>	<p>PhD Candidate in Business Administration, National Taipei University MBA in Business Administration, Fu Jen Catholic University EMBA in Finance, National Taiwan University</p>	<ul style="list-style-type: none"> ● SFACO Director ● CDIB CAPITAL GROUP(Shanghai Equity Investment) Director ● Industrial Technology Investment Corporation. (ITRI Venture Investment) Vice President <p>Current position :</p> <ul style="list-style-type: none"> ● National Innovation and Entrepreneurship Association consultant ● Taiwan Line Tek Electronic Co., Ltd. Independent Director ● Taiwan Chinsan Electronic Industrial Co., Ltd. Independent Director ● Lida Holdings Independent Director ● Thermaltake Technology Co, Ltd. Director 	<p>Not Applicable</p>

《 Attachment 6 》 Lifting the Non-competiton Restrictions for Directors

Title/Name	Major Past Positions
Director VINCI WONG (Wong's Kong King International (Holdings) Limited Representative)	<ul style="list-style-type: none"> ● Director of Wong's Kong King International (Holdings) Limited ● Director and general manager of 3 Kings Medical Limited ● Independent non-executive Director, chairman of the Remuneration committee and member of each of the Audit Committee and Nomination Committee of Kato (Hong Kong) Holdings Limited
Director SENTA WONG (Wong's Kong King International (Holdings) Limited Representative)	Chairman of Wong's Kong King International (Holdings) Limited
Director TSUI YING-CHUN (Wong's Kong King International (Holdings) Limited Representative)	Group Director and CEO of Wong's Kong King International (Holdings) Limited
Director CHEN MEI-FEN (Wong's Kong King International (Holdings) Limited Representative)	<ul style="list-style-type: none"> ● Supervisor of TKK Precision Co., Ltd. ● Supervisor of THT Technology Co., Ltd. ● Supervisor of The Kong King Technology Co., Ltd, (Suzhou)
Director CHANG JUI-SHUM (Wong's Kong King International (Holdings) Limited Representative)	<ul style="list-style-type: none"> ● Director and President of WKK Distribution Limited ● Director of Wong's Kong King International (Holdings) Limited ● Director of The Kong King Technology Co., Ltd, (Suzhou)
Director LIAO HUNG-YING	<ul style="list-style-type: none"> ● Chairman of TKK Precision Co., Ltd. ● Chairman of THT Technology Co., Ltd. ● Chairman of The Kong King Technology Co., Ltd, (Suzhou)
Independent Director WEI HSING-HAI	<ul style="list-style-type: none"> ● ADLINK Technology Inc. Independent Director
Independent Director CHEN CHAO-HUANG	<ul style="list-style-type: none"> ● Independent Director, Feedback Technology Corp. ● Responsible person, Jiaying International Investment Co., Ltd. ● Founder/Director, Seongnam Organic Farm ● Director, Andatek Technology Ltd.
Independent Director SHEN, SYUE-REN	<ul style="list-style-type: none"> ● Taiwan Line Tek Electronic Co., Ltd. Independent Director ● Taiwan Chinsan Electronic Industrial Co., Ltd. Independent Director ● Lida Holdings Independent Director ● Thermaltake Technology Co, Ltd. Director

《Appendix 1》 TKK Rules and Procedure of Shareholders' Meeting

- Article 1 The shareholders' meeting shall be handled in accordance with these rules, unless otherwise provided by the law.
- Article 2 The Company shall prepare an attendance book for shareholders to sign in, or the shareholder present may hand in an attendance card in lieu of signing on the attendance book.
- The number of shares in attendance is calculated according to the signature book or the signed card and the shareholding of the voting rights in writing or electronically.
- Article 3 Voting and attendance at a shareholders' meeting shall be calculated based the number of shares.
- Article 4 The venue for the shareholders' meeting shall be within the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 5 If a shareholders meeting is called by the board of directors, the board chairman shall preside at the said shareholders meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, the vice chairman shall act in lieu of him. there is no vice chairman, or the vice chairman is also on leave of absence, or cannot exercise his powers and authority, the chairman shall designate a managing director to act in lieu of him; if there is no managing director, the chairman shall designate a director to act in lieu of him. the chairman does not designate a director, the managing directors or directors shall elect one from among themselves to act in lieu of the chairman. If a shareholders meeting is called by any other person than the board of directors, who has the right to call the meeting, said person shall preside at that meeting.
- Article 6 The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders meeting. Those handling the business of a shareholders meeting shall wear an identification card or a badge.
- Article 7 The Company shall record with an audio or video tape the whole proceedings of the shareholders meeting, and said video tape or audio tape shall be kept for at

least one year.

Article 8 When it is time to convene a shareholders meeting, the chairman shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act by shareholders representing one-third of the total amount of issued shares. Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chairman may present the tentative resolution so adopted to the meeting for resolution in accordance with the provisions of Article 174 of the Company Act.

Article 9 If a shareholders meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall be proceeded with in accordance with the said proceedings. The proceedings shall not be changed without a resolution made by the shareholders meeting. If a shareholders meeting shall be called by any other person than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting. The chairman shall not adjourn a meeting without resolution adopted by shareholders if the motions (including extraordinary motions) covered in the proceedings so arranged in the above two Paragraphs shall not have been resolved. After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place. However, if the chairman violated the rules of procedure and adjourn the meeting, it is possible to be adopted by a majority vote of the shareholders' voting rights to elect one person to serve as the chairman to continue the meeting.

Article 10 A shareholder wishing to speak in a shareholders meeting shall first fill out a slip, specifying therein the major points of his speech, his serial number as a shareholder (or number of attendance) and his name, and the chairman shall determine his order of giving a speech. A shareholder who submits his slip for a

speech but does not actually speak shall be considered as not having given a speech. If the contents of his speech shall be different from those specified on the slip, the contents of his speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting.

Article 11 A shareholder shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 5 minutes. If a shareholder violates the above provisions or his speech exceeds the scope of the motion, the chairman may prevent him from doing so.

Article 12 A corporate shareholder being entrusted to attend in a shareholders meeting may designate only one representative to represent it in the meeting. If a corporate shareholder which designates two or more representatives to represent it at the shareholders meeting, only one of the representatives so designated may speak on any one motion.

Article 13 After a shareholder has given a speech, the chairman may personally or designate relevant person to respond.

Article 14 When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution.

Article 15 The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder. The results of resolution shall be announced in the meeting, and recorded in the meeting minutes.

Article 16 During the proceedings of a meeting, the chairman may consider the schedule and announce for a break.

Article 17 Unless otherwise specifically provided for in the Company Act or the Articles of Incorporation of the Company, resolutions shall be adopted by a majority vote at a meeting attended by the shareholders. When voting on the resolution, the chairman or his designee shall announce the voting rights of the shareholders and the shareholders shall vote.

Article 18 If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution. any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

Article 19 The chairman may direct disciplinary personnel (or security personnel) to maintain the order of the meeting. For doing so they shall wear a badge bearing the words of "disciplinary personnel".

Article 20 These rules shall be implemented after the approval of the shareholders' meeting, and the same shall apply to the amendments.

《Appendix 2》 TKK Articles of Incorporation

Chapter 1 General Provisions

Article 1 The company was organized in accordance with the provisions of the Company Act and was named Taiwan Kong King Co., Ltd.

Article 2 The company's businesses are as follows:

- (1) C802120 Industrial Catalyst Manufacturing
- (2) C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
- (3) CB01010 Machinery and Equipment Manufacturing
- (4) CB01020 Office Machines Manufacturing
- (5) CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
- (6) CC020170 Wired Communication Equipment and Apparatus Manufacturing
- (7) CC020180 Telecommunication Equipment and Apparatus Manufacturing
- (8) CC020190 Electronic Parts and Components Manufacturing
- (9) CC01110 Computers and Computing Peripheral Equipments Manufacturing
- (10) CC01990 Electrical Machinery, Supplies Manufacturing
- (11) CD01050 Bicycles and Parts Manufacturing
- (12) CE01010 Precision Instruments Manufacturing
- (13) CF01011 Medical Materials and Equipment Manufacturing
- (14) EZ05010 Apparatus Installation Construction
- (15) EZ13010 Nucleus Construction
- (16) F2018200 Wholesale of Chemistry Raw Material
- (17) F2018990 Wholesale of Other Chemical Products
- (18) F2019031 Wholesale of Drugs, Medical Goods
- (19) F113010 Wholesale of Machinery
- (20) F113030 Wholesale of Precision Instruments
- (21) F113050 Wholesale of Computing and Business Machinery Equipment
- (22) F113990 Wholesale of Other Machinery and Equipment
- (23) F119010 Wholesale of Electronic Materials
- (24) F207200 Retail sale of Chemistry Raw Material
- (25) F207990 Retail Sale of Other Chemical Products
- (26) F208031 Retail sale of Medical Equipments
- (27) F213030 Retail sale of Computing and Business Machinery Equipment
- (28) F213040 Retail Sale of Precision Instruments

- (29) F213080 Retail Sale of Machinery and Equipment
- (30) F213990 Retail Sale of Other Machinery and Equipment
- (31) F219010 Retail Sale of Electronic Materials
- (32) H703110 Senior Citizen's Development
- (33) I301010 Software Design Services
- (34) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company has its head office in Taoyuan County, Taiwan, and the Company may establish branches in and out of this country.

Article 4

- (1) When the company is a limited liability shareholder of other companies, it is not subject to Article 13 of the Company Act and may not exceed the limit of 40% of the company's paid-in capital.
- (2) The company may guarantee the external by the needs of the business.
- (3) The board of directors may invest in the mainland China according to the upper limit set by the competent authority.

Chapter 2 Shares

Article 5 The total amount of the Company's capital is NTD450 million, which is further divided into 180 million Shares, with the value per share NTD2.5, and the Board is authorized to issue shares in installments.

Article 6 The Company shall issue nominal shares under the signature or seal of a director on behalf of the company and with a visa from a bank legally entitled to act as the issuer of the shares. When the Company issues shares, those shares shall not be printed. The shares not printed shall be kept and recorded by the centralized securities depository enterprise.

Article 7 The entries in the shareholders' roster shall not be altered 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 7-1 The company buys back treasury shares, which can be transferred to employees based on the average price of the actual shares bought back. Subject to the

relevant laws and the attendance of more than half of the shareholders of the total number of issued shares of the shareholders' meeting, more than two-thirds of the voting rights of the shareholders shall agree to do so.

Chapter 3 Shareholders' Meeting

- Article 8 There are two types of shareholders' meeting, namely, regular meeting and special meeting. The regular meeting shall be convened within six months after the close of each fiscal year. Whereas, special meetings are held in accordance with the law, when necessary. The shareholders' meeting shall be convened by the Board of Directors in addition to the provisions of the Company Act.
- Article 8-1 The Company's shareholders' meeting may be held by video conferencing or the method announced by the competent authorities.
- Article 9 If a shareholder cannot attend a shareholders' meeting for any reason, he or she may issue a proxy form in accordance with the company, stating the scope of authorization, to authorize an agent by signature and stamp to attend the meeting on his or her behalf.
- Article 10 A shareholder shall be entitled to one vote for each share held, except when the shares are deemed non-voting shares under Article 179 and 197-1 of the Company Act.
- Article 11 Except as otherwise provided in the Company Act, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

Chapter 4 Board of Directors and Audit Committee

- Article 12 The Company established seven to eleven directors. The terms of office for the directors shall be three years, and they may be eligible for re-election. The total shares of the Company held by all directors shall not less than the percentage in accordance with the laws and regulations of competent agencies. In accordance with Article 14-2 of Securities and Exchange Act, there shall be at least three seats for independent directors among the seats for directors in the preceding paragraph. The Company adopted a candidates nomination system for election of the directors of the company and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. Relevant matters,

such as the method of accepting the roster of director candidates nominated in the preceding paragraph and announcements, shall be handled in accordance with the relevant provisions in Company Act, Securities and Exchange Act. The Board of Directors may establish functional committee. The qualifications, authority exertions and relevant matters to its members shall be handled in accordance with relevant laws and regulations and established by the Board of Directors. The Company will establish committee to replace supervisors in accordance with Article 14-4 of Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and its authority exertions and relevant matters shall be handled in accordance with relevant laws and regulations and established by the Board of Directors. The company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship after the Board passed the resolution. The Company granted the Board of Directors to determine the remuneration of all directors by referencing the standards given by companies in the same industry.

Article 13 The board of directors shall be organized by the directors. The board of directors is organized by the directors. More than two-thirds of the directors present and more than half of the attended directors agree to elect the chairman, and the vice-chairman can be elected as the business needs. The chairman of the board of directors shall internally preside the shareholders' meeting, the meeting of the board of directors, and the meeting of the managing directors; and shall externally represent the company. 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 of the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 13-1 The convening of the board of directors shall be notified to the directors by written, email or fax by 7 days. The company may call the board of directors at any time in case of emergency and may also do so by written, email or fax.

Article 14 The directors are able to entrust other directors to attend the board of directors on their behalf by executing a power of attorney stating proxy therein the scope of power authorized, and may exercise voting rights on all matters arising from the meeting. However, any director may only act as the agent of one director.

Article 15 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, his agent is handled in accordance with the provisions of Article 208 of the Company Act.

Chapter 5 Managerial personnel

Article 16 The company may have one or more managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with Articles 29 of the Company Act.

Chapter 6 Accounting

Article 17 At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to audit committee for their auditing not later than the 30th day prior to the meeting date of a general meeting of shareholders, then send to the shareholders' meeting for ratification:

(1)the business report. (2)the financial statements. (3)the surplus earning distribution or loss off-setting proposals.

Article 18

(1) If the company is profitable, it should be deducted from the employee's remuneration and the remuneration of the directors and supervisors in advance of the pre-tax profit, and the employee's remuneration shall be 1% to 8% and the director and supervisor's remuneration shall be less than 1%. However, when the company still has accumulated losses, the amount of compensation should be retained in advance.

(2) For the surplus in the annual final accounts, if any, its allocation shall be prioritized by the following order:

1. Payment of taxes.
2. Making up for loss.
3. The Company shall set aside 10% of the net income for the current period plus the amount of items other than net income for the current period included in the current year's undistributed earnings as legal reserve. Where such legal reserve accumulates to the Company's total paid-in capital, this provision shall not apply.
4. Special reserve should be appropriated or reversed in accordance with laws or regulations, and the same amount of special reserve shall be provided from the current period's net income after tax plus the amount of items other than the current period's net income included in the current period's undistributed earnings, or from the prior period's undistributed earnings if there is still a shortfall.

If a net decrease in other equity was accumulated in prior periods, the same amount of special reserve from prior period's undistributed earnings shall not be distributed. If there is still a shortfall, the amount of undistributed earnings for the period is provided for in the net income for the period plus any items other than net income for the period.

The preceding accumulated distributable earnings is used to measure the necessity of the earnings to support the capital demand. According to the basic principles of the company's dividend policy, the amount of earnings reserve or distribution and the distribution are determined. According to the plan, the earnings distribution is proposed and submitted to the shareholders' meeting for resolution.

- (3) The company's dividend policy is based on the consideration of the best capital budget and the dilution of earnings per share. The amount of dividend from shareholders should be 50%~100% of the distributable earnings for the year. And in the dividends for the year, cash dividends are issued at a rate of not less than 30%. The cash dividend distribution rate depends on the profit and capital status of the year. After the board of directors proposes a distribution plan, it will be adjusted after the resolution of the shareholders' meeting.

- (4) In accordance with Article 240(5) of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses or legal reserve and the capital reserve in accordance with Article 241 (1) in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and report the shareholders meeting.

Chapter 7 Supplemental Provisions

Article 19 The shareholders of the company's directors who supervise the execution of the business are paid wages or traveling expenses according to the level of the industry, and are paid regardless of profits and losses.

Article 20

- (1) Matters not covered in this article shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.
- (2) The company's organization procedures and rules of procedure are separately set.

Article 21 The Article was enacted on May 20, 1977:
The first amendment was on December 24, 1977.
The second amendment was on November 1, 1978.
The third amendment was made on May 27, 1982.
The fourth amendment was on August 28, 1983.
The fifth amendment was on August 15, 1985.
The sixth amendment was on December 16, 1985.
The seventh amendment was made on May 26, 1987.
The eighth amendment was made on August 10, 1988.
The ninth amendment was on July 20, 1990.
The tenth amendment was on December 18, 1990.
The eleventh amendment was made on March 20, 1991.
The twelfth amendment was made on July 1, 1991.
The thirteenth amendment was made on April 27, 1995.
The fourteenth amendment was made on September 1, 1995.
The fifteenth amendment was made on October 31, 1995.
The sixteenth amendment was made on October 1, 1998.
The seventeenth amendment was made on July 5, 2000.
The eighteenth amendment was on October 5, 2000.
The nineteenth amendment was made on November 17, 2000.
The twentieth amendment was made on February 5, 2001.
The twenty-first amendment was on June 25, 2002.
The twenty-second amendment was made on May 30, 2003.
The twenty-third amendment was made on May 24, 2004.
The twenty-fourth amendment was made on May 16, 2005.
The twenty-fifth amendment was made on May 16, 2005.
The twenty-sixth amendment was made on May 25, 2006.
The twenty-seventh amendment was made on June 13, 2007.

The twenty-eighth amendment was made on June 25, 2008.
The twenty-ninth amendment was made on June 16, 2009.
The 30th amendment was made on June 18, 2010.
The thirty-first amendment was made on June 22, 2011.
The thirty-second amendment was made on June 20, 2012.
The thirty-third amendment was made on June 11, 2015.
The thirty-fourth amendment was made on June 17, 2016.
The thirty- fifth amendment was made on June 21, 2017.
The thirty- sixth amendment was made on June 20, 2018.
The thirty- seven amendment was made on June 15, 2020.
The thirty- eight amendment was made on August 10, 2021.
The thirty- nine amendment was made on June 14, 2022.
The forty amendment was made on September 28, 2022.

《Appendix 3》 Procedures for Election of Directors

- Article 1 The elections of directors of the Company shall be conducted in accordance with these Procedures.
- Article 2 The election of directors of the Company shall be held at the shareholders' meeting.
- Article 3 The Company shall adopt a cumulative voting system for the election of directors, and shall follow the procedures of the candidate nomination system. When electing the directors, each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Independent directors and non-independent directors of the Company shall be elected together in accordance with the relevant provisions of the Act, and shall be elected as independent directors and non-independent directors on the basis of separate vote counts.
- Article 4 Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.
- Article 5 The Directors of the Company shall be elected by the Shareholders' Meeting from a list of candidates. In accordance with the quotas set forth in the Company's Articles of Incorporation, those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes as independent directors, non-independent directors. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 6 The ballot shall be prepared and issued by the Board of Directors or the conveyor and the number of voting rights allotted on top.
- Article 7 If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-

person shareholder, the name of the governmental organization or juristic-person shareholder and the name of its representative shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 8 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared in accordance with the Procedures herein.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable.
4. The number of candidates exceeded the required number of seats.
5. Other words or marks are entered in addition to the candidate's account name.
6. If two or more persons are elected on the same ballot.

Article 9 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation.

Article 10 Matters not provided in the Procedures herein shall be governed by the Company Act, the Company's Articles of Incorporation and relevant laws and regulations.

Article 11 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

《Appendix 4》 Impact of the Proposed Bonus Shares on the Company's Operating

Unit: Except for cash dividends per share and earnings per share are NTD1, the others are NTD 1,000.

Item / Year		2023
Initial paid-in capital		362,888.94
Share allotment of the year	Cash dividends per share	1.80
	Capital increase by earning allotment per share (shares)	0
	Capital increase by capital reserve allotment per share (shares)	0
Changes in operating performance	Operating profit	(Remark 1)
	Operating profit increase compared to the same period last year (%)	
	Net profit after tax	
	Net profit after tax increase compared to the same period last year (%)	
	Earnings per share	
	Earnings per share increase compared to the same period last year (%)	
	Annual average return on investment (reciprocal of annual average P/E ratio) (%)	
Pro forma earnings per share and P/E ratio	If the capital increase by earnings is fully transferred to the cash dividend	Pro forma earnings per share
		Pro forma annual average return
	If the capital increase by capital reserve is not processed	Pro forma earnings per share
		Pro forma annual average return
	If the capital increase by capital reserve is not processed and capital increase by earnings is transferred to the cash dividend	Pro forma earnings per share
		Pro forma annual average return

Remark 1 : The financial forecast for 2023 was not prepared.

Explanation of the shareholders' proposal on the shareholders' meeting:

According to Article 172-1 and Article 192-1 of the Company Act, the period in which the Company accepts the written proposal of the shareholders is from April 9, 2024 to April 19, 2024 at 5 pm. The acceptance office is the Management Department of Taiwan Kong King Co., Ltd. (1st Floor, No. 6, Section 2, Nantun Road, Luzhu Township, Taoyuan County), and has been publicly announced in the market observatory post system.

《Appendix 5》 Shareholdings and The Minimum Shareholdings of All Directors

1. Types of issued shares and total number of shares: 145,155,576 common shares
The minimum required combined shareholding of all directors by law: 14,400,000 shares.
2. As the company has three independent directors, according to the law, the minimum shareholding of directors should be reduced to 80%.
3. Shareholding roster:

Date: April 20, 2024

Title	Name	The shares held in the shareholder list on book closure date	
		Current shareholding	Shareholding ratio (%)
Chairman (Remark 1)	Ho, Shu-Chan	97,895,344	67.44
Director (Remark 1)	Wong, Senta	97,895,344	67.44
Director (Remark 1)	Tsui, Ying-Chun	97,895,344	67.44
Director (Remark 1)	Hsu, Hung-Chieh	97,895,344	67.44
Director (Remark 1)	Chang, Jui-Shum	97,895,344	67.44
Director	Liao, Hung-Ying	1,426,000	0.98
Director	Chen, Mei-Fen	1,003,140	0.69
Independent Director	Huang, Wen-Yuean	4,200	0
Independent Director	Chen, Chao-Huang	0	0
Independent Director	Wei, Hsing-Hai	0	0
Number of shares held by all directors		100,324,484	69.12

(Remark 1) The corporate representative of “Wong’s Kong King International (Holdings) Ltd. , incorporated in Bermuda” .