

Macauto Industrial Co., Ltd.

2023 Annual General Shareholders' Meeting

Meeting Agenda

(The English translation is prepared in accordance with the Chinese version and is for reference purposes only. If there is any inconsistency between the Chinese version and this translation, the Chinese version shall prevail.)

June 16, 2023

The shareholders' meeting will be convened physically (without video assistance)

Macauto Industrial Co., Ltd.

2023 Annual General Shareholders' Meeting Agenda

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Macauto Industrial Co., Ltd.

2023 Meeting Agenda

Date: 9:00 a.m., Friday, June 16th, 2023

Location: No. 6, Yongke 5th Road, Yongkang District, Tainan City, Taiwan. (in the company's employee cafeteria)

- I. Report on the number of attendees and shares, announcement of meeting commencement
- II. Chairman's address
- III. Report on the following matters:
 1. Report on 2022 Business Report
 2. Report on Audit Committee's Review Report of the 2022 Financial Statements
 3. Report on 2022 Employees' and Directors' Compensations
 4. Report on the Distribution of 2022 Cash Dividends
- IV. Proposed Resolutions:
 1. Approval of the 2022 Business Report and Financial Statements
 2. Approval of the Distribution of 2022 Earnings
- V. Discussion of the following matter:

Discussion of amendments to the Company's "Rules of Procedures for Shareholders' Meeting"
- VI. Extraordinary Motions
- VII. Adjournment

Report Items

Item 1: Report on the 2022 Business Report

Explanation: Please refer to Attachment I, pages 5-7 for 2022 Business Report.

Item 2: Report on Audit Committee's Review Report of the 2022 Financial Statements

Explanation: Please refer to Attachment II, page 8 of this manual for the audit committee's review report.

Item 3: Report on 2022 Employees' and Directors' Compensations

Explanation: According to the Articles of Incorporation, the company allocated employee compensation of NT\$ 21,759,187 and director compensation of NT\$ 8,703,675 in cash for the 2022 fiscal year and authorized the Chairman to handle related matters.

Item 4: Report on the Distribution of 2022 Cash Dividends

Explanation: After allocating legal reserve of NT\$ 40,822,774 and special reserve of NT\$ 104,569,196 in accordance with the Articles of Incorporation, the company's after-tax net profit for the 2022 fiscal year was NT\$ 411,971,753. Pursuant to Article 27 of the company's articles of Incorporation, the Board of Directors passed a special resolution to distribute cash dividends of NT\$ 3.3 per share to shareholders on the record date, totaling NT\$ 247,170,000. The cash dividends were distributed up to the nearest integer (fractions less than one were discarded). The total amount of odd-lot dividends was included in the company's other income, and the Chairman was authorized to handle related matters.

Proposed Resolutions

Proposal 1: Proposed by the Board of Directors: Approval of the 2022 Business Report and Financial Statements.

Explanation: 1. The individual and consolidated financial statements of the company for year 2022 have been audited by PricewaterhouseCoopers Taiwan, CPAs, Mr. Lin Yung-Chih and Ms. Yeh, Fang-Ting. Please refer to Attachment III on pages 9-41 of this manual. Along with the business report (please refer to Attachment I on pages 5-7 of this manual), they have been reviewed and approved by the Audit Committee.

2. Here by for approval.

Resolution:

Proposal 2: Proposed by the Board of Directors: Approval of the distribution of 2022 earnings.

Explanation: 1. The net profit after-tax of the company for year 2022 is NT\$411,971,753. In accordance with the company's Articles of Incorporation, a profit distribution plan has been prepared and proposed by the board of directors as follows:

- (1) In accordance with Article 27 of the company's articles of Incorporation, if the company distributes dividends and bonuses in cash, it must be reported to the shareholders' meeting after being approved by the board of directors. The company's shareholder dividend is NT\$247,170,000, which is proposed to be fully distributed in cash (i.e., a cash dividend of NT\$3.3 per share).
 - (2) No stock dividends will be distributed in this period.
 - (3) The remaining undistributed profit is NT\$1,726,840,839, which will be carried forward to the next period.
2. The above-mentioned shareholder dividends will be distributed in cash, and in accordance with the relevant regulations of the Company Law, each shareholder will receive NT\$3,300 per thousand shares based on the shareholding proportion recorded in the shareholder registry on the dividend record date. When the cash dividend is distributed, the total amount of dividends for individual shareholders will be rounded down to the nearest whole dollar, and the difference will be recorded as "other income" in the company's books.

3. The calculation of the shareholder dividend rate for this profit distribution plan is based on the total number of outstanding shares of the company as of the date of the board of directors' resolution. If the total number of outstanding shares of the company changes or any conditions change due to changes in laws and regulations or approvals by regulatory authorities after the resolution, which affects the dividend payout ratio, the chairman of the board will be authorized by the shareholders' meeting to adjust the dividend payout ratio.
4. Regarding the ex-dividend date, payment date, and other related matters of the shareholder dividends, they will be determined by the chairman of the board after the resolution of the shareholders' meeting.
5. Please refer to Attachment IV on page 42 of this manual for the distribution of 2022 earnings.
6. Here by to for approval.

Resolution:

Discussion Items

Proposal 1: Proposed by the Board of Directors: Discussion of amendment to the company's "Rules of Procedure for Shareholders' Meetings"

- Explanation:
1. The Company intends to revise certain provisions of the "Rules of Procedure for Shareholder Meetings" in response to legal amendments.
 2. Please refer to Attachment V on page 43-44 of this manual for the comparison table of pre- and post-amendment "Rules of Procedure for Shareholders' Meetings".
 3. Here by to for discussion.

Resolution:

Extraordinary Motions

Adjournment

Attachment I

Macauto Industrial Co., Ltd.
Business Report

Due to increasing demand in North American and Northeast Asian markets, the Company's consolidated operating revenue for the fiscal year 2022 was NT\$ 4.85 billion, a 1.61% increase from NT\$ 4.773 billion in the previous year. The consolidated operating margin was NT\$ 1.243 billion, a decrease of 8.6% compared to NT\$ 1.36 billion in the previous year, due to the impact of China's lockdown in the first half of the year and product sales portfolio. The consolidated operating income was NT\$ 413 million, a decrease of 18.54% compared to NT\$ 507 million in the previous year, due to the decrease in operating margin. In addition, the Company benefited from the strengthening of the US dollar and Chinese yuan, which resulted in exchange gains, and the consolidated net profit for FY2022 was NT\$ 412 million, a 3.26% increase from NT\$ 399 million in the previous year.

The financial income and expenses, as well as the profitability for the year 2022, are as follows:

Unit: NT\$ Thousand

Consolidated financial report					
Year		2022	%	2021	%
Financial Income and Expenses	Operating revenue	4,850,034	100.00	4,773,043	100.00
	Operating costs	(3,606,645)	(74.36)	(3,413,223)	(71.51)
	Operating margin	1,243,389	25.64	1,359,820	28.49
	Operating expenses	(830,837)	(17.13)	(852,571)	(17.86)
	Operating income	412,552	8.51	507,249	10.63
	Net profit for the period	411,972	8.49	399,434	8.37
Profitability	ROE (Return on Equity)	12.71%		12.87%	
	EPS (Earnings Per Share) after tax	5.50		5.33	

Macauto Industrial Co., Ltd. has a competitive advantage in the international market in terms of the technology, quality, and cost of products such as sunshades for rollo assy, sunshades for door, rear shade - power, luggage compartment cover, wind deflectors, barrier nets, door map pockets, front trunk nets, car vanity mirror, and sunshades. The Company continues to invest resources and manpower in innovative technologies with international competitiveness, such as power adjustment rear door shade, luggage compartment cover - power, track-type (wire-pulling) rear door shade-power with triangle shade, rear door shade with magnet hook, armrest, console, and new fabric, such as recycle fabric and lightweight fabric, and actively expands automotive interior parts. In addition, the Company will continue to grasp industry trends and pay attention to important customer strategy development to enhance product uniqueness and meet customer needs.

Looking ahead, Macauto Industrial Co., Ltd. will continue to invest in research and development resources, develop new products and technologies, actively lay out the European market, integrate the group's operational resources, strengthen global procurement functions and vertical integration of the supply chain, and make use of global operational advantages of production bases in Taiwan, Kunshan in mainland China, and Mexico, as well as marketing bases in Germany, the United States, South Korea, and other countries to provide better services that are closer to customers, strengthen customer relationships, and strive for new customer and product orders, enabling the performance and profitability of the Macauto Group to continue to grow. Macauto's management team will uphold the business philosophy of integrity, diligence, and innovation, and continue to deepen the international automotive parts supply chain market while maintaining competitive advantages in technology, product development, and high quality, and maintain a pragmatic and steady operation in the global automotive parts market.

We would like to express our gratitude to all Macauto colleagues for their hard work, and thank all shareholders for their support and recognition of Macauto.

Macauto's management team will do their utmost to ensure stable growth and sustainable operation of the company.

Chairman: Lin Chou, Yu-Shan

Manager: Lin Chou, Yu-Shan

Accounting Supervisor: Hsu, Chu-Ju

Attachment II

Macauto Industrial Co., Ltd.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 annual business report, financial statements, and earnings distribution proposal. Among the above, the financial statements have been audited and completed by PricewaterhouseCoopers and an audit report has been issued. The above-mentioned business report, financial statements and profit distribution proposal has been audited by the Audit Committee and found to have no inconsistencies. This report is issued in accordance with relevant provisions of the Securities and Exchange Act and the Company Act.

Macauto Industrial Co., Ltd.

Chairman of Audit Committee: Chiu Fang-Tsai

March 22, 2023

Attachment III

Independent Auditors' Report Translated From Chinese

To the Board of Directors and Stockholders of Macauto Industrial Co., Ltd.:

Opinion

We have audited the accompanying parent company only balance sheets of Macauto Industrial Co., Ltd. (the “Company”) as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company’s 2022 parent company only financial statements. These matters have been addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of the Company's 2022 parent company only financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(7) for accounting policy on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(3) for disclosures of inventory and allowance for inventory market price decline. As of December 31, 2022, the inventories and allowance for inventory valuation losses amounted NT\$527,834 thousand and NT\$31,706 thousand, respectively.

The Company's main business is the manufacture and sale of various automobile sunshades and other related products. These inventories will be affected by factors such as market demand and styles of different vehicle types. Therefore, there is a certain risk of inventory impairment. The Company measures its inventories at the lower of cost and net realizable value. The net realizable value of the Company's inventories aged over a certain period is calculated based on the historical extent of inventory clearance and degree of price markdown.

The allowance for valuation loss mainly arises from individually identified obsolete inventories, and the procedures of such identification involves subjective judgment, which might result in high degree of estimation uncertainty. Considering that the Company's inventory and the allowance for inventory valuation losses are material to the financial statements, we considered the allowance for inventory valuation loss as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of policies and procedures in relation to the provision of allowance for inventory valuation losses based on the accounting principles and our understanding of the nature of the business and the industry.
2. Obtained an understanding of the warehouse management processes, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to evaluate the effectiveness of procedures used by the management to identify and control obsolete

inventories.

3. We selected samples from inventory items by each sequence number to verify its net realizable value and to evaluate the reasonableness of allowance for inventory valuation loss.
4. Sampled the calculation of net realisable value of individual inventories and compared with the recorded amounts.

Existence of sales revenue from auto sun shades for export

Description

Refer to Note 4(26) for accounting policy on revenue recognition and Note 6(21) for accounting items on revenue.

The Company's main source of revenue is the manufacturing and sales of related products such as auto sun shades, and is primarily focused on exports. Since the customers are numerous and located in different countries, and the number of transactions is voluminous, it takes longer time to verify the existence of sales revenue. Thus, we considered the existence of sales revenue from auto sun shades for export as one of the key audit matters for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Evaluate the internal control system designed and implemented by the management for customer credit checks, review the documents related to transaction partners and credit assessments, and ensure that they have been properly approved.
2. Verify the basic information of significant sales partners and analyze the sales amounts and trends of two periods to assess the reasonableness of their sales amounts and nature.
3. Performed a series verification sample test for the sales revenue transactions of the year, including vouching customers' orders, shipping orders, export declaration documents, customer receipt records and sales invoices or subsequent receipts, to confirm whether the sales revenue transactions really occurred.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only

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

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

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

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 Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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.

Lin Yung-Chih

Independent Accountants

Yeh, Fang-Ting

PricewaterhouseCoopers, Taiwan

Republic of China

March 22, 2023

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
As of December 31, 2022 and December 31, 2021

Assets		Notes	December 31 2022		Unit: NT\$ Thousand December 31 2021	
			Amount	%	Amount	%
Current Assets						
1110	Cash and cash equivalents	6(1)	\$ 778,576	15	\$ 778,478	16
1170	Net accounts receivable	6(2) and 12	467,333	9	356,476	8
1180	Net accounts receivable from related parties	6(2) and 7	324,648	7	238,858	5
1200	Other receivables		12,837	-	12,325	-
1210	Other receivables from related parties	7	52,327	1	-	-
130X	Inventory	5(2) and 6(3)	496,128	10	585,325	12
1410	Prepayments		32,461	1	46,342	1
11XX	Total current assets		<u>2,164,310</u>	<u>43</u>	<u>2,017,804</u>	<u>42</u>
Non-current assets						
1550	Investments accounted for under equity method	6(4) and 7	1,904,615	37	1,737,674	36
1600	Property, plant, and equipment	6(5) and 8	801,324	16	853,391	18
1755	Right-of-use assets	6(6)	1,591	-	2,139	-
1760	Net investment in investment property	6(5)(7)	81,482	2	81,482	2
1780	Intangible assets	6(8)	13,158	-	17,033	-
1840	Deferred income tax assets	6(23)	97,171	2	84,046	2
1915	Prepayments for equipment	6(5)(7)	-	-	4,023	-
1920	Guarantee deposits paid	6(1) and 8	3,156	-	4,657	-
1990	Other non-current assets		866	-		
15XX	Total non-current assets		<u>2,903,363</u>	<u>57</u>	<u>2,784,445</u>	<u>58</u>
1XXX	Total assets		<u>\$ 5,067,673</u>	<u>100</u>	<u>\$ 4,802,249</u>	<u>100</u>

(Continued)

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
As of December 31, 2022 and December 31, 2021

Liabilities and Equity		Notes	December 31 2022		Unit: NT\$ Thousand December 31 2021	
			Amount	%	Amount	%
Current Liabilities						
2100	Short-term borrowings	6(9)	\$ 200,000	4	\$ 219,376	5
2130	Current contract liabilities	6(16)	48,853	1	25,726	1
2150	Notes payable		2,552	-	1,522	-
2170	Accounts payable		541,223	11	480,852	10
2180	Accounts payable to related parties	7	26,939	1	14,156	-
2200	Other payables	7	274,290	6	313,545	7
2230	Current income tax liabilities	6(23)	109,599	2	110,781	2
2250	Provisions for liabilities -current	6(10)	121,459	2	106,830	2
2280	Lease liabilities-current	6(6)	721	-	1,746	-
2320	Long-term liabilities, current portion	6(11) and 8	68,966	1	68,966	1
2365	Refund liabilities - current		112,205	2	94,188	2
21XX	Total current liabilities		<u>1,506,807</u>	<u>30</u>	<u>1,437,688</u>	<u>30</u>
Non-current liabilities						
2540	Long-term borrowings	6(11) and 8	68,965	1	137,931	3
2570	Deferred income tax liabilities	6(23)	2,490	-	1,050	-
2580	Lease liabilities- non-current	6(6)	826	-	425	-
2640	Net defined benefit liabilities - non-current	6(12)	114,250	2	116,446	2
25XX	Total non-current liabilities		<u>186,531</u>	<u>3</u>	<u>255,852</u>	<u>5</u>
2XXX	Total liabilities		<u>1,693,338</u>	<u>33</u>	<u>1,693,540</u>	<u>35</u>
Equity						
Share capital						
3111	Common stock	6(13)	749,000	15	749,000	16
3200	Capital surplus	6(14)	3,082	-	3,082	-
Unappropriated Retained earnings 6(15)						
3310	Legal reserve		607,420	12	566,874	12
3320	Special reserve		184,213	4	139,134	3
3350	Unappropriated retained earnings		1,910,264	38	1,834,832	38

(Continued)

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
As of December 31, 2022 and December 31, 2021

		Unit: NT\$ Thousand							
3400	Other equity	(\$	<u>79,644</u>)	(	<u>2</u>)	(\$	<u>184,213</u>)	(	<u>4</u>)
3XXX	Total equity		<u>3,374,335</u>		<u>67</u>		<u>3,108,709</u>		<u>65</u>
	Significant liabilities and contingent 9 commitments								
3X2X	Total liabilities and equity	<u>\$</u>	<u>5,067,673</u>	<u>100</u>	<u>\$</u>	<u>4,802,249</u>	<u>100</u>		

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

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
Year ended December 31, 2022 and December 31, 2021

Unit: NT\$ thousand
(except for earnings per share in NTD)

	Items	Notes	2022		2021	
			Amount	%	Amount	%
4000	Operating revenue	6(16) and 7	\$ 3,093,637	100	\$ 3,404,633	100
5000	Operating costs	6(3)(8)(12)(21)(22) and 7	(2,192,208)	(71)	(2,392,209)	(70)
5900	Operating margin		901,429	29	1,012,424	30
5910	Unrealized Gain on Sales	6(4)	(70,339)	(2)	(59,180)	(2)
5920	Realized Gain on Sales	6(4)	59,180	2	62,616	2
5950	Net operating margin		890,270	29	1,015,860	30
	Operating Expenses	6(8)(12)(21)(22) and 7				
6100	Selling Expenses		(288,714)	(9)	(305,148)	(9)
6200	Administrative Expenses		(141,591)	(5)	(142,001)	(4)
6300	Research and Development Expenses		(123,637)	(4)	(124,022)	(4)
6000	Total Operating Expenses		(553,942)	(18)	(571,171)	(17)
6900	Operating Income		336,328	11	444,689	13
	Non-Operating Income and Expenses					
7100	Interest Income	6(17)	4,859	-	1,215	-
7010	Other Income	6(18)	2,134	-	7,394	-
7020	Other Gains and Losses	6(4)(19) and 12	62,703	2	(22,759)	(1)
7050	Financial Costs	6(6)(20)	(2,007)	-	(1,165)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(4)	85,491	3	56,316	2
7000	Total Non-Operating Income and Expenses		153,180	5	41,001	1
7900	Profit before income tax		489,508	16	485,690	14
7950	Income Tax Expense	6(23)	(77,536)	(2)	(86,256)	(2)
8200	Net Profit for the Period		<u>\$ 411,972</u>	<u>14</u>	<u>\$ 399,434</u>	<u>12</u>
	Other comprehensive income (loss)					

(Continued)

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
Year ended December 31, 2022 and December 31, 2021

Unit: NT\$ thousand
(except for earnings per share in NTD)

Components of other comprehensive income (loss) that will not be reclassified to profit or loss								
8311	Remeasurement of defined benefit obligations	6(12)	(\$	4,681)	-	\$	7,533	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)		936	-	(	1,507)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss								
8361	Financial statements translation differences of foreign operations	6(4)		<u>104,569</u>	<u>3</u>	(	<u>45,079</u>)	(<u>1</u>)
8300	Other comprehensive income for the year		\$	<u>100,824</u>	<u>3</u>	(\$	<u>39,053</u>)	(<u>1</u>)
8500	Total Comprehensive Income for the Period		\$	<u>512,796</u>	<u>17</u>	\$	<u>360,381</u>	<u>11</u>
Earnings per share (in dollars)		6(24)						
9750	Basic		\$	<u>5.50</u>		\$	<u>5.33</u>	
9850	Diluted		\$	<u>5.47</u>		\$	<u>5.31</u>	

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

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

Unit: NT\$ thousands

	Note	Capital surplus		Retained Earnings			Other equity	Total
		Share capital - common stock	Treasury Stock Transaction	Legal reserve	Special reserve	Unappropriated Retained Earnings	Foreign currency translation adjustments of financial statements of foreign operations	
<u>2021</u>								
Beginning Balance as of January 1, 2021		\$ 749,000	\$ 3,082	\$ 515,632	\$ 117,244	\$ 1,854,534	(\$ 139,134)	\$ 3,100,358
Net Income for the year 2021		-	-	-	-	399,434	-	399,434
Other Comprehensive Income for the year 2021	6(4)	-	-	-	-	6,026	(45,079)	(39,053)
Total Comprehensive Income for the year 2021		-	-	-	-	405,460	(45,079)	360,381
Distribution of 2020 net income:								
Legal reserve		-	-	51,242	-	(51,242)	-	-
Special reserve		-	-	-	21,890	(21,890)	-	-
Cash dividends	6(15)	-	-	-	-	(352,030)	-	(352,030)
Ending Balance as of December 31, 2021		\$ 749,000	\$ 3,082	\$ 566,874	\$ 139,134	\$ 1,834,832	(\$ 184,213)	\$ 3,108,709

(Continued)

Macauto Industrial Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

Unit: NT\$ thousands

	Note	Capital surplus	Retained Earnings			Other equity	Total	
		Share capital - common stock	Treasury Stock Transaction	Legal reserve	Special reserve	Unappropriated Retained Earnings		Foreign currency translation adjustments of financial statements of foreign operations
<u>2022</u>								
Beginning balance as of January 1, 2022		\$ 749,000	\$ 3,082	\$ 566,874	\$ 139,134	\$ 1,834,832	(\$ 184,213)	\$ 3,108,709
Net income for the year 2022		-	-	-	-	411,972	-	411,972
Other comprehensive income for the year 2022	6(4)	-	-	-	-	(3,745)	104,569	100,824
Total comprehensive income for the year 2022		-	-	-	-	408,227	104,569	512,796
Distribution of 2021 net income:								
Legal reserve		-	-	40,546	-	(40,546)	-	-
Special reserve		-	-	-	45,079	(45,079)	-	-
Cash dividends	6(15)	-	-	-	-	(247,170)	-	(247,170)
Ending balance as of December 31, 2022		\$ 749,000	\$ 3,082	\$ 607,420	\$ 184,213	\$ 1,910,264	(\$ 79,644)	\$ 3,374,335

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

Macauto Industrial Co., Ltd.
Parent Company only Statement of Cash Flows

Unit: NT\$ thousands

	Note	2022	2021
<u>Statement of Cash Flows for the entity</u>			
Cash flows from operating activities		\$ 489,508	\$ 485,690
Profit before tax for the period			
Adjustments:			
Items not affecting cash flows:			
Provision for inventory market price decline	6(3)	9,022	4,599
Equity in earnings of subsidiaries, associates and joint ventures accounted for using equity method	6(4)	(85,491)	(56,316)
Unrealized gains on sales	6(4)	70,339	59,180
Realized gains on sales	6(4)	(59,180)	(62,616)
Disposal of equity method investments	6(4)(19)	-	(1)
Depreciation expense	6(5)(6)(21)	63,771	72,767
Net gains on disposal of property, plant and equipment	6(19)	(179)	(30)
Benefits from lease modifications	6(6)(19)	(11)	(72)
Amortization expense	6(8)(21)	3,043	6,054
Losses on disposal of intangible assets (included in "research and development expenses")	6(8)(21)	1,697	858
Provision for liabilities	6(10)	32,513	41,980
Interest income	6(17)	(4,859)	(1,215)
Interest expense	6(20)	2,007	1,165
Changes in assets and liabilities related to operating activities:			
Net changes in assets related to operating activities:			
Accounts receivable		-	4
Trade accounts receivable	(	110,857)	97,122
Trade accounts receivable from related parties	(	85,790)	37,864
Other receivables		21	6,791
Other receivables from related parties	(	52,327)	-
Inventories		78,174	(56,167)
Prepayments		13,099	16,909

(Continued)

Macauto Industrial Co., Ltd.
Parent Company only Statement of Cash Flows

Unit: NT\$ thousands

	Note	2022		2021
Net changes in liabilities related to operating activities:				
Current portion of contract liabilities		\$ 23,127	\$	6,467
Notes payable		1,030		365
Trade accounts payable		60,371		9,574
Trade accounts payable to related parties		12,783	(	29,549)
Other payables		(38,018)		8,708
Current portion of provision for liabilities	6(10)	(17,884 )	(	17,698)
Current portion of refund liabilities		18,017		36,036
Net defined benefit liabilities - non-current		(6,877 )	(	6,584)
Cash inflows from operating activities:		417,049		661,885
Interest received		4,326		1,227
Interest paid		(1,937 )	(	1,132)
Income tax paid		(89,467 )	(	98,723)
Net cash inflow from operating activities		329,971		563,257

(Continued)

Macauto Industrial Co., Ltd.
Parent Company only Statement of Cash Flows

Unit: NT\$ thousands

	Note	2022	2021
Cash Flows from Investing Activities			
Refund of capital from liquidation of investments accounted for using equity method	6(4)	\$ 11,960	\$ -
Proceeds from disposal of investments accounted for using equity method - non-subsiidiaries	6(4)	-	3,489
Cash payments for acquisition of property, plant, and equipment	6(25)	(5,076)	(1,760)
Proceeds from disposal of property, plant, and equipment		179	30
Acquisition of intangible assets	6(8)	(83)	(371)
Increase in prepayments for equipment		-	(1,399)
Decrease (increase) in guarantee deposits paid		1,501	(324)
Increase in other non-current assets - others		(866)	-
Net cash inflow (outflow) from investing activities		<u>7,615</u>	<u>(335)</u>
Cash Flows from Financing Activities			
Decrease in short-term borrowings	6(26)	(19,376)	(560)
Repayment of lease principal	6(26)	(1,976)	(1,770)
Repayment of long-term borrowings	6(26)	(68,966)	(110,021)
Cash dividends paid	6(15)	(247,170)	(352,030)
Net cash outflow from financing activities		<u>(337,488)</u>	<u>(464,381)</u>
Increase in cash and cash equivalents for the period		98	98,541
Cash and cash equivalents at beginning of period	6(1)	<u>778,478</u>	<u>679,937</u>
Cash and cash equivalents at end of period	6(1)	<u>\$ 778,576</u>	<u>\$ 778,478</u>

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

Independent Auditors' Report Translated From Chinese

To the Board of Directors and Stockholders of Macauto Industrial Co., Ltd.:

Opinion

We have audited the accompanying consolidated balance sheets of Macauto Industrial Co., Ltd. and subsidiaries (the “Group”) as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 parent company only financial statements. These matters have been addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of the Group's 2022 consolidated financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(9) for accounting policy on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(4) for disclosures of inventory and allowance for inventory market price decline. As of December 31, 2022, the inventories and allowance for inventory valuation losses amounted NT\$1,134,864 thousand and NT\$61,131 thousand, respectively.

The Group's main business is the manufacture and sale of various automobile sunshades and other related products. These inventories will be affected by factors such as market demand and styles of different vehicle types. Therefore, there is a certain risk of inventory impairment. The Group measures its inventories at the lower of cost and net realizable value. The net realizable value of the Group's inventories aged over a certain period is calculated based on the historical extent of inventory clearance and degree of price markdown.

The allowance for valuation loss mainly arises from individually identified obsolete inventories, and the procedures of such identification involves subjective judgment, which might result in high degree of estimation uncertainty. Considering that the Group's inventory and the allowance for inventory valuation losses are material to the financial statements, we considered the allowance for inventory valuation loss as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of policies and procedures in relation to the provision of allowance for inventory valuation losses based on the accounting principles and our understanding of the nature of the business and the industry.
2. Obtained an understanding of the warehouse management processes, reviewed the annual physical inventory count plan and participated in the annual inventory count in order to evaluate the effectiveness of procedures used by the management to identify and control obsolete inventories.
3. We selected samples from inventory items by each sequence number to verify its net realizable value and to evaluate the reasonableness of allowance for inventory valuation loss.
4. Sampled the calculation of net realisable value of individual inventories and compared with the recorded amounts.

Existence of sales revenue from auto sun shades for export

Description

Refer to Note 4(26) for accounting policy on revenue recognition and Note 6(19) for accounting items on revenue.

The Group's main source of revenue is the manufacturing and sales of related products such as auto sun shades, and is primarily focused on exports. Since the customers are numerous and located in different countries, and the number of transactions is voluminous, it takes longer time to verify the existence of sales revenue. Thus, we considered the existence of sales revenue from auto sun shades for export as one of the key audit matters for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Evaluate the internal control system designed and implemented by the management for customer credit checks, review the documents related to transaction partners and credit assessments, and ensure that they have been properly approved
2. Verify the basic information of significant sales partners and analyze the sales amounts and trends of two periods to assess the reasonableness of their sales amounts and nature
3. Performed a series verification sample test for the sales revenue transactions of the year, including vouching customers' orders, shipping orders, export declaration documents, customer receipt records and sales invoices or subsequent receipts, to confirm whether the sales revenue

transactions really occurred

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of Macauto Industrial Co., Ltd. as at and for the years ended December 31, 2022 and 2021.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Group's financial reporting process.

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 Group's internal control.
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 Group's ability to continue as a going concern. 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, 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 Group 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 the consolidated financial statements of the current period 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.

Lin Yung-Chih

Independent Accountants

Yeh, Fang-Ting

PricewaterhouseCoopers, Taiwan

Republic of China

March 22, 2023

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
As of December 31, 2022 and December 31, 2021

Unit: NT\$ Thousand

Assets	Note	December 31 2022		December 31 2021		
		Amount	%	Amount	%	
Current Assets:						
1100	Cash and cash equivalents	6(1)	\$ 1,430,531	25	\$ 1,237,691	23
1136	Financial assets measured at amortized cost - current	6(1)(2)	154,280	3	152,040	3
1150	Net accounts receivable	6(3) and 8	76,665	1	73,250	2
1170	Net trade accounts receivable	6(3) and 12	1,044,534	19	815,524	15
1200	Other receivables		35,530	1	29,638	1
130X	Inventory	5(2) and 6(4)	1,073,733	19	1,190,198	22
1410	Prepayments	6(5)	120,646	2	122,972	2
11XX	Total current assets		<u>3,935,919</u>	<u>70</u>	<u>3,621,313</u>	<u>68</u>
Non-current assets:						
1535	Financial assets measured at amortized cost - non- current	6(1)(2)	44,080	1	43,440	1
1600	Property, plant and equipment	6(7) and 8	1,342,931	24	1,379,072	26
1755	Right-of-use assets	6(8)	67,386	1	71,359	1
1760	Net investment properties	6(9)	81,482	1	81,482	2
1780	Intangible assets	6(10)	14,208	-	18,832	-
1840	Deferred income tax assets	6(26)	109,410	2	97,922	2
1915	Prepayments for equipment	6(7)	41,695	1	16,967	-
1920	Guarantee deposits paid	6(1) and 8	8,857	-	9,286	-
1990	Other non-current assets - other		15,409	-	13,644	-
15XX	Total non-current assets		<u>1,725,458</u>	<u>30</u>	<u>1,732,004</u>	<u>32</u>
1XXX	Total assets		<u>\$ 5,661,377</u>	<u>100</u>	<u>\$ 5,353,317</u>	<u>100</u>

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
As of December 31, 2022 and December 31, 2021

Unit: NT\$ Thousand

Liabilities and Equity	Note	December 31 2022		December 31 2021		
		Amount	%	Amount	%	
Current Liabilities						
2100	Short-term borrowings	6(11)	\$ 200,000	3	\$ 219,376	4
2130	Current contract liabilities	6(19)	45,061	1	27,089	1
2150	Notes payable		19,262	-	54,084	1
2170	Accounts payable		767,777	14	636,355	12
2200	Other payables	6(12)	442,775	8	469,283	9
2230	Current income tax liabilities		120,812	2	121,175	2
2250	Provisions-current	6(13)	155,255	3	129,172	2
2280	Lease liabilities-current	6(8)	16,378	-	16,614	-
2320	Long-term liabilities, current portion	6(14) and 8	87,341	1	85,776	2
2365	Refund liabilities-current		145,149	3	121,402	2
21XX	Total current liabilities		<u>1,999,810</u>	<u>35</u>	<u>1,880,326</u>	<u>35</u>
Non-current Liabilities						
2540	Long-term borrowings	6(14) and 8	114,139	2	195,385	4
2570	Deferred income tax liabilities	6(26)	7,969	-	7,383	-
2580	Lease liabilities-non-current	6(8)	47,999	1	45,068	1
2640	Net defined benefit liabilities-non-current	6(15)	114,250	2	116,446	2
2645	Guarantee deposits received		2,875	-	-	-
25XX	Total non-current liabilities		<u>287,232</u>	<u>5</u>	<u>364,282</u>	<u>7</u>
2XXX	Total liabilities		<u>2,287,042</u>	<u>40</u>	<u>2,244,608</u>	<u>42</u>
Equity						
Share capital						
3110	Common stock	6(16)	749,000	13	749,000	14
3200	Capital surplus	6(17)	3,082	-	3,082	-
Unappropriated Retained earnings						
3310	Legal reserve	6(18)	607,420	11	566,874	11
3320	Special reserve		184,213	3	139,134	3
3350	Unappropriated retained earnings		1,910,264	34	1,834,832	34

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
As of December 31, 2022 and December 31, 2021

Unit: NT\$ Thousand

3400	Other equity		(\$	<u>79,644</u>	(	<u>1</u>)	(\$	<u>184,213</u>	(	<u>4</u>)
3XXX	Total equity			<u>3,374,335</u>	<u>60</u>			<u>3,108,709</u>	<u>58</u>	
	Significant liabilities and	9								
	commitments not recognized									
3X2X	Total liabilities and equity		\$	<u>5,661,377</u>	<u>100</u>		\$	<u>5,353,317</u>	<u>100</u>	

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

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income

Unit: NT\$ Thousand

Item	Note	(except for earnings per share in New Taiwan Dollars)				
		2022		2021		
		Amount	%	Amount	%	
4000	Operating revenue	6(19)	\$ 4,850,034	100	\$ 4,773,043	100
5000	Operating costs	6(4)(10)	(3,606,645)	(74)	(3,413,223)	(71)
5900	Net operating margin	(15)(24)	1,243,389	26	1,359,820	29
	Operating Expenses	6(10)(15)(24) and 7				
6100	Selling Expenses		(405,021)	(8)	(445,787)	(9)
6200	Administrative Expenses		(247,455)	(5)	(230,379)	(5)
6300	Research and Development Expenses		(178,064)	(4)	(175,179)	(4)
6450	Expected Credit Losses	12(2)	(297)	-	(1,226)	-
6000	Total Operating Expenses		(830,837)	(17)	(852,571)	(18)
6900	Operating Income		412,552	9	507,249	11
	Non-Operating Income and Expenses					
7100	Interest Income	6(2)(20)	12,755	-	8,157	-
7010	Other Income	6(21)	9,259	-	10,939	-
7020	Other Gains and Losses	6(6)(22) and 12	66,456	1	(29,328)	-
7050	Financial Costs	6(8)(23)	(5,926)	-	(3,429)	-
7060	Share of Profit or Loss of Associates and Joint Ventures Accounted for Using the Equity Method	6(6)	-	-	(43)	-
7000	Total Non-Operating Income and Expenses		82,544	1	(13,704)	-
7900	Profit before income tax		495,096	10	493,545	11
7950	Income Tax Expense	6(26)	(83,124)	(1)	(94,111)	(2)
8200	Net Profit for the Period		\$ 411,972	9	\$ 399,434	9
	Other comprehensive income (loss)					
8311	Remeasurement of Defined Benefit Plans	6(15)	(\$ 4,681)	-	\$ 7,533	-

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income

Unit: NT\$ Thousand

(except for earnings per share in New Taiwan Dollars)

8349	Income Tax Related to Items That Will Not Be Re- Classified to Profit or Loss	6(26)	\$	936	-	(\$	1,507)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss							
8361	Exchange Differences on Translation of Foreign Operations			104,569	2	(	45,079)	(1)
8300	Other comprehensive income for the year		\$	100,824	2	(\$	39,053)	(1)
8500	Total Comprehensive Income for the Period		\$	512,796	11	\$	360,381	8
	Net Profit Attributable to:							
8610	Owners of the Parent Company		\$	411,972	9	\$	399,434	9
	Total Comprehensive Income Attributable to:							
8710	Owners of the Parent Company		\$	512,796	11	\$	360,381	8
	Earnings per share (in dollars)	6(27)						
9750	Basic		\$	5.50		\$	5.33	
9850	Diluted		\$	5.47		\$	5.31	

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

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity

Unit: NT\$ Thousand

	Equity attributable to owners of the parent							Total
	Note	Share capital - common stock	Capital surplus	Retained Earnings			Other equity	
			Treasury Stock Transaction	Legal reserve	Special reserve	Unappropriate d Retained Earnings	Foreign currency translation adjustments of financial statements of foreign operations	
<u>2021</u>								
Balance as of January 1, 2021		\$ 749,000	\$ 3,082	\$ 515,632	\$ 117,244	\$ 1,854,534	(\$ 139,134)	\$ 3,100,358
Net profit for the year 2021		-	-	-	-	399,434	-	399,434
Other comprehensive income for the year 2021		-	-	-	-	6,026	(45,079)	(39,053)
Total comprehensive income for the year 2021		-	-	-	-	405,460	(45,079)	360,381
Distribution of 2020 net income:								
Legal reserve		-	-	51,242	-	(51,242)	-	-
Special reserve		-	-	-	21,890	(21,890)	-	-
Cash dividends	6(18)	-	-	-	-	(352,030)	-	(352,030)
Balance as of December 31, 2021		<u>\$ 749,000</u>	<u>\$ 3,082</u>	<u>\$ 566,874</u>	<u>\$ 139,134</u>	<u>\$ 1,834,832</u>	<u>(\$ 184,213)</u>	<u>\$ 3,108,709</u>

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity

Unit: NT\$ Thousand

	Equity attributable to owners of the parent							Total
	Note	Share capital - common stock	Capital surplus	Retained Earnings			Other equity	
			Treasury Stock Transaction	Legal reserve	Special reserve	Unappropriate d Retained Earnings	Foreign currency translation adjustments of financial statements of foreign operations	
<u>2022</u>								
Balance as of January 1, 2022		\$ 749,000	\$ 3,082	\$ 566,874	\$ 139,134	\$ 1,834,832	(\$ 184,213)	\$ 3,108,709
Net profit for the year 2022		-	-	-	-	411,972	-	411,972
Other comprehensive income for the year 2022		-	-	-	-	(3,745)	104,569	100,824
Total comprehensive income for the year 2022		-	-	-	-	408,227	104,569	512,796
Distribution of 2021 net income:								
Legal reserve		-	-	40,546	-	(40,546)	-	-
Special reserve		-	-	-	45,079	(45,079)	-	-
Cash dividends	6(18)	-	-	-	-	(247,170)	-	(247,170)
Balance as of December 31, 2022		<u>\$ 749,000</u>	<u>\$ 3,082</u>	<u>\$ 607,420</u>	<u>\$ 184,213</u>	<u>\$ 1,910,264</u>	<u>(\$ 79,644)</u>	<u>\$ 3,374,335</u>

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

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows

Unit: NT\$ Thousand

	Note	2022	2021
<u>Cash flows from operating activities:</u>			
Profit before tax for the period		\$ 495,096	\$ 493,545
Adjustments:			
Items of income and expense:			
Expected credit losses	12(2)	297	1,226
Provision (reversal of allowance) for inventory market price decline	6(4)	(112)	13,467
Share of profit or loss of associates and joint ventures accounted for using equity method	6(6)	-	43
Gain on disposal of investment accounted for using equity method	6(6)(22)	- (	1)
Depreciation expenses	6(7)(8)(24)	131,939	137,049
Net gain on disposal of property, plant and equipment	6(22)	(179 ) (	271)
Gain on lease modifications	6(8)(22)	(32 ) (	72)
Reversal of impairment losses on property, plant and equipment	6(7)	10	-
Amortization expenses	6(10)(24)	4,267	7,553
Loss on disposal of intangible assets (included in "Research and development expenses")	6(10)	1,697	858
Provision for liabilities	6(13)	47,080	54,167
Interest income	6(20)	(12,755 ) (	8,157)
Interest expenses	6(23)	5,926	3,429
Changes in assets/liabilities related to operating activities:			
Net changes in assets related to operating activities:			
Notes receivable		(3,415 ) (	9,924)
Accounts receivable		(229,337)	186,969
Other receivables		(5,358)	8,324
Inventory		114,307 (	198,882)
Prepayments		1,544 (	5,359)

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows

Unit: NT\$ Thousand

	Note	2022		2021
Net changes in liabilities related to operating activities:				
Current contract liabilities		\$ 17,972	\$	8,709
Notes payable		(34,822)		43,660
Accounts payable		131,422	(	75,872)
Other payables		(26,541)		52,182
Current provision for liabilities	6(13)	(22,531 )	(	25,606)
Refundable deposits - current		23,747		39,952
Non-current net defined benefit liabilities		(6,877 )	(	6,584)
Cash inflows from operating activities:		633,345		720,405
Interest received		12,221		8,169
Interest paid		(4,382 )	(	3,511)
Income tax paid		(93,453 )	(	109,179)
Net cash inflow from operating activities:		547,731		615,884

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows

Unit: NT\$ Thousand

	Note	2022	2021
<u>Cash Flows from Investing Activities</u>			
Increase in financial assets measured at amortized cost - current		(\$ 2,240)	(\$ 85,173)
Increase in financial assets measured at amortized cost - non-current		(640)	(43,440)
Proceeds from disposal of investments accounted for using the equity method - non-subsiary	6(6)	-	3,489
Cash paid for the purchase of property, plant and equipment	6(28)	(18,669)	(30,237)
Proceeds from disposal of property, plant and equipment		179	851
Acquisition of intangible assets	6(10)	(129)	(406)
Increase in prepayments for property, plant and equipment		(32,320)	(20,508)
Decrease (increase) in guarantee deposits paid		429	(1,624)
Increase in other non-current assets - other		(1,765)	(62)
Net cash outflows from investing activities		(55,155)	(177,110)
<u>Cash Flows from Financing Activities</u>			
Decrease in short-term borrowings	6(29)	(19,376)	(560)
Principal payments under lease liabilities	6(29)	(20,441)	(17,688)
Proceeds from long-term borrowings	6(29)	-	70,274
Repayment of long-term borrowings	6(29)	(82,703)	(120,076)
Increase in guarantee deposits received	6(29)	2,875	-
Cash dividends paid	6(18)	(247,170)	(352,030)
Net cash outflows from financing activities		(366,815)	(420,080)
Effect of exchange rate changes on cash and cash equivalents		67,079	(23,869)

(Continued)

Macauto Industrial Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows

Unit: NT\$ Thousand

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Net increase (decrease) in cash and cash equivalents for the period		\$ 192,840	(\$ 5,175)
Cash and cash equivalents at the beginning of the period	6(1)	<u>1,237,691</u>	<u>1,242,866</u>
Cash and cash equivalents at the end of the period	6(1)	<u>\$ 1,430,531</u>	<u>\$ 1,237,691</u>

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

Attachment IV

Macauto Industrial Co., Ltd.
Profit Distribution Table
2022

Unit: NT\$

Item	Amount	Explanation
Net income after tax for the year ended 2021 (Note 1)	411,971,753	
Less:		
- After-tax net actuarial gains from defined benefit plans	(3,744,018)	
- Appropriation to legal reserve	(40,822,774)	
Add:		
- Reversal of special reserve	104,569,196	
Distributable earnings for the year	471,974,157	
Add:		
- Accumulated undistributed earnings from prior years	1,502,036,682	
Accumulated distributable earnings	1,974,010,839	
Distributable items:		
Less:		
- Cash dividends to shareholders	(247,170,000)	Cash dividend of NT\$3.3 per share was distributed.
Accumulated undistributed earnings at the end of the year	1,726,840,839	

Note 1: The distribution order of this year's retained earnings is to prioritize the distribution of the earnings for the year 2022, and the shortfall will be supplemented by the undistributed earnings from the previous period.

Chairman: Lin Chou, Yu-Shan

Manager: Lin Chou, Yu-Shan

Accounting Supervisor: Hsu, Chu-Ju.

Attachment V

Macauto Industrial Co., Ltd. and Subsidiary

Comparison Table of Pre- and Post-Amendment Rules of Procedure for Shareholders' Meetings

Revised Article	Current Article Revised	Explanation
<p>Article 2</p> <p>The Company's Shareholders' Meetings shall be convened by the Board of Directors unless otherwise prescribed by the laws and regulations.</p> <p><u>Unless otherwise provided in "Regulations Governing the Administration of Shareholder Services of Public Companies", the company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in Articles of Incorporation and obtain a resolution of board of directors.</u></p> <p>The convening of the shareholders' meeting of the Company shall be... (omitted).</p> <p>Article 6-1</p> <ol style="list-style-type: none"> 1. How shareholders attend... (omitted). 2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters... (omitted). 3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. <p><u>Unless otherwise provided in Article 44-9, Paragraph 6 of "Regulations Governing the Administration of Shareholder Services of Public Companies" at least connection</u></p>	<p>Article 2</p> <p>The Company's Shareholders' Meetings shall be convened by the Board of Directors unless otherwise prescribed by the laws and regulations.</p> <p>The convening of the shareholders' meeting of the Company shall be... (omitted).</p> <p>Article 6-1</p> <ol style="list-style-type: none"> 1. How shareholders attend... (omitted). 2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters... (omitted). 3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. 	<p>Revision due to Legal Regulations Update.</p>

<p><u>equipment and necessary assistance shall be provided, and the period for shareholders to apply to the Company and other related matters shall be specified.</u></p> <p>Article 21</p> <p>When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.<u>Unless otherwise provided in Article 44-9, Paragraph 6 of "Regulations Governing the Administration of Shareholder Services of Public Companies"t least connection equipment and necessary assistance shall be provided, and the period for shareholders to apply to the Company and other related matters shall be specified.</u></p>	<p>Article 21</p> <p>When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.</p>	
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Appendix I

Macauto Industrial Co., Ltd. Articles of Incorporation

Amended June 16, 2022

Article 1

Organized in accordance with the provisions of the Company Act, the Company is named 皇田工業股份有限公司 in the Chinese Language. Its English name is Macauto Industrial Co., Ltd.

Article 2

Business scope of the Company is as follows:

- 1 CD01030 Motor Vehicles and Parts Manufacturing
- 2 F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- 3 F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- 4 CB01990 Other Machinery Manufacturing
- 5 F113990 Wholesale of Other Machinery and Tools
- 6 F213990 Retail Sale of Other Machinery and Tools
- 7 C802990 Other Chemical Products Manufacturing (Activated carbon filter)
- 8 F107990 Wholesale of Other Chemical Products (Activated carbon filter)
- 9 F207990 Retail Sale of Other Chemical Products (Activated carbon filter)
- 10 CQ01010 Mold and Die Manufacturing
- 11 F106030 Wholesale of Molds
- 12 F206030 Retail Sale of Molds
- 13 CP01010 Hand Tools Manufacturing
- 14 F106010 Wholesale of Hardware
- 15 F206010 Retail Sale of Hardware
- 16 F401010 International Trade
- 17 C805050 Industrial Plastic Products Manufacturing
- 18 H701020 Industrial Factory Development and Rental
- 19 H701040 Specific Area Development
- 20 H703090 Real Estate Business
- 21 H703100 Real Estate Leasing
- 22 CF01011 Medical Devices Manufacturing
- 23 F108031 Wholesale of Medical Devices
- 24 F208031 Retail Sale of Medical Apparatus
- 25 ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company's headquarters is located in Tainan City, the Republic of China; and when necessary, branch offices may be established domestically or abroad according to resolutions of the Board of

Directors.

Article 4

When a reinvestment of the Company constitutes a limited liability shareholder of another company, the total investment must exceed 40% of the paid-up capital of the Company and the Board of Directors is authorized to implement.

Article 4-1

The Company may invest in mainland China within the quota approved by the competent authorities.

Article 5

The Company may provide external guarantees and authorize their implementation by the Board of Directors in response to business needs.

Article 6

The total capital of the Company is NT\$1 billion divided into 100 million shares with a par value of NT\$10 per share, which the Board of Directors is authorized to issue in installments. Among them, 10 million shares are reserved for reserved stock options, preferred shares with options, or corporate bonds for the exercise of stock options. Shares issued by the Company are exempted from being in the form of printed stocks; however, the centralized securities custodial institution must be contacted for registration.

Article 6-1

Any planned withdrawal of public offering of the Company's shares shall require submission to the shareholders' meeting for resolution, and this provision shall not be changed during the period of listing on the TWSE/TPEX.

Article 6-2

If the Company is to transfer shares to employees at a price lower than the average price of the shares actually repurchased, or issue employee stock options at a subscription price lower than the closing price of the shares on the issue date, agreement must be obtained from more than two-thirds of the voting rights shareholders present with shareholders representing a majority of outstanding shares in attendance.

Article 7

(Deleted)

Article 8

Shareholders' meetings of the Company are of two types, namely general meetings and extraordinary meetings. The general meeting is to be held at least once a year within six months after the end of each fiscal year.

When an extraordinary meeting is necessary, it shall be convened in accordance with relevant laws and regulations.

Article 8-1

The Company's shareholders' meeting may be held by means of visual communication network or other methods promulgated by the central competent authority. The company shall be subject to

prescriptions provided for by the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.

Article 9

The convening of a general meeting of shareholders shall be made 30 days before the meeting; the convening of an extraordinary meeting shall be made 15 days before the meeting. Notification and announcement is to be made to all shareholders in documents detailing the date, place, cause, and discussions of the meeting.

The convening and public announcement may be effected by means of electronic transmission with the prior consent of the recipients. For shareholders holding fewer than 1,000 registered shares, the convening notice of the preceding paragraph may be done by announcement.

Article 10

If a shareholder is unable to attend the shareholders' meeting for any reason, a proxy may attend with a proxy statement issued by the Company specifying the scope of authorization and bearing a signature or seal. The usage regulations of proxy statement are handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies promulgated by the competent authority under Article 177 of the Company Act and Article 25-1 of the Securities and Exchange Act.

Article 11

The shareholders' meeting shall be convened by the Board of Directors unless otherwise stipulated by the Company Act, and the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the presiding chair, the Chairman shall appoint one of the directors to act as representative. If such a designation is not made, the directors shall select a representative. If convened by someone other than the Board of Directors, the convening party shall chair the meeting. When there are two or more conveners, one person from among them should serve as chair.

Article 12

Shareholders of the Company shall have one voting right per share. However, there are no voting rights under any circumstances of the Company under Article 179 of the Company Act and provisions for restricted shares.

Article 13

Unless otherwise stipulated by relevant laws and regulations, the resolutions of the shareholders' meeting shall be attended in person or by proxy by shareholders representing more than half of the total number of issued shares, and shall be implemented with more than half of the voting rights of the shareholders present.

Article 14

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the shareholders' meeting. The meeting minutes shall record the date and place of the meeting, a summary of the essential points of the proceedings and the results of the meeting, the name of the chairman, and the method of adopting resolutions. Furthermore, a copy of the meeting minutes shall be distributed to each

shareholder within 20 days after the conclusion of the meeting, and shall be retained for the duration of the existence of the Company. The aforementioned meeting minutes may be produced and distributed by means of electronic transmission. The distribution of the aforementioned meeting minutes may be done by means of a public notice.

Article 15

The Company shall have between 7 and 11 directors. All shall be selected by the shareholders' meeting from among the persons with disposing capacity. The term of office is three years and re-election is allowed. Furthermore, the Company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship. The total shareholding ratio of all directors shall be in accordance with the regulations of the competent securities authority.

Article 15-1

Among the aforementioned number of directors of the Company, the number of independent directors shall be at least three, and shall not be less than one-fifth of the number of directors. A candidate nomination system is adopted for election of directors, and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. Regarding directors' professional qualifications, restrictions on shareholdings and concurrent positions held, nomination and selection methods, and other compliance matters, they shall be handled in accordance with the Director Election Process of the Company unless otherwise stipulated by regulations and securities authorities. The method of nomination of directors shall be handled in accordance with Article 192-1 of the Company Act.

Article 15-2

The Company has set up an Audit Committee in accordance with the Securities and Exchange Act, and it is composed entirely of independent directors. The exercise of powers and related matters of the Audit Committee and its members shall be handled in accordance with the relevant laws and regulations of the Securities and Exchange Act.

Article 16

In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

Article 17

When organizing the Board of Directors, the Board shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors and approved by more than half of the directors present. One person may also be elected as Vice Chairman using the same method. The Chairman serves internally the presiding chair of the shareholders' meeting and the Board of Directors and presides over all Company business externally. If the Chairman takes leave or is unable to execute his or her authority for some reason, selection of his or her representative shall be handled in accordance with Article 208 of the Company Act. Execution of the business of the Company is to be implemented by resolution of the Board of Directors unless otherwise specified by the Company's Articles of Incorporation.

Article 18

When the vacancies of directors' reaches one-third or all independent directors are dismissed, a special shareholders' meeting by-election shall be held within 60 days and the terms of newly elected directors shall be limited to making up the original terms of the directors replaced.

Article 19

The convening of the Board of Directors shall be handled in accordance with Article 204 of the Company Act, and telephone, fax, or e-mail notification may be substituted for written notice.

Article 20

Functions and powers of the Board of Directors are as follows:

- I. Approval of endorsements and guarantees in the name of the Company.
- II. Proposals to assign, sell, lease, pledge, mortgage, or dispose of all or a significant portion of the Company's property.
- III. Selection and appointment of the Company's audit CPAs and legal advisors.
- IV. Approval and revision of the Company's Articles of Incorporation.
- V. Compilation of the Company's annual budget and final accounts.
- VI. Establishment and dissolution of branches.
- VII. Approval of reinvestments in other businesses.
- VIII. Approval and revision of important contracts.
- IX. Proposals for distributions of earnings.
- X. Proposals for capital increases or capital reductions.
- XI. Other functions and powers granted by law.

Article 21

Unless otherwise provided for in the Securities and Exchange Act, resolutions of the Board of Directors shall require the approval of a majority of the directors in attendance at a meeting attended by a majority of all directors. When a director cannot attend a meeting of the Board of Directors for any reason, a proxy may be issued specifying the scope of authorization and reasons for convening, and entrusting another director to attend as a representative. However, only one director shall be entrusted by any one person.

Article 22

Proceedings of the meetings of the Board of Directors shall be recorded in the meeting minutes and signed or sealed by the presiding chair and distributed to all directors within 20 days after the meeting. The meeting minutes shall record a summary of the essential points of the proceedings and the results of the meeting. The meeting minutes shall be kept in the Company together with the attendance list bearing the signatures of directors present at the meeting and the powers of attorney of the proxies.

Article 23

Transportation allowances of Company directors shall be paid every year regardless of profit or loss at a rate consistent with general practices in the industry, as authorized by the Board of Directors with the setup of its own payment standards.

Article 24

The Board of Directors is authorized to determine the salary for the chairman, vice chairman, directors, and managers, taking into account the level of each one's participation in and the value of individual's contribution to the Company's operation as well as the standards of the industry.

Article 24-1

Pension payments of the Company's directors and appointed managers are handled in accordance with the Administrative Measures for the Retirement of Directors and Appointed Managers.

Article 25

The Company appoints managers, whose appointment, dismissal, and remuneration are handled in accordance with the provisions of Article 29 of the Company Act.

The Company purchase liability insurance for directors, managers, and employees.

Article 26

At the end of each fiscal year of the Company, the Board of Directors shall compile the following list and submit it to the General Meeting of Shareholders for recognition 30 days before the meeting in accordance with the procedures prescribed by law.

- I. Business Report.
- II. Financial Statements.
- III. Proposals of surplus earning distribution or loss off-setting.

Article 27

If the annual final reports of our company shows a profit, we should first pay the corporate income tax and offset the losses from previous years. If there is any remaining balance, 10% shall be set aside as legal reserve in accordance with the law; and a special reserve shall be allocated or transferred in accordance with the provisions of Article 41 of Securities and Exchange Act to constitute the distributable surplus for the current year. Furthermore, the accumulated undistributed earnings of the prior year is to be added to the accumulated distributable earnings. The aforementioned distributable earnings shall be allocated by the Board of Directors and submitted to the shareholders' meeting for resolution. If the Company distributes in cash its dividends and bonuses or all or part of its legal reserve and capital reserve, this shall be authorized by resolution of Board of Directors with at least two-thirds of the directors present and more than half of the attending directors in agreement, and this shall be reported to the shareholders' meeting. The provisions of the preceding paragraph that are not applicable must be resolved by the shareholders' meeting.

Article 27-1

The Company shall allocate 3%–8% of the current year's profit to employees and shall distribute directors' remuneration not exceeding 3.5% of the current year's profit. Yet, the amount to compensate for the accumulated losses of the Company should be allocated first.

Employee remuneration is made in stock or cash; in addition, the recipients of stock or cash distributions may include employees of affiliated companies who meet certain conditions.

The current year's profit as mentioned in the first paragraph refers to the current year's pre-tax earnings before deducting the distribution of employee remuneration and directors' remuneration.

The distribution of employee remuneration and directors' remuneration shall be made by the Board

of Directors with more than two-thirds of the directors attending and a resolution approved by more than half of the directors present, and this shall be reported to the shareholders' meeting.

Article 28

The Company's dividends are based on the principle of dividend stability in line with the current year's earnings. The Company is in a period of business growth and there is a need for funds to promote global operations in the next few years. Therefore, in addition to the distribution of surplus in accordance with the provisions of Article 27, the amount of dividend distribution shall in principle not be less than 30% of the distributable surplus of the current year. If necessary, dividends may be paid in conjunction with capital reserve. Cash dividends shall not be less than 30% of the total dividends.

Article 29

The Company's Articles of Incorporation and working rules shall be determined by the Board of Directors.

Article 30

Matters not stipulated in these Articles of Incorporation shall be handled in accordance with provisions of the Company Act and relevant laws and regulations.

Article 31

These Articles of Incorporation were established on June 18, 1983 and amended:

(1) October 20, 1983; (2) November 6, 1987; (3) June 6, 1989; (4) March 2, 1992; (5) July 15, 1992; (6) November 15, 1996; (7) July 2, 1997; (8) November 13, 1997; (9) June 12, 1998; (10) June 30, 1998; (11) December 15, 1998; (12) June 30, 1999; (13) October 23, 1999; (14) June 20, 2000; (15) June 15, 2001; (16) October 29, 2001; (17) March 28, 2002; (18) August 20, 2003; (19) May 17, 2004; (20) April 25, 2005; (21) June 9, 2006; (22) December 19, 2006; (23) May 11, 2007; (24) May 13, 2008; (25) February 5, 2009; (26) June 19, 2009; (27) June 14, 2010; (28) June 9, 2011; (29) June 6, 2012; (30) June 13, 2013; (31) June 8, 2016; (32) June 8, 2017; (33) June 8, 2018; (34) June 6, 2019; (35) June 16, 2020; (36) August 26, 2021; (37) June 16, 2022.

Appendix II

Macauto Industrial Co., Ltd. Rules of Procedure for Shareholders' Meetings: Before Amendment

Amended June 16, 2022

Article 1

The Rules of Procedure for the Company's shareholders' meetings shall be in accordance with the provisions of these Rules except as otherwise provided by law or by the Articles of Incorporation.

Article 2

The Company's Shareholders' Meetings shall be convened by the Board of Directors unless otherwise prescribed by the laws and regulations.

Any change in the method of convening the shareholders' meeting of the Company shall be subject to a resolution of the Board of Directors and shall be made no later than the notice of the shareholders' meeting is sent.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors other proposals and upload them to Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplemental meeting materials and upload them to the Market Observation Post System before 21 days before the date of the general meeting of shareholders or before 15 days before the date of a special meeting of shareholders. However, if the paid-up capital amount of the Company reaches NT\$10 billion or more on the last day of the most recent fiscal year, or if the total foreign and mainland shareholding ratio recorded in the shareholders' register of the latest fiscal year reaches more than 30%, the transmission of the electronic files shall be completed 30 days before the general meeting of shareholders. In addition, Before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

Regarding the shareholders' meeting agenda handbook and supplemental meeting materials in the preceding paragraph, the Company shall provide shareholders with this information on the day of the shareholders' meeting in the following manner:

- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
- II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

Notices and announcements shall specify the reason for the convening; this may be effected by means of electronic transmission with the prior consent of the recipients.

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

The convening of the shareholders' meeting shall state the full re-election of directors and the date of appointment. After the re-election at the shareholders' meeting is completed, the same meeting shall not change its appointment date by an extraordinary motion or other means.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, whether it shall be via written or electronic acceptance, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.

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

Article 3

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy statement is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or electronically, a written notice of proxy cancellation shall be submitted to the Company two days prior to the shareholders' meeting date. If the cancellation is overdue, the voting rights exercised by the authorized proxy shall prevail.

After a proxy statement is delivered to the Company, if the shareholder intends to attend the general meeting of shareholders via video conference, a written notice of proxy cancellation shall be submitted to the Company two days prior to the shareholders' meeting date. If the cancellation is overdue, the attended the shareholders' meeting in the authorized proxy shall prevail.

Article 4

The venue for a shareholders' meeting shall be the premises of the Company or at 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. The place and time of the meeting shall fully consider the opinions of the independent directors.

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

Article 5

The Company shall specify in the meeting notice the time and location of the registration office for accepting shareholders, solicitors, and proxy agents (hereinafter referred to as "shareholders") as well as other matters to be noted.

The aforementioned time for accepting the registration of the shareholders shall be processed at least 30 minutes before the start of the meeting, and the registration office shall be clearly marked and appropriate. Adequate and qualified personnel must be provided to handle this matter. For video conferencing of the shareholders' meeting, registration should be accepted on the shareholders' meeting video conferencing platform 30 minutes before the start of the meeting. Shareholders who have completed the report are deemed to have attended the shareholders' meeting in person.

Shareholders should present their attendance certificates, sign-in cards or other certificates of attendance to attend a shareholders' meeting. The Company shall not arbitrarily add other

supporting documents to the supporting documents required by shareholders to attend. A proxy acting on behalf of a shareholder shall provide ID documents for verification.

The Company shall have a visitors' book for the attending shareholders to sign in, or the attending shareholders shall hand in sign-in cards instead.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

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

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

Article 6

If the shareholders' meeting is convened by the Board of Directors, the chairman shall be the presiding chair. When the chairman of the board is on leave or for any reason unable to exercise the powers of chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman is also on leave or for any reason unable to exercise the powers of vice chairman, the chairman shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairman, the managing directors or directors shall select one person from among themselves to serve as chair.

The presiding chair referred to in the preceding paragraph shall be a managing director or a director acting as a proxy serving for more than six months and who has an understanding of the financial and business status of the Company. The same applies if the presiding chair is the representative of a corporate director.

Shareholders' meetings convened by the Board of Directors are chaired by the Chairman of the Board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by someone other than the Board of Directors, the convening party shall chair the meeting. When there are two or more conveners, one person from among them should serve as chair.

The Company may appoint the designated counsel, CPAs, or other related persons to attend the meeting.

Article 6-1

To convene a virtual shareholders' meeting, the Company shall include the follow particulars in

the shareholders' meeting notice:

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

Article 7

The Company shall have the entire sign-in process, the process of a general meeting, and the voting and count of votes tape recorded or videotaped from the time of accepting the registration for attendance by shareholders.

The audio-visual materials mentioned in the preceding paragraph shall be kept for at least one year. However, if a shareholder institutes legal proceedings in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be retained until the legal proceedings are concluded.

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

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

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

Article 8

Attendance at a shareholders' meeting shall be calculated based on the number of shares. The number of attending shares is calculated based on the signature book or the handed in sign-in card and the number of shares registered on the video conferencing platform, plus the number of shares exercised in writing or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose relevant information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, if shareholders are not present representing more than half of the total issued shares, the chair may announce a postponement of the meeting. The number of postponements is limited to two, and the total postponement time shall not exceed one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as in the preceding item, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act. All shareholders shall be notified within one month of the tentative resolution to convene another shareholders' meeting. If the shareholders' meeting is held by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with Article 6.

By the end of such meeting, if number of shares represented by the attending shareholders has already constituted more than one half of the outstanding shares, the presiding chair may put the tentative resolution to the vote at the shareholders' meeting again in accordance with Article 174 of Taiwan's Company Act.

Article 9

If the shareholders' meeting is convened by the board of directors, its agenda shall be set by the board of directors, and the relevant proposals shall be voted by case. (Including temporary motions and amendments to the original motion.) The meeting shall be conducted according to the scheduled agenda, and shall not be changed without the resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.

The agenda scheduled for the first two items (including temporary motions) is not to be resolved until the discussion is over, and the chair shall not act to announce the adjournment. If the chair violates the Rules and Procedures and announces adjournment of the meeting, the other members of the board of directors shall promptly assist the attending shareholders in

accordance with legal procedures. With the consent of more than half of the voting rights of the shareholders present, one person shall be elected as the chair and the meeting shall continue. The chair shall give the opportunity to fully explain and discuss the motions and amendments or temporary motions proposed by shareholders. When it is considered that the voteable level has been reached, the discussion may be announced to be stopped, the vote shall be put forward, and adequate voting time shall be arranged.

Article 10

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

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

Unless otherwise permitted by the chair, each shareholder shall not speak more than twice concerning the same item, and each speech shall not last more than 5 minutes. However, if the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violations.

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

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

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

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

Article 11

Voting at a shareholders' meeting shall be calculated based on the number of shares. The shares held by any shareholder without voting rights shall not be included in the total number of outstanding shares while voting on resolutions at the shareholders' meeting.

A shareholder shall abstain from exercise of voting rights for himself/herself or on behalf of another shareholder in respect of any proposed matter for consideration at a general meeting if

he/she bears personal interest therein that may conflict with and impair the interest of the Company.

The shares represented by the voting rights contained in the preceding paragraph shall not be counted in the number of votes of the shareholders present at the said meeting.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12

Shareholders have one vote per share; however, for those who are restricted or those without voting rights under Article 179, Paragraph 2 of Company Act, this limitation shall not apply.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Any shareholder who exercises voting rights in writing or in electronic form shall be deemed to have attended the general meeting in person. However, he or she is deemed to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals. Exercise of voting rights by correspondence or electronic means under the preceding shall see delivery of a written declaration of intent to the Company at least 2 days prior to the date of a general meeting of shareholders. When duplicate declarations are delivered, the one received earliest shall prevail except when a declaration is made to cancel the earlier declaration of intent. After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or via video, then they shall, at least two days prior to the date of the meeting, revoke the intention to exercise votes by written ballot or electronic transmission as described in the preceding paragraph in the same manner as exercising votes; if such revocation is not made before the prescribed time, votes exercised by written ballot or electronic transmission shall prevail. If votes are exercised by way of a written ballot or by way of electronic transmission and the general meeting of shareholders is attended by proxy, the votes exercised by the proxy during the general meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or alternative to a proposal, the presiding chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel of votes on motions shall be appointed by the chair, but monitoring personnel should be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

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

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

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 5 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

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

Article 13

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder institutes legal proceedings in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be retained until the legal proceedings are concluded.

Article 14

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

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including statistical weights). For an election of directors, the number of votes received by each candidate should be disclosed. They shall be retained for the duration of the existence of the Company.

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

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

Article 15

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

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

In respect to a shareholders' meeting resolution matter, if required by law or if it constitutes material information as stipulated by the Taipei Exchange, the Company shall transmit such content to the Market Observation Post System within the specified time.

Article 16

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

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor." At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

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

Article 17

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

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

Article 18

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

Article 19

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

Article 20

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

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

For a meeting to be postponed or resumed as described in the preceding paragraph,

shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

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

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

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

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

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

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

Article 21

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 22

These Rules of Procedure shall be implemented after being approved by the shareholders' meeting. The same shall hold true of amendments.

Appendix III

Macauto Industrial Co., Ltd.

Shareholdings of Directors

April 18, 2023

Title	Name	Minimum Shareholding Requirement	Number of Shares Held	Percentage of Shares Held
Chairman	Representative of LYCOM INVESTMENT CO., LTD.: Lin Chou, Yu-Shan		963,400	1.29%
Director	Representative of LYCOM INVESTMENT CO., LTD.: Lin, Yung-Ching		963,400	1.29%
Director	Liu, Tien-Chang		687,379	0.92%
Director	TAYIH KENMOS AUTO PARTS CO., LTD.		9,450,000	12.61%
Director	Li, Yin-Te		-	-%
Independent Director	Wu, Ya-Chuan		-	-%
Independent Director	Chiu, Fang-Tsai		-	-%
Independent Director	Lai, Wei-Hsiang		-	-%
Independent Director	Chen, Fa-Chiang		-	-%
Total number of shares held by all directors (excluding independent directors)		5,992,000	11,100,779	14.82%
Total number of shares held by all directors (including independent directors)		5,992,000	11,100,779	14.82%

Note: The Company has established an audit committee, so there is no requirement for a statutory supervisor to hold shares.

Appendix IV

Explanation of Shareholder Proposal Rights at the Annual Shareholders' Meeting for the Current Year

1. Pursuant to Article 172-1 of the Company Act, the deadline for accepting shareholder proposals for the Company's 2023 annual shareholders' meeting was from April 10, 2023 to April 20, 2023.
2. During the above-mentioned period, there were no shareholders holding more than one percent of the total issued shares of the Company who submitted proposals.