

Macauto Industrial Co., Ltd.

2024 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 18, 2024

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

Macauto Industrial Co., Ltd.

2024 Annual General Shareholders' Meeting Agenda

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Macauto Industrial Co., Ltd.

2024 Meeting Agenda

Date: 9:00 a.m., Tuesday, June 18th, 2024

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 2023 Bussiness Report
 2. Report on 2023 Audit Committee's Review Report
 3. Report on 2023 Employees' and Directors' Compensations
 4. Report on the Distribution of 2023 Cash Dividends
- IV. Proposed Resolutions:
 1. Approval of the 2023 Business Report and Financial Statements
 2. Approval of the Distribution of 2023 Earnings
- V. Election Item:

Election of directors of the 17th term.
- VI. Other Item:

Lifting of the non-compete restriction on new directors and their representatives.
- VII. Extraordinary Motions
- VIII. Adjournment

Report Items

Item 1: Report on the 2023 Bussiness Report

Explanation: Please refer to Attachment I, pages 7-9 for 2023 Business Report.

Item 2: Report on 2023 Audit Committee's Review Report

Explanation: Please refer to Attachment II, page 10 of this manual for the audit committee's review report.

Item 3: Report on 2023 Employees' and Directors' Compensations

Explanation: According to the Articles of Incorporation, the company allocated employee compensation of NT\$23,269,211 and director compensation of NT\$ 9,307,685 in cash for the 2023 fiscal year and authorized the Chairman to handle related matters.

Item 4: Report on the Distribution of 2023 Cash Dividends

Explanation: The company's after-tax net profit for the 2023 fiscal year was NT\$ 432,247,405. So in accordance with the Articles of Incorporation, the company allocated legal reserve of NT\$ 42,951,838 and special reserve of NT\$ 49,110,341. After that, 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\$ 3.4 per share to shareholders on the record date, totaling NT\$ 254,660,000. 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 2023 Business Report and Financial Statements.

Explanation: 1. The individual and consolidated financial statements of the company for year 2023 have been audited by PricewaterhouseCoopers Taiwan, CPAs, Mr. Lin Yung-Chih and Ms. Yeh, Fang-Ting. Please refer to Attachment III on pages 11-39 of this manual. Along with the business report (please refer to Attachment I on pages 7-9 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 2023 Earnings.

Explanation: 1. The net profit after-tax of the company for year 2023 is NT\$432,247,405. 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\$254,660,000, which is proposed to be fully distributed in cash (i.e., a cash dividend of NT\$3.4 per share).
 - (2) No stock dividends will be distributed in this period.
 - (3) The remaining undistributed profit is NT\$1,907,857,725, 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\$3,400 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 40 of this manual for the distribution of 2023 earnings.
6. Here by to for approval.

Resolution:

Election Items

Proposed by the Board

Proposal 1: Election of directors of the 17th term; please proceed with the election.

- Explanation:
1. The term of office of the current directors of the Company will expire on August 25, 2024, and a comprehensive re-elected will be held at this general shareholders' meeting.
 2. According to the Articles of Association of the Company, 9 directors (including 4 independent directors) will be elected this time based on a candidate nomination system, with a term of office of three years. The term of office of the new directors will be from June 18, 2024 to June 17, 2027.
 3. The list of candidates for directors and independent directors was approved by the second board meeting in 2024. Please refer to Attachment V of this manual from pages 41-45.
 4. Please proceed with the election.

Election results:

Other Items

Proposed by the Board

Proposal 1: Lifting of the non-compete restriction on new directors and their representatives.

Explanation: 1. According to Article 209 of the Company Act, if a director engages in activities within the scope of the Company's business either for himself or others, he/she shall explain the important content of such activities to the shareholders' meeting and obtain its permission.

2. If a director of the Company has invested in or operates another company with the same or similar business scope as the Company's and serves as a director, without prejudice to the interests of the Company, it is proposed to request the approval of the shareholders' meeting to release the prohibition on new directors and their representatives from participation in competitive business.

3. The new directors of the Company who, on the date of being elected, acted for themselves or others within the scope of the Company's business include:

Director Nominee Candidates	Name and Position Held in Competing Companies
Director -Lycom Investment Co., Ltd. Representative: Lin Chou, Yu-Shan	Chairman of Kunshan Macauto Automobile Parts Industry Co., Ltd. Chairman of Kunshan Macauto Automobile Parts Sales Co., Ltd. Chairman of MACAUTO USA,INC Chairman of MACAUTO GROUP GmbH Chairman of MACAUTO MEXICO S.A. DE C.V. Chairman of MACAUTO Korea Yooohanheosa Chairman of MACAUTO Slovakia s.r.o. Chairman of Lycom Investment Co., Ltd. Director of Tconn Investment Co., Ltd.
Director -Lycom Investment Co., Ltd. Representative: Lin, Yung-Ching	Director of Kunshan Macauto Automobile Parts Industry Co., Ltd. Director of Macauto International Development Co., Ltd. Chairman of Tconn Investment Co., Ltd.
Director - Lin, Meng-Yu	Supervisor of Tconn Investment Co., Ltd. Director of Sunder Investment Co., Ltd. Supervisor of Kaihia Investment Co., Ltd. Supervisor of Kunshan Macauto Automobile Parts Industry Co., Ltd. Supervisor of Kunshan Macauto Automobile Parts Sales Co., Ltd.

Director Nominee Candidates	Name and Position Held in Competing Companies
Director - TAYIH KENMOS AUTO PARTS CO., LTD.	Director of Guangyu Electronics Co., Ltd.
Director - Li, Yin-Te	Supervisor of Toyota Tsusho (Taiwan) Co., Ltd.
Independent Director - Wu, Ya-Chuan	Chief of the Accounting Firm at Wu Ya-Chuan Accounting Firm Supervisor of Advanced Flexible Circuits Co., Ltd. Independent Director of T-Flex Techvest PCB Co., Ltd.
Independent Director - Chiu, Fang-Tsai	Chief of the Accounting Firm of Qingxin CPA Firm Independent Director of Ying Han Technology Co., Ltd. Independent Director of GeneFerm Biotechnology Co., Ltd. Supervisor of Yung Fu Co., Ltd. Independent Director of SPEC Products Corp.
Independent Director - Lai, Wei-Hsiang	Vice Director of Building Performance Evaluation Center, National Cheng Kung University Research and Development Foundation
Independent Director - Yang, Chih-Yuan	CEO of GE TECHNOLOGY INC. Chairman of Yunying Investment Co., Ltd. Director of GE TECHNOLOGY INC.

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 2023 was NT\$ 5.208 billion, a 7.38% increase from NT\$ 4.85 billion in the previous year. The consolidated operating margin was NT\$ 1.349 billion, an increase of 8.53% compared to NT\$ 1.243 billion in the previous year, due to the product sales mix. The consolidated operating income was NT\$ 464 million, an increase of 12.35% compared to NT\$ 413 million in the previous year, due to the increase in operating margin. In addition, the consolidated net profit for FY2023 was NT\$ 432 million, a 4.85% increase from NT\$ 412 million in the previous year, due to the increase in operating income.

The financial income and expenses, as well as the profitability for the year 2023, are as follows:

Unit: NT\$ Thousand

Consolidated financial report					
Year		2023	%	2022	%
Financial Income and Expenses	Operating revenue	5,208,082	100.00	4,850,034	100.00
	Operating costs	(3,858,703)	(74.09)	(3,606,645)	(74.36)
	Operating margin	1,349,379	25.91	1,243,389	25.64
	Operating expenses	(885,230)	(17.00)	(830,837)	(17.13)
	Operating income	464,149	8.91	412,552	8.51
	Net profit for the period	432,248	8.30	411,972	8.49
Profitability	ROE (Return on Equity)	12.39%		12.71%	
	EPS (Earnings Per Share) after tax	5.77		5.50	

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, Slovakia 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 2023 annual business report, financial statements, and profit 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 8, 2024

Attachment III

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders 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, 2023 and 2022, 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 2023 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 for the Company's 2023 parent company only financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(8) for the accounting policy on inventory valuation, Note 5(2) for uncertainty in accounting estimates and assumptions in relation to inventory valuation, and Note 6(4) for disclosures of inventory and allowance for inventory market price decline.

The Company's main business is the manufacture and sale of various Automobile Sun Shade 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. For inventory with an aging exceeding a certain period, individual identification of net realizable value is adopted, and related losses are recognized.

The allowance for valuation loss mainly arises from identifying inventory with an age exceeding a certain period and its valuation based on net realizable value. The procedures of such identification involves subjective judgment, which might result in a 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 evaluation of inventories a key audit matters.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matters included the following:

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 the Company's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count in order to assess the classification of obsolete

inventory and effectiveness of internal control over obsolete inventory.

3. We selected samples from inventory items by each sequence number to verify its net realizable value, ensuring consistency between the reported information and its policies
4. Sampled the calculation of net realizable 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(25) for the accounting policy on revenue recognition and Note 6(17) for accounting items in 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. Due to the diverse and dispersed nature of its customer base, which includes global Tier 1 automotive suppliers and international car manufacturers, and the large volume of transactions involved in its sales revenue, verifying the authenticity of these transactions also requires a considerable amount of time. 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

Our key audit procedures performed in respect of the above key audit matters included the following:

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

As part of an audit in accordance with the generally accepted auditing standards in 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 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 8, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MACAUTO INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets		Notes	December 31 2023		December 31 2022	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 744,614	14	\$ 778,576	15
1136	Financial assets at amortised cost- current	6(1)(2)	119,954	2	-	-
1170	Accounts receivable, net	6(3) and 12	405,090	8	467,333	9
1180	Accounts receivable - related parties	6(3) and 7	295,671	6	324,648	7
1200	Other receivables		13,920	-	12,837	-
1210	Other receivables-related parties	7	129,318	3	52,327	1
130X	Inventory	5(2) and 6(4)	471,662	9	496,128	10
1410	Prepayments		44,833	1	32,461	1
11XX	Total current assets		2,225,062	43	2,164,310	43
Non-current assets						
1550	Investments accounted for under equity method	6(5)	2,043,151	39	1,904,615	37
1600	Property, plant and equipment	6(6) and 8	757,674	14	801,324	16
1755	Right-of-use assets	6(7)	5,588	-	1,591	-
1760	Investment property, net	6(8) and 8	81,482	2	81,482	2
1780	Intangible assets	6(9)	10,150	-	13,158	-
1840	Deferred income tax assets	6(24)	83,157	2	97,171	2
1915	Prepayments for business facilities	6(6)(8)	1,340	-	-	-
1920	Guarantee deposits paid	6(1) and 8	2,636	-	3,156	-
1990	Other non-current assets		805	-	866	-
15XX	Total non-current assets		\$ 2,985,983	57	\$ 2,903,363	57
1XXX	Total assets		\$ 5,211,045	100	\$ 5,067,673	100

(Continued)

MACAUTO INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity			December 31 2023		December 31 2022	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 190,000	4	\$ 200,000	4
2130	Current contract liabilities	6(17)	55,993	1	48,853	1
2150	Notes payable		2,691	-	2,552	-
2170	Accounts payable		538,458	10	541,223	11
2180	Accounts payable - related parties	7	29,743	1	26,939	1
2200	Other payables	7	317,008	6	274,290	6
2230	Current income tax liabilities	6(24)	93,737	2	109,599	2
2250	Provisions for liabilities - current	6(11)	109,844	2	121,459	2
2280	Current lease liabilities	6(7)	1,530	-	721	-
2320	Long-term liabilities, current portion	6(12) and 8	68,965	1	68,966	1
2365	Current refund liabilities		81,584	2	112,205	2
21XX	Total current liabilities		1,489,553	29	1,506,807	30
Non-current liabilities						
2540	Long-term borrowings	6(12) and 8	-	-	68,965	1
2570	Deferred income tax liabilities	6(24)	55	-	2,490	-
2580	Non-current lease liabilities	6(7)	4,071	-	826	-
2640	Net defined benefit liabilities - non-current	6(13)	111,571	2	114,250	2
25XX	Total non-current liabilities		115,697	2	186,531	3
2XXX	Total liabilities		1,605,250	31	1,693,338	33
Equity						
Share capital						
3110	Share capital - common stock	6(14)	749,000	14	749,000	15
3200	Capital surplus	6(15)	3,082	-	3,082	-
	Retained earnings	6(16)				
3310	Legal reserve		648,243	13	607,420	12
3320	Special reserve		79,644	2	184,213	4
3350	Unappropriated retained earnings		2,156,359	41	1,910,264	38
3400	Other equity interest		(30,533)	(1)	(79,644)	(2)
3XXX	Total equity		3,605,795	69	3,374,335	67
	Significant contingent liabilities and unrecognised contract commitments	9				

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

MACAUTO INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

3X2X	Total liabilities and equity	\$	<u>5,211,045</u>	<u>100</u>	\$	<u>5,067,673</u>	<u>100</u>
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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
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31			
Items	Notes	2023		2022	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17) and 7	\$ 3,355,759	100	\$ 3,093,637	100
5000 Operating costs	6(4)(9)(13)(22)(23) (and 7)	(2,401,703)	(72)	(2,192,208)	(71)
5900 Net operating margin		954,056	28	901,429	29
5910 Unrealized profit from sales	6(5)	(48,026)	(1)	(70,339)	(2)
5920 Realized profit from sales	6(5)	70,339	2	59,180	2
5950 Net operating margin		976,369	29	890,270	29
Operating expenses	6(9)(13)(22)(23) and 7				
6100 Selling expenses		(273,041)	(8)	(288,714)	(9)
6200 General & administrative expenses		(155,682)	(4)	(141,591)	(5)
6300 Research and development expenses		(122,717)	(4)	(123,637)	(4)
6000 Total operating expenses		(551,440)	(16)	(553,942)	(18)
6900 Operating profit		424,929	13	336,328	11
Non-operating income and expenses					
7100 Interest income	6(2)(18) and 7	19,060	1	4,859	-
7010 Other income	6(19)	5,203	-	2,134	-
7020 Other gains and losses	6(20) and 12	13,420	-	62,703	2
7050 Finance costs	6(7)(21)	(4,023)	-	(2,007)	-
7070 Share of profit of associates and joint ventures accounted for using equity method, net	6(5)	64,660	2	85,491	3
7000 Total non-operating income and expenses		98,320	3	153,180	5
7900 Profit before income tax		523,249	16	489,508	16
7950 Income tax expense	6(24)	(91,001)	(3)	(77,536)	(2)
8200 Profit for the year		\$ 432,248	13	\$ 411,972	14
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Remeasurement of defined benefit obligations	6(13)	(\$ 3,412)	-	(\$ 4,681)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	683	-	936	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(5)	49,111	1	104,569	3
8300 Total other comprehensive income for the year		\$ 46,382	1	\$ 100,824	3
8500 Total comprehensive income for the year		\$ 478,630	14	\$ 512,796	17
Earnings per share (in dollars)	6(25)				
9750 Basic		\$ 5.77		\$ 5.50	
9850 Diluted		\$ 5.74		\$ 5.47	

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
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

					Retained Earnings		Other Equity Interest	
		Share capital - common stock	Treasury stock transactions			Total unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Total
	Notes			Legal reserve	Special reserve			
<u>For the year ended December 31, 2022</u>								
Balance at January 1, 2022		\$ 749,000	\$ 3,082	\$ 566,874	\$ 139,134	\$ 1,834,832	(\$ 184,213)	\$ 3,108,709
Net income for the year ended December 31, 2022		-	-	-	-	411,972	-	411,972
Other comprehensive income (loss) for the year ended December 31, 2022	6(5)	-	-	-	-	(3,745)	104,569	100,824
Total comprehensive income		-	-	-	-	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(16)	-	-	-	-	(247,170)	-	(247,170)
Balance at December 31, 2022		\$ 749,000	\$ 3,082	\$ 607,420	\$ 184,213	\$ 1,910,264	(\$ 79,644)	\$ 3,374,335
<u>For the year ended December 31, 2023</u>								
Balance at January 1, 2023		\$ 749,000	\$ 3,082	\$ 607,420	\$ 184,213	\$ 1,910,264	(\$ 79,644)	\$ 3,374,335
Net income for the year ended December 31, 2023		-	-	-	-	432,248	-	432,248
Other comprehensive income (loss) for the year ended December 31, 2023	6(5)	-	-	-	-	(2,729)	49,111	46,382
Total comprehensive income		-	-	-	-	429,519	49,111	478,630
Distribution of 2022 net income:								
Legal reserve		-	-	40,823	-	(40,823)	-	-
Cash dividends	6(16)	-	-	-	-	(247,170)	-	(247,170)
Reversal of special reserve		-	-	-	(104,569)	104,569	-	-
Balance at December 31, 2023		\$ 749,000	\$ 3,082	\$ 648,243	\$ 79,644	\$ 2,156,359	(\$ 30,533)	\$ 3,605,795

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

MACAUTO INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 523,249	\$ 489,508
Adjustments			
Adjustments to reconcile profit (loss)			
Provision for inventory market price decline	6(4)	3,460	9,022
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(64,660)	(85,491)
Unrealized gains on sales	6(5)	48,026	70,339
Realized gains on sales	6(5)	(70,339)	(59,180)
Depreciation expense	6(6)(7)(22)	56,240	63,771
Net gains on disposal of property,plant and equipment	6(20)	-	(179)
Gain on lease modifications	6(7)(20)	-	(11)
Amortization expense	6(9)(22)	1,908	3,043
Loss on disposal of intangible assets (included in "Research and development expenses")	6(9)	3,594	1,697
Provision for liabilities	6(11)	28,208	32,513
Interest income	6(18)	(19,060)	(4,859)
Interest expense	6(21)	4,023	2,007
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		62,243	(110,857)
Accounts receivable from related parties		28,977	(85,790)
Other receivables		607	21
Other receivables from related parties		(76,991)	(52,327)
Inventories		19,775	78,174
Prepayments		(14,286)	13,099
Changes in operating liabilities			
Current portion of contract liabilities		7,140	23,127
Notes payable		139	1,030
Accounts payable		(2,765)	60,371
Accounts payable - related parties		2,804	12,783
Other payables		41,824	(38,018)
Current portion of provision for liabilities	6(11)	(39,823)	(17,884)
Current refund liabilities		(30,621)	18,017
Net defined benefit liabilities - non-current		(6,091)	(6,877)
Cash inflow generated from operations		507,581	417,049
Interest received		17,370	4,326
Interest paid		(3,981)	(1,937)
Income tax paid		(94,601)	(89,467)
Net cash flows from operating activities		426,369	329,971

(Continued)

MACAUTO INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets measured at amortized cost - current		(\$ 119,954)	\$ -
Refund of capital from liquidation of investments accounted for using equity method	6(5)	-	11,960
Acquisition of investments accounted for under equity method - subsidiaries	6(5)	(2,452)	-
Cash payments for acquisition of property, plant, and equipment	6(26)	(8,947)	(5,076)
Proceeds from disposal of property,plant and equipment		-	179
Cash payments for acquisition of intangible assets	6(26)	(160)	(83)
Increase in prepayments for business facilities		(1,340)	-
Decrease in guarantee deposits paid		520	1,501
Decrease (increase) in other non-current assets		61	(866)
Net cash flows (used in) from investing activities		(132,272)	7,615
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayment of short-term borrowings	6(27)	(830,000)	(445,375)
Increase in short-term borrowings	6(27)	820,000	425,999
Repayment of lease principal and interest	6(27)	(1,923)	(1,976)
Repayment of long-term borrowings	6(27)	(68,966)	(68,966)
Cash dividends paid	6(16)	(247,170)	(247,170)
Net cash flows used in financing activities		(328,059)	(337,488)
Net (decrease) increase in cash and cash equivalents		(33,962)	98
Cash and cash equivalents at beginning of year	6(1)	778,576	778,478
Cash and cash equivalents at end of year	6(1)	\$ 744,614	\$ 778,576

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 Shareholders 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, 2023 and 2022, 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of 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 2023 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 for the Group's 2023 consolidated financial statements are stated as follows:

Valuation of inventories

Description

Refer to Note 4(9) for the accounting policy on inventory valuation, Note 5(2) for uncertainty in accounting estimates and assumptions in relation to inventory valuation, and Note 6(4) for disclosures of inventory and allowance for inventory market price decline.

The Group's main business is the manufacture and sale of various Automobile Sun Shade 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. For inventory with an aging exceeding a certain period, individual identification of net realizable value is adopted, and related losses are recognized.

The allowance for valuation loss mainly arises from identifying inventory with an age exceeding a certain period and its valuation based on net realizable value. The procedures of such identification involves subjective judgment, which might result in a 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 evaluation of inventories a key audit matters.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matters included the following:

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 the Company's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count in order to assess the classification of obsolete inventory and effectiveness of internal control over obsolete inventory.
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 realizable 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 the accounting policy on revenue recognition and Note 6(18) for accounting items in 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. Due to the diverse and dispersed nature of its customer base, which includes global Tier 1 automotive suppliers and international car manufacturers, and the large volume of transactions involved in its sales revenue, verifying the authenticity of these transactions also requires a considerable amount of time. 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

Our key audit procedures performed in respect of the above key audit matters included the following:

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 on the parent company only statements of Macauto Industrial Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

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 generally accepted auditing standards in 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 generally accepted auditing standards in 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 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 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 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 8, 2024

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

accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,464,385	25	\$ 1,430,531	25
1136	Financial assets measured at amortized cost - current	6(1)(2)	206,494	3	154,280	3
1150	Notes receivable, net	6(3) and 8	53,766	1	76,665	1
1170	Accounts receivable, net	6(3) and 12	960,541	16	1,044,534	19
1200	Other receivables		33,445	1	35,530	1
130X	Inventory	5(2) and 6(4)	1,040,713	18	1,073,733	19
1410	Prepayments	6(5)	172,823	3	120,646	2
11XX	Total current assets		3,932,167	67	3,935,919	70
Non-current assets						
1535	Financial assets measured at amortized cost - non-cuurent	6(1)(2)	281,255	5	44,080	1
1600	Property, plant and equipment	6(6) and 8	1,322,472	23	1,342,931	24
1755	Right-of-use assets	6(7)	65,292	1	67,386	1
1760	Investment property, net	6(8) and 8	81,482	1	81,482	1
1780	Intangible assets	6(9)	12,271	-	14,208	-
1840	Deferred income tax assets	6(25)	96,645	2	109,410	2
1915	Prepayments for equipment	6(6)	28,473	1	41,695	1
1920	Guarantee deposits paid	6(1) and 8	9,811	-	8,857	-
1990	Other non-current assets - other		14,918	-	15,409	-
15XX	Total non-current assets		1,912,619	33	1,725,458	30
1XXX	Total assets		\$ 5,844,786	100	\$ 5,661,377	100

(Continued)

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity			December 31, 2023		December 31, 2022				
			Notes	AMOUNT	%	AMOUNT	%		
Current liabilities									
2100	Short-term borrowings	6(10)	\$	190,000	3	\$	200,000	3	
2130	Current contract liabilities	6(18)		65,517	1		45,061	1	
2150	Notes payable			24,296	-		19,262	-	
2170	Accounts payable			880,293	15		767,777	14	
2200	Other payables	6(11)		435,504	8		442,775	8	
2230	Current income tax liabilities	6(25)		107,914	2		120,812	2	
2250	Provisions - current	6(12)		131,477	2		155,255	3	
2280	Lease liabilities - current	6(7)		18,204	-		16,378	-	
2320	Long-term liabilities, current portion	6(13) and 8		87,357	2		87,341	1	
2365	Refund liabilities - current			110,862	2		145,149	3	
21XX	Total current liabilities			2,051,424	35		1,999,810	35	
Non-current liabilities									
2540	Long-term borrowings	6(13) and 8		26,822	-		114,139	2	
2570	Deferred income tax liabilities	6(25)		6,091	-		7,969	-	
2580	Lease liabilities - non-current	6(7)		38,963	1		47,999	1	
2640	Net defined benefit liabilities - non-current	6(14)		111,571	2		114,250	2	
2645	Guarantee deposits received			4,120	-		2,875	-	
25XX	Total non-current liabilities			187,567	3		287,232	5	
2XXX	Total liabilities			2,238,991	38		2,287,042	40	
Equity attributable to owners of parent									
Share capital									
3110	Common stock	6(15)		749,000	13		749,000	13	
3200	Capital surplus	6(16)		3,082	-		3,082	-	
	Retained earnings	6(17)							
3310	Legal reserve			648,243	11		607,420	11	
3320	Special reserve			79,644	1		184,213	3	
3350	Unappropriated retained earnings			2,156,359	37		1,910,264	34	
3400	Other equity interest		(30,533)	-	(79,644)	(1)
3XXX	Total equity			3,605,795	62		3,374,335	60	
Significant contingent liabilities and		9							

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

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

unrecognised contract commitments

3X2X	Total liabilities and equity	\$	<u>5,844,786</u>	<u>100</u>	\$	<u>5,661,377</u>	<u>100</u>
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The accompanying notes are an integral part of these consolidated financial statements.

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31			
		2023		2022	
Items	Notes	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18)	\$ 5,208,082	100	\$ 4,850,034	100
5000 Operating costs	6(4)(9)(14)(23)(24)	(3,858,703)	(74)	(3,606,645)	(74)
5900 Net operating margin		<u>1,349,379</u>	<u>26</u>	<u>1,243,389</u>	<u>26</u>
Operating expenses	6(9)(14)(23)(24) and 7				
6100 Selling expenses		(415,785)	(8)	(405,021)	(8)
6200 General & administrative expenses		(280,702)	(5)	(247,455)	(5)
6300 Research and development expenses		(189,022)	(4)	(178,064)	(4)
6450 Expected credit gains (losses)	12(2)	<u>279</u>	<u>-</u>	<u>(297)</u>	<u>-</u>
6000 Total operating expenses		(885,230)	(17)	(830,837)	(17)
6900 Operating income		<u>464,149</u>	<u>9</u>	<u>412,552</u>	<u>9</u>
Non-operating income and expenses					
7100 Interest income	6(2)(19)	26,633	-	12,755	-
7010 Other income	6(20)	18,172	-	9,259	-
7020 Other gains and losses	6(21) and 12	34,876	1	66,456	1
7050 Finance costs	6(7)(22)	(10,312)	-	(5,926)	-
7000 Total non-operating income and expenses		<u>69,369</u>	<u>1</u>	<u>82,544</u>	<u>1</u>
7900 Profit before income tax		<u>533,518</u>	<u>10</u>	<u>495,096</u>	<u>10</u>
7950 Income tax expense	6(25)	(101,270)	(2)	(83,124)	(1)
8200 Net profit for the year		<u>\$ 432,248</u>	<u>8</u>	<u>\$ 411,972</u>	<u>9</u>
Other comprehensive income (loss)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311 Remeasurement of defined benefit plans	6(14)	(\$ 3,412)	-	(\$ 4,681)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	683	-	936	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		49,111	1	104,569	2
8300 Other comprehensive income for the year		<u>\$ 46,382</u>	<u>1</u>	<u>\$ 100,824</u>	<u>2</u>
8500 Comprehensive income for the year		<u>\$ 478,630</u>	<u>9</u>	<u>\$ 512,796</u>	<u>11</u>
Net profit, attributable to:					
8610 Owners of the parent		<u>\$ 432,248</u>	<u>8</u>	<u>\$ 411,972</u>	<u>9</u>
Comprehensive income attributable to:					
8710 Owners of the parent		<u>\$ 478,630</u>	<u>9</u>	<u>\$ 512,796</u>	<u>11</u>
Earnings per share (in dollars)	6(26)				
9750 Basic		<u>\$ 5.77</u>		<u>\$ 5.50</u>	
9850 Diluted		<u>\$ 5.74</u>		<u>\$ 5.47</u>	

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

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Equity attributable to owners of the parent							
Retained Earnings						Other Equity Interest	
					Unappropriated retained earnings	Financial statements translation differences of foreign operations	
Notes	Share capital - common stock	Treasury stock transactions	Legal reserve	Special reserve			Total equity
<u>For the year ended December 31, 2022</u>							
Balance at January 1, 2022	\$ 749,000	\$ 3,082	\$ 566,874	\$ 139,134	\$ 1,834,832	(\$ 184,213)	\$ 3,108,709
Net income for the year ended December 31, 2022	-	-	-	-	411,972	-	411,972
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	(3,745)	104,569	100,824
Total comprehensive income	-	-	-	-	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(17)	-	-	-	(247,170)	-	(247,170)
Balance at December 31, 2022	\$ 749,000	\$ 3,082	\$ 607,420	\$ 184,213	\$ 1,910,264	(\$ 79,644)	\$ 3,374,335
<u>For the year ended December 31, 2023</u>							
Balance at January 1, 2023	\$ 749,000	\$ 3,082	\$ 607,420	\$ 184,213	\$ 1,910,264	(\$ 79,644)	\$ 3,374,335
Net income for the year ended December 31, 2023	-	-	-	-	432,248	-	432,248
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	(2,729)	49,111	46,382
Total comprehensive income	-	-	-	-	429,519	49,111	478,630
Distribution of 2022 net income:							
Legal reserve	-	-	40,823	-	(40,823)	-	-
Cash dividends	6(17)	-	-	-	(247,170)	-	(247,170)
Reversal of special reserve	-	-	-	(104,569)	104,569	-	-
Balance at December 31, 2023	\$ 749,000	\$ 3,082	\$ 648,243	\$ 79,644	\$ 2,156,359	(\$ 30,533)	\$ 3,605,795

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

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 533,518	\$ 495,096
Adjustments			
Income and expenses having no effect on cash flows			
Expected credit (gains) losses	12(2)	(279)	297
Provision (reversal of allowance) for inventory market price decline	6(4)	3,531	(112)
Depreciation expenses	6(6)(7)(23)	128,325	131,939
Net losses (gains) on disposal of property, plant and equipment	6(21)	3,193	(179)
Gains on lease modifications	6(7)(21)	-	(32)
Property, plant and equipment transferred to expenses	6(6)	40	10
Amortization expenses	6(9)(23)	2,660	4,267
Loss on disposal of intangible assets (included in "Research and development expenses")	6(9)	3,594	1,697
Prepayments for equipment transferred to expenses		206	-
Provision for liabilities	6(12)	41,994	47,080
Interest income	6(19)	(26,633)	(12,755)
Interest expenses	6(22)	10,312	5,926
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Notes receivable		22,899	(3,415)
Accounts receivable		84,284	(229,337)
Other receivables		9,317	(5,358)
Inventory		27,845	114,307
Prepayments		(33,553)	1,544
Net changes in liabilities relating to operating activities			
Contract liabilities-current		20,456	17,972
Notes payable		5,034	(34,822)
Accounts payable		112,516	131,422
Other payables		(6,695)	(26,541)
Current provision for liabilities	6(12)	(66,640)	(22,531)
Refund liabilities - current		(34,287)	23,747
Non-current net defined benefit liabilities		(6,091)	(6,877)
Cash inflow generated from operations		835,546	633,345
Interest received		19,401	12,221
Interest paid		(8,772)	(4,382)
Income tax paid		(102,598)	(93,453)
Net cash flows from operating activities		743,577	547,731

(Continued)

MACAUTO INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets measured at amortized cost - current		(\$ 52,214)	(\$ 2,240)
Increase in financial assets measured at amortized cost - non-current		(237,175)	(640)
Cash paid for the purchase of property, plant and equipment	6(27)	(33,313)	(18,669)
Proceeds from disposal of property, plant and equipment		310	179
Cash paid for the purchase of intangible assets	6(27)	(1,925)	(129)
Increase in prepayments for equipment		(21,266)	(32,320)
(Increase) decrease in guarantee deposits paid		(954)	429
Decrease (increase) in other non-current assets - other		491	(1,765)
Net cash flows used in investing activities		(346,046)	(55,155)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayment of short-term borrowings	6(28)	(830,000)	(445,375)
Increase in short-term borrowings	6(28)	820,000	425,999
Principal and interest payments under lease liabilities	6(28)	(21,866)	(20,441)
Repayment of long-term borrowings	6(28)	(90,362)	(82,703)
Increase in guarantee deposits received	6(28)	1,298	2,875
Cash dividends paid	6(17)	(247,170)	(247,170)
Net cash flows used in financing activities		(368,100)	(366,815)
Effect of exchange rate changes on cash and cash equivalents		4,423	67,079
Net increase in cash and cash equivalents		33,854	192,840
Cash and cash equivalents at beginning of year	6(1)	1,430,531	1,237,691
Cash and cash equivalents at end of year	6(1)	\$ 1,464,385	\$ 1,430,531

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

Attachment IV

Macauto Industrial Co., Ltd.
Profit Distribution Table
2023

Unit: NT\$

Item	Amount	Explanation
Net income after tax for the year ended 2023 (Note 1)	432,247,405	
Less:		
- After-tax net actuarial gains from defined benefit plans	(2,729,022)	
- Appropriation to legal reserve	(42,951,838)	
Add:		
- Reversal of special reserve	49,110,341	
Distributable earnings for the year	435,676,886	
Add:		
- Accumulated undistributed earnings from prior years	1,726,840,839	
Accumulated distributable earnings	2,162,517,725	
Distributable items:		
Less:		
- Cash dividends to shareholders	(254,660,000)	Cash dividend of NT\$3.4 per share was distributed.
Accumulated undistributed earnings at the end of the year	1,907,857,725	

Note 1: The distribution order of this year's retained earnings is to prioritize the distribution of the earnings for the year 2023, 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

The Slate of Director and Independent Director Candidates

Title	Name	Shareholding at current (Shares)	Education experience	Working experience	Current positions	Reason for nominating for three consecutive terms as an independent director.
Director	Lycom Investment Co., Ltd. Representative : Lin Chou, Yu-Shan	1,063,400	Department of Oriental Languages and Literatures, Tamkang University	TA YIH INDUSTRIAL CO., LTD.	Chairman and CEO of the company Chairman of Kunshan Macauto Automobile Parts Industry Co., Ltd. Chairman of Lycom Investment Co., Ltd. Director of Tconn Investment Co., Ltd. Chairman of MACAUTO USA, INC. Chairman of MACAUTO GROUP GmbH Chairman of MACAUTO MEXICO S.A. DE C.V. Chairman of MACAUTO Korea Yooheansa Chairman of MACAUTO Slovakia s.r.o.	N/A
Director	Lycom Investment Co., Ltd. Representative : Lin, Yung-	1,063,400	Department of Mechanical Engineering, South Asia Institute of	TA YIH INDUSTRIAL CO., LTD.	Group President and Chief R&D Officer Chairman of Macauto International Development Co., Ltd. Chairman of Tconn Investment Co., Ltd.	N/A

Title	Name	Shareholding at current (Shares)	Education experience	Working experience	Current positions	Reason for nominating for three consecutive terms as an independent director.
	Ching		Technology and Medicine		Director of Kunshan Macauto Automobile Parts Industry Co., Ltd.	
Director	Lin, Meng-Yu	792,802	Master of Marketing at Queensland University of Technology	Special Assistant to the General Manager of Macauto Industrial Co., Ltd.	Vice President of group management office of the company Supervisor of Tconn Investment Co., Ltd. Director of Sunder Investment Co., Ltd. Supervisor of Kaihia Investment Co., Ltd.	N/A
Director	TAYIH KENMOS AUTO PARTS CO., LTD.	9,450,000	N/A	N/A	Director of Guangyu Electronics Co., Ltd.	N/A
Director	Li, Yin-Te	0	National Taipei University of Business, Department of Business Administration	Director and vice President of Toyota Tsusho (Taiwan) Co., Ltd. Chairman of FENG SHENG LOGISTICS CO., LTD	Supervisor of Toyota Tsusho (Taiwan) Co., Ltd.	N/A

Title	Name	Shareholding at current (Shares)	Education experience	Working experience	Current positions	Reason for nominating for three consecutive terms as an independent director.
Independent Director	Wu, Ya-Chuan	0	Business Administration, National Taiwan University National Cheng Kung University, Master's degree in Business Administration Certified Public Accountant (CPA)	Branches, Brokerage Dept of Master Link Securities Corp. CFO of Merry Life Biomedical Company, Ltd. CFO ChongDah Health Co. Ltd. Professional expert lecturer of Tainan University of Technology	Chief of the Accounting Firm at Wu Ya-Chuan Accounting Firm Supervisor of Advanced Flexible Circuits Co., Ltd. Independent Director of T-Flex Techvest PCB CO., LTD.	Considering that their expertise in finance and accounting and familiarity with relevant laws and regulations which will be of significant benefit to the Company, they will continue to be nominated as independent director candidates to provide supervision of and professional advice to the board of directors.
Independent Director	Chiu, Fang-Tsai	0	Feng Chia University Department of Accounting Master's degree in Finance and Financial	Specialist of Deloitte Taiwan Senior specialist of Grand Cathay Securities Corporation Chief of the Audit	Chief of the Accounting Firm of Qingxin CPA Firm Independent Director of Ying Han Technology Co., Ltd. Independent Director of GeneFerm Biotechnology Co., Ltd. Supervisor of Yung Fu Co., Ltd.	None

Title	Name	Shareholding at current (Shares)	Education experience	Working experience	Current positions	Reason for nominating for three consecutive terms as an independent director.
			Management from National Cheng Kung University Certified Public Accountant (CPA)	Department at AMIT Wireless Inc	Independent Director of SPEC Products Corp.	
Independent Director	Lai, Wei-Hsiang	0	National Cheng Kung University Department of Mechanical Engineering Master's degree in National Taiwan University Department of Mechanical Engineering Ph.D. in Aerospace Engineering	Director and Chairman of the Aerospace Engineering Department/Civil Aviation Research Institute/Energy International Degree Program at National Cheng Kung University.	Vice Director of Building Performance Evaluation Center, National Cheng Kung University Research and Development Foundation	None

Title	Name	Shareholding at current (Shares)	Education experience	Working experience	Current positions	Reason for nominating for three consecutive terms as an independent director.
			from National Cheng Kung University			
Independent Director	Yang, Chih-Yuan	0	Master of finance at National Taiwan University	Special Assistant to the Chairman of TAYIH KENMOS AUTO PARTS CO., LTD. CEO of TAYIH KENMOS AUTO PARTS CO., LTD.	CEO of GE TECHNOLOGY INC. Chairman of Yunying Investment Co., Ltd. Director of GE TECHNOLOGY INC.	None

Appendix I

Macauto Industrial Co., Ltd. Articles of Incorporation

Amended September 22, 2023

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 C303010 Manufacture of Non-woven Fabrics
- 26 C305010 Printing, Dyeing, and Finishing
- 27 C399990 Other Textile and Products Manufacturing
- 28 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, 2023; (38) September 22, 2023.

Appendix II

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

Amended June 16, 2023

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.

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.

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. Unless otherwise provided in Article 44-9, Paragraph 6 of "Regulations Governing the Administration of Shareholder Services of Public Companies" at 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.

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. Unless otherwise provided in Article 44-9, Paragraph 6 of "Regulations Governing the Administration of Shareholder Services of Public Companies" at 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.

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. Procedures for Election of Directors

Amended on August 26, 2021

- Article 1 For the election of directors in a fair, just and open manner, these Procedures are formulated in accordance with Articles 21 and 41 of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.”
- Article 2 Except as otherwise provided by laws and regulations or the Articles of Incorporation, the election of directors of the Company shall be governed by these Procedures.
- Article 3 The election of the Company’s shall take into account the overall configuration of the Board of Directors. The composition of the Board of Directors shall take diversity into account, and appropriate policies shall be adopted for diversity in terms of its own operation, business model and development needs. The composition of the Board of Directors is advised to include but not be limited to the following two standards:
- I. Basic requirements and values: Gender, age, nationality, and culture.
 - II. Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Members of the Board of Directors shall generally possess the necessary knowledge, skills, and attributes to perform their duties, and shall have the following abilities as a whole:

- I. Ability to make operational judgements.
- II. Ability to perform accounting and financial analysis.
- III. Ability to operate and manage.
- IV. Ability to manage crises.
- V. Industry knowledge.
- VI. Knowledge of international markets.
- VII. Ability to lead.
- VIII. Ability to make decisions.

More than half of the directors shall not be a spouse or a relative within the second degree of kinship.

The Board of Directors of the Company shall consider adjusting the composition of the Board of Directors based on the results of performance evaluation.

- Article 4 If the Company appoints independent directors, the qualifications of independent directors shall comply with Articles 2, 3 and 4 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.”
- The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8 and 9 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” and Article 24 of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.”
- Article 5 Elections of directors of the Company shall be conducted in accordance with the candidate nomination system stipulated in Article 192-1 of the Company Act. If the number of directors is less than five after directors resign from office, the Company shall hold a by-election at the most recent shareholders’ meeting. However, if the vacancy in the Board of Directors reaches one-third of the number specified in the Articles of Incorporation, the Company shall convene an extraordinary shareholders’ meeting for by-election within 60 days from the date of occurrence of the fact. If the number of independent directors falls below that specified in the proviso of Paragraph 1, Article 14-2 of the Securities and Exchange Act, the Company shall hold a by-election at the most recent shareholders’ meeting. When all independent directors have been dismissed, an extraordinary shareholders’ meeting shall be convened within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors and may not arbitrarily add requirements for documentation of other qualifications. The results of the review shall be provided to shareholders for their reference, so that qualified directors will be elected.
- Article 6 The Company’s election of directors shall be based on recorded votes in a cumulative voting system. Each share shall have the same number of votes as the number of directors to be elected, and may be cast for a single candidate or allocated to a number of candidates.
- Article 7 The Board of Directors shall prepare the ballots for the same number of Directors as the number of Directors to be elected, specify the number of voting rights on the ballots, and distribute them to the shareholders attending the Shareholders’ Meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

- Article 8 The number of directors of the Company is determined by the Articles of Incorporation, and the voting rights of independent directors and non-independent directors are calculated separately. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Company and publicly checked by the vote monitoring personnel before voting commences.
- Article 10 A ballot is invalid under any of the following circumstances:
- I. The ballot was not prepared by a person with the right to convene.
 - II. A blank ballot is placed in the ballot box.
 - III. The writing is unclear and indecipherable or has been altered.
 - IV. The candidate whose name is entered in the ballot does not conform to the director candidate list.
 - V. Other words or marks are entered in addition to the number of voting rights allotted.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on site.
- 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 12 The Procedure shall be implemented after the approval of the shareholders' meeting, and shall be amended in the same manner.

Appendix IV

Macauto Industrial Co., Ltd.

Shareholdings of Directors

April 20, 2024

Title	Name	Minimum Shareholding Requirement	Number of Shares Held	Percentage of Shares Held
Chairman	Representative of LYCOM INVESTMENT CO., LTD.: Lin Chou, Yu-Shan		1,063,400	1.42%
Director	Representative of LYCOM INVESTMENT CO., LTD.: Lin, Yung-Ching		1,063,400	1.42%
Director	Liu, Tien-Chang		626,379	0.84%
Director	TAYIH KENMOS AUTO PARTS CO., LTD.		9,450,000	12.62%
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	11,139,779	14.87%
Total number of shares held by all directors (including independent directors)		5,992,000	11,139,779	14.87%

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

Appendix V

Explanation of the rights of shareholders to put forward proposals at this year's General Shareholders' Meeting

1. Pursuant to Article 172-1 of the Company Act, the deadline for accepting shareholder proposals for the Company's 2024 annual shareholders' meeting was from March 16, 2024 to March 26, 2024.
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.