

Stock code: 6506



Shuang-Bang Industrial Corp.

***Shuang-Bang Industrial Corp.***

2025 Annual General Shareholders'  
Meeting  
Meeting Handbook

June 12, 2025

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# Shuang-Bang Industrial Corp.

## 2025 Annual General Shareholders' Meeting Procedure

- I. Call Meeting to Order (reporting of the number of shares in attendance)
- II. Chairman's opening remarks
- III. Report items
- IV. Ratifications
- V. Discussion Items
- VI. Extraordinary Motions
- VII. Adjournment

# Shuang-Bang Industrial Corp. 2025 Annual General Shareholders’ Meeting Agenda

Date and Time: June 12, 2025 (Thursday) 10:00 A.M.

Venue: (Plant 1 of the Company) 1F, No.3, Yongxing Road, Nangang Industrial Zone, Nantou County

Format of shareholders’ meeting: physical

Meeting procedures:

- I. Call Meeting to Order (reporting of the number of shares in attendance)
- II. Chairman’s opening remarks
- III. Report items:
  - (I) 2024 Business Report.
  - (II) 2024 Audit Committee’s Review Report.
  - (III) Report on the Company’s 2024 Distribution of Remunerations of Employees and Directors.
  - (IV) Report on the Company's 2024 Distribution of Cash Dividends from Earnings.
- IV. Ratification items
  - (I) Adoption of 2024 Business Report and Financial Statements.
  - (II) Adoption of 2024 Earnings Distribution Proposal.
- V. Discussion Items:
  - (I) Proposal for Amendments to the Company's "Articles of Incorporation".
  - (II) Proposal for Amendments to the Company’s "Rules and Procedures of Shareholders’ Meeting".
- VI. Extraordinary Motions
- VII. Adjournment

## **[Report Items]**

Proposal 1 (Proposed by the Board of Directors)

Agenda: 2024 Business Report, submitted for review.

Explanation: Please refer to Attachment 1 (pages 8-10) for the Business Report.

Proposal 2 (Proposed by the Board of Directors)

Agenda: 2024 Audit Committee's Review Report, submitted for review.

Explanation: Please refer to Attachment 2 (page 11) for Audit Committee's Review Report.

Proposal 3 (Proposed by the Board of Directors)

Agenda: Report on 2024 Distribution of Remunerations of Employees and Directors, submitted for review.

Explanation: The Company's 2024 profit was NT\$72,241,318, and it is proposed to distribute 8.0286% of the profit as the remuneration of employees in cash at an amount of NT\$5,800,000 and 2.9900% of the profit as the remuneration of directors in cash at an amount of NT\$2,160,000, all in the form of cash.

Proposal 3 (Proposed by the Board of Directors)

Agenda: Report on the status of 2024 distribution of cash dividends from earnings, submitted for review.

Explanation: 1. According to Article 30-1 of the Company's Articles of Incorporation  
2. On March 7, 2025, the Company's Board of Directors approved the distribution of shareholders' cash dividends for a total of NT\$65,888,660 or NT\$0.8 per share, rounded down to the integer dollar. Fractional amounts are aggregated into the Company's other income. Chairman is authorized to determine the ex-right date, the issuance date and other relevant matters.

## **[Ratification Items]**

Proposal 1 (Proposed by the Board of Directors)

Agenda: 2024 business report and financial statements, submitted for ratification.

Explanation: 1. The Company's 2024 business report and financial statements (including consolidated financial statements) have been approved by the Board of Directors and reviewed by Audit Committee.

2. The abovementioned financial statements were audited by Weyong International CPAs & Co.

3. Please refer to Attachment 1 (pages 8-10) and Attachment 3 (pages 12-31) for Company's 2024 Business Report, Independent Auditors' Report and Financial Statements (including Consolidated Financial Statements).

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Agenda: Adoption of 2024 earnings distribution proposal, submitted for ratification.

Explanation: Please refer to Attachment 4 (page 32) for the Company's 2024 earnings distribution table.

Resolution:

## **[Discussions Items]**

Proposal 1 (Proposed by the Board of Directors)

Agenda: Proposal for amendments to the "Articles of Incorporation" of the Company, submitted for discussion.

Explanation: 1. In accordance with the provision of Paragraph 6 of Article 14 of the Securities and Exchange Act, it is proposed to amend the “Articles of Incorporation” of the Company.

2. Please refer to Attachment 5 (pages 40~42) for the Comparison Table for Amendments of “Articles of Incorporation”.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Agenda: Proposal for the amendment to the “Rules of Procedure for Shareholders’ Meetings” of the Company submitted for discussion.

Explanation: 1. According to the amendment of the law, it is proposed to amend the “Rules of Procedure for Shareholder Meetings” of the Company.

2. Please refer to Attachment 6 (pages 35~39) for the Comparison Table for Amendments of “Rules and Procedures of Shareholders’ Meeting”.

Resolution:

**[Extraordinary Motions]**

**[Adjournment]**



## Shuang-Bang Industrial Corp. Business Report

### I. 2024 Business Report

On behalf of the board, I would like to first thank all our employees for their contribution and all our shareholders for their long-time support.

The Company's 2024 operating results and 2025 business plan and goal are hereby reported as follows:

#### (I) Implementation Outcomes of 2024 Business Plan

The Company's net consolidated revenue totaled NT\$1,907,839 thousand for 2024, at a gross margin of 13.66%. Earnings per share after tax was at NT\$0.75.

After the end of the pandemic in 2024, the recovery of industries has driven the increase in the momentum of purchase of goods. Therefore, the revenue has recovered to the pre-pandemic level, and the consolidated revenue has shown an increase of 20.70% from 2023. In addition, the operating gross margin also increased by 75.35% from the same period of last year.

#### (II) 2024 Budget Implementation

The Company did not disclose its financial forecast for 2024, hence no explanation is required.

#### (III) Revenue, expense, and profitability analysis

##### 1. Financial overview and analysis

Unit: NTD thousands

| Item  | 2024        | 2023        | Increase/decrease (%) |
|---|-------------|-------------|-----------------------|
| Net operating revenues                            | 1,907,839   | 1,580,608   | 20.70                 |
| Operating costs                                   | (1,647,242) | (1,457,450) | 13.02                 |
| Gross profit                                      | 260,597     | 123,158     | 111.60                |
| Operating expenses                                | (191,680)   | (180,475)   | 6.21                  |
| Current net profit (loss)                         | 68,917      | (57,317)    | 220.24                |
| Non-operating net income (expense)                | 1,709       | 22,525      | (92.41)               |
| Net profit (loss) before tax                      | 70,626      | (34,792)    | 302.99                |
| Income tax expense                                | (21,443)    | 15,442      | (238.86)              |
| Current net income (loss)                         | 49,183      | (19,350)    | 354.18                |
| Other comprehensive income                        | 2,430       | (1,902)     | 227.76                |
| Total comprehensive income for the current period | 51,613      | (21,252)    | 342.86                |

Note: The above figures were taken from audited consolidated financial statements

## 2. Profitability analysis

| Item/Year                              |                   | 2024  | 2023    |
|--|-------------------|-------|---------|
| Return on assets (%)                   |                   | 2.46% | (0.42%) |
| Return on equity (%)                   |                   | 3.89% | (1.47%) |
| As a percentage of paid-up capital (%) | Operating profit  | 8.37% | (6.96%) |
|  | Profit before tax | 8.58% | (4.22%) |
| Net profit margin (%)                  |                   | 2.58% | (1.22%) |
| Earnings per share (NTD) (Note)        |                   | 0.75  | 0.01    |

Note: EPS is calculated after making retrospective adjustments based on weighted average outstanding shares in the current year.

### (IV) Research and development

- high flexible – soft 3L seam tape
- Bio-based >35% microporous membrane
- Water based graphene membrane
- Adhesive for fabric with fluorine-free water repellent treatment
- Water-based composite materials for packaging
- High rebound casting resin for insole
- rPET polyol
- Recycled PU resin/PUR
- the TPU homelt base on Recycled PET
- Bluesign approval of vapor permeability membranes

## II. 2025 Business Plan

### (I) Business guidelines for the year

1. Enhance group-wide resource integration and improve operating performance.
2. Strengthen customer relations for increased collaborative benefits.
3. Promote environment-friendly products and rally consumers toward social responsibilities.
4. Improve quality management practices to ensure the stability of product quality for better customer satisfaction.
5. Invest into the improvement of production procedures for reduced production cost and enhanced competitiveness.
6. Enhance industrial safety and health training, and improve work environment for all employees.

### (II) Expected sales/volumes and basis of forecasts

| Unit: tonnes/thousand yards |                            |
|-----------------------------|----------------------------|
| Main products               | Expected 2025 sales volume |
| Coating and lamination      | 18000                      |
| Resin                       | 1800                       |
| Curing agent                | 3500                       |
| TPU                         | 1000                       |

The above forecasts of sales volumes are based on 2024 results, new products under development, anticipated growth in 2025 and customers' demand.

### (III) Important sales and marketing policy

1. Making ongoing improvements to the production procedure for better customer satisfaction.
2. Develop high value-adding products for improved competitiveness.
3. Work with globally reputable companies for new market expansion.
4. Promote environment-friendly products and rally consumers toward social responsibilities.

- III. Future development strategies
  - (I) Maintain productive interaction with upstream and downstream partners for more stable supply and sales network.
  - (II) R&D initiatives for forward-looking products and new markets.
  - (III) Actively train talents and enhance employee training and education to support business expansion.
- IV. Impact of the external competition, legal, and overall business environments

Despite intensifying competition in the external environment, the management has tracked market changes closely and responded to complex and unpredictable situations with appropriate strategies in a timely manner. With the support of the R&D team, the Company has been able to introduce products with distinctive advantages to meet the competition and thrive amidst the challenging environment. With respect to the regulatory environment, the Company observes national policies and laws whereas internal units such as finance, shareholder service, internal audit etc. are capable of monitoring changes and making appropriate adjustments to internal systems, operations, and business activities to ensure continuity. As for the macroeconomic environment, increased volatility in the price of raw materials has had direct impact on the Company's business costs, which the management has responded with pro-active inventory controls, product portfolio adjustments, and continued new product developments in an attempt to expand market presence for greater performance.

We hereby present to shareholders our business performance for 2024 along with outlooks and strategies for the current year. Motivated by the philosophy of "integrity, quality, innovation, and sharing," Shuang-Bang envisions itself of becoming "world's top tier technology innovator and value creator" and will accelerate new product development and strengthen technical capabilities critical to competitiveness, in order to produce high-quality products catering to customers' needs and gain market shares. Lastly, we thank you once more for your trust and support in the last year, and look forward to your guidance and encouragement in the future.

Chairman: Chung-Tang Chang

Managerial Officer: Yu-Chuan Hsu

Chief Accounting Officer: Min-Chu Lin

## **Audit Committee's Review Report**

The Board of Directors prepared and submitted the 2024 business report, the proposal for earnings distribution and the parent company-only financial statements and the consolidated financial statements audited by CPA Jim-Chen Ko and CPA Hui-Fen Lin of Weyong International CPAs & Co. to Audit Committee for review and no non-conformity was identified. Hence, these reports are duly presented in accordance with Article 14-4 of Company's and Exchange Act and Article 219 of the Company Act.

For

The Company's 2025 Annual General Shareholders' Meeting

Shuang-Bang Industrial Corp.

Audit Committee Convener

Li-Ling Chen

March 7, 2025

## **Independent Auditors' Report**

To the Board of Directors of Shuang-Bang Industrial Corporation.

### **Opinion**

We have audited the accompanying parent company only balance sheets of Shuang-Bang Industrial Corporation. (the "Company") as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and the notes to the parent company only financial statements, (including a summary of significant accounting policies).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the parent company as of December 31, 2024 and 2023, and its financial performance and cash flows ended December 31, 2024 and 2023, in accordance with requirements of the Regulations Governing the Preparations of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. 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 Shuang-Bang Industrial Corporation in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the 2024 parent company only financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter for the Company's parent company only financial statements for the year ended December 31, 2024 are stated as follows:

#### Allowance for losses on Accounts Receivable

The management's judgment on the recognition of allowance for losses on accounts receivable is based on the evaluation of both internal and external information, as such, it was one of the key audit matters for our audit. Therefore, our principal audit procedures included testing the effectiveness of controls related to accounts receivable, obtaining the ledgers and records, selecting samples for obtaining confirmation letters; obtaining aging analysis of accounts receivable and verifying the accuracy of relevant documents and the aging intervals, reviewing the provision for bad debts on the ledger to ensure that it is provided based on the loss rate, and evaluating whether management's recognition of impairment losses on accounts receivable is correct.

Please refer to Note 4 “Summary of significant accounting policies—Accounts receivables”, Note 6(3) in notes to the parent company only financial statements for.

#### Valuation of inventories

Inventories are stated at the lower cost and net realizable value. However, the rapid evolution of technology and the fluctuation of the market may lead to obsolescence and render products unmarketable. As inventory must be measured at the lower cost and net realizable value, management must assess the amount of inventory on the balance sheet date that is impaired due to normal wear and tear, obsolescence or lack of market sales value, and write down the inventory costs to net realizable value. The inventory valuation is mainly based on past experience and estimated future product demand. Therefore, the auditor pays particular attention to whether the company complies with International Accounting Standards 2 (IAS2) in measuring inventory at the lower cost and net realizable value and whether management's provision for inventory write-downs is reasonable.

The audit procedures performed by the auditor include:

1. Testing the age of inventory on the balance sheet date and comparing the provision for inventory obsolescence with the previous year, analyzing the reasons for differences, and checking the relevant data used to calculate the provision for inventory write-downs, and comparing the historical provision with the actual offsetting differences.
2. On a sample basis, comparing the latest actual selling price of inventory at the end of the period with its book value to ensure whether the inventory has been evaluated at the lower cost and net realizable value.
3. Comparing the ending inventory balance on the end of the year with the inventory details for the current year to verify the existence and completeness of inventory in the end of the year. By observing annual physical counts of goods, the auditors assess the reasonableness of the amount of allowance for inventory write-down.

Please refer to Note 4 “Summary of significant accounting policies—Inventories”, Note 6(4) in notes to the parent company only financial statements.

#### **Responsibilities of Management and Those Charged with Governance for the Parent company only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the 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 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 members of the 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 Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material mistake 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 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 and 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 directions, supervision and performance of the Company 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 for the year ended December 31, 2024 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.

The engagement partners on the audits resulting in this independent auditors' report are Jim Chen Ko and Lin Hui Fen.

Weyong International CPAs&Co.

Taichung, Taiwan (Republic of China)

March 7, 2025

#### **Notice to Readers**

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

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.



**Shuang-Bang Industrial Corporation**  
**Parent-company-only Balance Sheets**  
(In thousands of New Taiwan Dollars)  
**December 31, 2024 and 2023**

| Codes | Assets   | Notes    | December 31, 2024   |               | December 31, 2023   |               |
|-------|--|----------|---------------------|---------------|---------------------|---------------|
|       |  |          | Amount              | %             | Amount              | %             |
|       | <b>Current Assets</b>  |          |                     |               |                     |               |
| 1100  | Cash and cash equivalents  | 6(1)     | \$ 89,426           | 3.63          | \$ 101,662          | 4.28          |
| 1137  | Financial assets at amortized cost -current                        | 6(2)     | 900                 | 0.04          | 3,900               | 0.16          |
| 1150  | Notes receivables, net   | 6(3)     | 52,676              | 2.14          | 62,198              | 2.62          |
| 1152  | Other notes receivables  | 6(3)     | 532                 | 0.02          | -                   | -             |
| 1160  | Notes receivables from related parties, net                        | 6(3), 7  | 4,991               | 0.20          | 6,412               | 0.27          |
| 1170  | Accounts receivables, net  | 6(3)     | 335,487             | 13.63         | 275,045             | 11.58         |
| 1180  | Accounts receivables from related parties, net                     | 6(3), 7  | 38,680              | 1.57          | 22,763              | 0.96          |
| 1199  | Finance lease receivables from related parties                     | 7        | -                   | -             | 8,602               | 0.36          |
| 1200  | Other receivables  |          | 243                 | 0.01          | 1,038               | 0.04          |
| 1210  | Other receivables from related parties                             | 7        | -                   | -             | 1,465               | 0.06          |
| 1220  | Current tax assets   |          | 10,956              | 0.44          | -                   | -             |
| 130X  | Inventories  | 6(4)     | 255,508             | 10.38         | 233,617             | 9.83          |
| 1470  | Other current assets   |          | 16,914              | 0.69          | 15,169              | 0.64          |
| 11XX  | <b>Total current assets</b>  |          | <u>806,313</u>      | <u>32.75</u>  | <u>731,871</u>      | <u>30.80</u>  |
|       | <b>Noncurrent Assets</b>   |          |                     |               |                     |               |
| 1510  | Financial assets at fair value through profit or loss -non-current | 6(5)     | 26,472              | 1.08          | 38,452              | 1.62          |
| 1550  | Investments accounted for using equity method                      | 6(6)     | 14,071              | 0.57          | 49,466              | 2.08          |
| 1600  | Property, plant and equipment                                      | 6(7)     | 1,444,733           | 58.68         | 1,391,285           | 58.55         |
| 1755  | Right-of-use assets  | 6(8)     | 6,242               | 0.25          | 8,578               | 0.36          |
| 1780  | Intangible assets  | 6(9)     | 3,064               | 0.12          | 3,033               | 0.13          |
| 1840  | Deferred income tax assets   | 6(22)3   | 26,636              | 1.08          | 27,098              | 1.14          |
| 1900  | Other noncurrent assets  | 6(10), 7 | 134,699             | 5.47          | 126,521             | 5.32          |
| 15XX  | <b>Total noncurrent assets</b>                                     |          | <u>1,655,917</u>    | <u>67.25</u>  | <u>1,644,433</u>    | <u>69.20</u>  |
| 1XXX  | <b>Total assets</b>  |          | <u>\$ 2,462,230</u> | <u>100.00</u> | <u>\$ 2,376,304</u> | <u>100.00</u> |

(Continued)

**Shuang-Bang Industrial Corporation**  
**Parent-company-only Balance Sheets**  
(In thousands of New Taiwan Dollars)  
**December 31, 2024 and 2023**

| Codes | Liabilities and Equity                                   | Notes   | December 31, 2024   |               | December 31, 2023   |               |
|-------|--|---------|---------------------|---------------|---------------------|---------------|
|       |  |         | Amount              | %             | Amount              | %             |
|       | <b>Current Liabilities</b>                               |         |                     |               |                     |               |
| 2100  | Short-term loans   | 6(11)   | \$ 121,938          | 4.95          | \$ 63,485           | 2.67          |
| 2151  | Notes payables   | 6(12)   | 665                 | 0.03          | 444                 | 0.02          |
| 2152  | Other notes payables                                     | 6(12)   | 14,975              | 0.61          | 15,493              | 0.65          |
| 2170  | Accounts payables  | 6(12)   | 182,550             | 7.41          | 166,248             | 7.00          |
| 2180  | Accounts payables from related parties                   | 6(12),7 | 2,558               | 0.10          | 1,403               | 0.06          |
| 2200  | Other accounts payables                                  | 6(13)   | 96,663              | 3.93          | 57,087              | 2.40          |
| 2220  | Other accounts payables from related parties             | 6(13),7 | 26                  | -             | 469                 | 0.02          |
| 2230  | Current tax liabilities                                  |         | -                   | -             | 5,694               | 0.24          |
| 2250  | Current provisions                                       | 6(14)   | 10,458              | 0.43          | 7,023               | 0.30          |
| 2281  | Lease liabilities from third parties                     | 6(8)    | 2,266               | 0.09          | 5,259               | 0.22          |
| 2282  | Lease liabilities from related parties                   | 6(8), 7 | 1,095               | 0.04          | 1,081               | 0.04          |
| 2300  | Other current liabilities                                | 6(15)   | 7,909               | 0.32          | 4,541               | 0.19          |
| 2322  | Current portion of long-term loans                       | 6(16)   | 106,306             | 4.32          | 96,306              | 4.05          |
| 21XX  | <b>Total current Liabilities</b>                         |         | <u>547,409</u>      | <u>22.23</u>  | <u>424,533</u>      | <u>17.86</u>  |
|       | <b>Noncurrent Liabilities</b>                            |         |                     |               |                     |               |
| 2540  | Long-term loans  | 6(16)   | 633,385             | 25.72         | 690,524             | 29.06         |
| 2570  | Deferred income tax payable                              | 6(22)3  | 5,330               | 0.22          | 3,906               | 0.16          |
| 2581  | Lease liabilities from third parties-non current         | 6(8)    | 2,766               | 0.11          | 9,435               | 0.40          |
| 2582  | Lease liabilities from related parties-non current       | 6(8),7  | -                   | -             | 1,095               | 0.05          |
| 2630  | Long-term deferred revenue                               |         | 511                 | 0.02          | 1,193               | 0.05          |
| 2640  | Net defined benefit liability -non current               | 6(18)   | 18,618              | 0.76          | 21,731              | 0.91          |
| 2645  | Guarantee deposits                                       |         | 793                 | 0.03          | 921                 | 0.04          |
| 25XX  | <b>Total noncurrent liabilities</b>                      |         | <u>661,403</u>      | <u>26.86</u>  | <u>728,805</u>      | <u>30.67</u>  |
| 2XXX  | <b>Total Liabilities</b>                                 |         | <u>1,208,812</u>    | <u>49.09</u>  | <u>1,153,338</u>    | <u>48.53</u>  |
|       | <b>Equity Attributable to Shareholders of the Parent</b> |         |                     |               |                     |               |
| 3100  | Capital Stock  | 6(19)1  |                     |               |                     |               |
| 3110  | Common stock   |         | 823,608             | 33.45         | 823,608             | 34.66         |
| 3200  | Capital surplus  | 6(19)2  | 10,586              | 0.43          | 10,557              | 0.44          |
| 3300  | Retained earnings  |         |                     |               |                     |               |
| 3310  | Appropriated as legal capital reserve                    |         | 169,093             | 6.87          | 169,093             | 7.12          |
| 3350  | Unappropriated earnings                                  | 6(19)3  | 250,131             | 10.16         | 219,708             | 9.25          |
| 3XXX  | <b>Total Equity</b>                                      |         | <u>1,253,418</u>    | <u>50.91</u>  | <u>1,222,966</u>    | <u>51.47</u>  |
|       | <b>Total Liabilities and Equity</b>                      |         | <u>\$ 2,462,230</u> | <u>100.00</u> | <u>\$ 2,376,304</u> | <u>100.00</u> |

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

**Shuang-Bang Industrial Corporation**  
**Parent-company-only Statements of Comprehensive Income**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollars, except for earnings per share)**

| Codes | Items  | Notes     | 2024         |         | 2023         |         |
|-------|--|-----------|--------------|---------|--------------|---------|
|       |  |           | Amount       | %       | Amount       | %       |
| 4000  | Operating revenues   | 6(20), 7  | \$ 1,786,310 | 100.00  | \$ 1,474,319 | 100.00  |
| 5000  | Cost of revenues   | 7         | (1,498,507)  | (83.89) | (1,309,322)  | (88.81) |
| 5900  | Gross profit   |           | 287,803      | 16.11   | 164,997      | 11.19   |
| 5910  | Unrealized gain on sales   |           | (1,593)      | (0.09)  | (1,609)      | (0.11)  |
| 5920  | Realized gain on sales   |           | 1,390        | 0.08    | 2,037        | 0.14    |
| 5950  | Net gross profit   |           | 287,600      | 16.10   | 165,425      | 11.22   |
|       | Operating expenses   |           |              |         |              |         |
| 6100  | Sales and marketing  | 7         | (71,035)     | (3.98)  | (59,136)     | (4.01)  |
| 6200  | General and administrative   | 7         | (70,317)     | (3.94)  | (61,282)     | (4.16)  |
| 6300  | Research and development   |           | (33,717)     | (1.89)  | (34,271)     | (2.32)  |
| 6450  | Expected credit gain (loss)  |           | 5,455        | 0.31    | (6,150)      | (0.42)  |
| 6000  | Total operating expenses   |           | (169,614)    | (9.50)  | (160,839)    | (10.91) |
| 6900  | Operating income   |           | 117,986      | 6.60    | 4,586        | 0.31    |
|       | Non-operating income and expenses  |           |              |         |              |         |
| 7010  | Other income   | 6(21)1、7  | 16,745       | 0.94    | 23,443       | 1.59    |
| 7020  | Other gains and loss   | 6(21)2    | (5,928)      | (0.33)  | 8,121        | 0.55    |
| 7050  | Finance costs  | 6(21)4, 7 | (15,456)     | (0.87)  | (10,849)     | (0.74)  |
| 7070  | Share of profit or loss of subsidiaries accounted for under the equity method                                  | 6(6)      | (49,937)     | (2.80)  | (28,807)     | (1.95)  |
| 7100  | Interest income  |           | 871          | 0.05    | 909          | 0.06    |
| 7000  | Total non-operating income and expenses  |           | (53,705)     | (3.01)  | (7,183)      | (0.49)  |
| 7900  | Profit (Loss) before tax   |           | 64,281       | 3.59    | (2,597)      | (0.18)  |
| 7950  | Income tax (expense) benefit   | 6(22)1    | (2,854)      | (0.16)  | 3,233        | 0.22    |
| 8200  | Net Income   | 6(21)     | 61,427       | 3.43    | 636          | 0.04    |
|       | Other comprehensive income (loss)  |           |              |         |              |         |
| 8310  | Components of other comprehensive income that will not be reclassified to profit or loss                       |           |              |         |              |         |
| 8311  | Gains (losses) on remeasurements of defined benefit plans  | 6(18)2(5) | 3,037        | 0.17    | (2,377)      | (0.16)  |
| 8349  | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 6(22)2    | (607)        | (0.03)  | 475          | 0.03    |
| 8300  | Other comprehensive income (loss)  |           | 2,430        | 0.14    | (1,902)      | (0.13)  |
| 8500  | Total comprehensive income   |           | \$ 63,857    | 3.57    | \$ (1,266)   | (0.09)  |
|       | Earnings per share   | 6(25)     |              |         |              |         |
| 9750  | Basic earnings per share   |           | \$ 0.75      |         | \$ 0.01      |         |
| 9850  | Diluted earnings per share   |           | \$ 0.74      |         | \$ 0.01      |         |

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

**Shuang-Bang Industrial Corporation**  
**Parent-company-only Statements of Changes in Equity**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollars)**

|  |       | Equity attribute to the parent company |                 |               |                 |                                     |            |              |
|--|-------|--|-----------------|---------------|-----------------|-------------------------------------|------------|--------------|
|  |       | Retained earnings                      |                 |               |                 |                                     |            |              |
|  |       | Capital Stock-<br>Common stock         | Capital Surplus | Legal reserve | Special Reserve | Unappropriated<br>retained earnings | Total      | Total equity |
| Items  | Notes | 3110                                   | 3200            | 3310          | 3320            | 3350                                | 3300       | 31XX         |
| Balance on January 1, 2023                       | A1    | \$ 823,608                             | \$ 10,552       | \$ 141,662    | \$ 4,369        | \$ 345,726                          | \$ 491,757 | \$ 1,325,917 |
| Appropriations of earnings of legal reserve      | B1    | -                                      | -               | 27,431        | -               | (27,431)                            | -          | -            |
| Cash dividends                                   | B5    | -                                      | -               | -             | -               | (98,833)                            | (98,833)   | (98,833)     |
| Special surplus reserve reversed                 | B17   | -                                      | -               | -             | (4,369)         | 4,369                               | -          | -            |
| Changes in capital surplus                       | C17   | -                                      | 5               | -             | -               | -                                   | -          | 5            |
| Net income for the period                        | D1    | -                                      | -               | -             | -               | 636                                 | 636        | 636          |
| Other comprehensive income (loss) for the period | D3    | -                                      | -               | -             | -               | (1,902)                             | (1,902)    | (1,902)      |
| Total comprehensive income (loss) for the period | D5    | -                                      | -               | -             | -               | (1,266)                             | (1,266)    | (1,266)      |
| Changes in ownership equity of subsidiaries      | M7    | -                                      | -               | -             | -               | (2,857)                             | (2,857)    | (2,857)      |
| Balance on Decemberr 31, 2023                    | Z1    | \$ 823,608                             | \$ 10,557       | \$ 169,093    | \$ -            | \$ 219,708                          | \$ 388,801 | \$ 1,222,966 |
| Cash dividends                                   | B5    | -                                      | -               | -             | -               | (32,945)                            | (32,945)   | (32,945)     |
| Changes in capital surplus                       | C17   | -                                      | 29              | -             | -               | -                                   | -          | 29           |
| Net income for the period                        | D1    | -                                      | -               | -             | -               | 61,427                              | 61,427     | 61,427       |
| Other comprehensive income (loss) for the period | D3    | -                                      | -               | -             | -               | 2,430                               | 2,430      | 2,430        |
| Total comprehensive income (loss) for the period | D5    | -                                      | -               | -             | -               | 63,857                              | 63,857     | 63,857       |
| Changes in ownership equity of subsidiaries      | M7    | -                                      | -               | -             | -               | (489)                               | (489)      | (489)        |
| Balance on Decemberr 31, 2024                    | Z1    | \$ 823,608                             | \$ 10,586       | \$ 169,093    | \$ -            | \$ 250,131                          | \$ 419,224 | \$ 1,253,418 |

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

**Shuang-Bang Industrial Corporation**  
**Parent-company-only Statements of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollar)**

| Codes       | Items   | 2024      | 2023       |
|-------------|---|-----------|------------|
| AAAA        | Cash flows from operating activities  |           |            |
| A10000      | Profit (Loss) before income tax   | \$ 64,281 | \$ (2,597) |
| A20000      | Adjustments for:  |           |            |
| A20010      | Adjustments to reconcile profit (loss)  |           |            |
| A20100      | Depreciation expense  | 92,496    | 81,634     |
| A20200      | Amortization expenses   | 1,638     | 2,600      |
| A20300      | Expected credit (gain) loss   | (5,455)   | 6,150      |
| A20400      | Loss on financial assets at fair value through profit or loss, net            | 11,980    | 717        |
| A20900      | Interest expense  | 15,135    | 10,577     |
| A21200      | Interest income   | (871)     | (909)      |
| A22400      | Share of profit or loss of subsidiaries accounted for under the equity method | 49,937    | 28,807     |
| A22500      | Loss (gain) on disposal or retirement of property, plant and equipment        | 142       | (4,425)    |
| A23800      | Reversal of impairment loss on non-financial assets                           | (50)      | (2,601)    |
| A23900      | Unrealized gain on sales  | 1,593     | 1,609      |
| A24000      | Realized gain on sales  | (1,390)   | (2,037)    |
| A24100      | Unrealized (gain) loss on foreign exchange                                    | (2,980)   | 3,857      |
| A29900      | Others (government grants)  | (682)     | (682)      |
| A29900      | Others (Property, plan and equipment transferred to expenses.)                | 905       | -          |
| A29900      | Others  | 477       | 40         |
| A20010      | Total adjustments to reconcile profit   | 162,875   | 125,337    |
| A30000      | Changes in operating assets and liabilities:                                  |           |            |
| A31000      | Changes in operating assets   |           |            |
| A31130      | Decrease in notes receivable  | 10,943    | 22,121     |
| A31150      | (Increase) Decrease in accounts receivable                                    | (67,760)  | 32,339     |
| A31180      | Decrease (Increase) in other receivables                                      | 1,817     | (549)      |
| A31200      | (Increase) Decrease in inventories  | (21,891)  | 68,579     |
| A31240      | (Increase) Decrease in other current assets                                   | (1,730)   | 7,882      |
| A31990      | Decrease in other operating assets  | 488       | 35         |
| A31000      | Total changes in operating assets   | (78,133)  | 130,407    |
| A32000      | Changes in operating liabilities  |           |            |
| A32130      | Increase in notes payable   | 221       | 122        |
| A32150      | Increase (Decrease) in accounts payable                                       | 17,235    | (5,133)    |
| A32180      | Increase (Decrease) in other payables   | 39,406    | (73,649)   |
| A32200      | Increase (Decrease) in provisions   | 3,435     | (3,505)    |
| A32230      | Increase in other current liabilities   | 3,336     | 1,705      |
| A32240      | Decrease in net defined benefit liability                                     | (76)      | (105)      |
| A32000      | Total changes in operating liabilities  | 63,557    | (80,565)   |
| A30000      | Total changes in operating assets and liabilities                             | (14,576)  | 49,842     |
| A20000      | Total adjustments   | 148,299   | 175,179    |
| A33000      | Cash flow generated from operations   | 212,580   | 172,582    |
| A33100      | Interest received   | 871       | 909        |
| A33300      | Interest paid   | (17,687)  | (14,514)   |
| A33500      | Income tax paid   | (18,225)  | (20,479)   |
| AAAA        | Net cash flows generated by operating activities                              | 177,539   | 138,498    |
| (Continued) |   |           |            |



**Shuang-Bang Industrial Corporation**  
**Parent-company-only Statements of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollar)**

| Codes  | Items  | 2024             | 2023              |
|--------|--|------------------|-------------------|
|        | (Continued)  |                  |                   |
| BBBB   | Cash flows from investing activities                             |                  |                   |
| B00040 | Acquisition of financial assets measured at amortized cost       | (3,205)          | (3,000)           |
| B00050 | Disposal of financial assets measured at amortized cost          | 6,205            | -                 |
| B01800 | Acquisition of investments accounted for under the equity method | (30,000)         | (28,050)          |
| B01900 | Disposal of investments accounted for under the equity method    | 14,388           | -                 |
| B02700 | Acquisition of property, plant and equipment                     | (23,882)         | (81,519)          |
| B02800 | Proceeds from disposal of property, plant and equipment          | 83               | 7,100             |
| B03700 | Increase in refundable deposits                                  | (253)            | (51)              |
| B03800 | Decrease in refundable deposits                                  | 813              | 2,146             |
| B04500 | Acquisition of intangible assets                                 | (553)            | (50)              |
| B06000 | Long-term lease payments receivable                              | 2,688            | 2,355             |
| B06700 | Increase in other noncurrent assets                              | (315)            | (1,718)           |
| B06800 | Decrease in other noncurrent assets                              | 603              | -                 |
| B07100 | Increase in prepayments for equipment                            | (128,658)        | (164,875)         |
| BBBB   | Net cash used in investing activities                            | <u>(162,086)</u> | <u>(267,662)</u>  |
| CCCC   | Cash flows from financing activities                             |                  |                   |
| C00100 | Increase in short-term loans                                     | 747,343          | 536,973           |
| C00200 | Decrease in short-term loans                                     | (688,890)        | (580,014)         |
| C01600 | Proceeds from long-term bank loans                               | 50,000           | 620,000           |
| C01700 | Repayment of long-term bank loans                                | (97,139)         | (315,972)         |
| C03000 | Increase in guaranteed deposits received                         | 166              | 178               |
| C03100 | Decrease in guaranteed deposits received                         | (294)            | (10)              |
| C04020 | Repayment of the principal portion of lease liabilities          | (6,049)          | (6,696)           |
| C04500 | Cash dividends   | (32,945)         | (98,833)          |
| C09900 | Others   | 29               | 5                 |
| CCCC   | Net cash (used in) generated by financing activities             | <u>(27,779)</u>  | <u>155,631</u>    |
| DDDD   | Effect of exchange rate changes on cash and cash equivalents     | <u>90</u>        | <u>(743)</u>      |
| EEEE   | Net (decrease) increase in cash and cash equivalents             | <u>(12,236)</u>  | <u>25,724</u>     |
| E00100 | Cash and cash equivalents, beginning of the year                 | 101,662          | 75,938            |
| E00200 | Cash and cash equivalents, end of the year                       | <u>\$ 89,426</u> | <u>\$ 101,662</u> |
| E00210 | Cash and cash equivalents on parent-company balance sheets       | <u>\$ 89,426</u> | <u>\$ 101,662</u> |

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

## **Independent Auditors' Report**

To the Board of Directors of Shuang-Bang Industrial Corporation:

### **Opinion**

We have audited the consolidated financial statements of Shuang-Bang Industrial Corporation and its subsidiaries("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of 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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") and the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards accepted in 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 Shuang-Bang Industrial Corporation in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were 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 matter for the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

#### Allowance for losses on Accounts Receivable

The management's judgment on the recognition of allowance for losses on accounts receivable is based on the evaluation of both internal and external information, as such, it was one of the key audit matters for our audit. Therefore, our principal audit procedures included testing the effectiveness of controls related to accounts receivable, obtaining the ledgers and records, selecting samples for

obtaining confirmation letters; obtaining aging analysis of accounts receivable and verifying the accuracy of relevant documents and the aging intervals, reviewing the provision for bad debts on the ledger to ensure that it is provided based on the loss rate, and evaluating whether management's recognition of impairment losses on accounts receivable is correct.

Please refer to Note 4 “Summary of significant accounting policies—Accounts receivables”, Note 6(3) in notes to consolidated financial statements.

#### Valuation of inventories

Inventories are stated at the lower cost and net realizable value. However, the rapid evolution of technology and the fluctuation of the market may lead to obsolescence and render products unmarketable. As inventory must be measured at the lower cost and net realizable value, management must assess the amount of inventory on the balance sheet date that is impaired due to normal wear and tear, obsolescence or lack of market sales value, and write down the inventory costs to net realizable value. The inventory valuation is based on past experience and estimated future product demand. Therefore, the auditor pays particular attention to whether the company complies with International Accounting Standards 2 (IAS2) in measuring inventory at a lower cost and net realizable value and whether management's provision for inventory write-downs is reasonable.

The audit procedures performed by the auditor include:

1. Testing the age of inventory on the balance sheet date and comparing the provision for inventory obsolescence with the previous year, analyzing the reasons for differences, and checking the relevant data used to calculate the provision for inventory write-downs, and comparing the historical provision with the actual offsetting differences.
2. On a sample basis, comparing the latest actual selling price of inventory at the end of the period with its book value to ensure whether the inventory has been evaluated at the lower cost and net realizable value.
3. Comparing the ending inventory balance on the end of the year with the inventory details for the current year to verify the existence and completeness of inventory in the end of the year. By observing annual physical counts of goods, the auditors assess the reasonableness of the amount of allowance for inventory write-down.

Please refer to Note 4 “Summary of significant accounting policies—Inventories”, Note 6(4) in notes to the consolidated financial statements.

#### **Other Matter**

Shuang-Bang Corporation has additionally prepared its parent-company-only financial statements as of the year ended December 31, 2024 and 2023, on which we have issued an unqualified opinion.

#### **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 with the IFRSs, IASs, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Group 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 members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material mistake resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and 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 directions, 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 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 for the year ended December 31, 2023 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.

The engagement partners on the audits resulting in this independent auditors' report are Jim Chen Ko and Lin Hui Fen.

Weyong International CPAs&Co.

Taichung, Taiwan (Republic of China)

March 7, 2025

#### **Notice to Readers**

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Balance Sheets**  
(In thousands of New Taiwan Dollars)  
**December 31, 2024 and 2023**

| Codes | Assets   | Notes   | December 31, 2024   |               | December 31, 2023   |               |
|-------|--|---------|---------------------|---------------|---------------------|---------------|
|       |  |         | Amount              | %             | Amount              | %             |
|       | <b>Current Assets</b>  |         |                     |               |                     |               |
| 1100  | Cash and cash equivalents  | 6(1)    | \$ 120,265          | 4.77          | \$ 120,866          | 4.83          |
| 1137  | Financial assets at amortized cost -current                        | 6(2)    | 900                 | 0.04          | 43,500              | 1.74          |
| 1150  | Notes receivables, net   | 6(3)    | 58,792              | 2.33          | 68,623              | 2.74          |
| 1152  | Other notes receivables  | 6(3)    | 532                 | 0.02          | -                   | -             |
| 1170  | Accounts receivables, net  | 6(3)    | 350,693             | 13.92         | 306,277             | 12.24         |
| 1180  | Accounts receivables from related parties, net                     | 6(3), 7 | 36,711              | 1.46          | 22,508              | 0.90          |
| 1200  | Other receivables  |         | 768                 | 0.03          | 1,354               | 0.05          |
| 1220  | Current tax assets   |         | 10,976              | 0.44          | 31                  | -             |
| 130X  | Inventories  | 6(4)    | 260,633             | 10.35         | 262,453             | 10.48         |
| 1470  | Other current assets   |         | 17,409              | 0.69          | 16,181              | 0.65          |
| 11XX  | <b>Total current assets</b>  |         | <u>857,679</u>      | <u>34.05</u>  | <u>841,793</u>      | <u>33.63</u>  |
|       | <b>Noncurrent Assets</b>   |         |                     |               |                     |               |
| 1510  | Financial assets at fair value through profit or loss -non-current | 6(5)    | 26,472              | 1.05          | 38,452              | 1.54          |
| 1600  | Property, plant and equipment                                      | 6(6)    | 1,453,222           | 57.69         | 1,413,721           | 56.47         |
| 1755  | Right-of-use assets  | 6(7)    | 10,279              | 0.41          | 26,709              | 1.07          |
| 1780  | Intangible assets  | 6(8)    | 3,064               | 0.12          | 3,520               | 0.14          |
| 1840  | Deferred income tax assets   | 6(21)3  | 32,098              | 1.27          | 51,201              | 2.04          |
| 1900  | Other noncurrent assets  | 6(9), 7 | 136,154             | 5.41          | 127,906             | 5.11          |
| 15XX  | <b>Total noncurrent assets</b>                                     |         | <u>1,661,289</u>    | <u>65.95</u>  | <u>1,661,509</u>    | <u>66.37</u>  |
| 1XXX  | <b>Total assets</b>  |         | <u>\$ 2,518,968</u> | <u>100.00</u> | <u>\$ 2,503,302</u> | <u>100.00</u> |

(Continued)

**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Balance Sheets**  
**(In thousands of New Taiwan Dollars)**  
**December 31, 2024 and 2023**

| Codes | Liabilities and Equity                                   | Notes   | December 31, 2024   |               | December 31, 2023   |               |
|-------|--|---------|---------------------|---------------|---------------------|---------------|
|       |  |         | Amount              | %             | Amount              | %             |
|       | <b>Current Liabilities</b>                               |         |                     |               |                     |               |
| 2100  | Short-term loans   | 6(10)   | \$ 122,988          | 4.88          | \$ 64,535           | 2.58          |
| 2151  | Notes payables   | 6(11)   | 4,698               | 0.19          | 4,052               | 0.16          |
| 2152  | Other notes payables                                     | 6(11)   | 15,594              | 0.62          | 15,562              | 0.62          |
| 2170  | Accounts payables  | 6(11)   | 185,097             | 7.35          | 172,492             | 6.89          |
| 2180  | Accounts payables from related parties                   | 6(11),7 | 2,558               | 0.10          | 1,403               | 0.06          |
| 2200  | Other accounts payables                                  | 6(12)   | 102,881             | 4.09          | 69,476              | 2.78          |
| 2220  | Other accounts payables from related parties             | 6(12),7 | 26                  | -             | -                   | -             |
| 2230  | Income tax payables                                      |         | -                   | -             | 5,694               | 0.23          |
| 2250  | Provision for warranty obligations-current               | 6(13)   | 11,082              | 0.44          | 8,817               | 0.35          |
| 2281  | Lease liabilities from third parties                     | 6(7)    | 5,877               | 0.23          | 11,152              | 0.45          |
| 2282  | Lease liabilities from related parties                   | 6(7), 7 | 1,095               | 0.04          | 1,081               | 0.04          |
| 2300  | Other current liabilities                                | 6(14)   | 8,581               | 0.34          | 4,800               | 0.19          |
| 2322  | Current portion of long-term loans payable               | 6(15)   | 111,306             | 4.42          | 99,493              | 3.97          |
| 21XX  | <b>Total current liabilities</b>                         |         | <u>571,783</u>      | <u>22.70</u>  | <u>458,557</u>      | <u>18.32</u>  |
|       | <b>Noncurrent Liabilities</b>                            |         |                     |               |                     |               |
| 2540  | Long-term loans  | 6(15)   | 647,135             | 25.69         | 745,816             | 29.79         |
| 2570  | Deferred income tax payable                              | 6(21)3  | 5,334               | 0.21          | 3,959               | 0.16          |
| 2581  | Lease liabilities from third parties-non current         | 6(7)    | 3,362               | 0.13          | 13,625              | 0.55          |
| 2582  | Lease liabilities from related parties-non current       | 6(7),7  | -                   | -             | 1,095               | 0.04          |
| 2630  | Long-term deferred revenue                               |         | 511                 | 0.02          | 1,193               | 0.05          |
| 2640  | Net defined benefit liability -non current               | 6(17)   | 18,618              | 0.74          | 21,731              | 0.87          |
| 2645  | Guarantee deposits                                       |         | 893                 | 0.04          | 1,021               | 0.04          |
| 25XX  | <b>Total noncurrent liabilities</b>                      |         | <u>675,853</u>      | <u>26.83</u>  | <u>788,440</u>      | <u>31.50</u>  |
| 2XXX  | <b>Total Liabilities</b>                                 |         | <u>1,247,636</u>    | <u>49.53</u>  | <u>1,246,997</u>    | <u>49.82</u>  |
|       | <b>Equity Attributable to Shareholders of the Parent</b> |         |                     |               |                     |               |
| 3100  | Capital Stock  | 6(18)1  |                     |               |                     |               |
| 3110  | Common stock   |         | 823,608             | 32.70         | 823,608             | 32.90         |
| 3200  | Capital surplus  | 6(18)2  | 10,586              | 0.42          | 10,557              | 0.42          |
| 3300  | Retained earnings  |         |                     |               |                     |               |
| 3310  | Appropriated as legal capital reserve                    |         | 169,093             | 6.71          | 169,093             | 6.75          |
| 3350  | Unappropriated earnings                                  | 6(18)3  | 250,131             | 9.93          | 219,708             | 8.78          |
| 31XX  | <b>Equity Attributable to shareholders of the Parent</b> |         | <u>1,253,418</u>    | <u>49.76</u>  | <u>1,222,966</u>    | <u>48.85</u>  |
| 36XX  | <b>Non-Controlling Interests</b>                         |         | <u>17,914</u>       | <u>0.71</u>   | <u>33,339</u>       | <u>1.33</u>   |
| 3XXX  | <b>Total Equity</b>                                      |         | <u>1,271,332</u>    | <u>50.47</u>  | <u>1,256,305</u>    | <u>50.18</u>  |
|       | <b>Total Liabilities and Equity</b>                      |         | <u>\$ 2,518,968</u> | <u>100.00</u> | <u>\$ 2,503,302</u> | <u>100.00</u> |

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

**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the years ended December 31, 2024 and 2023**  
(In thousands of New Taiwan Dollars, except for earnings per share)

| Codes | Items  | Notes     | 2024         |         | 2023         |         |
|-------|--|-----------|--------------|---------|--------------|---------|
|       |  |           | Amount       | %       | Amount       | %       |
| 4000  | Operating revenues   | 6(19), 7  | \$ 1,907,839 | 100.00  | \$ 1,580,608 | 100.00  |
| 5000  | Cost of revenues   | 7         | (1,647,242)  | (86.34) | (1,457,450)  | (92.21) |
| 5900  | Gross profit   |           | 260,597      | 13.66   | 123,158      | 7.79    |
|       | Operating expenses   |           |              |         |              |         |
| 6100  | Sales and marketing  |           | (78,891)     | (4.14)  | (65,699)     | (4.16)  |
| 6200  | General and administrative   |           | (81,858)     | (4.29)  | (71,038)     | (4.49)  |
| 6300  | Research and development   |           | (36,364)     | (1.91)  | (37,953)     | (2.40)  |
| 6450  | Expected credit gain (loss)  |           | 5,433        | 0.29    | (5,785)      | (0.37)  |
| 6000  | Total operating expenses   |           | (191,680)    | (10.05) | (180,475)    | (11.42) |
| 6900  | Operating income (loss)  |           | 68,917       | 3.61    | (57,317)     | (3.63)  |
|       | Non-operating income and expenses  |           |              |         |              |         |
| 7010  | Other income   | 6(20)1    | 18,664       | 0.98    | 25,079       | 1.59    |
| 7020  | Other gains and loss   | 6(20)2    | (2,446)      | (0.13)  | 7,548        | 0.48    |
| 7050  | Finance costs  | 6(20)4, 7 | (16,051)     | (0.84)  | (11,611)     | (0.73)  |
| 7100  | Interest income  |           | 1,542        | 0.08    | 1,509        | 0.09    |
| 7000  | Total non-operating income and expenses  |           | 1,709        | 0.09    | 22,525       | 1.43    |
| 7900  | Profit(Loss) before tax  |           | 70,626       | 3.70    | (34,792)     | (2.20)  |
| 7950  | Less: Income tax expense   | 6(21)1    | (21,443)     | (1.12)  | 15,442       | 0.98    |
| 8200  | Net Income (Loss)  | 6(20)     | 49,183       | 2.58    | (19,350)     | (1.22)  |
|       | Other comprehensive income (loss)  |           |              |         |              |         |
| 8310  | Items that may not be reclassified subsequently to profit or loss                        |           |              |         |              |         |
| 8311  | Remeasurements of defined benefit obligation   | 6(17)2(5) | 3,037        | 0.16    | (2,377)      | (0.15)  |
| 8349  | Income tax benefit (expense) related to items that will not be reclassified subsequently | 6(21)2    | (607)        | (0.03)  | 475          | 0.03    |
| 8300  | Other comprehensive income (loss)  |           | 2,430        | 0.13    | (1,902)      | (0.12)  |
| 8500  | Total comprehensive income   |           | \$ 51,613    | 2.71    | \$ (21,252)  | (1.34)  |
| 8600  | Net income attributable to:  |           |              |         |              |         |
| 8610  | Shareholders of the parent   |           | \$ 61,427    | 3.22    | \$ 636       | 0.04    |
| 8620  | Non-controlling interests  |           | \$ (12,244)  | (0.64)  | \$ (19,986)  | (1.26)  |
| 8700  | Total comprehensive income attribute to:   |           |              |         |              |         |
| 8710  | Shareholders of the parent   |           | \$ 63,857    | 3.35    | \$ (1,266)   | (0.08)  |
| 8720  | Non-controlling interests  |           | \$ (12,244)  | (0.64)  | \$ (19,986)  | (1.26)  |
|       | Earnings per share   | 6(24)     |              |         |              |         |
| 9750  | Basic earnings per share   |           | \$ 0.75      |         | \$ 0.01      |         |
| 9850  | Diluted earnings per share   |           | \$ 0.74      |         | \$ 0.01      |         |

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

**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollars)**

|   |       | Equity attribute to the parent company |                         |                       |                         |  |               |  |                                   |                      |
|---|-------|--|-------------------------|-----------------------|-------------------------|--|---------------|--|-----------------------------------|----------------------|
|   |       | Retained earnings                      |                         |                       |                         |  |               | Subtotal of equity attributable to the shareholders of the paren<br>31XX | Non-controlling interests<br>36XX | Total equity<br>3XXX |
| Items   | Notes | Capital Stock-<br>Common stock<br>3110 | Capital Surplus<br>3200 | Legal reserve<br>3310 | Special Reserve<br>3320 | Unappropriated retained earnings<br>3350 | Total<br>3300 |  |                                   |                      |
| Balance on January 1, 2023                      | A1    | \$ 823,608                             | \$ 10,552               | \$ 141,662            | \$ 4,369                | \$ 345,726                               | \$ 491,757    | \$ 1,325,917   | \$ 45,918                         | \$ 1,371,835         |
| Appropriations of earnings of legal reserve     | B1    | -                                      | -                       | 27,431                | -                       | (27,431)                                 | -             | -  | -                                 | -                    |
| Cash dividends                                  | B5    | -                                      | -                       | -                     | -                       | (98,833)                                 | (98,833)      | (98,833)   | -                                 | (98,833)             |
| Special surplus reserve reversed                | B17   | -                                      | -                       | -                     | (4,369)                 | 4,369                                    | -             | -  | -                                 | -                    |
| Changes in capital surplus                      | C17   | -                                      | 5                       | -                     | -                       | -  | -             | 5  | -                                 | 5                    |
| Net income for the period                       | D1    | -                                      | -                       | -                     | -                       | 636                                      | 636           | 636  | (19,986)                          | (19,350)             |
| Other comprehensive income(loss) for the period | D3    | -                                      | -                       | -                     | -                       | (1,902)                                  | (1,902)       | (1,902)  | -                                 | (1,902)              |
| Total comprehensive income(loss) for the period | D5    | -                                      | -                       | -                     | -                       | (1,266)                                  | (1,266)       | (1,266)  | (19,986)                          | (21,252)             |
| Changes in ownership equity of subsidiaries     | M7    | -                                      | -                       | -                     | -                       | (2,857)                                  | (2,857)       | (2,857)  | 2,857                             | -                    |
| Non-controlling Interest                        | O1    | -                                      | -                       | -                     | -                       | -  | -             | -  | 4,550                             | 4,550                |
| Balance on December 31, 2023                    | Z1    | \$ 823,608                             | \$ 10,557               | \$ 169,093            | \$ -                    | \$ 219,708                               | \$ 388,801    | \$ 1,222,966   | \$ 33,339                         | \$ 1,256,305         |
| Cash dividends                                  | B5    | -                                      | -                       | -                     | -                       | (32,945)                                 | (32,945)      | (32,945)   | -                                 | (32,945)             |
| Changes in capital surplus                      | C17   | -                                      | 29                      | -                     | -                       | -  | -             | 29   | -                                 | 29                   |
| Net income for the period                       | D1    | -                                      | -                       | -                     | -                       | 61,427                                   | 61,427        | 61,427   | (12,244)                          | 49,183               |
| Other comprehensive income(loss) for the period | D3    | -                                      | -                       | -                     | -                       | 2,430                                    | 2,430         | 2,430  | -                                 | 2,430                |
| Total comprehensive income(loss) for the period | D5    | -                                      | -                       | -                     | -                       | 63,857                                   | 63,857        | 63,857   | (12,244)                          | 51,613               |
| Changes in ownership equity of subsidiaries     | M7    | -                                      | -                       | -                     | -                       | (489)                                    | (489)         | (489)  | 489                               | -                    |
| Non-controlling Interest                        | O1    | -                                      | -                       | -                     | -                       | -  | -             | -  | (3,670)                           | (3,670)              |
| Balance on December 31, 2024                    | Z1    | \$ 823,608                             | \$ 10,586               | \$ 169,093            | \$ -                    | \$ 250,131                               | \$ 419,224    | \$ 1,253,418   | \$ 17,914                         | \$ 1,271,332         |

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

**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollars)**

| Codes  | Items  | 2024            | 2023            |
|--------|--|-----------------|-----------------|
| AAAA   | <b>Cash flows from operating activities</b>                            |                 |                 |
| A10000 | <b>Profit (Loss) before income tax</b>                                 | \$ 70,626       | \$ (34,792)     |
| A20000 | <b>Adjustments for:</b>  |                 |                 |
| A20010 | Adjustments to reconcile profit (loss)                                 |                 |                 |
| A20100 | Depreciation expense   | 108,838         | 99,731          |
| A20200 | Amortization expenses  | 1,871           | 2,920           |
| A20300 | Expected credit loss (reversal gain) loss                              | (5,433)         | 5,785           |
| A20400 | Loss on financial assets at fair value through profit or loss          | 11,980          | 717             |
| A20900 | Interest expense   | 15,769          | 11,258          |
| A21200 | Interest income  | (1,542)         | (1,509)         |
| A22500 | Loss (gain) on disposal or retirement of property, plant and equipment | (2,918)         | (4,425)         |
| A22800 | Loss (gain) on disposal of intangible assets                           | (78)            | -               |
| A23800 | Reversal of impairment loss on non-financial assets                    | (50)            | (2,601)         |
| A24100 | Unrealized (gain) loss on foreign exchange                             | (2,971)         | 4,306           |
| A29900 | Others (government grants)   | (682)           | (682)           |
| A29900 | Others (Property, plant and equipment transferred to expenses.)        | 905             | -               |
| A29900 | Others   | (65)            | 40              |
| A20010 | <b>Total adjustments to reconcile profit (loss)</b>                    | <u>125,624</u>  | <u>115,540</u>  |
| A30000 | <b>Changes in operating assets and liabilities:</b>                    |                 |                 |
| A31000 | <b>Changes in operating assets</b>                                     |                 |                 |
| A31130 | Decrease in notes receivable   | 9,831           | 23,855          |
| A31150 | (Increase) Decrease in accounts receivable                             | (50,042)        | 26,679          |
| A31180 | Decrease (Increase) in other receivables                               | 143             | (108)           |
| A31200 | Decrease in inventories  | 1,820           | 70,638          |
| A31240 | (Increase) Decrease in other current assets                            | (1,213)         | 8,484           |
| A31990 | Decrease in other operating assets                                     | 488             | 35              |
| A31000 | <b>Total changes in operating assets</b>                               | <u>(38,973)</u> | <u>129,583</u>  |
| A32000 | <b>Changes in operating liabilities</b>                                |                 |                 |
| A32130 | Increase (Decrease) in notes payable                                   | 646             | (239)           |
| A32150 | Increase (Decrease) in accounts payable                                | 13,538          | (5,160)         |
| A32180 | Increase (Decrease) in other payables                                  | 33,692          | (75,649)        |
| A32200 | Increase (Decrease) in provisions                                      | 2,265           | (3,627)         |
| A32230 | Increase (Decrease) in other current liabilities                       | 3,750           | (7,085)         |
| A32240 | Decrease in net defined benefit liability                              | (76)            | (105)           |
| A32000 | <b>Total changes in operating liabilities</b>                          | <u>53,815</u>   | <u>(91,865)</u> |
| A30000 | <b>Total changes in operating assets and liabilities</b>               | <u>14,842</u>   | <u>37,718</u>   |
| A20000 | <b>Total adjustments</b>   | <u>140,466</u>  | <u>153,258</u>  |
| A33000 | <b>Cash flow generated from operations</b>                             | <u>211,092</u>  | <u>118,466</u>  |
| A33100 | Interest received  | 1,542           | 1,509           |
| A33300 | Interest paid  | (18,309)        | (15,191)        |
| A33500 | Income tax paid  | (18,212)        | (20,515)        |
| AAAA   | <b>Net cash flows generated by operating activities</b>                | <u>176,113</u>  | <u>84,269</u>   |

(Continued)



**Shuang-Bang Industrial Corporation and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(In thousands of New Taiwan Dollars)**

| Codes  | Items   | 2024              | 2023              |
|--------|---|-------------------|-------------------|
|        | (Continued)   |                   |                   |
| BBBB   | <b>Cash flows from investing activities</b>                         |                   |                   |
| B00040 | Acquisition of financial assets measured at amortized cost          | (49,205)          | (42,601)          |
| B00050 | Disposal of financial assets measured at amortized cost             | 91,805            | 301               |
| B02700 | Acquisition of property, plant and equipment                        | (24,157)          | (84,195)          |
| B02800 | Proceeds from disposal of property, plant and equipment             | 9,965             | 7,100             |
| B03700 | Increase in refundable deposits                                     | (268)             | (51)              |
| B03800 | Decrease in refundable deposits                                     | 1,008             | 2,146             |
| B04500 | Acquisition of intangible assets                                    | (553)             | (50)              |
| B04600 | Disposal of intangible assets                                       | 332               | -                 |
| B06700 | Increase in other noncurrent assets                                 | (315)             | (1,718)           |
| B06800 | Decrease in other noncurrent assets                                 | 603               | -                 |
| B07100 | Increase in prepayments for equipment                               | (128,907)         | (164,875)         |
| BBBB   | <b>Net cash used in investing activities</b>                        | <u>(99,692)</u>   | <u>(283,943)</u>  |
| CCCC   | <b>Cash flows from financing activities</b>                         |                   |                   |
| C00100 | Increase in short-term loans  | 762,443           | 548,073           |
| C00200 | Decrease in short-term loans  | (703,990)         | (602,114)         |
| C01600 | Proceeds from long-term bank loans                                  | 50,000            | 675,000           |
| C01700 | Repayment of long-term bank loans                                   | (136,868)         | (326,920)         |
| C03000 | Increase in guaranteed deposits received                            | 166               | 178               |
| C03100 | Decrease in guaranteed deposits received                            | (294)             | (10)              |
| C04020 | Repayment of the principal portion of lease liabilities             | (11,974)          | (12,573)          |
| C04500 | Cash dividends  | (32,945)          | (98,833)          |
| C05800 | Changes from non-controlling Interest                               | (3,670)           | 4,550             |
| C09900 | Others  | 29                | 5                 |
| CCCC   | <b>Net cash (used in) generated by financing activities</b>         | <u>(77,103)</u>   | <u>187,356</u>    |
| DDDD   | <b>Effect of exchange rate changes on cash and cash equivalents</b> | <u>81</u>         | <u>(1,052)</u>    |
| EEEE   | <b>Net decrease in cash and cash equivalents</b>                    | <u>(601)</u>      | <u>(13,370)</u>   |
| E00100 | Cash and cash equivalents, beginning of the year                    | 120,866           | 134,236           |
| E00200 | Cash and cash equivalents, end of the year                          | <u>\$ 120,265</u> | <u>\$ 120,866</u> |
| E00210 | Cash and cash equivalents on consolidated balance sheets            | <u>\$ 120,265</u> | <u>\$ 120,866</u> |

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



## Shuang-Bang Industrial Corp. 2024 Earnings Distribution Table

Unit: NTD

| Item  |            | Amount             |
|---|------------|--------------------|
| <b>Balance at beginning of the period</b>   |            | <b>186,762,837</b> |
| Add:  |            |                    |
| Net income during the year  | 61,427,334 |                    |
| Remeasurement of defined benefit plan recognized as retained earnings                   | 2,429,482  |                    |
| Less:   |            |                    |
| Retained earnings adjusted for investment under the equity method                       | (488,300)  |                    |
| Net income and other items during the period as the undistributed earnings for the year |            | 63,368,516         |
| Less:   |            |                    |
| Recognition of legal reserves   |            | (6,336,852)        |
| <b>Distributable earnings</b>   |            | <b>243,794,501</b> |
| Distributable items:  |            |                    |
| Shareholders' bonus to shareholders - cash (NT\$0.8 per share)                          |            | (65,888,660)       |
| <b>Undistributed earnings at the end of the period</b>                                  |            | <b>177,905,841</b> |

Note:

1. The earnings from the most recent year are prioritized for distribution.
2. The above dividends are calculated based on 82,360,826 ordinary shares issued by the Company as of February 27, 2025.

Chairman Chung-Tang Chang

Managerial Officer: Yu-Chuan Hsu

Chief Accounting Officer: Min-Chu Lin

## Shuang-Bang Industrial Corp.

### Comparison Table for Amendments of "Articles of Incorporation"

| Clause after amendment   | Original clause   | Explanation                                    |
|--|---|--|
| <p>Article 12</p> <p>Shareholders' meetings are divided into annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings are convened once a year and within six months after the end of a financial year. Notification is sent by the Board of Directors to shareholders thirty days in advance. Extraordinary shareholders' meetings are convened when necessary and according to laws.</p> <p><u>During the convention of the shareholders' meeting, video conference or other methods announced by the central competent authority may be adopted.</u></p>   | <p>Article 12</p> <p>Shareholders' meetings are divided into annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings are convened once a year and within 6 months after the end of a financial year. Notification is sent by the Board of Directors to shareholders 30 days in advance. Extraordinary shareholders' meetings are convened when necessary and according to laws.</p>   | Amended in alignment with laws and regulations |
| <p>Article 18</p> <p>The Company has seven to eleven directors. The nomination system is adopted for shareholders' meetings to elect directors. Each term is three years. Re-election is allowed for consecutive terms.</p> <p>The number of directors mentioned above shall include no fewer than <u>three</u> independent directors that represent no lesser than one-<u>third</u> of the total number of directors. The professional qualifications, shareholdings, restrictions on positions held concurrently, nominations, election methods, and other matters of compliance for independent directors shall be handled in accordance with the relevant regulations set by competent securities authority.</p> | <p>Article 18</p> <p>The Company has seven to eleven directors. The nomination system is adopted for shareholders' meetings to elect directors. Each term is three years. Re-election is allowed for consecutive terms.</p> <p>Among the above number of directors, there shall be at least two independent directors and independent directors may not account for less than one fifth of board seats. The professional qualifications, shareholdings, restrictions on positions held concurrently, nominations, election methods, and other matters of compliance for independent directors shall be handled in accordance with the relevant regulations set by competent securities authority.</p> | Amended in alignment with laws and regulations |

| Clause after amendment   | Original clause   | Explanation   |
|--|---|---|
| <p>Article 30</p> <p>Depending on the annual profits, the Company shall allocation 5% to 10% as the remuneration to employees and no higher than 3% as the remuneration to directors. However, profits must first be taken to offset against cumulative losses if any.</p> <p><u>An amount no less than 50% of the remuneration of employees described in preceding paragraph shall be appropriated as the remuneration of entry-level employees.</u></p> <p>The annual profit mentioned in the above Paragraph shall refer to pre-tax profit before employees' and directors' remuneration in the current year. The remuneration of employees may be made in the form of shares or cash, and the subjects for receiving the shares or cash may include employees of <u>controlling or</u> subordinate companies satisfying certain criteria.</p> <p>Distribution of employee/director remuneration is subject to resolution in a board meeting with more than two-thirds of the board present, and voted in favor by more than half of all attending directors. This decision must also be reported in shareholder meeting.</p> | <p>Article 30</p> <p>Depending on the annual profits, the Company shall allocation 5% to 10% as the remuneration to employees and no higher than 3% as the remuneration to directors. However, profits must first be taken to offset against cumulative losses if any.</p> <p>The annual profit mentioned in the above Paragraph shall refer to pre-tax profit before employees' and directors' remuneration in the current year. Employee remuneration can be paid in cash or in shares. Payments may also be made to employees of subordinate companies that satisfy the eligibility criteria.</p> <p>Distribution of employee/director remuneration is subject to resolution in a board meeting with more than two-thirds of the board present, and voted in favor by more than half of all attending directors. This decision must also be reported in shareholder meeting.</p> | <p>Amended in alignment with laws and regulations</p> |
| <p>Article 33</p> <p>These Articles of Incorporation were established on November 4, 1989... <u>The 26th amendment was made on June 12, 2025.</u></p>  | <p>Article 33</p> <p>These Articles of Incorporation were established on November 4, 1989... 25th amendment on August 27, 2021</p>  | <p>Newly added the date of amendment.</p>             |

## Shuang-Bang Industrial Corp.

### Rules of Procedure for Shareholders' Meeting Provision Amendment Comparison Table

| Amended Clause   | Current Clause   | Description  |
|--|--|--|
| <p>Article 3</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.</p> <p><u>When the Company convenes a virtual shareholders' meeting, unless the Regulations Governing the Administration of Shareholder Services of Public Companies specify others, the articles of incorporation shall describe procedures in detail, and the resolution of the board of directors shall be adopted, and the virtual shareholders' meeting shall be attended by more than two-thirds of the directors of the board and with resolution made based on the consents of a majority of attending directors.</u></p> <p><u>Changes to how the Company convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders' meeting notice.</u></p> <p>30 days before an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, the Company shall prepare electronic files of the meeting notice, proxy form, information on proposals for ratification, matters for discussion, election or dismissal of directors and other matters on the agenda and upload them to the Market Observation Post System (MOPS). Meanwhile, 21 days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda 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.</p> <p><u>For the meeting agenda and supplemental meeting materials described in the preceding paragraph, the Company shall provide them to the shareholders for review on the convention date of the shareholders' meeting according to the following method:</u></p> <p><u>I. For physical shareholders' meetings, to be distributed on-site at the meeting.</u></p> <p><u>II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting</u></p> | <p>Article 3</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.</p> <p>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 or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. Meanwhile, 21 days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. 15 days before a shareholders' meeting, the meeting handbook and supplementary materials should be available for shareholders to review at any time, displayed at the Company and its authorized shareholder service agency and distributed at the shareholders' meeting.</p> <p>Matters to be specified in notices and announcements: With the consent of the addressee, the notice may be given in an electronic form.</p> <p>Election or dismissal of directors or supervisors, amendments to 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, the dissolution, merger, or demerger of the corporation, or any matter under paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion</p> | <p>Amendment made in accordance with the laws.</p> |

| Amended Clause   | Current Clause   | Description |
|--|--|-------------|
| <p><u>platform.</u></p> <p><u>III. For virtual shareholders' meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>Matters to be specified in notices and announcements: With the consent of the addressee, the notice may be given in an electronic form.</p> <p>Election or dismissal of directors; amendments to the Articles of Incorporation; reduction of capital; application for ending of public offering; approval to remove the non-compete clause for the directors; capitalization of earnings; capitalization of legal reserve; dissolution, merger, or demerger; or any matter in each subparagraph of Paragraph 1 under Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the shareholders' meeting. None of the above matters may be raised by an extempore motion.</p> <p>Where an election of all directors and the onboarding date are stated in the notice of the shareholders' meeting, the onboarding date may not be changed by extempore motion or any other means at the same meeting once the election has been completed at the shareholders' meeting.</p> <p>A shareholder holding one percent or more of the total number of the issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited only to one, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any Subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Shareholders may submit suggestive proposals for urging the Company to promote public interests or fulfill its social responsibilities, provided that the procedure shall comply with relevant provisions of Article 172-1 of the Company Act, and the number of items so proposed shall be limited to one only, and no proposal containing more than one item shall be included in the meeting agenda.</p> <p>Prior to the book closure date before an annual general 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.</p> <p>Shareholder-submitted proposals are limited to 300 words, and for a proposal</p> | <p>of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</p> <p>A shareholder holding one percent or more of the total number of the issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited only to one, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any Subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Shareholders may submit suggestive proposals for urging the Company to promote public interests or fulfill its social responsibilities, provided that the procedure shall comply with relevant provisions of Article 172-1 of the Company Act, and the number of items so proposed shall be limited to one only, and no proposal containing more than one item shall be included in the meeting agenda.</p> <p>Prior to the book closure date before an annual general 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.</p> <p>Shareholder-submitted proposals are limited to 300 words, and for a proposal containing more than 300 words, such proposal is not 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.</p> <p>The company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.</p> |             |

| Amended Clause   | Current Clause   | Description  |
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| <p>containing more than 300 words, such proposal is not 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.</p> <p>The company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.</p>  |  |  |
| <p>Article 4</p> <p>Paragraphs 1 to 3: Omitted.</p> <p><u>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>   | <p>Article 4</p> <p>Paragraphs 1 to 3: Omitted.</p>  | <p>Amendment made in accordance with the laws.</p> |
| <p>Article 5: (Principles for the venue and time of a shareholders' meeting)</p> <p>Paragraph 1: Omitted.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual shareholders' meeting.</u></p>  | <p>Article 5: (Principles for the venue and time of a shareholders' meeting)</p> <p>Paragraph 1: Omitted.</p>  | <p>Amendment made in accordance with the laws.</p> |
| <p>Article 6: (Preparation of a sign-in book and other documents)</p> <p>The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for <u>shareholders, solicitors and proxies (collectively referred to as "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.</u></p> <p><u>Shareholders</u> shall attend shareholders'</p> | <p>Article 6: (Preparation of a sign-in book and other documents)</p> <p>The company shall specify in the meeting notice the time and venue for shareholders to sign in and other related matters.</p> <p>The shareholders' meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.</p> <p>Shareholders or proxies authorized by shareholders (hereinafter referred to as "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The Company shall furnish the attending shareholders with a sign-in book or attending shareholders may hand in a sign-in card in lieu of signing in.</p> | <p>Amendment made in accordance with the laws.</p> |

| Amended Clause   | Current Clause  | Description                         |
|--|---|-------------------------------------|
| <p>meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The Company shall furnish the attending shareholders with a sign-in book or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>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, pre-printed ballots shall also be furnished.</p> <p>When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders' meeting, shareholders planning to attend the meeting online shall register with the Company 2 days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least thirty minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> | <p>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.</p> <p>When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p> |                                     |
| <p><u>Article 6-1 (Convention of virtual shareholders' meeting, and required particulars for shareholders' meeting notice)</u></p> <p><u>To convene a virtual shareholders' meeting, the Company shall include the follow particulars in the shareholders' meeting notice:</u></p> <p>I. <u>How shareholders attend the virtual meeting and exercise their rights. How shareholders attend the virtual meeting and exercise their rights.</u></p> <p>II. <u>Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p>(I) <u>To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p>(II) <u>Shareholders not having registered to attend the affected virtual shareholders' meeting shall not</u></p>   |   | <p>This article is newly added.</p> |

| Amended Clause   | Current Clause   | Description  |
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| <p><u>attend the postponed or resumed session.</u></p> <p>(III) <u>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.</u></p> <p>(IV) <u>Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p>III. <u>To convene a virtual shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. Except for the circumstances under Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with at least connection equipment and necessary assistance and state the period during which shareholders may apply to the Company for such equipment or assistance and other relevant matters to be noted.</u></p> |  |  |
| <p>Article 8: (Audio or video recordings as evidence of the shareholders' meetings)<br/>Paragraphs 1 and 2: Omitted.</p> <p><u>Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and</u></p>   | <p>Article 8: (Audio or video recordings as evidence of the shareholders' meetings)<br/>Paragraphs 1 and 2: Omitted.</p> | <p>Amendment made in accordance with the laws.</p> |



| Amended Clause  | Current Clause  | Description  |
|---|---|--|
| <p><u>kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders' meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>  |   |  |
| <p>Article 9</p> <p>Attendance at shareholders' meetings shall be counted based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. <u>In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.</p> | <p>Article 9</p> <p>Attendance at shareholders' meetings shall be counted based on numbers of shares. The number of shares in attendance is the shares represented by the sign-in book or sign-in cards plus the number of shares with voting rights exercised in writing or via electronic means.</p> <p>The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum of shareholders representing at least once third of issued shares is not met after two postponements, the chair announces the cancellation of the meeting.</p> <p>If the quorum of shareholders representing at least once third of issued shares is not met after two postponements, a tentative resolutions may be passed in accordance with the first paragraph of Article 175 under the Company Act. Shareholders shall be notified of the tentative resolutions, and shareholders will be notified for the convening of the shareholders' meeting within one month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.</p> | <p>Amendment made in accordance with the laws.</p> |
| <p>Article 11: (Speeches by shareholders)</p> <p>Paragraphs 1 to 6: Omitted.</p> <p><u>Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair</u></p>   | <p>Article 11: (Speeches by shareholders)</p> <p>Paragraphs 1 to 6: Omitted.</p>  | <p>Amendment made in accordance with the laws.</p> |

| Amended Clause   | Current Clause   | Description  |
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| <p><u>declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Paragraphs 1 to 5 do not apply.</u></p> <p><u>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, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>  |  |  |
| <p>Article 13<br/>Paragraphs 1 to 3: Omitted.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person <u>or via visual communication method</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.</p> <p>Paragraphs 5 to 8: Omitted.</p> <p><u>When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration 2 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.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online,</u></p> | <p>Article 13<br/>Paragraphs 1 to 3: Omitted.</p> <p>If shareholders would like to attend the shareholders' meeting in person after the exercise of voting rights by correspondence or by electronic means, it is necessary to indicate the withdrawal of the aforesaid exercise of voting rights 2 days before the shareholders' meeting in the same method with which the voting rights were exercised. If the request for withdrawal occurs after the deadline, the voting right exercised by correspondence or by electronic means shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the meeting shall prevail.</p> <p>Paragraphs 5 to 8: Omitted.</p> | <p>Amendment made in accordance with the laws.</p> |

| Amended Clause   | Current Clause   | Description  |
|--|--|--|
| <u>except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u>   |  |  |
| <p>Article 15<br/>Paragraphs 1 to 3: Omitted.</p> <p><u>Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual 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 shareholders' meeting online.</u></p>   | <p>Article 15<br/>Paragraphs 1 to 3: Omitted.</p>  | <p>Amendment made in accordance with the laws.</p> |
| <p>Article 16: (Public announcement)</p> <p>On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders' meeting. <u>In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall upload the content to the MOPS prior to a deadline.</p> | <p>Article 16: (Public announcement)</p> <p>The number of shares solicited by solicitors and the number of proxy shares authorized to representatives shall be clearly displayed by the Company at the place and on the day of the shareholders' meeting in the tally format required.</p> <p>If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall upload the content to the MOPS prior to a deadline.</p> | <p>Amendment made in accordance with the laws.</p> |
| <p><u>Article 19 (Disclosure of information at virtual meetings)</u></p> <p><u>In the event of a virtual shareholders' meeting, the Company shall disclose real-time</u></p>   |  | <p>This article is newly added.</p>                |

| Amended Clause  | Current Clause | Description                  |
|---|----------------|------------------------------|
| <u>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 fifteen minutes after the chair has announced the meeting adjourned.</u>   |                |                              |
| <u>Article 20 (Location of chair and secretary of virtual shareholders' meeting)</u><br><u>When the Company convenes a virtual shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u>  |                | This article is newly added. |
| <u>Article 21 (Handling of disconnection)</u><br><u>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.</u><br><u>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within 5 days, in which case Article 182 of the Company Act shall not apply.</u><br><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.</u><br><u>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.</u><br><u>During a postponed or resumed session of a shareholders' meeting held under Paragraph 2, 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.</u><br><u>When the Company convenes a hybrid</u> |                | This article is newly added. |

| Amended Clause  | Current Clause  | Description  |
|---|---|--|
| <p><u>shareholders' meeting, and the virtual meeting cannot continue as described in Paragraph 2, 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 postponement or resumption of the meeting under Paragraph 2 is not required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>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 paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2, Article 44-5, Article 44-15, and paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.</u></p> |   |  |
| <p><u>Article 22 (Handling of digital divide)</u></p> <p><u>When convening a virtual shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Except for the circumstances under Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with at least connection equipment and necessary assistance and state the period during which shareholders may apply to the Company for such equipment or assistance and other relevant matters to be noted.</u></p>   |   | A new article  |
| <p><u>Article 23</u></p> <p>These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting.</p>  | <p>Article 19</p> <p>These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting.</p> | Adjusted the article number according to the current amendment of clauses. |

| Amended Clause   | Current Clause   | Description  |
|--|--|--|
| <p>Article <u>24</u></p> <p>1st~5th amendments: Omitted.</p> <p>The 6th amendment was made on August 27, 2021</p> <p><u>The 7th amendment was made on June 12, 2025.</u></p> | <p>Article 20</p> <p>1st~5th amendments: Omitted.</p> <p>The 6th amendment was made on August 27, 2021</p> | <p>Adjusted the article number according to the current amendment of clauses, and newly added the date of current amendment.</p> |

# Shuang-Bang Industrial Corp.

## Articles of Incorporation

### Chapter 1 General Rules

- Article 1: The Company is incorporated in accordance with the Company Act and named “Shuang-Bang Industrial Corp.”
- Article 2: The scope of the Company’s business is as follows:
1. CK01010 Footwear manufacturing
  2. C801100 Synthetic Resin and Plastic Manufacturing
  3. C802120 Industrial Additive Manufacturing
  4. CA04010 Surface Treatments
  5. C805010 Manufacture of Plastic Sheets, Pipes and Tubes
  6. C805060 Plastic Leathers Products Manufacturing
  7. C801020 Petrochemical materials manufacturing
  8. C802990 Other Chemical Products Manufacturing
  9. C802200 Coatings, paints, dyes and pigments manufacturing
  10. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company is headquartered in Nantou County, Taiwan. When necessary and as resolved by the Board of Directors, the Company may establish branches overseas.
- Article 4: (deleted)
- Article 4-1: The Company may invest in other enterprises for business requirements. Such investments are not subject to the limitation of 40% paid-in capital as specified by Article 13 of the Company Act.
- The Company may provide endorsements and guarantees to external parties according to its own Operational Procedures of Endorsements and Guarantees.

### Article 2 Shares

- Article 5: The Company’s authorized capital is NT\$1.2 billion, divided by 120 million shares and at NT\$10 per share. The Board of Directors is authorized to issue shares in multiple tranches.
- Article 6: It is not necessary for the Company to print out shares in issuance. However, registration with Taiwan Depository & Clearing Corporation is required.
- Article 7: Shareholders should provide names and addresses to the Company and fill in and submit the seal specimen cards for the Company’s recordkeeping. In case of loss or damage of the seal and other shareholders’ service related matters, the Regulations Governing the Administration of Shareholder Services of Public Companies shall apply.
- Article 8: When the Company’s registered shares are transferred by a holder via endorsement, it is necessary to write the transferee’s name on the shares and provide the transferee’s name and address of correspondence or residence for the Company’s register of shareholders.
- Article 9: Shareholders or legal holders of shares should proceed in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies for loss or damage of shares.
- Article 10: Charges may be imposed for division and replacement of less than 1,000 shares due to loss or other reasons unless such shares are obtained via inheritance.
- Article 11: The transfer of shares shall be suspended within sixty days prior to the date of each shareholders’ meeting, or within thirty days prior to the date of an extraordinary meeting, or within five days before the record date when the Company decides to distribute dividends and bonuses or other benefits.

### Chapter 3 Shareholders’ Meeting

- Article 12: Shareholders’ meetings are divided into annual shareholders’ meetings and extraordinary shareholders’ meetings. Annual shareholders’ meetings are convened once a year and within six months after the end of a financial year. Notification is sent by the Board of Directors to

shareholders 30 days in advance. Extraordinary shareholders' meetings are convened when necessary and according to laws.

- Article 13: Any shareholder unable to attend a shareholders' meeting for any reason may appoint a representative to attend the meeting by presenting a proxy form according to Article 177 of the Company Act.
- Article 14: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by Chairman. When Chairman is on leave or unable to exercise power for any reason, Chairman shall appoint Vice Chairman as deputy. If Vice Chairman is also on leave or unable to exercise power for any reason, Chairman shall appoint a director as deputy. Where Chairman does not appoint a deputy, the directors shall elect from among themselves one person to serve as chair. If a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convener shall chair the meeting. When there are two or more such conveners, they shall elect a chair from among themselves.
- Article 15: Unless otherwise specified by laws, each ordinary share of the Company is entitled to one vote.
- Article 15-1: The Company's cancellation of public offering shall require a special resolution by the shareholders' meeting. This clause is not changed whilst the Company is listed on Emerging Stock Market, Taiwan Stock Exchange or Taipei Exchange.
- Article 16: Unless otherwise stipulated in the Company Act, the resolution by the shareholders' meeting requires the attendance of shareholders representing more than half of the total issued shares and the consent from the majority of voting rights represented by the attending shareholders.
- According to the rules set by competent authorities, the Company's shareholders may exercise voting rights via electronic means. The shareholders who exercise voting rights via electronic means are deemed to be present in person. Relevant matters are processed according to laws and regulations.
- Article 17: Matters relating to the resolutions by a shareholders' meeting shall be recorded in meeting minutes. The meeting minutes shall be signed or sealed by the meeting chair and a copy distributed to each shareholder within 20 days after the meeting. Meeting minutes may be distributed via a public announcement. Meeting minutes should record the summary and the outcome of each proposal. Meeting minutes, along with sign-in books and proxies for shareholders' meeting attendance, are retained by the Company according to Article 183 of the Company Act.

#### **Chapter 4 Board of Directors and Audit Committee**

- Article 18: The Company has seven to eleven directors. The nomination system is adopted for shareholders' meetings to elect directors. Each term is three years. Re-election is allowed for consecutive terms.
- Among the above number of directors, there shall be at least two independent directors and independent directors may not account for less than one fifth of board seats. The professional qualifications, shareholdings, restrictions on positions held concurrently, nominations, election methods, and other matters of compliance for independent directors shall be handled in accordance with the relevant regulations set by competent securities authority.
- Article 18-1: Unless otherwise required by laws, the Company elects directors based on a cumulative voting system. Each ordinary share contains the votes in the same number as the number of directors to be elected. Votes can all be cast to one candidate or distributed to multiple candidates. The candidates who receive the highest number of votes are elected.
- Article 19: When the number of vacant director seats reaches one third of the board, the Board of Directors shall convene a shareholders' meeting according to laws to elect directors to fill in the vacant seats for the remaining term of office.
- Article 20: Before the election for new directors is effected after the full 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 office.
- Article 21: Directors organize board meetings. Chairman is elected among directors at a board meeting with at least two thirds of directors present and the approval by the majority of attending directors. Chairman executes all the Company's matters according to laws, Articles of Incorporation and



resolutions by shareholders' meetings and by board meetings. The Company may establish Vice President, depending on business needs.

- Article 22: The Board of Directors decides on the Company's operational guidelines and other important matters. The first meeting of each board is convened in accordance with Article 203 of the Company Act. All the other board meetings are convened and chaired by Chairman. If Chairman cannot exercise power for any reason, Vice Chairman shall act as deputy. If Vice Chairman also cannot exercise power for any reason, Chairman shall appoint a director as deputy. If no deputy is appointed, directors shall choose among themselves to act as deputy.
- Article 23: Unless otherwise required by the Company Act, a board meeting requires the attendance of more than half of directors and approval of the majority of the attending directors. If a director is unable to attend for any reason, a proxy may be issued to authorize another directors to attend the board meeting, by listing the matters for convening and the scope of authorization. However, each director can accept authorization by one director. If a board meeting is convened online, the directors participating online shall be deemed to have attended in person.
- Article 23-1: The convening of board meetings shall specify matters for discussion. Notices should be sent to directors seven days in advance. However, board meetings may be convened anytime in case of emergency.
- The aforesaid convening may be notified in writing, via fax or over emails.
- Article 24: Meeting minutes should be produced for board meetings. Such minutes should be signed or sealed by chair and distributed to directors within 20 days after the meeting. Meeting minutes should record the summary and the outcome of each proposal. Meeting minutes, along with sign-in books and proxies for board meeting attendance, are retained by the Company.
- Article 25: The Company has established Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. Audit Committee consists of all independent directors, to exercise power as supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations and in adherence to other relevant laws and company charters.
- Article 25-1: The Board of Directors is authorized to determine the remuneration of Chairman and directors according to their involvement in and contributions to the Company's operation and in reference to the industry standards.
- Article 25-2: The Company may purchases liability insurances for its directors within the scope of liabilities according to laws and resulting from performance of business.

## **Chapter 5 Managerial Officers and Employees**

- Article 26: The Company may have managers in place. Their appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.
- Article 27: According to Article 23 of the Articles of Incorporation, the Company may appoint consultants and key employees with resolutions by the Board of Directors.
- Article 28: The Company's President appoints and dismisses its employees.

## **Chapter 6 Finalization of accounts**

- Article 29: At the end of each financial year, the Board of Directors shall prepare the following reports for the ratification of the shareholders' meeting:
- I. Business report
  - II. Financial statements
  - III. Earning distribution or loss offsetting proposals
- Article 30: Depending on the annual profits, the Company shall allocation 5% to 10% as the remuneration to employees and no higher than 3% as the remuneration to directors. However, profits must first be taken to offset against cumulative losses if any.
- The annual profit mentioned in the above Paragraph shall refer to pre-tax profit before employees' and directors' remuneration in the current year. Employee remuneration can be paid in cash or in shares. Payments may also be made to employees of subordinate companies that satisfy the eligibility criteria.

Distribution of employee/director remuneration is subject to resolution in a board meeting with more than two-thirds of the board present, and voted in favor by more than half of all attending directors. This decision must also be reported in shareholder meeting.

Article 31-1: The Company shall distribute its annual earnings, if any, in the following order:

1. Tax payments
2. Loss offsetting
3. 10% provision for legal reserve
4. Provision for special reserve when necessary

The remainder plus undistributed earnings carried from previous years and current year's adjustments may be distributed at board of directors' proposal. Distribution of earnings that involves issuance of new shares is subject to resolution in a shareholder meeting.

Any cash distribution of dividend, profit, legal reserve, or capital reserve, whether in whole or in part, may be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of attending directors, and reported in the upcoming shareholder meeting.

The Company is currently in a stage of consistent growth, and after taking into consideration shareholders' interests and the organization's financial position and long-term prospects, no more than 90% of distributable earnings shall be paid out as dividends, with cash dividends amounting to no less than 10% of total dividends.

## **Chapter 7**

Article 31: The Company's organizational charters and detailed rules shall be formulated by the Board of Directors.

Article 32: Any matters not covered by the Articles of Incorporation will be governed by the Company Act and other laws and regulations.

Article 33: The Articles of Incorporation were established on November 4, 1989.

The 1st amendment was made on February 1, 1990.

The 2nd amendment was made on July 29, 1991.

The 3rd amendment was made on February 11, 1992.

The 4th amendment was made on May 16, 1992.

The 5th amendment was made on February 1, 1994.

The 6th amendment was made on August 1, 1998.

The 7th amendment was made on September 23, 1998.

The 8th amendment was made on March 8, 1999.

The 9th amendment was made on July 18, 1999.

The 10th amendment was made on May 21, 2000.

The 11th amendment was made on June 15, 2001.

The 12th amendment was made on June 24, 2002.

The 13th amendment was made on June 24, 2003.

The 14th amendment was made on May 16, 2006.

The 15th amendment was made on June 28, 2007.

The 16th amendment was made on June 30, 2009.

The 17th amendment was made on June 8, 2010.

The 18th amendment was made on June 9, 2011.

The 19th amendment was made on June 18, 2012.

The 20th amendment was made on June 6, 2014.

The 21st amendment was made on April 9, 2015.

The 22nd amendment was made on June 24, 2016.

The 23rd amendment was made on June 14, 2017.

The 24th amendment was made on June 16, 2020.

The 25th amendment was made on August 27, 2021.

## Shuang-Bang Industrial Corp.

### Rules of Procedure for Shareholders' Meetings

#### Article 1

To establish a robust governance system for the Company's shareholders' meetings, improve the supervisory function, and strengthen the management mechanism, these Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

#### Article 2

Unless otherwise stipulated by laws or Articles of Incorporation, the rules of procedure for the Company's shareholders' meeting shall be governed by these Rules.

#### Article 3 (Convening of shareholders' meetings and meeting notices)

Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.

30 days before an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, the Company shall prepare electronic files of the meeting notice, proxy form, information on proposals for ratification, matters for discussion, election or dismissal of directors and other matters on the agenda and upload them to the Market Observation Post System (MOPS).

Meanwhile, 21 days before the Company convenes an annual shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. 15 days before a shareholders' meeting, the meeting handbook and supplementary materials should be available for shareholders to review at any time, displayed at the Company and its authorized shareholder service agency and distributed at the shareholders' meeting.

Matters to be specified in notices and announcements: With the consent of the addressee, the notice may be given in an electronic form.

Election or dismissal of directors; amendments to the Articles of Incorporation; reduction of capital; application for ending of public offering; approval to remove the non-compete clause for the directors; capitalization of earnings; capitalization of legal reserve; dissolution, merger, or demerger; or any matter in each subparagraph of Paragraph 1 under Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the shareholders' meeting. None of the above matters may be raised by an extempore motion.

Where an election of all directors and the onboarding date are stated in the notice of the shareholders' meeting, the onboarding date may not be changed by extempore motion or any other means at the same meeting once the election has been completed at the shareholders' meeting.

A shareholder holding one percent or more of the total number of the issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited only to one, and no proposal containing more than one item will be included in the meeting agenda. A shareholder's proposal in alignment with any circumstance under any subparagraph of paragraph 4 of Article 172-1 of the Company Act may not be included in the meeting agenda by the Board of Directors. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholders' proposals in writing or by electronic means and the location and time period for their submission. The period for acceptance of shareholders' proposals may not be fewer than 10 days.

Each of such proposals from shareholders is 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 general shareholders' meeting to take part in the discussion

of the proposal.

The company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.

**Article 4: (Proxy for attendance at shareholders' meetings and authorization)**

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. Each 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 at least 5 days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy form.

Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company 2 days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

**Article 5: (Principles for the venue and time of a shareholders' meeting)**

The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to independent directors' opinions with respect to the place and time of the meeting.

**Article 6: (Preparation of a sign-in book and other documents)**

The company shall specify in the meeting notice the time and venue for shareholders to sign in and other related matters.

The shareholders' meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.

Shareholders or representatives authorized by shareholders (collectively referred to as "shareholders") shall attend the shareholders' meetings with attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms should bring identification documents for verification.

The Company shall furnish the attending shareholders with a sign-in book or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker's slips, voting slips and other meeting materials. Where there is an election of directors, ballots shall also be provided.

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

**Article 7: (Chair of the shareholders' meeting and attendees in a non-voting capacity)**

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is no such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is no such a position as managing director, the Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to make such a designation, the managing directors or directors shall select, from among themselves, one person to serve as the chair.

When a managing director or director serves as the chair, as referred to in the preceding paragraph, the director shall have held that position for 6 months or more with great understanding of the Company's financial position and business conditions. The same shall apply for a representative of an institutional director to serve as the chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the

Chairman in person and attended by a majority of the directors and at least one member from each functional committee as representatives. The attendance shall be recorded in meeting minutes. Where a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8: (Audio or video recordings as evidence of the shareholders' meetings)

The Company shall make an uninterrupted audio and video recording of the entire process of the shareholders' meeting from shareholders' sign-in, the proceedings of the meeting, as well as the process of voting and vote counting.

The audio and video recording in the preceding paragraph shall be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9: (Counting of the shares represented by shareholders in attendance at shareholders' meetings)

Attendance at shareholders' meetings shall be counted based on numbers of shares. The number of shares in attendance is the shares represented by the sign-in book or sign-in cards plus the number of shares with voting rights exercised in writing or via electronic means.

The chair shall call the meeting to order upon the meeting time and disclose information on the number of non-voting shares and number of shares represented by shareholders in attendance.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum of shareholders representing at least once third of issued shares is not met after two postponements, the chair announces the cancellation of the meeting.

If the quorum of shareholders representing at least once third of issued shares is not met after two postponements, a tentative resolutions may be passed in accordance with the first paragraph of Article 175 under the Company Act. Shareholders shall be notified of the tentative resolutions, and shareholders will be notified for the convening of the shareholders' meeting within one month. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 (Discussion of proposals)

When a shareholders' meeting is convened by the Board of Directors, the agenda is determined by the Board of Directors. All the proposals (including Extraordinary Motion and amendments to original proposals) shall be voted in sequence. The meeting shall be proceeded according to the agenda, which cannot be changed unless resolved by the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.

Before the conclusion of the agenda (including Extraordinary Motion) mentioned in the two preceding paragraphs, the chair may not announce adjournment unless resolved by the meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or Extraordinary Motion put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11: (Speeches by shareholders)

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

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same

proposal, and a single speech may not exceed 5 minutes; if the shareholder's speech violates the rules or exceeds the scope of the motion, the chair may have the shareholder stop the speech. Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped. When an institutional 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 chair may respond in person or direct relevant personnel to respond.

**Article 12 (Calculating of votes and the system of recusal)**

Votes cast at shareholders' meetings shall be calculated based on numbers of shares. With respect to resolutions by a shareholders' meeting, the number of shares held by a shareholder without voting rights shall not be calculated as part of the total number of outstanding shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item and may not exercise voting rights as a proxy for any other shareholder. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted toward the number of the voting rights represented by attending shareholders. With the exception of a trust enterprise or a stock affairs agency approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of the issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the counting.

**Article 13 (Methods for voting, scrutineering, and vote counting)**

Each share is entitled to one vote, except when the shares are restricted or deemed non-voting shares under the second paragraph Article 179 of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived their rights with respect to the Extraordinary Motion and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of Extraordinary Motion and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company at least 2 days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

If shareholders would like to attend the shareholders' meeting in person after the exercise of voting rights by correspondence or by electronic means, it is necessary to indicate the withdrawal of the aforesaid exercise of voting rights 2 days before the shareholders' meeting in the same method with which the voting rights were exercised. If the request for withdrawal occurs after the deadline, the voting right exercised by correspondence or by electronic means shall prevail. If the shareholder exercises the voting right in writing or by electronic means and appoints a proxy with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy at the 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 vote by 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 on the MOPS.

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

Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair,

provided all scrutineers be shareholders of the Company.

Vote counting for proposals or elections at a shareholders' meeting 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 numbers of votes, shall be announced on-site and recorded.

Article 14: (Elections)

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15: (Meeting minutes and items to be signed)

Matters relating to the resolutions by 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 an electronic form.

Said distribution may be announced through the MOPS.

Meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions are adopted, and a summary of the deliberations and voting results (including the number of votes), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Article 16: (Public announcement)

The number of shares solicited by solicitors and the number of proxy shares authorized to representatives shall be clearly displayed by the Company at the place and on the day of the shareholders' meeting in the tally format required.

If any resolutions by the shareholders' meeting are material information as stipulated by laws and regulations or Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall upload the content to the MOPS prior to a deadline.

Article 17 (maintenance of order)

Staff handling administrative affairs of a shareholders' meeting shall wear an identification badge or an armband.

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 badge or an armband, reading "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 the Company, 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 18 (intermissions and resumption of meeting )

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 venue can no longer be used before the conclusion of the shareholders' meeting agenda (including Extraordinary Motion), the shareholders' meeting may decide to resume the meeting at a different 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 19

These Rules and all amendments thereto shall be enforced upon approval by a shareholders' meeting.

Article 20

These Rules were established on November 4, 1989.

2nd amendment on May 21, 2000

3rd amendment on June 24, 2002

4th amendment on June 14, 2017

5th amendment on June 16, 2020

6th amendment on August 27, 2021



**Shuang-Bang Industrial Corp.**  
**Table of Directors' Shareholdings**

I. Minimum required shareholdings by all directors and the number of shares held according to the register

| Title    | Required number of shares held | No. of shares shown on shareholder register |
|----------|--------------------------------|---|
| Director | 6,588,866                      | 18,298,438                                  |

II. No. of shares held by directors

| Title                | Name  | No. of shares shown on shareholder register |
|----------------------|---|---|
| Chairman             | Chung-Tang Chang  | 6,700,207                                   |
| Vice Chairman        | Ah-Ming Chen  | 4,998,802                                   |
| Director             | Hsi-Neng Hsieh  | 891,571                                     |
| Director             | Ken-Chen Chen   | 567,269                                     |
| Director             | Ho-Pin Lin  | 2,622,121                                   |
| Director             | Representative of Uei-Want Industrial Co., Ltd.:<br>Cheng-Yen Liang | 2,500,000                                   |
| Independent Director | Chen, Li-Ling   | -   |
| Independent Director | Tsai, Hao-Chin  | -   |
| Independent Director | Jen-Fon Jen   | 18,468                                      |

Note 1: Book closure date: April 14, 2025.

Note 2: Total number of shares issued by the Company: 82,360,826 shares