



TaiHan Precision Technology Co,Ltd.

2024 Annual Shareholders' Meeting

Meeting Agenda

Important Disclaime :

This English-version handbook is a translation of the Chinese version and is not an official document of the shareholders meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Meeting type : Physical shareholders' meeting

Time: June 12, 2024, (Wednesday), at 9:00 a.m.

Place: Meeting room on F1 of SpeedTech Building (No. 568, Sec. 1, Minsheng N. Rd., Guishan Dist., Taoyuan City)

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I. Meeting Procedure

TaiHan Precision Technology Co., Ltd.
2024 Annual Shareholders 'Meeting

Meeting Procedure

1. Call meeting to order
2. Chairman's address
3. Reported Matters
4. Acknowledged Matters
5. Extemporaneous Motions
6. Adjournment

II. Meeting Agenda

TaiHan Precision Technology Co., Ltd. 2024 Annual Shareholders 'Meeting

Meeting Procedure

Meeting type : Physical shareholders' meeting

Time: June 12, 2024, (Wednesday), at 9:00 a.m.

Place: Meeting room on F1 of SpeedTech Building (No. 568, Sec. 1, Minsheng N. Rd., Guishan Dist., Taoyuan City)

1. Call meeting to order (report of shareholding attendance)
2. Chairman's address
3. Reported matters:
 - i. 2023 Business Report
 - ii. 2023 Audit Committee's Audit Report
 - iii. 2023 Employees' and Directors' Remuneration Allocation Report
 - iv. 2023 Directors' Remuneration Report
 - v. 2023 Cash dividend of Earnings Distribution Statement Report
 - vi. PRC Investment Information.
 - vii. Amendment to "Board Meeting Regulations"
4. Acknowledged Matters:
 - i. 2023 Business Report and Consolidated and Individual Financial Statement
 - ii. 2023 Earnings Distribution Proposal
5. Extemporary Motions
6. Adjournment

Reported Matters

ONE

Proposal: 2023 business report.

Explanation: 2023 business report of the Company, please refer to attachment 1 of the agenda.

TWO

Proposal: 2023 audit committee's audit report.

Explanation: 2023 audit committee's audit report, please refer to attachment 2 of the agenda

THREE

Proposal: 2023 employees' and directors' remuneration allocation report.

Explanation:

1. According to the Company's article of incorporation, when the Company has annual profit, and shall appropriate 1% and more as employees' remuneration and 3% and less as directors' remuneration.
2. Programed to appropriate the sum of employees' remuneration NT\$7,136,153, and directors' remuneration NT\$4,281,692, all paid in cash. The preceding employees' remuneration has not been appropriated yet until now, and the allocation amount of directors' remuneration was the same as the recognized amount of the year 2023.

FOUR

Proposal: 2023 directors' remuneration report, for your approval.

Explanation:

1. The payment of directors' and independent directors' remuneration policy, system, standard and structure of the Company, and described in detail the relevance of the paid amount of remuneration in accordance with the factors, such as undertaken responsibility, risk and spent time, etc.:
 - (1) According to the regulation of the Company's article of incorporation, the Company's chairman and directors' remuneration shall not exceed the standard of the highest salary scale made by the relevant regulations of the Company's salary in accordance with the participation degree of the Company's operation and the contributed value, and the remuneration shall be approved by authorized Board of Directors.
 - (2) In Articles of Incorporation, when the Company gains profits, it shall appropriate not more than 3% as directors' remuneration. Remuneration received by the Company's directors and independent directors shall be conducted in accordance with the Company's "Measures of Directors' Salary and Remuneration", the payment principle is evaluated by the participation of the Company's daily operation and management, concurrently exercising duties of the committees, attendance rate of meeting of Board of Directors, etc., and programmed to issue distributed suggestions, report to a shareholders' meeting after approved by a resolution of meeting of Board of Directors.
2. 2023 Details of directors' remuneration, please refer to attachment 3 of the agenda.

FIVE

Proposal: 2023 cash dividend of earnings distribution statement report, for your approval.

Explanation:

1. According to Article 240, paragraph 5 of the Company Act and Article 21 of the Company's Articles of Incorporation, authorized Board of Directors shall be approved by a resolution adopted by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the Company, have the surplus profit distributable as dividends and bonuses in whole or in part distributed in

the form of cash to be issued by the Company for such purpose, and it shall be reported to a shareholders' meeting.

2. Appropriated shareholder's cash bonus in 2023 distributable earnings was NT\$32,104 thousand, and distributed cash per share is NT\$ 0.41.
3. The record date and payment date of distributing cash dividend were decided by authorized chairman.

SIX

Proposal: PRC Investment Information.

Explanation: As of relevant information of 2023 PRC reinvestment business, please refer to attachment 4 of the agenda.

SEVEN

Proposal: Amendment to "Board Meeting Regulations"

Explanation: According to Financial-Supervisory-Securities-Corporate-1120383996, certain articles of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" are amended. The company simultaneously adjusts related operational procedures. Please refer to the amendment comparison table in attachment 5 of the agenda.

Acknowledged Matters

ONE

Proposed by Board of Directors

Proposal: 2023 business report and consolidated and individual financial statement, for your approval.

Explanation:

1. 2023 annual financial statements (and consolidated financial statements) were audited by the accountants Huang, Shih-Chun and Lin, Chia-Hung of PwC Taiwan, and to issue an auditors' report including our opinion, together with the business report were audited by the Company's audit committee, and the audit report has been offered, please refer to attachment 6 of the agenda.
2. 2023 business report, and annual financial statements (and consolidated financial statements) were audited by the audit committee, and approved by Board of Directors on March 8, 2024, for your approval.

Resolution:

TWO

Proposed by Board of Directors

Proposal: 2023 earnings distribution proposal, for your approval

Explanation: The Company's earnings distribution statement was approved by Board of Directors on March 8, 2024, please refer to attachment 7 of the agenda

Resolution:

Extemporary Motions Adjournment

III. Attachment

Attachment 1: 2023 Business Report

TaiHan Precision Technology Co., Ltd.

2023 Business Report

Last year, the group faced multiple pressures, including the continuous increase in overseas labor costs, adjustments in inventory by brand manufacturers of multifunctional office machines after the COVID-19 pandemic, and lower-than-expected orders for consumer electronic components. As a result, the group's consolidated revenue decreased by 13% from NT\$2,669,152 thousand in 2022 to NT\$2,316,598 thousand, operating profit decreased by 34% from NT\$246,172 thousand in the 2022 to NT\$162,091 thousand, and post-tax profit decreased by 32% from NT\$157,807 thousand in 2022 to NT\$107,390 thousand. This year, in response to customer demand, the planning and construction of the new factory in Vietnam have been accelerated, while continuously monitoring the global economic environment, terminal market demand, closely managing customer orders and production scheduling, and striving to implement customer industry diversification, optimize production efficiency, strictly control various costs and expenses, and expand the scope of business orders, in order to gradually realize the benefits of important strategies and help the group achieve good operational growth. The report on the 2023 annual operating status is as follows:

1. Operating performance in 2023

(1) 2023 business plan implementation results (consolidated report):

Unit: NT\$ Thousand

Item	Amount	2023	2022	Incremental Amount	Percent Change (%)
Operating Income		2,316,598	2,669,152	(352,554)	-13%
Operating Costs		(1,927,079)	(2,199,441)	(272,362)	-12%
Gross Profits		389,519	469,711	(80,192)	-17%
Operating Expenses		(227,428)	(223,539)	3,889	2%
Operating Profits (losses)		162,091	246,172	(84,081)	-34%
Non-operating Income and Expenses		37,080	12,414	24,666	199%
Income (Losses) Before Tax		199,171	258,586	(59,415)	-23%
Tax Benefits (Expenses)		(91,781)	(100,779)	(8,998)	-9%
Net Profit (Losses)		107,390	157,807	(50,417)	-32%
Net profits per share (losses) (NTD)		1.39	2.05	(0.66)	-32%

(2) Financial Analysis (consolidated report):

Item		Year	2023	2022
Financial Structure	Debt to Assets Ratio (%)		32.83%	37.86%
	Ratio of long-term funds to fixed assets (%)		234.4%	229.66%
Solvency	Current ratio (%)		234.51%	229.11%
	Quick ratio (%)		194.46%	187%
	Interest coverage ratio (times)		9.62	19.66
Management Capacity	Accounts receivable turnover rate (times)		4.74	5.60
	Sales turnover days		77	65.21
	Inventory turnover rate (times)		11.27	11.4
	Average days on sale		32.38	32.01
	Fixed asset turnover (times)		2.54	2.90
	Total Asset Turnover Rate (Times)		0.84	1.06
Profitability	Return on Assets (%)		4.61%	6.70%
	Return on Shareholders' Equity (%)		6.14%	9.64%
	Net Profit Rate (%)		4.63%	5.91%
	Earnings per share (NT Dollor) Retrospectively Adjustment		1.39	2.05

(3) Budget implementation status

The Company's financial forecasts for 2023 were not disclosed to the public. The overall operating achievement rate is about 80% to its internal target. This attributes to the Japanese multi-functional business machine customers have more orders than expected in order to replenish inventory after the Covid-19 pandemic.

(4) The R&D (Research and Development) status

The Company has been focusing on the production of precision mold for 3C and OA products for a long time. Its industrial characteristics focus on the accumulation of experience and the inheritance of technology, so there is no major R&D plan currently. The current R&D work is transferred to the participating in the customer's own product development work in the engineering design of prototype product stage.

2. Business plan summary of current year, future development strategies, and external environment impacts

Currently, in response to international political situations and the effect of shortening supply chains, TaiHan is deepening its presence in the prosperous order environment and space in Southeast Asia. In recent years, the company has actively utilized its leading mold development design and mass production technology in the industry to develop multiple new models of printers/office machines in collaboration with customers, and actively seeks more orders from new customers in different industries and new markets, which may help diversify the company's customer industry layout and bring positive results to its operations. The operational policies for this year, future company development strategies, and the impact of the external environment are elaborated as follows:

(1) Annual business policy and important production and marketing policies for 2024:

- i. Deepen the performance of the plastic injection molding business and meet customer order delivery requirements through capacity allocation in Dongguan, Vietnam, and the Philippines to support the overall positive development of the group's operations.
- ii. Continuously strengthen the company's development design technical capabilities, optimize production processes, expand global business order momentum, and implement ESG-oriented development. Integrate green manufacturing technology into the production process, develop applications of environmentally friendly materials, effectively enhance the positive benefits of global corporate low-carbon transformation, and effectively differentiate the group from its peers, helping to establish Taihan's reputation and competitiveness in the plastic injection molding market, and improve the group's order base.
- iii. Improve the yield of production based on the existing good production foundation, reduce production costs to increase product gross profit, and provide comprehensive services to existing customers from product design, mass production, logistics support, distribution, and after-sales services to strengthen long-term cooperative relationships.

(2) Expected sales and its base:

The Company will continue to develop new business opportunities in different industries based on past sales performance. In addition to grasping the market share of original products, it will continue to track the development schedule of new products. In addition, it will open up space for cooperation with customers in different industries, diversify the risk of industrial concentration of a single customer, and bring positive profit to the Company's medium and long-term operations.

(3) Future development strategies:

- i. Under the principle of economization, conduct process mechanization, automation, and rationalization through product process design to reduce reliance on manpower, lower costs, and improve quality.
- ii. Actively develop ultra-precision/ultra-fine machining technology and high-speed machining technology to maintain product market competitiveness, establish effective product market differentiation, and avoid detrimental price competition.
- iii. Fully leverage technical capabilities to develop various products according to the needs of different customers, enhance the added value of products, and maintain market competitiveness.
- iv. Strengthen internal talent training, focus on experience inheritance, and enhance pre-employment and on-the-job training for employees to improve their quality, improve labor conditions, and promote labor-management harmony.

(4) Impacts from external competitions, regulations, and overall operation

environment:

Despite the continued impact of subdued consumer electronics consumption on supply chain shipment fluctuations, Taihan continues to advance its plans for introducing new products, with a focus on post-processing processes for plastic injection molded products. With the introduction of more complex new models, it aims to optimize the overall product sales mix to achieve stable growth in overall operations.

In addition, facing the continuous increase in overseas labor costs, gradual reduction of tax incentives, and intense competition among peers, apart from strengthening cost control to cope with intense competition, Taihan strives to create high entry barriers, becoming an irreplaceable partner for customers, and continuously expanding advantageous market opportunities.

Changes in regulatory environment are always issues that companies need to address. The company will continue to strengthen the efficiency and flexibility of its operating methods, track changes in laws and regulations in a timely manner, and evaluate and modify internal regulations and compliance plans, actively responding to changes in various regulatory environments.

Continuously monitoring the global economic environment, terminal market demand, maintaining close communication with customers, managing good shipment schedules, and continuously advancing plans for introducing high-value-added new products are expected to maintain a certain level of backlog orders, help the group achieve good operational growth. On the other hand, to align with the international trends of carbon reduction and green supply chains, Taihan continues to move towards the global net zero emissions goal, formulating medium- and long-term emission reduction targets and relevant specifications, and conducting greenhouse gas inventories and carbon footprints, further promoting the company's sustainable development policy.

Chairman: Tsai, Chen-Lung

Managerial officer: Tsai, Chen-Lung

Accounting supervisor: Chen, Chin-Chung

TaiHan Precision Technology Corporation Audit Committee's Review Report

The Company's annual individual financial report and consolidated financial statements for 2023, sent by the Board of Directors to PwC Taiwan, were reviewed and certified by Huang, Shih-Chun and Lin, Chia-Hung accountants, and an audit report with unqualified opinion was issued. Together with the business report and the profit and loss appropriation proposal, the Audit Committee has completed the review and concluded that there is no discrepancy. In accordance with the provisions of Article 14-4 of the Securities and Exchange Law and Article 219 of the Company Law, the report is as above.

For your perusal.

Submitted to
The Company's 2024 Annual General Shareholders' Meeting

TaiHan Precision Technology Corporation

Audit Committee Convenor:

March 8, 2024

Attachment 3: 2023 Details of Directors' Remuneration

Unit: NT\$ Thousand

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Remuneration (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
Cash	Stock															Cash	Stock					
Director	Representative of SPEED TECH CORP. (Note 1): Tsai, Cheng-Lung	0	0	0	0	0	0	50	50	50 (0.05 %)	50 (0.05%)	1,818	1,818	0	0	0	1,418	0	1,418	3,286 (3.06%)	3,286 (3.06%)	2,956
	Representative of SPEED TECH CORP. (Note 1): Chang, Chih-Jen	0	0	0	0	0	0	60	60	60 (0.06 %)	60 (0.06 %)	2,728	2,728	108	108	0	925	0	925	3,820 (3.56 %)	3,820 (3.56 %)	405
	Representative of SPEED TECH CORP. , (Note 1): Li, Chia-Ho (Note 2)	0	0	0	0	0	0	10	10	10 (0.01%)	10 (0.01 %)	343	343	14	14	0	0	0	0	366 (0.34 %)	366 (0.34 %)	None
	Representative of SPEED TECH CORP. , (Note 1): Li, Chin-Cheng (Note 3)	0	0	0	0	0	0	40	40	40 (0.04%)	40 (0.04%)	867	867	39	39		1,418	0	1,418	2,364 (2.20%)	2,364 (2.20%)	450
	SPEED TECH CORP. (Note 1)	0	0	0	0	1,360	1,360	0	0	1,360 (1.27%)	1,360 (1.27%)	0	0	0	0	0	0	0	0	1,360 (1.27%)	1,360 (1.27%)	None
	Yang Jianping	0	0	0	0	427	427	60	60	487 (0.45%)	487 (0.45%)	0	0	0	0	0	0	0	0	487 (0.45%)	487 (0.45%)	None

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Remuneration (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	Cash	Stock	Cash	Stock	The Company	All companies in the consolidated financial statements	
Independent director	Zhuang Weimin	240	240	0	0	596	596	60	60	896 (0.83%)	896 (0.83%)	0	0	0	0	0	0	0	0	896 (0.83%)	896 (0.83%)	None
	Chen Yiping	240	240	0	0	596	596	60	60	896 (0.83%)	896 (0.83%)	0	0	0	0	0	0	0	0	896 (0.83%)	896 (0.83%)	None
	Lin Junyi	240	240	0	0	764	764	60	60	1,064 (0.99%)	1,064 (0.99%)	0	0	0	0	0	0	0	0	1,064 (0.99%)	1,064 (0.99%)	1,568
	Chung Tingchun (Note4)	120	120	0	0	539	539	30	30	689 (0.64%)	689 (0.64%)	0	0	0	0	0	0	0	0	689 (0.64%)	689 (0.64%)	1,568

Note 1: Taiqiao Investment Co. Ltd. merged with SPEED TECH CORP. on March 31, 2023 (the record date of merger), and SPEED TECH CORP. is the surviving company

Note 2: The representative resigned on June 13, 2023

Note 3: The representative was newly appointed on June 13, 2023

Note 4: The independent director was newly appointed on June 13, 2023

1. Please illustrate the Company's remuneration policy, system, standard, and structure of independent directors as well as relevant relationships with the remuneration amount regarding responsibilities, risks, time invested, and other factors:

The remuneration paid to directors and independent directors is processed in line with its article of regulations, which stipulates that such remuneration stands at less than 3% out of total profits, if the Company makes money. The rationality of director remuneration policy mainly follows the performance evaluation methods of the Board of Directors and procedures, the Company's overall operational performance, and the future operational needs and development of the industry. It also refers to the contribution of each individual to the Company's operations, thus a reasonable remuneration is paid. Meanwhile, they have to pass the recommendation of the Company's Remuneration and Compensation Committee, the board meeting, and submit to the Shareholders' Meeting for final approval.

2. Except as disclosed above, the remuneration received by directors for providing services to all companies in the financial report (such as serving as a consultant for non-employees, etc.) in the most recent years: None

Attachment 4: 2023 Implementation of Investments in the PRC

TaiHan Precision Technology Co., Limited and subsidiaries
Mainland China Investment Information - Basic Information
For the Year Ended December 31, 2023

Exhibit 7

Unit: NTS1,000
(Unless otherwise specified)

<u>Name of Mainland China</u> <u>investee company</u>	<u>Main Business Items</u>	<u>Paid-in</u> <u>capital</u>	<u>Investment</u> <u>Method</u> (Note 1)	<u>Accumulated investment amount</u> <u>remitted from Taiwan at the</u> <u>beginning of the period</u>	<u>Amount of investments</u> <u>remitted or recovered</u> <u>during the period</u> <u>Remittance</u>	<u>Accumulated investment</u> <u>amount remitted from Taiwan</u> <u>at the end of the period</u> <u>Retrieval</u>	<u>(Loss) income of</u> <u>investees for the period</u>	<u>Shareholding of</u> <u>our Company's</u> <u>direct or indirect</u> <u>investments</u>	<u>Investment (loss)</u> <u>recognized during the</u> <u>period</u> (Note 2)	<u>Carrying amount of</u> <u>investments at the</u> <u>end of the period</u> (Note 2)	<u>As at the end of</u> <u>the period</u> <u>Investment</u> <u>income remitted</u>	<u>Remark</u>
TaiHan Mold Products (Dongguan) Co., Ltd.	Production and sales of various precision molds and plastic products, etc.	\$ 531,741	(2)	\$ 421,315	\$ 110,426	\$ -	\$ 531,741 (\$ 61,915)	100%	(\$ 61,915)	\$ 61,725	\$ -	Investment in Mainland China through TAIHAN HOLDING (SAMOA) CO., Ltd.

Note 1: Investment methods are divided into the following three categories, and the labeling of each category is sufficient.

- (1). Direct investment in mainland China
- (2). Reinvesting in Mainland China through a third-party company (please specify the third-party investment company)
- (3). Other methods

Note 2: The investment income or loss recognized in the current period is based on the financial statements audited by the Company's accountants.

Note 3: The calculation of the investment limit in Mainland China is based on each investment entity. According to the regulations of the Investment Commission of the Ministry of Economic Affairs, the maximum percentage of investment in Mainland China is limited to 60% of the net value of the company.

<u>Company Name</u>	<u>Accumulated remittances</u> <u>from Taiwan to China at the</u> <u>end of the period Taiwan to</u> <u>China Amount of regional</u> <u>investment</u>	<u>MOEAIC Approved</u> <u>Investment Amount</u>	<u>Investment quota in</u> <u>mainland China</u> <u>according to</u> <u>MOEAIC</u> <u>regulations (Note</u> <u>3)</u>
The Company	\$ 531,741	\$ 531,741	\$ 1,061,698

Attachment 5: Comparison Table of Board meeting regulations before and after amendment

Taihan Precision Technology Co., Ltd. Comparison Table of Board meeting regulations

before and after amendment

Amended Article	Current Article	Explanation
<p>Article Four The unit responsible for handling the affairs of the board meetings designated by the company shall be the <u>Finance and Accounting Management Department</u>. The unit responsible for the proceedings shall draft the content of the board meetings and provide sufficient meeting materials, which shall be sent together with the convocation notice. If directors consider the meeting materials insufficient, they may request supplementation from the unit responsible for the proceedings. If directors consider the agenda materials insufficient, the deliberation may be postponed upon resolution by the board of directors.</p>	<p>Article Four The unit responsible for handling the affairs of the board meetings designated by the company shall be the Finance and Administration Department. The unit responsible for the proceedings shall draft the content of the board meetings and provide sufficient meeting materials, which shall be sent together with the convocation notice. If directors consider the meeting materials insufficient, they may request supplementation from the unit responsible for the proceedings. If directors consider the agenda materials insufficient, the deliberation may be postponed upon resolution by the board of directors.</p>	Amended according to the current organizational status
<p>Article Eight Sections 1 to 3: Omitted Upon the arrival of the meeting time, if less than half of the directors are present, the chairperson may announce a postponement of the meeting for <u>that day</u>, limited to two postponements. If the number is still insufficient after two</p>	<p>Article Eight Sections 1 to 3: Omitted Upon the arrival of the meeting time, if less than half of the directors are present, the chairperson may announce a postponement of the meeting, limited to two postponements. If the number is still insufficient after two postponements, the</p>	Amended according to Financial-Supervisory-Securities-Corporate-1120383996

Amended Article	Current Article	Explanation
<p>postponements, the chairperson may reconvene the meeting according to the procedures specified in Article Three, Section 2. The term "all directors" referred to in the preceding paragraph and in Article Sixteen, Section 2, Clause 2 shall be calculated based on the actual incumbents.</p>	<p>chairperson may reconvene the meeting according to the procedures specified in Article Three, Section 2. The term "all directors" referred to in the preceding paragraph and in Article Sixteen, Section 2, Clause 2 shall be calculated based on the actual incumbents.</p>	
<p>Article Eleven: Sections 1 and 2: Omitted During the proceedings of the board meeting, if the attending directors do not constitute a majority of the directors in office, upon proposal by the attending directors, the chairperson shall announce a temporary adjournment of the meeting, and Article Eight, Section 3 shall apply accordingly. <u>During the proceedings of the board meeting, if the chairperson is unable to preside over the meeting due to unforeseen circumstances or fails to announce an adjournment in accordance with the second clause, the provisions of Article Seven, Section 2 regarding the appointment of proxies shall apply.</u></p>	<p>Article Eleven: Sections 1 and 2: Omitted During the proceedings of the board meeting, if the attending directors do not constitute a majority of the directors in office, upon proposal by the attending directors, the chairperson shall announce a temporary adjournment of the meeting, and Article Eight, Section 3 shall apply accordingly.</p>	<p>Amended according to Financial-Supervisory-Securities-Corporate-1120383996</p>

INDEPENDENT AUDITORS' REPORT

(2024) No. Financial Auditing- 23004350

The Board of Directors and Shareholders
TaiHan Precision Technology Co., Limited
Opinion

We have audited the accompanying parent company only financial statements of TaiHan Precision Technology Co., Ltd. as of December 31, 2023 and 2022, and the individual statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the periods from January 1 to December 31, 2023 and 2022 in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits entrusted by the Company in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent company only financial statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's parent company only financial statements for the year ended December 31, 2023 is stated as follows:

Existence of sales revenue

Key Audit Matters

Please refer to Notes 4(24) to the parent company only financial statements for the accounting policy on revenue recognition and Notes 6(13) to the parent company only financial statements for the accounting account description of operating revenues.

TaiHan Precision Technology Co., Limited is specialized in the design, manufacture and transactions of various precision molds, tooling and plastic molding products, and its significant sales customers account for a significant portion of its annual revenue. Therefore, we consider the existence of significant sales revenue from customers with sales revenue amounting to 10% of total operating revenue to be one of the most important matters to be audited.

In accordance with the Audit Procedure

The procedures performed by us in respect of the above critical review are summarized as below:

1. To understand the process and basis of revenue recognition for significant sales customers in order to assess the effectiveness of management's internal control over sales recognition and to perform internal control effectiveness testing.
2. To obtain basic evaluation data of significant sales customers and search for relevant information for verification.
3. Obtain and test that the credit terms of significant sales customers have been properly approved.
4. Obtain and sample check the sales details of significant sales customers and verify the relevant certificates and future collection position.
5. Obtain the post-sale return details of significant sales customers and review the sales return position.

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

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

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

Those charged with governance (including 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 individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with the auditing standards generally accepted in 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 individual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the individual 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 individual financial statements, including the disclosures, and whether the individual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 have also provided the governing unit with a statement of independence for the staff of the firm to which we are associated and has complied with the statement of independence in the Code of Ethics for Accountants in the Republic of China. We also communicate with the governing body on all relationships and other matters (including related safeguards) that may be considered to affect the independence of the accountant.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual 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.

PWC Taiwan

HUANG,SHIH-CHUN

CPA

LIN,CHIA-HUNG

Financial Supervisory Commission

Certified Registration No.: Financial-Supervisory-
Securities-Auditing-1050029449

Certified Registration No.: Financial-Supervisory-
Securities-Auditing- 1080323093

March 8, 2024

Taihan Precision Technology Co., Limited

INDIVIDUAL STATEMENTS OF BALANCE SHEET

December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

ASSETS		Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
CURRENT ASSETS						
1100	Cash and cash equivalents	6(1)	\$ 94,979	5	\$ 181,339	9
1150	Notes receivable, net	6(3)	-	-	254	-
1170	Accounts receivable, net	6(3)	100,863	5	199,590	10
1180	Accounts Receivables from related parties, net	6(3) & 7(2)	4,760	-	12,098	1
1200	Other receivables		60	-	388	-
1210	Other receivables from related parties	7(2)	1,526	-	6,615	-
1220	Current tax assets		195	-	36	-
1410	Prepayments		1,136	-	2,849	-
11XX	Total current assets		203,519	10	403,169	20
NON-CURRENT ASSETS						
1517	Financial asset at fair value through P/L - Non-current	6(2)	4,492	-	3,108	-
1550	Investments accounted for using equity method	6(4)	1,770,155	86	1,509,128	77
1600	Property, plant and equipment	6(5)	2,499	-	2,565	-
1755	Right-of-use assets	6(6)	4,971	1	2,703	-
1780	Intangible assets		2,607	-	905	-
1840	Deferred income tax assets	6(20)	65,947	3	55,302	3
1920	Refundable deposits		1,303	-	6	-
1990	Other non-current assets - others		3,691	-	3,364	-
15XX	Total non-current assets		1,855,665	90	1,577,081	80
1XXX	TOTAL Assets		\$ 2,059,184	100	\$ 1,980,250	100

(Continued on next page)

Taihan Precision Technology Co., Limited
INDIVIDUAL STATEMENTS OF BALANCE SHEET
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

LIABILITIES AND EQUITY		Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
CURRENT LIABILITIES						
2130	Contractual liability - Current	6(13)	\$ 202	-	\$ 30	-
2170	Accounts payable		67	-	2,595	-
2180	Accounts payables to related parties	7(2)	99,598	5	109,295	5
2200	Other payables	6(7)	26,054	1	32,509	2
2220	Other payables to related parties	7(2)	95	-	228	-
2230	Current tax liabilities		7,693	1	-	-
2280	Lease liabilities - Current	7(2)	1,830	-	768	-
2300	Other current liabilities	7(2)	974	-	822	-
21XX	Total current liabilities		136,513	7	146,247	7
NON-CURRENT LIABILITIES						
2570	Deferred income tax liabilities	6(20)	148,434	7	107,212	6
2580	Lease liabilities - Non-current	7(2)	3,085	-	1,952	-
2640	Net defined benefit liability - Non-current	6(8)	1,656	-	1,304	-
25XX	Total non-current liabilities		153,175	7	110,468	6
2XXX	Total liabilities		289,688	14	256,715	13
EQUITY						
	Capital stock	6(10)				
3110	Common stock		788,184	38	788,184	40
	Capital surplus	6(11)				
3200	Capital surplus		682,341	34	695,473	35
	Retained earnings	6(12)				
3310	Appropriated as legal capital reserve		61,026	3	45,222	2
3320	Appropriated as special capital reserve		91,596	4	135,531	7
3350	Unappropriated earnings		292,991	14	191,161	10
	Other Entities					
3400	Other Entities		(146,642)	(7)	(132,036)	(7)
3XXX	Total equity		1,769,496	86	1,723,535	87
	Significant Contingent Liabilities and Unrecognized Contractual Commitments	9				
	Serious subsequent events	11				
3X2X	TOTAL LIABILITIES AND EQUITY		\$ 2,059,184	100	\$ 1,980,250	100

The accompanying notes to the individual financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

Taihan Precision Technology Co., Limited
INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME
January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars
(Except earnings per share in New Taiwan dollars)

	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	6(13) &7 (2)	\$ 667,028	100	\$ 824,508	100
5000	Operating costs	6(18) &7 (2)	(629,065)	(94)	(777,570)	(94)
5900	Operating margin		37,963	6	46,938	6
5910	Unrealized gains on sales		(551)	-	(2,628)	-
5920	Realized gains on sales		2,628	-	2,677	-
5950	Operating margin, net		40,040	6	46,987	6
	Operating expenses	6(18) &7 (2)				
6200	General and administrative expenses		(91,724)	(14)	(68,857)	(9)
6450	Expected credit impairment gains (losses)	12(2)	39	-	(42)	-
6000	Total operating expenses		(91,685)	(14)	(68,899)	(9)
6900	Operating loss		(51,645)	(8)	(21,912)	(3)
	NON-OPERATING REVENUE AND EXPENSES					
7100	Interest income	6(14)	1,646	-	511	-
7010	Other income	6(15) &7(2)	204	-	1,451	-
7020	Other gains and losses	6(16)	3,479	1	14,803	2
7050	Finance costs	6(17) &7 (2)	(115)	-	(27)	-
7070	Share of profits and losses of subsidiaries, associates and joint ventures recognized under the equity method	6(4)				
			206,112	31	209,887	26
7000	Total non-operating revenue and expense		211,326	32	226,625	28
7900	INCOME BEFORE INCOME TAX		159,681	24	204,713	25
7950	INCOME TAX EXPENSE	6(20)	(52,291)	(8)	(46,906)	(6)
8200	Net income		<u>\$ 107,390</u>	<u>16</u>	<u>\$ 157,807</u>	<u>19</u>
	OTHER COMPREHENSIVE INCOME (LOSS)					
	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurement of defined benefit obligation	6(8)	(\$ 1,719)	-	\$ 294	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income		1,968	-	(709)	-
8349	Income tax benefit related to items that will not be reclassified subsequently	6(20)	344	-	(59)	-
8310	Total amount of items that are not reclassified to profit or loss		593	-	(474)	-
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences arising on translation of foreign operations	6(4)	(57,588)	(9)	55,801	7
8399	Income tax benefit related to items that will be reclassified subsequently	6(20)	11,517	2	(11,158)	(1)
8360	Total amount of items that are reclassified to profit or loss		(46,071)	(7)	44,643	6
8300	Other comprehensive income, net		<u>(\$ 45,478)</u>	<u>(7)</u>	<u>\$ 44,169</u>	<u>6</u>
8500	Total comprehensive income		<u>\$ 61,912</u>	<u>9</u>	<u>\$ 201,976</u>	<u>25</u>
	Basic earnings per share					
9750	Net income	6(21)	\$ 1.39		\$ 2.05	
	Diluted earnings per share					
9850	Net income	6(21)	\$ 1.37		\$ 2.03	

The accompanying notes to the individual financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

Taihan Precision Technology Co., Limited
INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY
January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

			Retained Earnings				Other Benefits			
							Unrealized Gain (Loss) on Financial Assets at Fair Value	Unearned Stock- Based Employee Compensation		
	Note	Capital Stock - Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Earnings	Foreign Currency Translation Reserve	Through Other Comprehensive Income	Total Equity	
<u>2022</u>										
BALANCE, JANUARY 1, 2022		\$ 770,984	\$ 668,899	\$ 37,522	\$ 92,332	\$ 114,857	(\$ 136,423)	\$ 893	\$ 1,549,064	
Net income in 2021		-	-	-	-	157,807	-	-	157,807	
Other comprehensive income (loss) in 2022		-	-	-	-	235	44,643	(709)	44,169	
Total comprehensive income (loss) in 2022		-	-	-	-	158,042	44,643	(709)	201,976	
Appropriations of prior year's earnings in 2021	6(12)									
Legal reserve		-	-	7,700	-	(7,700)	-	-	-	
Special reserve		-	-	-	43,199	(43,199)	-	-	-	
Cash dividends		-	-	-	-	(30,839)	-	-	(30,839)	
Issuance of restricted stock awards	6(10)	17,200	26,574	-	-	-	-	-	-	
Compensation costs of restricted stock awards	6(9)	-	-	-	-	-	-	-	3,334	
BALANCE, DECEMBER 31, 2022		\$ 788,184	\$ 695,473	\$ 45,222	\$ 135,531	\$ 191,161	(\$ 91,780)	\$ 184	\$ 1,723,535	
<u>2023</u>										
BALANCE, JANUARY 1, 2023		\$ 788,184	\$ 695,473	\$ 45,222	\$ 135,531	\$ 191,161	(\$ 91,780)	\$ 184	\$ 1,723,535	
Net income in 2023		-	-	-	-	107,390	-	-	107,390	
Other comprehensive income (loss) in 2023		-	-	-	-	(1,375)	(46,071)	1,968	(45,478)	
Total comprehensive income (loss) in 2023		-	-	-	-	106,015	(46,071)	1,968	61,912	
Appropriations of prior year's earnings in 2022	6(12)									
Legal reserve		-	-	15,804	-	(15,804)	-	-	-	
Special reserve		-	-	-	(43,935)	43,935	-	-	-	
Cash dividends		-	-	-	-	(32,316)	-	-	(32,316)	
Compensation costs of restricted stock awards	6(9)	-	(13,132)	-	-	-	-	-	29,497	
BALANCE, DECEMBER 31, 2023		\$ 788,184	\$ 682,341	\$ 61,026	\$ 91,596	\$ 292,991	(\$ 137,851)	\$ 2,152	\$ 1,769,496	

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

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

Taihan Precision Technology Co., Limited

INDIVIDUAL STATEMENTS OF CASH FLOWS

January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	January 1 ~ December 31, 2023	January 1 ~ December 31, 2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Income before income tax		\$ 159,681	\$ 204,713
Adjustment Items			
Profit and loss items			
Depreciation expenses	6(18)	1,884	1,512
Intangible assets amortization expenses	6(18)	1,077	967
Expected credit impairment losses (gains)	12(2)	(39)	42
Finance costs	6(17)	115	27
Interest income	6(14)	(1,646)	(511)
Compensation costs of restricted stock	6(9)	16,365	3,334
Share of profit or loss of associates accounted for using equity method	6(4)	(206,112)	(209,887)
Dividend revenue	6(15)	(109)	(680)
Unrealized inter-associate gains		551	2,628
Realized inter-associate gains		(2,628)	(2,676)
Changes in operating assets and liabilities			
Changes in operating assets, net			
Notes receivables, net		254	(145)
Accounts receivables		98,766	(102,779)
Accounts receivables - related parties, net		7,338	(5,184)
Other receivables		80	(258)
Other receivables - related parties		5,089	(2,356)
Prepayments		1,713	2,198
Other non-current assets		(327)	-
Changes in Liabilities Related to Operating Activities, net			
Contractual liabilities - current		172	(37)
Accounts payables		(2,528)	(1,922)
Accounts payables - related parties		(9,697)	(750)
Other payables		(6,455)	8,336
Other payables - related parties		(133)	141
Other current liabilities		152	218
Net defined benefit liabilities - non- current		(1,367)	(1,106)
Cash generated from (used in) operations		62,196	(104,175)
Interest received		1,646	511
Income tax paid		(2,107)	(1,616)
Income tax refunded		36	-
Interest paid		(115)	(27)
Net cash inflows (outflows) from operating activities		61,656	(105,307)

(Continued on next page)

Taihan Precision Technology Co., Limited

INDIVIDUAL STATEMENTS OF CASH FLOWS

January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	<u>Note</u>	<u>January 1 ~ December 31, 2023</u>	<u>January 1 ~ December 31, 2022</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Refund of paid-up capital for capital reduction from financial assets at fair value through other comprehensive income	6(2)	\$ 584	\$ 255
Acquisition of property, plant and equipment	6(5)	(769)	(483)
Acquisition of intangible assets		(2,779)	(380)
Guaranteed deposits paid (increase)		(1,297)	-
Dividends received		109	680
Net cash inflows (outflows) from investing activities		(4,152)	72
<u>Cash flows from financing activities</u>			
Repayment of the principal of lease liabilities	6(22)	(1,122)	(763)
Cash dividend paid	6(22)	(32,316)	(30,839)
Acquisition of cash capital increase by subsidiaries accounted for using equity method		(110,426)	-
Net cash outflows from financing activities		(143,864)	(31,602)
Decrease in Cash and Cash Equivalents		(86,360)	(136,837)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		181,339	318,176
CASH AND CASH EQUIVALENTS, END OF YEAR		<u>\$ 94,979</u>	<u>\$ 181,339</u>

The accompanying notes to the individual financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Limited
REPRESENTATION LETTER

The entities that are required to be included in the consolidated financial statements of TaiHan Precision Technology Co., Limited as of and for the year ended December 31, 2023, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, TaiHan Precision Technology Co., Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Company Name: TaiHan Precision Technology Co.,
Limited

Chairman: TSAI,CHEN-LUNG

March 8, 2024

INDEPENDENT AUDITORS' REPORT

(2024) No. Financial Auditing- 23005154

To: The Board of Directors and Shareholders

TaiHan Precision Technology Co., Limited

Opinion

We have audited the accompanying consolidated balance sheets of TaiHan Precision Technology Co. and subsidiaries (the "TaiHan Group") as of December 31, 2023, and the related consolidated statements of income, changes in equity, and cash flows for the period from January 1, 2023 to December 31, 2023, and the related consolidated notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tai Han Group as of December 31, 2023 and its consolidated financial results and consolidated cash flows for the period from January 1 to December 31, 2023 in conformity with International Financial Reporting Standards (IFRIC) for Securities Issuers and International Accounting Standards (IAS), and Interpretations and Interpretations issued by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits entrusted by TaiHan Group in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Individual Financial Statements section of our report. We are independent of TaiHan Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2023 are stated as follows:

Existence of sales revenue

Key Audit Matters

Please refer to Note 4(28) to the consolidated financial statements for the accounting policy of revenue recognition and Note 6(19) to the consolidated financial statements for the accounting account of operating revenues.

The TaiHan Group is engaged in the design, manufacture and trading of various precision molds, tooling and plastic molding products. Significant sales customers account for a significant portion of the Group's annual revenue and have a high inherent risk of sales revenue; Therefore, we consider the existence of significant sales revenue from customers with sales revenue of 10% of total operating revenue to be one of the most important matters in our audit.

In accordance with the Audit Procedure

The procedures performed by us in respect of the above critical review are summarized as

below:

1. Understand the process and basis of revenue recognition for significant sales customers in order to assess the effectiveness of management's internal control over sales recognition and to perform internal control effectiveness testing.
2. Obtain and test basic evaluation data of significant sales customers and search for relevant information for verification.
3. Test that the credit terms of significant sales customers have been properly approved.
4. Obtain and sample check the sales details of significant sales customers and verify the relevant certificates and future collection position.
5. Obtain the post-sale return details of significant sales customers and review the sales return position.

Other Matter—The individual financial statements

We have audited the financial statements of TaiHan Precision Technology Co., Ltd. for the years ended December 31, 2023 and 2022, and have issued an unqualified audit report thereon for your reference.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The responsibility of management is to prepare consolidated financial statements that are fairly stated in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Pronouncements endorsed by the Financial Supervisory Commission, and to maintain such internal control relevant to the preparation of consolidated financial statements as 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's responsibility also includes assessing the ability of the TaiHan Group to continue as a going concern, the disclosure of related matters, and the adoption of a going concern basis of accounting, unless management intends to liquidate the TaiHan Group or cease operations, or there is no practical alternative to liquidation or discontinuation of operations.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the TaiHan Group 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in 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 misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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.

PWC Taiwan

HUANG,SHIH-CHUN

CPA:

LIN,CHIA-HUNG

Financial Supervisory Commission

Certified Registration No.: Financial-Supervisory-Securities-Auditing- 1050029449

Financial Supervisory Commission

Certified Registration No.: Financial-Supervisory-Securities-Auditing- 1080323093

March 8, 2024

TaiHan Precision Technology Co., Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF BALANCE SHEET
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

ASSETS			December 31, 2023		December 31, 2022			
			Amount	%	Amount	%		
CURRENT ASSETS								
1100	Cash and cash equivalents	6(1)	\$	594,077	23	\$	679,818	24
1136	Financial asset at fair value through P/L - Current	6(3)		1,902	-		1,956	-
1150	Notes receivable, net	6(4)		-	-		254	-
1170	Accounts receivable, net	6(4) & 7(2)		420,554	16		555,767	20
1200	Other receivables	7(2)		2,842	-		616	-
1220	Current tax assets			195	-		36	-
130X	Inventory	6(5)		144,137	5		197,551	7
1410	Prepayments			66,033	3		66,012	2
1470	Other current assets			967	-		1,465	-
11XX	Total current assets			1,230,707	47		1,503,475	53
Non-current assets								
1517	Financial asset at fair value through P/L - Non-current	6(2)		4,492	-		3,108	-
1600	Property, plant and equipment	6(6)&8		900,150	34		918,561	33
1755	Right-of-use assets	6(7)&8		177,211	7		190,498	7
1760	Investment property, net	6(9)&8		29,798	1		30,367	1
1780	Investment property, net			10,206	-		11,955	-
1840	Deferred income tax assets	6(26)		103,407	4		99,140	4
1915	Prepayment for equipment			2,538	-		28,726	1
1920	Refundable deposits			13,976	1		10,604	-
1990	Other non-current assets - other	6(10)		162,260	6		20,887	1
15XX	Total non-current assets			1,404,038	53		1,313,846	47
1XXX	TOTAL Assets		\$	2,634,745	100	\$	2,817,321	100

(Continued on next page)

The accompanying notes to the consolidated financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF BALANCE SHEET
December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

LIABILITIES AND EQUITY			December 31, 2023		December 31, 2022	
			Note	Amount	%	Amount
CURRENT LIABILITIES						
2100	Short-term borrowings	6(11)	\$ 119,800	5	\$ 159,806	6
2130	Contractual liability - Current	6(19)	202	-	2,970	-
2150	Notes payable		-	-	11	-
2170	Accounts payable		222,889	8	279,126	10
2200	Other payables	6(12) &7(2)	96,008	4	119,678	4
2230	Current tax liabilities		40,176	2	50,821	2
2250	Provisions - current		12,634	-	1,159	-
2280	Lease liabilities - Current	7(2)	28,772	1	19,417	1
2320	Long-term liabilities due within one year or one operating cycle	6(13)	-	-	29,258	1
2399	Other current liabilities - Other		4,298	-	1,626	-
21XX	Total current liabilities		524,779	20	663,872	24
NON-CURRENT LIABILITIES						
2540	Long-term borrowings	6(13)	-	-	109,709	4
2570	Deferred income tax liabilities	6(26)	186,719	7	151,050	5
2580	Lease liabilities - Non-current	7(2)	145,369	6	166,839	6
2640	Net defined benefit liability - Non-current	6(14)	1,656	-	1,304	-
2645	Guarantee deposit received		5,069	-	1,012	-
2670	Other non-current liabilities - Other		1,657	-	-	-
25XX	Total non-current liabilities		340,470	13	429,914	15
2XXX	Total liabilities		865,249	33	1,093,786	39
Equity attributable to owners of the parent company						
	Capital stock	6(16)				
3110	Common stock		788,184	30	788,184	28
	Capital surplus	6(17)				
3200	Capital surplus		682,341	26	695,473	25
	Retained earnings	6(18)				
3310	Appropriated as legal capital reserve		61,026	2	45,222	1
3320	Appropriated as special capital reserve		91,596	3	135,531	5
3350	Unappropriated earnings		292,991	11	191,161	7
Other Entities						
3400	Other Entities		(146,642)	(5)	(132,036)	(5)
3XXX	Total equity		1,769,496	67	1,723,535	61
	Significant Contingent Liabilities and	9				
	Unrecognized Contractual Commitments					
	Serious subsequent events	11				
3X2X	TOTAL LIABILITIES AND EQUITY		\$ 2,634,745	100	\$ 2,817,321	100

The accompanying notes to the consolidated financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars
(Except earnings per share in New Taiwan dollars)

	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	6(19) & 7(2)	\$ 2,316,598	100	\$ 2,669,152	100
5000	Operating costs	6(5) & 7(2)	(1,927,079)	(83)	(2,199,441)	(83)
5950	Operating margin, net		389,519	17	469,711	17
	Operating expenses	6(24) & 7(2)				
6100	Sales and marketing		(33,813)	(2)	(36,679)	(1)
6200	General and administrative expenses		(193,691)	(8)	(186,818)	(7)
6450	Expected credit impairment gains (losses)	12(2)	76	-	(42)	-
6000	Total operating expenses		(227,428)	(10)	(223,539)	(8)
6900	Operating profit		162,091	7	246,172	9
	NON-OPERATING REVENUE AND EXPENSES					
7100	Interest income	6(20)	3,383	-	1,602	-
7010	Other income	6(21)	9,723	1	16,269	1
7020	Other gains and losses	6(22)	47,058	2	8,401	-
7050	Finance costs	6(23) & 7(2)	(23,084)	(1)	(13,858)	-
7000	Total non-operating revenue and expense		37,080	2	12,414	1
7900	INCOME BEFORE INCOME TAX		199,171	9	258,586	10
7950	Net income	6(26)	(91,781)	(4)	(100,779)	(4)
8200	OTHER COMPREHENSIVE INCOME (LOSS)		\$ 107,390	5	\$ 157,807	6
	Net income					
8311	Remeasurement of defined benefit obligation	6(14)	(\$ 1,719)	-	\$ 294	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income		1,968	-	(709)	-
8349	Income tax benefit related to items that will not be reclassified subsequently	6(26)	344	-	(59)	-
8310	Total amount of items that are not reclassified to profit or loss		593	-	(474)	-
	Items that may be reclassified subsequently to profit (or loss)					
8361	Exchange differences arising on translation of financial statements of foreign operations		(57,588)	(2)	55,801	2
8399	Income tax benefit related to items that will be reclassified subsequently	6(26)	11,517	-	(11,158)	-
8360	Total amount of items that are reclassified to profit or loss		(46,071)	(2)	44,643	2
8300	Other comprehensive income, net		(\$ 45,478)	(2)	\$ 44,169	2
8500	Total comprehensive income		\$ 61,912	3	\$ 201,976	8
	Net profit attributable to:					
8610	Parent Company Owner		\$ 107,390	5	\$ 157,807	6
	Total comprehensive income(loss) attributable to:					
8710	Parent Company Owner		\$ 61,912	3	\$ 201,976	8
	Basic earnings per share					
9750	Net income	6(27)	\$ 1.39		\$ 2.05	
9850	Diluted earnings per share					
	Net income	6(27)	\$ 1.37		\$ 2.03	

The accompanying notes to the consolidated financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Equity attributable to owners of the parent company										
	Retained Earnings					Other Benefits				
							Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other	Unearned Stock- Based Employee		
Note	Capital Stock - Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Earnings	Foreign Currency Translation Reserve	Comprehensive Income	Compensation	Treasury Stock	Total Equity
		\$ 770,984	\$ 668,899	\$ 37,522	\$ 92,332	\$ 114,857	(\$ 136,423)	\$ 893	\$ -	\$ 1,549,064
		-	-	-	-	157,807	-	-	-	157,807
		-	-	-	-	235	44,643	(709)	-	44,169
		-	-	-	-	158,042	44,643	(709)	-	201,976
6(18)		-	-	7,700	-	(7,700)	-	-	-	-
		-	-	-	43,199	(43,199)	-	-	-	-
		-	-	-	-	(30,839)	-	-	-	(30,839)
6(16)		17,200	26,574	-	-	-	-	-	(43,774)	-
6(15)		-	-	-	-	-	-	-	3,334	3,334
		\$ 788,184	\$ 695,473	\$ 45,222	\$ 135,531	\$ 191,161	(\$ 91,780)	\$ 184	(\$ 40,440)	\$ 1,723,535
		\$ 788,184	\$ 695,473	\$ 45,222	\$ 135,531	\$ 191,161	(\$ 91,780)	\$ 184	(\$ 40,440)	\$ 1,723,535
		-	-	-	-	107,390	-	-	-	107,390
		-	-	-	-	(1,375)	(46,071)	1,968	-	(45,478)
		-	-	-	-	106,015	(46,071)	1,968	-	61,912
6(17)		-	-	15,804	-	(15,804)	-	-	-	-
		-	-	-	(43,935)	43,935	-	-	-	-
		-	-	-	-	(32,316)	-	-	-	(32,316)
6(15)		-	(13,132)	-	-	-	-	-	29,497	16,365
		\$ 788,184	\$ 682,341	\$ 61,026	\$ 91,596	\$ 292,991	(\$ 137,851)	\$ 2,152	(\$ 10,943)	\$ 1,769,496

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	January 1 ~ December 31, 2023	January 1 ~ December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		\$ 199,171	\$ 258,586
Adjustment Items			
Profit and loss items			
Depreciation expense on property, plant and equipment	6(24)	105,737	96,063
Depreciation expense on investment property	6(24)	590	576
Depreciation expense on right-of-use assets	6(24)	25,112	31,522
Intangible assets amortization expense	6(24)	5,484	4,721
Expected credit impairment loss (gain)	12(2)	(76)	42
Finance costs	6(23)	23,084	13,858
Interest income	6(20)	(3,383)	(1,602)
Compensation costs of restricted stock awards	6(15)	16,365	3,334
Loss (gain) on disposal of property, plant and equipment	6(22)	-	8,426
Dividend revenue	6(21)	(109)	(680)
Lease modification loss (gain)	6(22)	-	(370)
Changes in operating assets and liabilities			
Changes in operating assets, net			
Notes receivables, net		254	(145)
Accounts receivables		135,259	(158,267)
Other receivables		(2,226)	750
Inventories		53,414	(9,350)
Prepayments		(21)	(31,100)
Other current assets		498	(479)
Changes in Liabilities Related to Operating			
Contractual liabilities - current		(2,768)	(122)
Notes payables		(11)	(29)
Accounts payables		(56,237)	61,665
Other payables		(17,793)	31,364
Provision - current		11,475	1,159
Other current liabilities - others		2,672	267
Other non-current liabilities - others		1,657	(1,118)
Net defined benefit liabilities		(1,367)	(1,106)
Cash generated from operations		496,781	307,965
Interest received		3,383	1,602
Interest paid		(24,520)	(12,530)
Income tax paid		(51,419)	(10,489)
Income tax refunded		36	-
Net cash inflows from operating activities		424,261	286,548

(Continued on next page)

TaiHan Precision Technology Co., Limited and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS

January 1 ~ December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	Note	January 1 ~ December 31, 2023	January 1 ~ December 31, 2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Refund of paid-up capital for capital reduction from financial assets at fair value through other comprehensive income		\$ 584	\$ 255
Acquisition of property, plant and equipment	6(28)	(92,415)	(31,893)
Disposal of property, plant and equipment		-	823
Acquisition of property, plant and equipment- payment of notes payables		-	(10,950)
Prepayments for equipment (increase)		-	(63,707)
Decrease in prepayments for equipment		9,190	-
Acquisition of intangible assets		(3,735)	(2,035)
Decrease in guaranteed deposits paid		188	7,884
Guaranteed deposits paid (increase)		(3,560)	(7,327)
Other non-current assets - others (increase)		(141,373)	(20,887)
Dividends received		109	680
Net cash outflows from investing activities		(231,012)	(127,157)
Cash flows from financing activities			
Increase in short-term borrowings	6(29)	1,458,343	607,375
Repayment of short-term borrowings	6(29)	(1,500,394)	(575,948)
Repayment of long-term borrowings	6(29)	(140,064)	(25,900)
Increase in guaranteed deposits received	6(29)	4,087	-
Repayment of principal of lease liabilities	6(29)	(19,474)	(23,599)
Cash dividend paid	6(29)	(32,316)	(30,839)
Net cash outflows from financing activities		(229,818)	(48,911)
Exchange effects		(49,172)	32,030
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS		(85,741)	142,510
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		679,818	537,308
CASH AND CASH EQUIVALENTS, END OF YEAR		\$ 594,077	\$ 679,818

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements and should be read in conjunction with them.

Chairman : Tsai, Chen-Lung

Manager : Tsai, Chen-Lung

Accounting Manager : Chen, Chin-Chung

TaiHan Precision Technology Co., Ltd. 2023 Earning Division Statement

Unit: NT\$

Item	Amount	
	Subtotal	Sum
Beginning retained earnings		186,978,100
Remeasurements of the defined benefit recognized in retained earnings	(1,375,570)	
After adjusted retained earnings		185,602,530
Net profit after tax	107,390,442	
Less: legal reserve		(10,601,487)
Less: special reserve		(44,101,821)
Distributable net profit		238,289,664
Distributable items:		
Less: cash dividend - NT\$ 0.41 per share		(32,103,992)
Unappropriated retained earnings		206,185,672

Chairman: Tsai, Chen-Lung

Managerial officer: Tsai, Chen-Lung

Accounting supervisor: Chen, Chin-Chung

1. Distributed number of cash dividend was calculated with the Company's number of outstanding shares on March 8, 2024, afterwards when the Company's capital changed, influenced the number of outstanding shares, and caused shareholders' distributed cash ratio to change, it shall be reported to shareholders' meeting to authorize the Board of Directors for handled with full discretion.
2. Relevant matters of a record date for cash dividend distribution and cash dividend distribution were programed to be handled by shareholders' meeting with full discretion authorized by Board of Directors.
3. The cash dividends shall be calculated to dollar, with amounts of less than NT\$ 1.00 unconditionally rounded down. The fractional sum of less than NT\$ 1.00 was recognized in employees' welfare committee of the Company.

IV. Appendix

Appendix 1: Article of Incorporation

TaiHan Precision Technology Co., Ltd.

Article of Incorporation

Chapter 1 General Provision

Article 1: The Company organized in accordance with Company Act, named “TaiHan Precision Technology Co., Ltd.”

Article 2: The Company’s operating business is as follow:

1. CQ01010 Mold and Die Manufacturing
2. CC01080 Electronic Parts and Components Manufacturing
3. F401010 International Trade
4. ZZ99999 all business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3: The Company established the head office in New Taipei County, Taiwan, shall establish branches within the territory of the Republic of China and in other countries when it’s necessary.

Article 4: The Company’s announcement methods shall be implemented in accordance with Article 28 of Company Act.

Article 5: The Company shall not be a shareholder of unlimited liability in another company or a partner of a partnership enterprise; when the Company becomes a shareholder of limited liability in other companies, the total amount of its investments shall be handled by the Board of Directors with full discretion, and shall not apply the limit of article 13 of Company Act, and shall not exceed forty percent of the amount of its own paid-up capital.

Article 5-1: As the Company has needs of operation or business, shall externally provide guarantees with a resolution of the Board of Directors.

Chapter 2 Shares

Article 6: The Company’s total capital was set as NT\$ 1.5 billion, separated into 0.15 billion shares, the price per share was NT\$ 10, and unissued shares were issued by authorized Board of Directors at several times.

In the total capital of the preceding paragraph, share subscription warrant shall be issued within NT\$ 60 million, summed into 6 million shares, the price per share was NT\$ 10, and were issued by authorized Board of Directors at several times.

Article 6-1: The Company purchased treasury stocks in accordance with the Company Act, transferring object may include employees of control or subordinate company met certain conditions, conditions and distribution way shall be approved by a resolution of authorized Board of Directors’ meeting.

The Company’s issue object of employee stock option certificate may include employees of control or subordinate company met certain conditions, conditions and distribution way shall be approved by a resolution of authorized Board of Directors’ meeting.

The Company’s issue object of restricted stock awards may include employees of control or subordinate company met certain conditions, conditions and distribution way shall be approved by a resolution of authorized Board of Directors’ meeting.

Article 7: (Deleted)

Article 8: The Company’s shares are all adopted registered share certificates, affixed respective signatures or personal seals of three or more directors, and issued in accordance with the regulations. The Company may be exempted from printing any share certificate, and issued by way of book-entry transfer; the same procedure shall be followed when other securities are issued.

Article 9: A shareholder's name change and transfer shall not be conducted before 60 days of a regular shareholders' meeting, before 30 days of a special shareholders' meeting or within 5 days before the record date of dividends or other benefits distribution decided by the Company.

Chapter 3 Shareholders' meeting

Article 10: Shareholders' meeting shall be of two kinds: a regular shareholders' meeting and a special shareholders' meeting, the regular shareholders' meeting shall be convened by the Board of Directors within six months after close of each fiscal year, and the special shareholders' meeting shall be convened in accordance with the regulations when it's necessary.

Article 10-1: The Company's shareholders' meetings shall be convened by the Board of Directors, and held by way of physical shareholders' meetings and assisted by means of visual communication network, shareholders' meetings with visual communication network or other methods promulgated by the central competent authority, and the Company shall handle matters in accordance with conditions, procedure and other obeyed items in the regulations of the competent authority in charge of securities affairs.

Article 11: When a shareholder cannot attend the shareholders' meeting for any reason, shall appoint a proxy issued by the Company to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. Unless otherwise permitted by Article 177 of Company Act, related matters shall be conducted in accordance with Regulations Governing the Use of Proxies for Attendance at Shareholders' meeting of Public Companies issued by the competent authority. The Company's shareholders may exercise their voting power by way of electronic transmission, shareholder using way of electronic transmission to exercise their voting power shall be deemed to have attended the said shareholders' meeting in person.

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

Article 13: Resolutions at a shareholders' meeting shall, unless otherwise provided for related regulations, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 13-1: When the Company revokes public issuance, it shall be conducted by a resolution of shareholders' meeting.

Chapter 4 Board of Directors and audit committee

Article 14: The Company may have 7-9 directors, the term of office of a director shall not exceed three years, but he/she may be eligible for re-election.

According to Article 14-2 of Securities and Exchange Act and to conform to article 183 of Securities and Exchange Act, in the number of directors in the preceding paragraph, the number of independent directors shall not be less than three, and not less than one-fifth of the total number of directors.

According to article 192-1 of Company Act, a candidate's nomination system is adopted for election of the directors of the Company.

Article 15: Directors organized the Board of Directors to exercise the duties of directors, and the directors shall appoint one person as a chairman by two-third or more of shareholders and a majority of the shareholders attending the meeting, and to consider the business need, appoint one person as vice chairman. The chairman shall externally represent the Company. In case the chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the Board of Directors shall designate one of the managing directors to act on his behalf.

Article 15-1: A meeting of Board of Directors of the Company may be convened with a notice given to each director no later than 7 days prior, by means of writing, E-mail or fax. In the case of emergency, a meeting of the Board of Directors may be convened at any time, and the notice of the meeting of Board of Directors may be effected by means of writing, E-mail or fax.

Article 16: In case the chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, a proxy shall be conducted in accordance with article 208 of Company Act.

When the meeting of the Board of Directors is convened, each director shall attend in person, however, in case the chairman of the Board of Directors cannot attend the meeting of the Board of Directors for any cause, may issue a written proxy to appoint other director to execute his power and authority.

A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

Article 17: When the Company's director executes the duty of the Company, no matter operating profit or loss, according to article 196 of Company Act, the Company shall pay the remuneration, and its remuneration shall be determined by the authorized Board of Directors to pay in accordance with degree of the Company's operating participation and value of contribution, and not exceed the standard of the highest salary scale concluded in the Company's relevant salary measures.

The Company may purchase the liability insurance for all directors and senior managerial officers with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 17-1: Power and authority of Company Act, Securities and Exchange Act and other laws shall be executed by supervisors, except article 14-4, paragraph 4 of Securities and Exchange Act, others shall be executed by the audit committee.

Regulations of supervisors' conduct or being the Company's representative in article 14-4, paragraph 4 of Securities and Exchange Act, independent directors of audit committee shall apply.

Chapter 5 Managerial officers

Article 18: The Company may appoint several managerial officers, his/her appointment, discharge and remuneration shall be conducted in accordance with Article 29 of Company Act.

Chapter 6 Accounting

Article 19: The following final statements of the Company shall be drawn up at the end of each fiscal year, and submitted to the audit committee for audit before 30 days of the scheduled date of a regular shareholders' meeting and the audit report shall be offered, and reported to a shareholders' meeting for approval.

(1) Business Report

(2) Financial statements

(3) Earnings distribution or appropriation of loss proposal

Article 20: The Company's dividend policy adopts the principle of sound and balance, and refers to the factors, such as a fixed amount or ratio of profit, financial structure and the Company's future development, etc., and cash dividends shall be appropriated from 20% or more of distributed dividends of the current year.

Article 21: When the Company has annual profits, shall appropriate 1% or more as employees' remuneration, and the remuneration shall be distributed by shares or cash approved by the Board of Directors, the distributed object includes the employees of subordinate company meeting certain specific requirements; according to the amount of profits, the Company shall appropriate 3% or less as directors' remuneration. Employees' and directors' remuneration distribution proposal shall be reported to shareholders' meeting.

When the Company has accumulated loss, shall reserve the amount to recover in advance, and then according to the ratio of the preceding paragraph, appropriate employees' and directors' remuneration.

After final accounts each year, the Company's net profit shall be recovered loss first, and then 10% of balance shall be lodged as legal reserve, however, when legal reserve achieves the total paid-in capital, shall not apply. As otherwise provided by law or regulations of competent authority, special reserve shall be appropriated or rotated, if there is surplus profit, the amount shall be adjusted with accumulated unappropriated earnings of last year and unappropriated

earnings of current year, and a distribution proposal shall be programed by the Board of Directors, and approved by shareholders' meeting.

Chapter 7 Supplemental provisions

Article 22: Unsettled matters of the Articles shall be conducted in accordance with Company Act.

Article 23: The Articles of Incorporation was drawn up on August 19, 1987.

The 1st amendment was made on July 9, 1988.

The 2nd amendment was made on October 23, 1988.

The 3rd amendment was made on November 11, 1988.

The 4th amendment was made on March 27, 1990.

The 5th amendment was made on October 20, 1990.

The 6th amendment was made on July 20, 1999.

The 7th amendment was made on November 23, 1999.

The 8th amendment was made on June 20, 2000.

The 9th amendment was made on January 27, 2002.

The 10th amendment was made on November 18, 2002.

The 11th amendment was made on November 9, 2003.

The 12th amendment was made on February 10, 2004.

The 13th amendment was made on July 30, 2004.

The 14th amendment was made on November 4, 2004.

The 15th amendment was made on December 18, 2004.

The 16th amendment was made on June 10, 2005.

The 17th amendment was made on May 10, 2006.

The 18th amendment was made on November 30, 2006.

The 19th amendment was made on May 19, 2008.

The 20th amendment was made on June 10, 2009.

The 21st amendment was made on June 25, 2010.

The 22nd amendment was made on June 19, 2012.

The 23rd amendment was made on June 24, 2013.

The 24th amendment was made on May 26, 2014.

The 25th amendment was made on June 20, 2016.

The 26th amendment was made on June 19, 2017.

The 27th amendment was made on June 13, 2018.

The 28th amendment was made on June 16, 2020.

The 29th amendment was made on May 31, 2022.

The 30th amendment was made on Oct 26, 2022.

The 31th amendment was made on June 13, 2023.

TaiHan Precision Technology Co., Ltd.

Chairman: Tsai, Chen-Lung

Appendix 2: Rules of Procedure for Shareholders' Meetings

TaiHan Precision Technology Co., Ltd.
Rules of Procedure for Shareholders' Meetings

Amended on May 31, 2022

- Article 1 The Company's shareholders' meeting shall be conducted in accordance with the procedure.
- Article 2 Shareholders' meetings shall be convened by one the following ways:
1. Physical shareholders' meetings
2. Physical shareholders' meetings and assisted by means of visual communication network.
3. Meetings were only convened by means of visual communication network without physical shareholders' meetings.
Convening place of shareholders' meetings:
1. For physical shareholders' meetings, the place of shareholders' meetings shall be stated.
2. For physical shareholders' meetings and assisted by means of visual communication network, except stating place of shareholders' meetings, and stating platform of video meetings used for visual assisted meetings.
3. Only use means of visual communication network without physical shareholders' meetings, platform of video meetings used by the Company shall be stated.
The venue for a physical 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.
- Article 3 When shareholders or proxies attend shareholders' meeting, sign-in shall be conducted, the number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and plus the number of shares whose voting rights are exercised electronically.
The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.
- Article 4 When a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the board, when the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson, if there is no vice chairperson or the vice chairperson also is for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors to act as chair, or, if there is no director appointed by the chairperson, the directors shall select from among themselves one person to serve as chair.; if a shareholders' meeting is convened by a party with power to convene but 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.

- Article 5 The chair shall call the meeting to order at the appointed meeting time, 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. In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of Company Act; when, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of Company Act.
- Article 6 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors, votes shall be cast on discussion of each separate proposal in the agenda. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' 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, and then continue the meeting; after adjourning the meeting, shareholders shall not select a chair to resume the meeting at the original address or another venue.
- Article 7 The Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting, and the recorded materials shall be retained for at least one year.
- Article 8 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account 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 does not correspond to the subject given on the speaker's slip, the spoken content shall prevail; when an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor, the chair shall stop any violation.

- Article 9 When an attending shareholder is speaking, a single speech may not exceed 5 minutes, but may be postpone three minutes approved by the chair and no more than twice. A shareholder may not speak more than twice on the same proposal, if the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- Article 10 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting, when a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- Article 11 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Article 12 When a meeting is in progress, the chair may announce a break based on time considerations. 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.
- Article 13 Voting at a shareholders' meeting shall be calculated based the number of shares. A shareholder shall be entitled to one vote for each share held; 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 this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
A shareholder may appoint a proxy to attend a shareholders' meeting, with the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

- Article 14 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of Company Act.
- When this Corporation holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.
- 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, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two 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. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.
- Except as otherwise provided in Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.
- Article 15 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
- Article 16 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.
- Article 17 Except proposals listed in the meeting agenda, when there is an amendment or an alternative to other proposal or original proposal provided by a shareholder, and other shareholders shall support a proposal.

- Article 18 The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors or (security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- Article 19 When the meeting is proceeding, due to force majeure events, the chair may announce to suspend the meeting or choose another time to call a meeting.
- Article 20 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights 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 21 Unsettled matters of these Rules shall be conducted in accordance with Company Act and the Company's Article of Incorporation.
- Article 22 These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 3: Shareholdings of all directors

1. The Company's paid-in capital is NT\$ 783,024,190, and total number of shares is 78,302,419, according to Article 26 of Securities and Exchange Act, the minimum legally held shares are 6,264,194.
2. As of the book closure date (April 14, 2024) at 2024 annual shareholders' meeting, the actual shares held by all the Company's directors are 23,269,000, accounting for 29.72% of the total number of the Company's shares, and details of independent shareholders' shareholding are as follows:

Title	Name	Shareholding numbers	Shareholding ratios
Chairman	Representative of Speed Tech Corp.: Tsai, Chen-Lung	22,599,000	28.86%
Director	Representative of Speed Tech Corp.: Chang, Chih-Jen		
Director	Representative of Speed Tech Corp.: Li, Chin-Chen		
Director	Yang, Chien-Ping	670,000	0.86%
Shareholding number of ratio of all directors (excluding independent directors)		23,269,000	29.72%
Independent director	Chuang, Wei-Min	0	0
Independent director	Lin, Chun-Yi	0	0
Independent director	Chen, Yi-Ping	40,000	0.05%
Independent director	Chung, Ting-Chun	0	0
Shareholding number of ratio of all independent directors		40,000	0.05%



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