

Stock Code:8374

**ACE PILLAR CO., LTD.**

**2025 Annual General Shareholders'  
Meeting Handbook  
(Translation)**

Date of the Meeting : May 23, 2025

Place of the Meeting : No. 67, Sec. I, Guangfu Rd., Sanchong Dist.,  
New Taipei City , Taiwan (ZHEN-HAO Hotel)

# ACE PILLAR CO., LTD.

## 2025 Annual General Shareholders' Meeting

Time : 9:00 a.m., May 23, 2025

Place : No. 67, Sec. 1, Guangfu Rd., Sanchong Dist., New Taipei City ,Taiwan

Type of Meeting : Physical Meeting

### Agenda

|   |    |
|---|----|
| I. Report Items   |    |
| 1. To report the business of 2024.....  | 1  |
| 2. Audit Committee's review report.....   | 1  |
| 3. To report the distribution of employees' and directors' remuneration of 2024.....                                    | 1  |
| 4. To report the cash dividends distribution of 2024 earnings.....  | 1  |
| 5. To report the Issuance of the Second Unsecured Convertible Corporate Bonds.....                                      | 1  |
| II. Election Items :To elect nine directors (including three independent directors)                                     | 2  |
| III. Recognition and Discussion Items   |    |
| 1. To recognize the 2024 Business Report and Financial Statements.....  | 2  |
| 2. To recognize the proposal for the distribution of 2024 earnings.....   | 3  |
| 3. To approve the amendment to the Articles of Incorporation.....   | 3  |
| 4. To lift non-competition restrictions on newly-elected directors and their representatives.....                       | 3  |
| IV. Extraordinary Motions.....  | 4  |
| V. Meeting Adjourn.....   | 4  |
| Attachments   |    |
| 1. Business Report of 2024.....   | 5  |
| 2. Audit Committee's Review Report.....   | 9  |
| 3. List of Director Candidates.....   | 10 |
| 4. Independent Auditors' Report and 2024 Financial Statements.....  | 14 |
| 5. 2024 Earnings Distribution Proposal.....   | 32 |
| 6. Comparison table for the Articles of Incorporation before and after amendment....                                    | 33 |
| 7. List of non-competition restrictions on newly-elected directors and their representatives proposed to be lifted..... | 35 |
| Appendices  |    |
| 1. Articles of Incorporation (Before the amendments) .....  | 37 |
| 2. Rules of Procedure for Shareholders' Meeting.....  | 42 |
| 3. Rules for the Election of Directors.....   | 47 |
| 4. Shareholding of Directors.....   | 51 |

# **I. Report Items**

## **1. 2024 Annual Business Report**

The 2024 Business Report is attached hereto as Attachment 1 (pages 5-8).

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

The Audit Committee's Review Report is attached hereto as Attachment 2 (page 9).

## **3. To report the distribution of employees' and directors' remuneration of 2024**

Distribution of NT\$3,339,397 and NT\$667,879 in cash as remunerations to employees and directors, respectively, have been approved by the meeting of board of directors held on February 24, 2025.

## **4. To report the cash dividends distribution of 2024 earnings**

- (1) According to Article 22-1 of the Company's Article of Incorporation, if earnings distribution plan is performed by means of cash dividends, it is proposed the Board of Directors be authorized for resolution. The resolution thereof shall be reported in the Shareholders' Meeting.
- (2) The proposed distribution is allocated from the 2024 earnings available for distribution, and cash dividends amounting to NT\$50,512,719 were distributed to shareholders at NT\$0.45 per share. It is approved by the meeting of board of directors held on February 24, 2025, and proposed that the Chairman of the Board of Directors is authorized to determine the ex-dividend date and payment date for the cash dividend distribution and other related matters.
- (3) If the cash dividend distribution ratio is adjusted and need to be modified due to change of the Company's total number of outstanding common shares, it is proposed to authorize the Chairman of Board of Directors with full power to adjust the distribution ratio.

## **5. To report the Issuance of the Second Unsecured Convertible Corporate Bonds**

- (1) In order to repay bank loans and strengthen working capital, the Company resolved at the Board of Directors meeting on September 26, 2024 to issue its second domestic unsecured convertible corporate bonds (hereinafter referred to as "Ace Pillar II") in the aggregate principal amount of NT\$500 million. The offering was declared effective by the Financial Supervisory Commission via Letter No. 1130359752 dated October 25, 2024, and was approved for trading by the Taipei Exchange via Letter No. 11300099881 dated November 8, 2024. The bonds were made available for over-the-counter trading at securities firms starting from November 15, 2024.
- (2) The total issuance amount of Ace Pillar II is NT\$500 million, with each bond having a par value of NT\$100,000 and a term of three years. The bonds were issued at 107.06% of par value, carry a 0% coupon rate, and have a conversion price of NT\$133.1. Bondholders may apply for conversion into common shares starting from February 16, 2025, the day following the three-month period after the issuance date.

## **II. Election Item**

### **To elect nine directors (including three independent directors) (proposed by the Board of Directors)**

#### Explanation:

- (1) The term of office of the current directors will expire on June 13, 2025. In coordination with this year's Annual General Meeting, it is proposed that all directors be re-elected, with a total of nine directors (including three independent directors) to be elected. The term of office for the newly elected directors (including independent directors) will be three years, starting from May 23, 2025, and ending on May 22, 2028.
- (2) According to the Company's Articles of Incorporation and the Article 192-I of the Company Act, the company's directors (including independent directors) shall be elected by adopting candidate nomination system. The list of candidates of the director and independent directors has been approved by the Board on February 24, 2025. For the relevant information of the nominated candidates, and the nomination rationale for independent director candidates who have served for three consecutive terms, please refer to Attachment III (pages 10-13).

#### Result:

## **III. Recognition and Discussion Items**

### **I. To accept 2024 Business Report and Financial Statements (proposed by the Board of Directors)**

#### Explanation:

- (1) The 2024 financial statements of the Company were audited by accountants Kao, Ching-Wen and Chang, Huei-Chen of KPMG, who concluded that the financial statements fairly presented the financial position of Ace Pillar Co., Ltd. as of December 31, 2024, as well as the financial performance and cash flows of the Company for the year 2024. The financial statements and Business Report were approved by the Board of Directors and reviewed by the Audit Committee.
- (2) For the 2024 Business Report, Independent Auditors' Report, and Financial Statements, please refer to Attachment I (pages 5–8) and Attachment 4 (pages 14–31).

#### Resolution:

**2. To accept the proposal for the distribution of 2024 earnings (proposed by the Board of Directors)**

Explanation:

For the Proposal for 2024 Earnings Distribution, please refer to Attachment 5 (page 32).

Resolution:

**3. To approve the amendment to the Articles of Incorporation (proposed by the Board of Directors)**

Explanation:

- (1) In accordance with Presidential Order No. 11300069631, issued on August 7, 2024, which amended Article 14 of the Securities and Exchange Act, companies shall stipulate in their articles of incorporation that a certain percentage of annual profits shall be allocated for the salary adjustments or the distribution of compensation to entry-level employees. Therefore, it is proposed to amend the relevant provisions of the Company's Articles of Incorporation.
- (2) In response to the provisions of Paragraph 6, Article 14 of the Securities and Exchange Act, it is proposed to amend Article 22 of the Company's Articles of Incorporation to stipulate that if the Company has profits in a given fiscal year, 2% and 20% of such profits shall be allocated as employee compensation, and no more than 1% for director compensation. Of the employee compensation, the distribution of compensation for entry-level employees shall not be less than 10% of the total employee compensation mentioned above.
- (3) Please refer to Attachment 6 (page 33-34) for a comparison table showing the original and amended provisions of the Articles of Incorporation.

Resolution:

**4. To lift non-competition restrictions on newly-elected directors and their representatives (proposed by the Board of Directors)**

Explanation:

- (1) According to Article 209 of the Company Act, any Director conducting business for himself/herself/itself or on another's behalf, the scope of which business is within the scope of the Company's business, shall explain at the Shareholders' Meeting the essential contents of such conduct, and obtain approval from shareholders in the Meeting.
- (2) It is proposed for the 2025 annual shareholders meeting to approve lifting non-competition restrictions on directors as who may invest or operate a business which is similar to the business scope of the Company.
- (3) List of non-competition restrictions proposed to be lifted in the 2025 annual shareholders' meeting is as Attachment 7 (page 35-36).

Resolution:

**IV. Extraordinary Motions**

**V. Meeting Adjourn**

## 2024 Annual Business Report

### I. 2024 Annual Business Report

#### (I) The implementation results of the 2024 operational plan

Amid ongoing shifts in geopolitical and trade dynamics, the pace of inventory digestion across the supply chain continues to slow. In response, the company remains committed to refining its core businesses and adjusting market strategies. By forming strategic alliances and expanding into intelligent automation, green energy, and the semiconductor sectors, in collaboration with Standard Technology, Transpak, ACE Energy, and BlueWalker, we are achieving synergies through group-level integration. These efforts aim to strengthen risk management and resource optimization, thereby creating greater value under a diversified business model.

Regarding the financial results for 2024 and the operational plan for 2025, we respectfully report as follows:

In 2024, the Company's consolidated net revenue amounted to NT\$3.678 billion, representing a 21% increase compared to 2023. Consolidated operating income totaled NT\$156 million, and consolidated net income after tax was NT\$146 million, of which NT\$67 million was attributable to owners of the parent company. Earnings per share (EPS) after tax was NT\$0.60.

The key products introduced in 2024 were aligned with industry-specific solutions and system integration strategies. In the packaging and stacking segment, we introduced Transpak Equipment Corporation's exclusive semi-automatic or fully automatic strapping technologies and equipment, featuring the latest Direct Drive technology. These high cost-performance solutions significantly enhance customers' operational efficiency and effectiveness.

In the field of motion control, we collaborate with international industry leaders such as Akribis and Delta to integrate industrial computers, upper-level motion control cards, PLCs, linear drives, optical sensors, and mechanical transmission systems. By combining these technologies, we have developed high-speed, high-precision motion platforms and are actively promoting subsystem integration for applications across various sectors, including semiconductors, logistics, manufacturing, equipment and enterprise energy efficiency, PCB, and machine tools.

In the field of variable-frequency energy solutions, we have expanded the application of Delta's high-performance IE5 synchronous reluctance motors and high-horsepower inverters, driving energy-efficient solutions for HVAC and fluid systems. ABB's modular hardware and software solutions for EV chargers and energy management products are broadly applied in energy management, building automation, EV charging infrastructure, and energy-saving systems for fluid machinery.

By leveraging the strengths of ACE Energy Co., Ltd., we are advancing technologies in compressed air energy savings, waste heat recovery, and IoT infrastructure development. Through the AI-driven data analytics capabilities of the PowerGlow Energy Management System,

we provide intelligent energy monitoring services to enhance overall energy efficiency.

In the UPS market, BlueWalker has expanded its product line by introducing Data Center UPS and Micro Data Center solutions tailored for small and medium-sized enterprises. These solutions offer single-unit capacities ranging from 20 kVA to 80 kVA and can be paralleled up to 320 kVA. The rack-mounted UPS modules have been upgraded to 60 kVA, enabling configurations of up to 600 kVA. These product advancements support market expansion in Southwestern Europe and contribute to energy-saving retrofits and ESG goals targeting net-zero carbon emissions.

In the semiconductor sector, Standard Technology Corporation continues to develop yield-enhancing random error measurement solutions for advanced process nodes and advanced packaging, achieving notable results in new fab construction projects. In wafer handling equipment, the company has launched the development of wafer pickers, further expanding its portfolio of self-developed equipment. Efforts have also been made to localize production, aiming to drive new growth momentum for the company.

## (II) Profitability Analysis

| Items                            |  | Fiscal Year 2024          | Fiscal Year 2023 |       |
|----------------------------------|--|---------------------------|------------------|-------|
| Financial income and expenditure | Cash flows from operating activities (NT\$ thousand) (NT\$ thousand) | 399,837                   | 186,878          |       |
|                                  | Cash flows from investing activities (NT\$ thousand)                 | (356,048)                 | (4,980)          |       |
|                                  | Cash flows from financing activities (NT\$ thousand)                 | 777,749                   | (220,981)        |       |
| Profitability                    | Return on assets (%)   | 3.75                      | -0.36            |       |
|                                  | Return on equity (%)   | 5.89                      | -0.81            |       |
|                                  | Capital adequacy ratio   | Net operating profit (%)  | 13.88            | -1.2  |
|                                  |  | Net profit before tax (%) | 17.13            | -0.55 |
|                                  | Net profit margin (%)  | 3.97                      | -0.56            |       |
|                                  | Earnings per share (NT\$)  | 0.60                      | -0.19            |       |

## (III) Research and Development Overview

- A. Standard Technology Corp. invested in the development of wafer-lifting.
- B. Transpak Equipment Corporation acquired an exclusive patent for its semi-automatic strapping system.
- C. Transpak independently developed the TP-733VTSP, featuring 2.5-ton compression and advanced friction-welding technology, compatible with PP and PET strapping materials.
- D. ACE Energy's PowerGlow energy management system leverages AI-powered analytics to optimize energy usage and improve operational efficiency.
- E. Under the BlueWalker brand, PowerWalker launched a new series of Data Center UPS and Micro Data Center solutions.

## II. Overview of the 2025 Operational Plan

The following outlines our 2025 business strategy, along with key policies for production

and marketing.

(I) Modular Design and Solution Services

Transitioning from a component supplier to a provider of modular design and solution services, we aim to deliver variable-frequency energy recovery solutions for power efficiency, high-speed precision positioning platform solutions for motion control modules, customized integration solutions for sensing and inspection modules, remote maintenance and communication capabilities for transmission modules, and critical components for mechanical drive modules. These offerings help our customers enhance their competitiveness amid industrial upgrading.

(II) Expansion of Energy Management and Energy-Saving Solutions

In response to ESG energy management demands, we integrate smart meters and data acquisition technologies to provide energy optimization solutions for our customers. We also assist with carbon inventory and carbon footprint verification, while further expanding our energy-saving and UPS-based energy storage businesses to support long-term environmental sustainability.

(III) Automation and Machine Vision Applications

By integrating robotic automation, machine vision technology, and strapping systems, we deliver end-to-end solutions for automated strapping and palletizing. These solutions boost logistics and manufacturing efficiency while accelerating the smart transformation of entire production lines and equipment automation

(IV) Semiconductor and Smart Factory Solutions

We are expanding our business in the semiconductor sector, covering systems, equipment, components, and consumables. Our offerings include software integration solutions that support Industrial IoT and smart factory management, optimizing production efficiency and helping our customers strengthen their capabilities in technology integration and process optimization.

(V) With Resource Integration and Strategic Partnerships

We are committed to cultivating strategic partnerships with both suppliers and customers, integrating group resources to flexibly deliver innovative products and services. Through rapid response and high-quality after-sales support, we aim to enhance customer satisfaction and loyalty.

(VI) Inventory and Supply Chain Optimization

We are committed to cultivating strategic partnerships with both suppliers and customers, integrating group resources to flexibly deliver innovative products and services. Through rapid response and high-quality after-sales support, we aim to enhance customer satisfaction and loyalty.

(VII) Overseas Market Expansion

We are actively expanding into overseas markets to broaden revenue sources across diverse sectors, reduce operational risks, and improve overall business performance, thereby ensuring long-term, sustainable growth.

Amid ongoing global economic uncertainty, Ace Pillar remains focused on long-term market deployment while flexibly adjusting its strategic direction to promote diversification and cross-industry technology integration. By staying attuned to global developments and economic shifts, we aim to enhance our adaptability to technological advancement and economic volatility. We uphold the ideals of corporate sustainability and circular economy, practice robust corporate governance, and are dedicated to creating a resilient and supportive work environment for our employees. We continue to strengthen customer relations by offering market-driven products and expanding services that deliver higher added value. With a proactive and responsive approach, we strive to overcome challenges, achieve stronger business performance, and give back to our shareholders and society at large.

Chairman: Wen-Hsing Tseng    President: Chang-Chien Li    Accounting Supervisor: Kuo-Mei Chen

## Attachment II: Audit Committee's Review Report

### Audit Committee's Review Report

The Board of Directors has prepared the Company's Financial Statements for the year of 2024. Ching-Wen Kao and Huei-Chen Chang Public Accountants of KPMG, have audited the Financial Statements. The 2024 Financial Statements, Business Report, Independent Auditors Report and the Company's 2024 Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee of Ace Pillar Co., Ltd. I, as the Chair of the Audit Committee, hereby submit this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

ACE PILLAR Co., Ltd. 2025 Annual General Shareholders' Meeting

Chair of the Audit Committee

Liang-Yoo Lee

February 24, 2025

Attachment III: List of Director Candidates

**List of Director Candidates**

| Title    | Name  | Education, Experience, and Current Position   | Shares Held |
|----------|---|---|-------------|
| Director | Wen-Hsing Tseng<br>Representative of DFI Inc. | <p><b>Education/Experience</b><br/>                     Master of Department of Mechanical Engineering, NTU<br/>                     Senior Director of Smart City Marketing Center, Intelligent Solutions Business Group, Qisda Corporation</p> <p><b>Current Position</b><br/>                     General Manager of Smart Solution Business Group of Qisda Corporation<br/>                     Representative of Corporate Director,, Chairman of Ace Pillar Co., Ltd.<br/>                     Representative of Corporate Director; Chairman of Metaage Corporation<br/>                     Representative of Corporate Director; Chairman of AEWIN Technologies Co.,Ltd.<br/>                     Representative of Corporate Director; Chairman of Epic Cloud Co., Ltd.<br/>                     Representative of Corporate Director; Chairman of Metaguru Corporation<br/>                     Representative of Corporate Director; Chairman of BenQ Guru Software Co., Ltd.<br/>                     Representative of Corporate Director, DFI Inc.<br/>                     Representative of Corporate Director; Partner Tech Corp.<br/>                     Representative of Corporate Director; APLEX Technology Inc.<br/>                     Representative of Corporate Director; Marketop Smart Solutions Co., Ltd.<br/>                     Representative of Corporate Director; Transpak Equipment Corporation<br/>                     Representative of Corporate Director; WiXtar Corporation<br/>                     Representative of Corporate Director; Global Intelligence Network Etwork Co.,<br/>                     Representative of Corporate Director; Grandsys Inc.<br/>                     Representative of Corporate Director; Advancedtek International Corp.<br/>                     Representative of Corporate Director; Statinc Company<br/>                     Director of Expert Alliance Systems and Consultancy (Hong Kong) Limited<br/>                     Director of Expert Alliance Smart Technology Co. Ltd.<br/>                     Director of BenQ Guru Holding Limited<br/>                     Director of COREX (PTY) LTD.<br/>                     Director of Brainstorm Corporation</p> | 52,436,069  |
| Director | Chang-Chien Li<br>Representative of DFI Inc.  | <p><b>Education/Experience</b><br/>                     Master of Science in Mechanical Engineering from USC<br/>                     R&amp;D/Marketing/Director of Projector/Vehicle Electronics/Video Surveillance at Qisda Corporation<br/>                     Business Head of Intelligent Connectivity Solutions Division at LITE-ON Technology Corporation</p> <p><b>Current Position</b></p>  | 52,436,069  |

| Title    | Name  | Education, Experience, and Current Position  | Shares Held |
|----------|---|--|-------------|
|          |   | Corporate Representative Director and General Manager of Ace Pillar Co., Ltd.<br>Representative of Corporate Director, Chairman of Transpak Equipment Corporation<br>Representative of Corporate Director, Chairman of ACE Energy Co., Ltd.<br>Representative of Corporate Director, Vice Chairman of Standard Technology Corporation<br>Representative of Corporate Director, H2 Energy Co., Ltd.   |             |
| Director | Chih-Chen Lin<br>Representative of DFI Inc. | <b>Education/Experience</b><br>Bachelor of Department of Mechanical Engineering, NTU<br>Chairman of Ace Pillar Co., Ltd.<br><b>Current Position</b><br>Representative of Corporate Director, Ace Pillar Co., Ltd.<br>Representative of Corporate Director, Chairman and General Manager of Pro Accutech Co., Ltd.<br>Representative of Corporate Director, Transpak Equipment Corporation<br>Director of Symbio, Inc.  | 52,436,069  |
| Director | Chin-Yin Tien<br>Representative of DFI Inc. | <b>Education/Experience</b><br>Master of Business Administration , NCCU<br>COO of AEWIN Technologies Co.,Ltd.<br><b>Current Position</b><br>Representative of Corporate Director, Ace Pillar Co., Ltd.<br>Representative of Corporate Director, Chairman and General Manager of DFI Inc.<br>Representative of Corporate Director, AEWIN Technologies Co.,Ltd.<br>Representative of Corporate Director, DFI AMERICA ,LLC.<br>Representative of Corporate Director, Diamond Flower Information (NL) B.V.<br>Representative of Corporate Director, Yan Tong Technology Ltd.<br>Representative of Corporate Director, DFI Co.,Ltd.   | 52,436,069  |
| Director | Li-Min Huang<br>Representative of DFI Inc.  | <b>Education/Experience</b><br>Master of Department of Graduate Institute of Finance, NTUST<br>Lite-On Technology Corp.<br><b>Current Position</b><br>Senior Director of DFI Inc.<br>Representative of Corporate Director, Ace Pillar Co., Ltd.<br>Representative of Corporate Director, AEWIN Technologies Co.,Ltd.<br>Representative of Corporate Director, DFI AMERICA ,LLC.<br>Representative of Corporate Director, Diamond Flower Information (NL) B.V.<br>Representative of Corporate Director, Yan Tong Technology Ltd.<br>Representative of Corporate Director, DFI Co.,Ltd.<br>Representative of Corporate Supervisor, Yan Ying Hao Trading Co., Ltd<br>Supervisor of Transpak Equipment Corporation | 52,436,069  |
| Director | Han-Yu Investment Co., Ltd.                 | Not applicable   | 10,176,013  |

| Title                | Name          | Education, Experience, and Current Position   | Rationale for Nominating Independent Directors Serving Three Consecutive Terms  | Shares Held |
|----------------------|---------------|---|---|-------------|
| Independent Director | Liang-Yoo Lee | <p><b>Education/Experience</b><br/> Bachelor of Institute of Computer Science and Control Engineering, National Chiao Tung University.<br/> President of Philips communication and Processing Taiwan Ltd.<br/> General Manager of China, Atos (Taiwan) Ltd.<br/> COO of Leo Systems, Inc.<br/> CEO of V2PLUS Asia Pacific</p> <p><b>Current Position</b><br/> Independent Director of Ace Pillar Co., Ltd.<br/> Special Consultant to AIRA Corporation<br/> Special Consultant to Unimicron Technology Corp.</p>                        | <p>Mr. Lee, Liang-Yoo has served as an Independent Director of the Company for three consecutive terms. In consideration of his professional expertise and relevant work experience, which are aligned with the Company's business needs and have proven to be of significant benefit, he has been nominated again as a candidate for Independent Director.</p> | 0           |
| Independent Director | Chi-Hang Yang | <p><b>Education/Experience</b><br/> Ph.D., Department of Electronics and Computer Science, University of Southampton.<br/> Chairperson of the Department of Computer Science and Information Engineering, Tamkang University<br/> Executive Assistant to the Chairman of Fusheng Industrial Co., Ltd., and Vice President of Top Machine Co., Ltd.<br/> Science and Technology Advisor to the Ministry of Transportation and Communications, and Chairperson of the Committee for International Affairs, Republic of China (Taiwan)</p> | Not applicable  | 0           |

| Title                | Name         | Education, Experience, and Current Position   | Rationale for Nominating Independent Directors Serving Three Consecutive Terms | Shares Held |
|----------------------|--------------|---|--|-------------|
|                      |              | <p>Founding Dean of Academic Affairs and Founding Vice President, National Kaohsiung First University of Science and Technology</p> <p>Director General of the Department of International Cooperation, National Science and Technology Council</p> <p>Director of Science and Technology Division, National Science and Technology Council in San Francisco</p> <p><b>Current Position</b></p> <p>Independent Director of Ace Pillar Co., Ltd.</p> <p>Chairman of SVT Investment Co., Ltd</p> <p>Independent Director of Medeon Biodesign, Inc.</p>  |  |             |
| Independent Director | Sheng-Fa Yeh | <p><b>Education/Experience</b></p> <p>Master of Business School, City University of Seattle</p> <p>Chairman of Gallant Precision Machining Co., Ltd.</p> <p>Chairman of Gallant Micro. Machining Co., Ltd.</p> <p><b>Current Position</b></p> <p>Independent Director of Ace Pillar Co., Ltd.</p> <p>Representative of Corporate Director, Chairman of SkyLine Technology Co., Ltd.</p> <p>Chairman of Sunengine Corporation Ltd.</p> <p>Chairman of Natsume Smartech Co.,Ltd.</p> <p>Director of 3S Silicon Tech, Inc.</p> <p>Director of King Ultrasonic Co., Ltd.</p> <p>Director of Favite Inc.</p> <p>Independent Director of Tyntek Corporation</p> | Not applicable   | 0           |



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## Independent Auditors' Report

To the Board of Directors of Ace Pillar Co., Ltd.:

### Opinion

We have audited the consolidated financial statements of Ace Pillar Co., Ltd. and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Ace Pillar Co., Ltd. and its subsidiaries as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Ace Pillar Co., Ltd. and its subsidiaries 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 of the current period. These matters were addressed in the context of our audit of 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 consolidated financial statements for the year ended December 31, 2024 are stated as follows:

#### 1. Business combinations

Please refer to Note 4(q) for accounting policy on business combinations, and Note 6(h) for related disclosures, respectively, to the consolidated financial statements.

Description of key audit matter:

Ace Pillar Co., Ltd. acquired 39% equity ownership of Transpak Equipment Corporation (“Transpak”) in 2024, wherein Ace Pillar Co., Ltd. owned more than half of the board seats of Transpak and has the power to direct the operating relevant activities of Transpak. Therefore, Ace Pillar Co., Ltd. obtained control over Transpak. To adopt accounting treatment of business combination, the management needs to assess and determine the fair value of the identifiable assets and liabilities. The assessment is complex and involves significant assumptions and estimation. Accordingly, the assessment of business combinations has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the purchase price allocation report with the valuation on intangible assets conducted by an external expert engaged by the management; evaluating the reasonableness of the acquired assets and liabilities identified by the management at the acquisition date. In doing so, we have consulted internal valuation specialists to assist us in evaluating the reasonableness of the valuation model used. We have also assessed whether correct accounting treatment has been applied, and appropriate disclosures with respect to the acquisition have been made.

2. Impairment of goodwill

Please refer to Note 4(m) for accounting policy on impairment of non-financial assets, Note 5 for uncertainty of accounting estimations and assumptions for goodwill impairment and Note 6(1) for related disclosures of goodwill impairment test, respectively, to the consolidated financial statements.

Description of key audit matter:

Goodwill arising from the acquisition of subsidiaries is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of the cash-generating unit of goodwill involves management’s assumptions and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the assessment of goodwill impairment provided by the management; assessing the appropriateness of the assumptions used by the management in measuring the recoverable amount, including the discount rate, expected sales growth rate and future cash flow projections; evaluating the accuracy of estimates made by the management by comparing the projected and actual cash flows; performing a sensitivity analysis to assess the impact of variations in key assumptions; and assessing the adequacy of disclosures of related information on evaluation of goodwill impairment.

**Other Matter**

Ace Pillar Co., Ltd. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing Ace Pillar Co., Ltd. and its subsidiaries' 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 Ace Pillar Co., Ltd. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing Ace Pillar Co., Ltd. and its subsidiaries' financial reporting process.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ace Pillar Co., Ltd. and its subsidiaries' 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 Ace Pillar Co., Ltd. and its subsidiaries' 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 Ace Pillar Co., Ltd. and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the 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 Ace Pillar Co., Ltd. and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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 determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kao, Ching-Wen and Chang, Huei-Chen.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2025

#### **Notes to Readers**

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

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

## (English Translation of Consolidated Financial Statements Originally Issued in Chinese)

## ACE PILLAR CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

|  | December 31, 2024   |            | December 31, 2023 |            | December 31, 2024 |                     | December 31, 2023 |                  |
|--|---------------------|------------|-------------------|------------|-------------------|---------------------|-------------------|------------------|
|  | Amount              | %          | Amount            | %          | Amount            | %                   | Amount            | %                |
| <b>Assets</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Current assets:</b>   |                     |            |                   |            |                   |                     |                   |                  |
| 1100 Cash and cash equivalents (note 6(a))   | \$ 1,237,604        | 23         | 391,843           | 13         | 2100              | \$ 267,912          | 5                 | 134,599          |
| 1110 Financial assets at fair value through profit or loss — current (note 6(b))                 | 2,779               | -          | 1,730             | -          | 2123              | 165                 | -                 | 40               |
| 1136 Financial assets measured at amortized cost — current (notes 6(d) and 8)                    | 1,016               | -          | 1,000             | -          | 2130              | 76,431              | 1                 | 44,252           |
| 1140 Contract assets — current (note 6(v))   | 11,383              | -          | 812               | -          | 2150-2170         | 637,816             | 12                | 364,024          |
| 1150-1170 Notes and accounts receivable (notes 6(e), (v), 7 and 8)                               | 977,534             | 18         | 920,711           | 31         | 2200              | 196,193             | 4                 | 127,005          |
| 1200 Other receivables (notes 6(f) and 7)  | 6,994               | -          | 5,241             | -          | 2230              | 97,608              | 2                 | 39,331           |
| 130X Inventories (note 6(g))   | 939,936             | 17         | 668,897           | 23         | 2280              | 38,835              | 1                 | 13,500           |
| 1410-1470 Prepayments and other current assets   | 41,336              | 1          | 28,155            | 1          | 2325              | 165,559             | 3                 | -                |
| <b>Total current assets</b>  | <u>3,218,582</u>    | <u>59</u>  | <u>2,018,389</u>  | <u>68</u>  | <u>2399</u>       | <u>1,487,171</u>    | <u>28</u>         | <u>734,736</u>   |
| <b>Non-current assets:</b>   |                     |            |                   |            |                   |                     |                   |                  |
| 1517 Financial assets at fair value through other comprehensive income — non-current (note 6(c)) | 59,232              | 1          | 8,655             | -          |                   | 467,017             | 9                 | -                |
| 1535 Financial assets measured at amortized cost — non-current (note 6(d))                       | 3,420               | -          | 3,211             | -          | 2530              | 250,000             | 5                 | 50,000           |
| 1600 Property, plant and equipment (notes 6(i) and 8)  | 553,391             | 10         | 560,875           | 19         | 2540              | 247,772             | 4                 | 82,696           |
| 1755 Right-of-use assets (note 6(j))   | 126,382             | 2          | 53,443            | 2          | 2570              | 72,940              | 1                 | 24,342           |
| 1760 Investment property, net (note 6(k))  | 80,399              | 2          | 81,805            | 3          | 2580              | 903                 | -                 | -                |
| 1780 Intangible assets (notes 6(h) and (l))  | 1,338,238           | 25         | 187,721           | 6          |                   | 1,038,632           | 19                | 157,038          |
| 1840 Deferred income tax assets (note 6(s))  | 18,021              | -          | 13,438            | 1          |                   | 2,525,803           | 47                | 891,774          |
| 1920 Refundable deposits   | 20,496              | 1          | 20,894            | 1          |                   | -                   | -                 | -                |
| 1990 Other non-current assets  | 8,442               | -          | 7,601             | -          |                   | -                   | -                 | -                |
| <b>Total non-current assets</b>  | <u>2,208,021</u>    | <u>41</u>  | <u>937,643</u>    | <u>32</u>  |                   | <u>1,122,505</u>    | <u>20</u>         | <u>1,122,505</u> |
| <b>Total assets</b>  | <u>\$ 5,426,603</u> | <u>100</u> | <u>2,956,032</u>  | <u>100</u> |                   | <u>\$ 378,840</u>   | <u>7</u>          | <u>312,314</u>   |
|  |                     |            |                   |            |                   | 606,004             | 11                | 572,289          |
|  |                     |            |                   |            |                   | (18,384)            | -                 | (38,234)         |
|  |                     |            |                   |            |                   | 2,088,965           | 38                | 1,968,874        |
|  |                     |            |                   |            |                   | 811,835             | 15                | 95,384           |
|  |                     |            |                   |            |                   | 2,900,800           | 53                | 2,064,258        |
|  |                     |            |                   |            |                   | <u>\$ 5,426,603</u> | <u>100</u>        | <u>2,956,032</u> |
| <b>Liabilities and Equity</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Current liabilities:</b>  |                     |            |                   |            |                   |                     |                   |                  |
| Short-term borrowings (notes 6(m) and 8)   |                     |            |                   |            |                   |                     |                   |                  |
| Financial liabilities at fair value through profit or loss — current (note 6(b))                 |                     |            |                   |            |                   |                     |                   |                  |
| Contract liabilities — current (note 6(v))   |                     |            |                   |            |                   |                     |                   |                  |
| Notes and accounts payable (note 7)  |                     |            |                   |            |                   |                     |                   |                  |
| Other payables (notes 6(w) and 7)  |                     |            |                   |            |                   |                     |                   |                  |
| Current income tax liabilities   |                     |            |                   |            |                   |                     |                   |                  |
| Lease liabilities — current (notes 6(q) and 7)   |                     |            |                   |            |                   |                     |                   |                  |
| Preference share liabilities — current (note 6(p))   |                     |            |                   |            |                   |                     |                   |                  |
| Other current liabilities  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total current liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Non-current liabilities:</b>  |                     |            |                   |            |                   |                     |                   |                  |
| Bonds payable (note 6(o))  |                     |            |                   |            |                   |                     |                   |                  |
| Long-term debt (note 6(n))   |                     |            |                   |            |                   |                     |                   |                  |
| Deferred income tax liabilities (note 6(s))  |                     |            |                   |            |                   |                     |                   |                  |
| Lease liabilities — non-current (notes 6(q) and 7)   |                     |            |                   |            |                   |                     |                   |                  |
| Other non-current liabilities — others   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total non-current liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Equity attributable to shareholders of the Company (notes 6(h), (o) and (t)):</b>             |                     |            |                   |            |                   |                     |                   |                  |
| Common stock   |                     |            |                   |            |                   |                     |                   |                  |
| Capital surplus  |                     |            |                   |            |                   |                     |                   |                  |
| Retained earnings  |                     |            |                   |            |                   |                     |                   |                  |
| Other equity   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total equity attributable to shareholders of the Company</b>                                  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Non-controlling interests (notes 6(h) and (t))</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total equity</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total liabilities and equity</b>  |                     |            |                   |            |                   |                     |                   |                  |

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**ACE PILLAR CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income (Loss)****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Share)**

|   | 2024               |             | 2023               |             |
|---|--------------------|-------------|--------------------|-------------|
|   | Amount             | %           | Amount             | %           |
| 4000 <b>Operating revenue (notes 6(v), 7 and 14)</b>  | \$ 3,678,183       | 100         | 3,051,803          | 100         |
| 5000 <b>Operating costs (notes 6(g), (i), (j), (r), 7 and 12)</b>   | <u>(2,792,789)</u> | <u>(76)</u> | <u>(2,429,143)</u> | <u>(80)</u> |
| <b>Gross profit</b>   | <u>885,394</u>     | <u>24</u>   | <u>622,660</u>     | <u>20</u>   |
| <b>Operating expenses (notes 6(e), (i), (j), (k), (l), (q), (r), (w), 7 and 12):</b>  |                    |             |                    |             |
| 6100 Selling expenses   | (474,270)          | (13)        | (421,143)          | (14)        |
| 6200 Administrative expenses  | (241,325)          | (7)         | (222,952)          | (7)         |
| 6300 Research and development expenses  | (16,005)           | -           | (5,420)            | -           |
| 6450 Gains (losses) on reversal of expected credit loss   | <u>1,963</u>       | <u>-</u>    | <u>13,382</u>      | <u>-</u>    |
| <b>Total operating expenses</b>   | <u>(729,637)</u>   | <u>(20)</u> | <u>(636,133)</u>   | <u>(21)</u> |
| <b>Operating income (loss)</b>  | <u>155,757</u>     | <u>4</u>    | <u>(13,473)</u>    | <u>(1)</u>  |
| <b>Non-operating income and loss (notes 6(o), (q), (x) and 7):</b>  |                    |             |                    |             |
| 7100 Interest income  | 5,193              | -           | 1,996              | -           |
| 7010 Other income   | 10,690             | -           | 21,445             | 1           |
| 7020 Other gains and losses, net  | 34,425             | 1           | (8,881)            | (1)         |
| 7050 Finance costs  | <u>(13,762)</u>    | <u>-</u>    | <u>(7,210)</u>     | <u>-</u>    |
| <b>Total non-operating income and loss</b>  | <u>36,546</u>      | <u>1</u>    | <u>7,350</u>       | <u>-</u>    |
| <b>Income (loss) before income tax</b>  | <u>192,303</u>     | <u>5</u>    | <u>(6,123)</u>     | <u>(1)</u>  |
| 7950 <b>Less: income tax expense (note 6(s))</b>  | <u>(46,116)</u>    | <u>(1)</u>  | <u>(10,957)</u>    | <u>-</u>    |
| <b>Net income (loss)</b>  | <u>146,187</u>     | <u>4</u>    | <u>(17,080)</u>    | <u>(1)</u>  |
| <b>Other comprehensive income (notes 6(s) and (t)):</b>   |                    |             |                    |             |
| 8310 <b>Items that will not be reclassified subsequently to profit or loss:</b>   |                    |             |                    |             |
| 8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 577                | -           | 7,222              | -           |
| 8349 Less: income tax related to items that will not be reclassified subsequently to profit or loss                             | <u>(1,557)</u>     | <u>-</u>    | <u>-</u>           | <u>-</u>    |
|   | <u>(980)</u>       | <u>-</u>    | <u>7,222</u>       | <u>-</u>    |
| 8360 <b>Items that may be reclassified subsequently to profit or loss:</b>  |                    |             |                    |             |
| 8361 Exchange differences on translation of foreign operations  | 22,016             | 1           | (7,359)            | -           |
| 8399 Less: income tax related to items that may be reclassified subsequently to profit or loss                                  | <u>-</u>           | <u>-</u>    | <u>-</u>           | <u>-</u>    |
|   | <u>22,016</u>      | <u>1</u>    | <u>(7,359)</u>     | <u>-</u>    |
| <b>Other comprehensive income (loss) for the year, net of income tax</b>  | <u>21,036</u>      | <u>1</u>    | <u>(137)</u>       | <u>-</u>    |
| <b>Total comprehensive income (loss) for the year</b>   | <u>\$ 167,223</u>  | <u>5</u>    | <u>(17,217)</u>    | <u>(1)</u>  |
| <b>Net income (loss) attributable to:</b>   |                    |             |                    |             |
| 8610 Shareholders of the Company  | \$ 67,390          | 2           | (20,946)           | (1)         |
| 8620 Non-controlling interests  | <u>78,797</u>      | <u>2</u>    | <u>3,866</u>       | <u>-</u>    |
|   | <u>\$ 146,187</u>  | <u>4</u>    | <u>(17,080)</u>    | <u>(1)</u>  |
| <b>Total comprehensive income (loss) attributable to:</b>   |                    |             |                    |             |
| 8710 Shareholders of the Company  | \$ 87,240          | 3           | (23,253)           | (1)         |
| 8720 Non-controlling interests  | <u>79,983</u>      | <u>2</u>    | <u>6,036</u>       | <u>-</u>    |
|   | <u>\$ 167,223</u>  | <u>5</u>    | <u>(17,217)</u>    | <u>(1)</u>  |
| <b>Earnings (loss) per share (in New Taiwan Dollar) (note 6(u)):</b>  |                    |             |                    |             |
| 9750 Basic earnings (loss) per share  | <u>\$ 0.60</u>     |             | <u>(0.19)</u>      |             |
| 9850 Diluted earnings (loss) per share  | <u>\$ 0.60</u>     |             | <u>(0.19)</u>      |             |

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**ACE PILLAR CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Changes in Equity****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

|   | Attributable to shareholders of the Company |                 |               |                 |                         |              |  |   |          |                             |                           |              |
|---|---|-----------------|---------------|-----------------|-------------------------|--------------|--|---|----------|-----------------------------|---------------------------|--------------|
|   | Retained earnings                           |                 |               |                 |                         | Other equity |  |   |          |                             |                           |              |
|   | Common stock                                | Capital surplus | Legal reserve | Special reserve | Unappropriated earnings | Total        | Foreign currency translation differences | Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income | Total    | Total equity of the Company | Non-controlling interests | Total equity |
| <b>Balance at January 1, 2023</b>   | \$ 1,122,505                                | 312,233         | 273,057       | 78,028          | 298,275                 | 649,360      | (35,927)                                 | -   | (35,927) | 2,048,171                   | 89,338                    | 2,137,509    |
| Net income (loss) in 2023   | -   | -               | -             | -               | (20,946)                | (20,946)     | -  | -   | -        | (20,946)                    | 3,866                     | (17,080)     |
| Other comprehensive income (loss) in 2023   | -   | -               | -             | -               | -                       | -            | (6,640)                                  | 4,333   | (2,307)  | (2,307)                     | 2,170                     | (137)        |
| Total comprehensive income (loss) in 2023   | -   | -               | -             | -               | (20,946)                | (20,946)     | (6,640)                                  | 4,333   | (2,307)  | (23,253)                    | 6,036                     | (17,217)     |
| Appropriation of earnings:  |   |                 |               |                 |                         |              |  |   |          |                             |                           |              |
| Legal reserve   | -   | -               | 7,837         | -               | (7,837)                 | -            | -  | -   | -        | -                           | -                         | -            |
| Cash dividends to shareholders  | -   | -               | -             | -               | (56,125)                | (56,125)     | -  | -   | -        | (56,125)                    | -                         | (56,125)     |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | -   | 81              | -             | -               | -                       | -            | -  | -   | -        | 81                          | 10                        | 91           |
| <b>Balance at December 31, 2023</b>   | 1,122,505                                   | 312,314         | 280,894       | 78,028          | 213,367                 | 572,289      | (42,567)                                 | 4,333   | (38,234) | 1,968,874                   | 95,384                    | 2,064,258    |
| Net income in 2024  | -   | -               | -             | -               | 67,390                  | 67,390       | -  | -   | -        | 67,390                      | 78,797                    | 146,187      |
| Other comprehensive income (loss) in 2024   | -   | -               | -             | -               | -                       | -            | 20,431                                   | (581)   | 19,850   | 19,850                      | 1,186                     | 21,036       |
| Total comprehensive income (loss) in 2024   | -   | -               | -             | -               | 67,390                  | 67,390       | 20,431                                   | (581)   | 19,850   | 87,240                      | 79,983                    | 167,223      |
| Appropriation of earnings:  |   |                 |               |                 |                         |              |  |   |          |                             |                           |              |
| Cash dividends to shareholders  | -   | -               | -             | -               | (33,675)                | (33,675)     | -  | -   | -        | (33,675)                    | -                         | (33,675)     |
| Acquisition of subsidiary   | -   | -               | -             | -               | -                       | -            | -  | -   | -        | -                           | 640,513                   | 640,513      |
| Distribution of cash dividends by subsidiaries to non-controlling interests               | -   | -               | -             | -               | -                       | -            | -  | -   | -        | -                           | (4,070)                   | (4,070)      |
| Conversion options recognized for issuance of convertible bonds                           | -   | 66,144          | -             | -               | -                       | -            | -  | -   | -        | 66,144                      | -                         | 66,144       |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | -   | 344             | -             | -               | -                       | -            | -  | -   | -        | 344                         | 25                        | 369          |
| Changes in ownership interests in subsidiaries  | -   | 38              | -             | -               | -                       | -            | -  | -   | -        | 38                          | -                         | 38           |
| <b>Balance at December 31, 2024</b>   | \$ 1,122,505                                | 378,840         | 280,894       | 78,028          | 247,082                 | 606,004      | (22,136)                                 | 3,752   | (18,384) | 2,088,965                   | 811,835                   | 2,900,800    |

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**ACE PILLAR CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

|  | <u>2024</u>       | <u>2023</u>      |
|--|-------------------|------------------|
| <b>Cash flows from operating activities:</b>                       |                   |                  |
| <b>Income (loss) before income taxes</b>                           | \$ <u>192,303</u> | <u>(6,123)</u>   |
| <b>Adjustments for:</b>  |                   |                  |
| <b>Adjustments to reconcile profit or loss:</b>                    |                   |                  |
| Depreciation   | 56,014            | 41,393           |
| Amortization   | 42,779            | 14,371           |
| Gain on reversal of expected credit loss                           | (1,963)           | (13,382)         |
| Gain on financial instruments at fair value through profit or loss | (32,188)          | -                |
| Interest expense   | 13,762            | 7,210            |
| Interest income  | (5,193)           | (1,996)          |
| Dividend income  | (1,034)           | (996)            |
| Loss (gain) on disposal of property, plant and equipment           | (899)             | 69               |
| Loss on lease modifications  | 13                | 61               |
| Gain on liquidation of subsidiaries                                | (4,360)           | -                |
| <b>Total adjustments for profit or loss</b>                        | <u>66,931</u>     | <u>46,730</u>    |
| <b>Changes in operating assets and liabilities:</b>                |                   |                  |
| <b>Changes in operating assets:</b>                                |                   |                  |
| Financial assets at fair value through profit or loss              | 1,651             | (1,567)          |
| Contract assets  | (10,571)          | (812)            |
| Notes and accounts receivable                                      | (54,086)          | 59,617           |
| Other receivables  | 23,331            | 1,228            |
| Inventories  | 60,704            | 225,361          |
| Other assets   | (10,320)          | 22,862           |
| <b>Net changes in operating assets</b>                             | <u>10,709</u>     | <u>306,689</u>   |
| <b>Changes in operating liabilities:</b>                           |                   |                  |
| Financial liabilities at fair value through profit or loss         | 125               | (1,018)          |
| Notes and accounts payable   | 106,761           | (26,581)         |
| Other payables   | 47,878            | (22,126)         |
| Contract liabilities   | 2,810             | (63,909)         |
| Other current liabilities  | (5,715)           | 1,845            |
| Other non-current liabilities                                      | 625               | -                |
| <b>Net changes in operating liabilities</b>                        | <u>152,484</u>    | <u>(111,789)</u> |
| <b>Total changes in operating assets and liabilities</b>           | <u>163,193</u>    | <u>194,900</u>   |
| <b>Total adjustments</b>   | <u>230,124</u>    | <u>241,630</u>   |
| Cash provided by operations  | 422,427           | 235,507          |
| Interest received  | 5,067             | 1,901            |
| Dividends received   | 1,034             | 996              |
| Income taxes paid  | (28,691)          | (51,526)         |
| <b>Net cash flows provided by operating activities</b>             | <u>399,837</u>    | <u>186,878</u>   |

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**ACE PILLAR CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows (Continued)**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollar)**

|   | <u>2024</u>                | <u>2023</u>           |
|---|----------------------------|-----------------------|
| <b>Cash flows from investing activities:</b>  |                            |                       |
| Acquisition of financial assets at fair value through other comprehensive income          | (50,000)                   | -                     |
| Acquisition of subsidiary, net of cash received   | (304,695)                  | -                     |
| Acquisition of property, plant and equipment  | (4,044)                    | (4,468)               |
| Proceeds from disposal of property, plant and equipment                                   | 1,181                      | 399                   |
| Acquisition of intangible assets  | (419)                      | (5,620)               |
| Decrease (increase) in other financial assets—current                                     | (16)                       | 6,848                 |
| Decrease (increase) in refundable deposits  | <u>1,945</u>               | <u>(2,139)</u>        |
| <b>Net cash flows used in investing activities</b>  | <u>(356,048)</u>           | <u>(4,980)</u>        |
| <b>Cash flows from financing activities:</b>  |                            |                       |
| Increase in short-term borrowings   | 916,025                    | 187,869               |
| Decrease in short-term borrowings   | (788,580)                  | (279,937)             |
| Proceeds from issuing bonds   | 530,026                    | -                     |
| Increase in long-term debt  | 600,000                    | 50,000                |
| Repayments of long-term debt  | (400,000)                  | (100,677)             |
| Payment of lease liabilities  | (30,217)                   | (14,872)              |
| Cash dividends distributed to shareholders  | (33,675)                   | (56,125)              |
| Distribution of cash dividend by subsidiaries to non-controlling interests                | (4,070)                    | -                     |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | 407                        | 91                    |
| Interest paid   | <u>(12,167)</u>            | <u>(7,330)</u>        |
| <b>Net cash flows provided by (used in) financing activities</b>                          | <u>777,749</u>             | <u>(220,981)</u>      |
| <b>Effect of foreign exchange rate changes</b>  | <u>24,223</u>              | <u>(5,169)</u>        |
| <b>Net increase (decrease) in cash and cash equivalents</b>                               | 845,761                    | (44,252)              |
| <b>Cash and cash equivalents at beginning of year</b>                                     | <u>391,843</u>             | <u>436,095</u>        |
| <b>Cash and cash equivalents at end of year</b>   | <u><u>\$ 1,237,604</u></u> | <u><u>391,843</u></u> |

See accompanying notes to the consolidated financial statements.



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## Independent Auditors' Report

To the Board of Directors Ace Pillar Co., Ltd.:

### Opinion

We have audited the parent-company-only financial statements of Ace Pillar Co., Ltd., which comprise the parent-company-only balance sheets as of December 31, 2024 and 2023, the parent-company-only statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the financial position of Ace Pillar Co., Ltd. as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 of 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 of the current period. These matters were addressed in the context of our audit of 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 matters for the parent-company-only financial statements for the year ended December 31, 2024 are stated as follows:

1. Investments in subsidiaries

Please refer to Notes 4(h) and (q) for accounting policy on investments in subsidiaries and business combinations, and Note 6(g) for related disclosures of acquisition of subsidiaries, respectively, to the parent-company-only financial statements.

Description of key audit matter:

Ace Pillar Co., Ltd. acquired 39% equity ownership of Transpak Equipment Corporation (“Transpak”) in 2024, wherein Ace Pillar Co., Ltd. owned more than half of the board seats of Transpak and has the power to direct the operating relevant activities of Transpak. Therefore, Ace Pillar Co., Ltd. obtained control over Transpak. To adopt accounting treatment of business combination, the management needs to assess and determine the fair value of the identifiable assets and liabilities. The assessment is complex and involves significant assumptions and estimation. Accordingly, the assessment of investments in subsidiaries has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the purchase price allocation report with the valuation on intangible assets conducted by an external expert engaged by the management; evaluating the reasonableness of the acquired assets and liabilities identified by the management at the acquisition date. In doing so, we have consulted internal valuation specialists to assist us in evaluating the reasonableness of the valuation model used. We have also assessed whether correct accounting treatment has been applied, and appropriate disclosures with respect to the acquisition have been made.

2. Assessment of impairment of goodwill from investments in subsidiaries

Please refer to Note 4(m) for accounting policy on impairment of non-financial assets, Note 5 for uncertainty of accounting estimations and assumptions for goodwill impairment, and Note 6(g) for related disclosures of goodwill impairment test, respectively, to the parent-company-only financial statements.

Description of key audit matter:

Goodwill arising from the acquisition of subsidiaries, which are included in the carrying amount of investments accounted for using equity method, is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of the cash-generating unit of goodwill involves management’s assumptions and estimation. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included obtaining the assessment of goodwill impairment provided by the management; assessing the appropriateness of the assumptions used by the management in measuring the recoverable amount, including the discount rate, expected sales growth rate and future cash flow projections; evaluating the accuracy of estimates made by the management by comparing the projected and actual cash flows; performing a sensitivity analysis to assess the impact of variations in key assumptions; and assessing the adequacy of disclosures of related information on evaluation of goodwill impairment.

## **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 Ace Pillar Co., Ltd.'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 Ace Pillar Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing Ace Pillar Co., Ltd.'s financial reporting process.

## **Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ace Pillar Co., Ltd.'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 Ace Pillar Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent-company-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Ace Pillar Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investees accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent-company-only financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kao, Ching-Wen and Chang, Huei-Chen.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2025

#### **Notes to Readers**

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

The independent auditors' audit report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and parent-company-only financial statements, the Chinese version shall prevail.

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

## ACE PILLAR CO., LTD.

## Parent-Company-Only Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

|  | December 31, 2024   |            | December 31, 2023 |            | December 31, 2024 |                     | December 31, 2023 |                  |
|--|---------------------|------------|-------------------|------------|-------------------|---------------------|-------------------|------------------|
|  | Amount              | %          | Amount            | %          | Amount            | %                   | Amount            | %                |
| <b>Assets</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Current assets:</b>   |                     |            |                   |            |                   |                     |                   |                  |
| 1100 Cash and cash equivalents (note 6(a))   | \$ 354,564          | 11         | 97,537            | 5          | 2100              | \$ 35,000           | 1                 | -                |
| 1110 Financial assets at fair value through profit or loss—current (note 6(b))                 | 2,779               | -          | 1,271             | -          | 2120              | 36                  | -                 | 40               |
| 1150-1170 Notes and accounts receivable (notes 6(d) and (t))                                   | 312,631             | 10         | 249,118           | 11         | 2130              | 6,176               | -                 | 5,490            |
| 1180 Accounts receivable from related parties (notes 6(d), (t) and 7)                          | 1,030               | -          | 1,616             | -          | 2150-2170         | 199,622             | 7                 | 110,305          |
| 1200 Other receivables (note 6(e))   | 755                 | -          | -                 | -          | 2180              | 674                 | -                 | 131              |
| 1210 Other receivables from related parties (notes 6(e) and 7)                                 | 2,795               | -          | 182,590           | 8          | 2200              | 40,431              | 1                 | 28,584           |
| 1300 Inventories (note 6(f))   | 220,495             | 7          | 223,257           | 10         | 2220              | 1,156               | -                 | 1,006            |
| 1410-1470 Prepayments and other current assets   | 7,440               | -          | 5,260             | -          | 2230              | 1,930               | -                 | 1,850            |
| <b>Total current assets</b>  | <u>902,489</u>      | <u>28</u>  | <u>760,649</u>    | <u>34</u>  | <u>2280</u>       | <u>6,302</u>        | <u>-</u>          | <u>6,683</u>     |
| <b>Non-current assets:</b>   |                     |            |                   |            |                   |                     |                   |                  |
| 1517 Financial assets at fair value through other comprehensive income—non-current (note 6(c)) | 50,018              | 2          | -                 | -          | 2300              | 3,119               | -                 | 7,840            |
| 1550 Investments accounted for using the equity method (note 6(g))                             | 1,781,082           | 57         | 1,049,321         | 47         |                   | 294,446             | 9                 | 161,929          |
| 1600 Property, plant and equipment (note 6(h))   | 289,579             | 9          | 294,997           | 13         |                   | 467,017             | 15                | -                |
| 1755 Right-of-use assets (note 6(i))   | 17,684              | 1          | 22,639            | 1          |                   | 250,000             | 8                 | 50,000           |
| 1760 Investment property (note 6(j))   | 80,399              | 3          | 81,805            | 4          |                   | 37,262              | 1                 | 45,711           |
| 1780 Intangible assets (note 6(k))   | 6,610               | -          | 10,398            | -          |                   | 12,501              | -                 | 17,070           |
| 1840 Deferred income tax assets (note 6(q))  | 11,575              | -          | 13,074            | 1          |                   | 766,780             | 24                | 112,781          |
| 1900 Other non-current assets  | 10,755              | -          | 10,701            | -          |                   | 1,061,226           | 33                | 274,710          |
| <b>Total non-current assets</b>  | <u>2,247,702</u>    | <u>72</u>  | <u>1,482,935</u>  | <u>66</u>  |                   | <u>1,122,505</u>    | <u>37</u>         | <u>1,122,505</u> |
| <b>Total assets</b>  | <u>\$ 3,150,191</u> | <u>100</u> | <u>2,243,584</u>  | <u>100</u> |                   | <u>\$ 3,150,191</u> | <u>100</u>        | <u>2,243,584</u> |
| <b>Liabilities and Equity</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Current liabilities:</b>  |                     |            |                   |            |                   |                     |                   |                  |
| Short-term borrowings (note 6(l))  |                     |            |                   |            |                   |                     |                   |                  |
| Financial liabilities at fair value through profit or loss—current (note 6(b))                 |                     |            |                   |            |                   |                     |                   |                  |
| Contract liabilities—current (note 6(t))   |                     |            |                   |            |                   |                     |                   |                  |
| Notes and accounts payable   |                     |            |                   |            |                   |                     |                   |                  |
| Accounts payable to related parties (note 7)   |                     |            |                   |            |                   |                     |                   |                  |
| Other payables   |                     |            |                   |            |                   |                     |                   |                  |
| Other payables to related parties (note 7)   |                     |            |                   |            |                   |                     |                   |                  |
| Current income tax liabilities   |                     |            |                   |            |                   |                     |                   |                  |
| Lease liabilities—current (notes 6(o) and 7)   |                     |            |                   |            |                   |                     |                   |                  |
| Other current liabilities  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total current liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Non-current liabilities:</b>  |                     |            |                   |            |                   |                     |                   |                  |
| Bonds payable (note 6(n))  |                     |            |                   |            |                   |                     |                   |                  |
| Long-term debt (note 6(m))   |                     |            |                   |            |                   |                     |                   |                  |
| Deferred income tax liabilities (note 6(q))  |                     |            |                   |            |                   |                     |                   |                  |
| Lease liabilities—non-current (notes 6(o) and 7)   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total non-current liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total liabilities</b>   |                     |            |                   |            |                   |                     |                   |                  |
| <b>Equity (notes 6(n) and (r)):</b>  |                     |            |                   |            |                   |                     |                   |                  |
| Common stock   |                     |            |                   |            | 3110              |                     |                   |                  |
| Capital surplus  |                     |            |                   |            | 3200              |                     |                   |                  |
| Retained earnings  |                     |            |                   |            | 3300              |                     |                   |                  |
| Other equity   |                     |            |                   |            | 3400              |                     |                   |                  |
| <b>Total equity</b>  |                     |            |                   |            |                   |                     |                   |                  |
| <b>Total liabilities and equity</b>  |                     |            |                   |            |                   |                     |                   |                  |

See accompanying notes to the parent-company-only financial statements.

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

**ACE PILLAR CO., LTD.**

**Parent-Company-Only Statements of Comprehensive Income (Loss)**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Share)**

|   | 2024             |             | 2023             |             |
|---|------------------|-------------|------------------|-------------|
|   | Amount           | %           | Amount           | %           |
| 4000 <b>Operating revenue (notes (t) and 7)</b>   | \$ 1,024,431     | 100         | 869,025          | 100         |
| 5000 <b>Operating costs (notes 6(f), (h), 7 and 12)</b>   | <u>(812,606)</u> | <u>(79)</u> | <u>(698,502)</u> | <u>(80)</u> |
| <b>Gross profit</b>   | <u>211,825</u>   | <u>21</u>   | <u>170,523</u>   | <u>20</u>   |
| <b>Operating expenses (notes 6(d), (h), (i), (j), (k), (p), 7 and 12):</b>  |                  |             |                  |             |
| 6100 Selling expenses   | (112,097)        | (11)        | (106,478)        | (13)        |
| 6200 Administrative expenses  | (86,074)         | (8)         | (80,092)         | (9)         |
| 6450 Gains on reversal of impairment loss   | <u>289</u>       | <u>-</u>    | <u>377</u>       | <u>-</u>    |
| <b>Total operating expenses</b>   | <u>(197,882)</u> | <u>(19)</u> | <u>(186,193)</u> | <u>(22)</u> |
| <b>Operating income (loss)</b>  | <u>13,943</u>    | <u>2</u>    | <u>(15,670)</u>  | <u>(2)</u>  |
| <b>Non-operating income and loss (notes (g), (n), (o) and 7):</b>   |                  |             |                  |             |
| 7100 Interest income  | 2,033            | -           | 964              | -           |
| 7010 Other income   | 7,586            | 1           | 4,929            | 1           |
| 7020 Other gains and losses, net  | 1,829            | -           | (6,521)          | (1)         |
| 7050 Finance costs  | (6,171)          | (1)         | (1,843)          | -           |
| 7070 Share of profits (losses) of subsidiaries  | <u>43,486</u>    | <u>4</u>    | <u>(12,694)</u>  | <u>(2)</u>  |
| <b>Total non-operating income and loss</b>  | <u>48,763</u>    | <u>4</u>    | <u>(15,165)</u>  | <u>(2)</u>  |
| <b>Income (loss) before income tax</b>  | 62,706           | 6           | (30,835)         | (4)         |
| 7950 <b>Add: income tax benefit (note 6(q))</b>   | <u>4,684</u>     | <u>1</u>    | <u>9,889</u>     | <u>1</u>    |
| <b>Net income (loss)</b>  | <u>67,390</u>    | <u>7</u>    | <u>(20,946)</u>  | <u>(3)</u>  |
| <b>Other comprehensive income (note 6(r)):</b>  |                  |             |                  |             |
| 8310 <b>Items that will not be reclassified subsequently to profit or loss:</b>   |                  |             |                  |             |
| 8316 Unrealized gains from investments in equity instruments<br>measured at fair value through other comprehensive income | 18               | -           | -                | -           |
| 8330 Share of other comprehensive income (loss) of subsidiaries   | (599)            | -           | 4,333            | 1           |
| 8349 Less: income tax related to items that will not be reclassified<br>subsequently to profit or loss                    | <u>-</u>         | <u>-</u>    | <u>-</u>         | <u>-</u>    |
|   | <u>(581)</u>     | <u>-</u>    | <u>4,333</u>     | <u>1</u>    |
| 8360 <b>Items that may be reclassified subsequently to profit or loss:</b>  |                  |             |                  |             |
| 8361 Exchange differences on translation of foreign operations  | 20,431           | 2           | (6,640)          | (1)         |
| 8399 Less: income tax related to items that may be reclassified<br>subsequently to profit or loss                         | <u>-</u>         | <u>-</u>    | <u>-</u>         | <u>-</u>    |
|   | <u>20,431</u>    | <u>2</u>    | <u>(6,640)</u>   | <u>(1)</u>  |
| <b>Other comprehensive income (loss) for the year, net of income tax</b>  | <u>19,850</u>    | <u>2</u>    | <u>(2,307)</u>   | <u>-</u>    |
| 8500 <b>Total comprehensive income (loss) for the year</b>  | <u>\$ 87,240</u> | <u>9</u>    | <u>(23,253)</u>  | <u>(3)</u>  |
| <b>Earnings (loss) per share (in New Taiwan Dollar) (note 6(s)) :</b>   |                  |             |                  |             |
| 9750 Basic earnings (loss) per share  | <u>\$ 0.60</u>   |             | <u>(0.19)</u>    |             |
| 9850 Diluted earnings (loss) per share  | <u>\$ 0.60</u>   |             | <u>(0.19)</u>    |             |

See accompanying notes to the parent-company-only financial statements.

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

## ACE PILLAR CO., LTD.

## Parent-Company-Only Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollar)

|   | Retained earnings |                 |               |                 |                         | Other equity |  |   | Total equity |           |
|---|-------------------|-----------------|---------------|-----------------|-------------------------|--------------|--|---|--------------|-----------|
|   | Common stock      | Capital surplus | Legal reserve | Special reserve | Unappropriated earnings | Total        | Foreign currency translation differences | Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income |              | Total     |
| <b>Balance at January 1, 2023</b>   | \$ 1,122,505      | 312,233         | 273,057       | 78,028          | 298,275                 | 649,360      | (35,927)                                 | -   | (35,927)     | 2,048,171 |
| Net loss in 2023  | -                 | -               | -             | -               | (20,946)                | (20,946)     | -  | -   | -            | (20,946)  |
| Other comprehensive income (loss) in 2023   | -                 | -               | -             | -               | -                       | -            | (6,640)                                  | 4,333   | (2,307)      | (2,307)   |
| Total comprehensive income (loss) in 2023   | -                 | -               | -             | -               | (20,946)                | (20,946)     | (6,640)                                  | 4,333   | (2,307)      | (23,253)  |
| Appropriation of earnings:  |                   |                 |               |                 |                         |              |  |   |              |           |
| Legal reserve   | -                 | -               | 7,837         | -               | (7,837)                 | -            | -  | -   | -            | -         |
| Cash dividends to shareholders  | -                 | -               | -             | -               | (56,125)                | (56,125)     | -  | -   | -            | (56,125)  |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | -                 | 81              | -             | -               | -                       | -            | -  | -   | -            | 81        |
| <b>Balance at December 31, 2023</b>   | 1,122,505         | 312,314         | 280,894       | 78,028          | 213,367                 | 572,289      | (42,567)                                 | 4,333   | (38,234)     | 1,968,874 |
| Net income in 2024  | -                 | -               | -             | -               | 67,390                  | 67,390       | -  | -   | -            | 67,390    |
| Other comprehensive income (loss) in 2024   | -                 | -               | -             | -               | -                       | -            | 20,431                                   | (581)   | 19,850       | 19,850    |
| Total comprehensive income (loss) in 2024   | -                 | -               | -             | -               | 67,390                  | 67,390       | 20,431                                   | (581)   | 19,850       | 87,240    |
| Appropriation of earnings:  |                   |                 |               |                 |                         |              |  |   |              |           |
| Cash dividends to shareholders  | -                 | -               | -             | -               | (33,675)                | (33,675)     | -  | -   | -            | (33,675)  |
| Conversion options recognized for issuance of convertible bonds                           | -                 | 66,144          | -             | -               | -                       | -            | -  | -   | -            | 66,144    |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | -                 | 344             | -             | -               | -                       | -            | -  | -   | -            | 344       |
| Share of changes in equity of subsidiaries  | -                 | 38              | -             | -               | -                       | -            | -  | -   | -            | 38        |
| <b>Balance at December 31, 2024</b>   | \$ 1,122,505      | 378,840         | 280,894       | 78,028          | 247,082                 | 606,004      | (22,136)                                 | 3,752   | (18,384)     | 2,088,965 |

See accompanying notes to the parent-company-only financial statements.

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

**ACE PILLAR CO., LTD.****Parent-Company-Only Statements of Cash Flows****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

|  | <u>2024</u>      | <u>2023</u>     |
|--|------------------|-----------------|
| <b>Cash flows from operating activities:</b>                       |                  |                 |
| <b>Income (loss) before income taxes</b>                           | \$ <u>62,706</u> | <u>(30,835)</u> |
| <b>Adjustments for:</b>  |                  |                 |
| <b>Adjustments to reconcile profit or loss:</b>                    |                  |                 |
| Depreciation   | 13,993           | 14,533          |
| Amortization   | 3,788            | 4,592           |
| Reversal of expected credit loss                                   | (289)            | (377)           |
| Gain on financial instruments at fair value through profit or loss | (950)            | -               |
| Interest expense   | 6,171            | 1,843           |
| Interest income  | (2,033)          | (964)           |
| Share of loss (profit) of subsidiaries                             | (43,486)         | 12,694          |
| Gain on lease modifications  | (3)              | (4)             |
| Loss on liquidation of subsidiaries                                | <u>728</u>       | <u>-</u>        |
| <b>Total adjustments for profit or loss</b>                        | <u>(22,081)</u>  | <u>32,317</u>   |
| <b>Changes in operating assets and liabilities:</b>                |                  |                 |
| <b>Changes in operating assets:</b>                                |                  |                 |
| Financial assets at fair value through profit or loss              | 1,192            | (1,271)         |
| Notes and accounts receivable                                      | (63,224)         | 42,440          |
| Accounts receivable from related parties                           | 586              | 5,072           |
| Other receivables  | (576)            | 612             |
| Other receivables from related parties                             | (2,334)          | (461)           |
| Inventories  | 2,762            | 49,060          |
| Prepayments and other current assets                               | <u>(137)</u>     | <u>(739)</u>    |
| <b>Net changes in operating assets</b>                             | <u>(61,731)</u>  | <u>94,713</u>   |
| <b>Changes in operating liabilities:</b>                           |                  |                 |
| Financial liabilities at fair value through profit or loss         | (4)              | (1,018)         |
| Notes and accounts payable   | 89,317           | (28,932)        |
| Accounts payable to related parties                                | 543              | (1,542)         |
| Other payables (including related parties)                         | 11,961           | (10,199)        |
| Contract liabilities   | 686              | 1,426           |
| Other current liabilities  | <u>(4,721)</u>   | <u>601</u>      |
| <b>Net changes in operating liabilities</b>                        | <u>97,782</u>    | <u>(39,664)</u> |
| <b>Total changes in operating assets and liabilities</b>           | <u>36,051</u>    | <u>55,049</u>   |
| <b>Total adjustments</b>   | <u>13,970</u>    | <u>87,366</u>   |
| Cash provided by operations  | 76,676           | 56,531          |
| Interest received  | 1,854            | 964             |
| Income taxes paid  | <u>(4,229)</u>   | <u>(20,875)</u> |
| <b>Net cash flows provided by operating activities</b>             | <u>74,301</u>    | <u>36,620</u>   |

See accompanying notes to the parent-company-only financial statements.

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

**ACE PILLAR CO., LTD.****Parent-Company-Only Statements of Cash Flows (Continued)****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollar)**

|   | <u>2024</u>              | <u>2023</u>          |
|---|--------------------------|----------------------|
| <b>Cash flows from investing activities:</b>  |                          |                      |
| Acquisition of financial assets at fair value through other comprehensive income          | (50,000)                 | -                    |
| Acquisition of investments accounted for using the equity method                          | (690,000)                | -                    |
| Proceeds from disposal of investments accounted for using equity method                   | 4,797                    | -                    |
| Acquisition of property, plant and equipment  | (81)                     | (1,322)              |
| Acquisition of intangible assets  | -                        | (4,727)              |
| Increase in refundable deposits   | (73)                     | (11)                 |
| Decrease in loans to related parties  | 182,129                  | 24,939               |
| Decrease in other non-current assets  | 19                       | 640                  |
| Dividends received  | <u>16,070</u>            | <u>41,064</u>        |
| <b>Net cash flows provided by (used in) investing activities</b>                          | <u>(537,139)</u>         | <u>60,583</u>        |
| <b>Cash flows from financing activities:</b>  |                          |                      |
| Increase in short-term borrowings   | 691,160                  | -                    |
| Decrease in short-term borrowings   | (656,160)                | -                    |
| Proceeds from issuing bonds   | 530,026                  | -                    |
| Increase in long-term debt  | 600,000                  | 50,000               |
| Repayments of long-term debt  | (400,000)                | (100,000)            |
| Payment of lease liabilities  | (7,080)                  | (7,391)              |
| Cash dividends distributed to shareholders  | (33,675)                 | (56,125)             |
| Proceeds from disposal of forfeited employee stock managed by an employee ownership trust | 344                      | 63                   |
| Interest paid   | <u>(4,750)</u>           | <u>(1,914)</u>       |
| <b>Net cash flows provided by (used in) financing activities</b>                          | <u>719,865</u>           | <u>(115,367)</u>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                               | 257,027                  | (18,164)             |
| <b>Cash and cash equivalents at beginning of year</b>                                     | <u>97,537</u>            | <u>115,701</u>       |
| <b>Cash and cash equivalents at end of year</b>   | <u><u>\$ 354,564</u></u> | <u><u>97,537</u></u> |

See accompanying notes to the parent-company-only financial statements.

Attachment V: 2024 Earnings Distribution Proposal

**ACE PILLAR CO., LTD.**  
**The 2024 Earnings Distribution Proposal**

|   | <b>Unit: NT\$</b>  |
|---|--------------------|
| <b>Net Income of 2024</b>   | <b>67,390,133</b>  |
| Less: Provisioned as Legal reserve  | (6,739,013)        |
| Provisioned as Special reserve  | -                  |
| <b>Retained earnings available for distribution in 2024</b>                 | <b>60,651,120</b>  |
| Add: Unappropriated retained earnings from previous years                   | 179,691,760        |
| <b>Retained earnings available for distribution as of December 31, 2024</b> | <b>240,342,880</b> |
| <b>Distributable Items</b>  |                    |
| Cash Dividend ( NT\$450 for every 1,000 common shares )                     | (50,512,719)       |
| <b>Unappropriated retained earnings after earnings distribution</b>         | <b>189,830,161</b> |

Note: The cash dividend distribution to each shareholder will be paid to the rounded-down full NT dollar. Amounts less than one whole NT dollar are rounded-down to the nearest NT dollar. The aggregate unpaid cash dividend resulting from the above rounded-down, will be distributed to shareholders in the descending order of decimal point and the ascending order of shareholder account numbers, until the total amount of the approved cash dividend has been fully distributed.

Chairman: Wen-Hsing Tseng    President: Chang-Chien Li    Accounting Supervisor: Kuo-Mei Chen

Attachment VI: Comparison Table of the Articles of Incorporation Before and After Amendment

**ACE PILLAR CO., LTD.**  
**Comparison Table of the Articles of Incorporation Before and After Amendment**

| Article No | After amendment  | Before amendment   | Reason for Amendment                       |
|------------|--|--|--|
| Article 22 | <p>If there is profit in the year (the so-called profit refers to the pre-tax income before deducting the profit-sharing compensation for employees and directors), the Company shall appropriate <u>2%- 20%</u> as the reward for employees and no more than 1% as the reward for directors. When there is a deficit (including adjustment of undistributed earnings), however, the amount for compensation shall first be reserved. <u>The distribution of compensation for entry-level employees shall not be less than 10% of the total employee compensation.</u></p> <p><u>The compensation for employees as mentioned in the preceding paragraph</u> may be distributed in the form of stock or cash, <u>subject to a resolution by the Board of Directors and reported to the shareholders' meeting,</u> and the distribution may include employees of the parent or subsidiary companies who meet specific criteria. <u>The compensation for directors shall only be in cash.</u></p> | <p>If there is profit in the year (the so-called profit refers to the pre-tax income before deducting the profit-sharing compensation for employees and directors), the Company shall appropriate <u>2- 20%</u> as the reward for employees and no more than 1% as the reward for directors. When there is a deficit (including adjustment of undistributed earnings), however, the amount for compensation shall first be reserved.</p> <p><u>The preceding employee compensation</u> may be distributed in the form of stock or cash, and the distribution may include employees of the parent or subsidiary companies who meet specific criteria. <u>The preceding director compensation shall only be in cash.</u></p> <p><u>The preceding two items shall be carried out by resolution of the Board of Directors and reported to the shareholders' meeting.</u></p> | Meets actual needs and legal requirements. |

| <b>Article No</b> | <b>After amendment</b>  | <b>Before amendment</b>   | <b>Reason for Amendment</b> |
|-------------------|---|---|-----------------------------|
| Article 26        | <p>These Articles of Incorporation were established by the organizers on March 20, 1984.<br/>(Ignored.)<br/>The 30th amendment was made on June 14, 2022.<br/><u>The 31th amendment was made on May 23, 2025.</u></p> | <p>These Articles of Incorporation were established by the organizers on March 20, 1984.<br/>(Ignored.)<br/>The 30th amendment was made on June 14, 2022.</p> | To add the amendment date.  |

Attachment VII: List of non-competition restrictions on newly-elected directors and their representatives proposed to be lifted

**List of non-competition restrictions on newly-elected directors and their representatives proposed to be lifted**

| Name                                       | Released restriction items  |
|--|---|
| DFI Inc.                                   | Director of AEWIN Technologies Co.,Ltd.<br>Director of APLEX Technology Inc.<br>Director of Transpak Equipment Corporation<br>Director of Yan Ying Hao Trading (ShenYan) Co., Ltd<br>Director of DFI AMERICA ,LLC.<br>Director of Diamond Flower Information (NL) B.V.<br>Director of Yan Tong Technology Ltd.<br>Director of DFI Co.,Ltd.  |
| Han-Yu Investment Co., Ltd.                | Director of Symbio, Inc.<br>Supervisor of Four Pillars Enterpoise Co., Ltd.   |
| Wen-Hsing Tseng Representative of DFI Inc. | General Manager of Smart Solution Business Group of Qisda Corporation<br>Representative of Corporate Director, Chairman of Metaage Corporation<br>Representative of Corporate Director, Chairman of AEWIN Technologies Co.,Ltd.<br>Representative of Corporate Director, Chairman of Epic Cloud Co., Ltd.<br>Representative of Corporate Director, Chairman of Metaguru Corporation<br>Representative of Corporate Director, Chairman of BenQ Guru Software Co., Ltd.<br>Representative of Corporate Director, DFI Inc.<br>Representative of Corporate Director, Partner Tech Corp.<br>Representative of Corporate Director, APLEX Technology Inc.<br>Representative of Corporate Director, Marketop Smart Solutions Co., Ltd.<br>Representative of Corporate Director, Transpak Equipment Corporation<br>Representative of Corporate Director, WiXtar Corporation<br>Representative of Corporate Director, Global Intelligence Network Etwork Co.,<br>Representative of Corporate Director, Grandsys Inc.<br>Representative of Corporate Director, Advancedtek International Corp.<br>Representative of Corporate Director, Statinc Company<br>Director of Expert Alliance Systems and Consultancy (Hong Kong) Limited<br>Director of Expert Alliance Smart Technology Co. Ltd.<br>Director of BenQ Guru Holding Limited<br>Director of COREX (PTY) LTD.<br>Director of Brainstorm Corporation |

| Name  | Released restriction items   |
|---|--|
| Chang-Chien Li<br>Representative of<br>DFI Inc. | Representative of Corporate Director, Chairman of Transpak Equipment Corporation<br>Representative of Corporate Director, Chairman of ACE Energy Co., Ltd.<br>Representative of Corporate Director, Vice Chairman of Standard Technology Corporation<br>Representative of Corporate Director, H2 Energy Co., Ltd.  |
| Chih-Chen Lin<br>Representative of<br>DFI Inc.  | Representative of Corporate Director, Chairman and General Manager of Pro Accutech Co., Ltd.<br>Representative of Corporate Director, Transpak Equipment Corporation<br>Director of Symbio, Inc.   |
| Chin-Yin Tien<br>Representative of<br>DFI Inc.  | Representative of Corporate Director, Chairman and General Manager of DFI Inc.<br>Representative of Corporate Director, AEWIN Technologies Co., Ltd.<br>Representative of Corporate Director, DFI AMERICA, LLC.<br>Representative of Corporate Director, Diamond Flower Information (NL) B.V.<br>Representative of Corporate Director, Yan Tong Technology Ltd.<br>Representative of Corporate Director, DFI Co., Ltd.   |
| Li-Min Huang<br>Representative of<br>DFI Inc.   | Senior Director of DFI Inc.<br>Representative of Corporate Director, AEWIN Technologies Co., Ltd.<br>Representative of Corporate Director, DFI AMERICA, LLC.<br>Representative of Corporate Director, Diamond Flower Information (NL) B.V.<br>Representative of Corporate Director, Yan Tong Technology Ltd.<br>Representative of Corporate Director, DFI Co., Ltd.<br>Representative of Corporate Supervisor, Yan Ying Hao Trading Co., Ltd<br>Supervisor of Transpak Equipment Corporation |
| Liang-Yoo Lee                                   | Special Consultant to AIRA Corporation<br>Special Consultant to Unimicron Technology Corp.   |
| Chi-Hang Yang                                   | Chairman of SVT Investment Co., Ltd<br>Independent Director of Medeon Biodesign, Inc.  |
| Sheng-Fa Yeh                                    | Representative of Corporate Director, Chairman of SkyLine Technology Co., Ltd.<br>Chairman of Sunengine Corporation Ltd.<br>Chairman of Natsume Smartech Co., Ltd.<br>Director of 3S Silicon Tech, Inc.<br>Director of King Ultrasonic Co., Ltd.<br>Director of Favite Inc.<br>Independent Director of Tyntek Corporation  |

## Appendix I: Articles of Incorporation

### **ACE PILLAR CO., LTD. ARTICLES OF INCORPORATION**

#### **Chapter I General Provisions**

- Article 1: The Company is organized in accordance with the Company Act of R.O.C. and named ACE PILLAR CO., LTD. The Company Name in English shall be ACE PILLAR CO., LTD.
- Article 2: The lines of business of the Company shall include the following:
1. E603050 Automatic Control Equipment Engineering
  2. F401010 International Trade
  3. F113050 Wholesale of Computers and Clerical Machinery Equipment
  4. F118010 Wholesale of Computer Software
  5. F218010 Retail Sale of Computer Software
  6. I301010 Information Software Services
  7. CB01990 Other Machinery Manufacturing
  8. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The company's investment in other enterprises shall not be restricted by the regulations related to total investment amount, stipulated in the Company Act.
- Article 4: External guarantee for the business needs of the company shall be made with consent of the Board of Directors.
- Article 5: The head office of the Company is located in New Taipei City, Taiwan. The Company may, as approved by the resolution of the Board of Directors, set up branch offices or factories in compliance with applicable laws and regulations in Taiwan or abroad when necessary.

#### **Chapter 2 Shares**

- Article 6: The total capital of the company is NT\$2 billion, divided into 200 million shares, all of which are common stocks. The value per share is NT\$10. The unissued shares will be issued in installments by authority of the Board of Directors. In the preceding capital, 5 million shares shall be reserved for issuance of share quota of employee stock warrants.
- Article 6-1: Only with consent of the shareholders' meeting where at least two-thirds of the voting rights present at the shareholders' meeting attended by shareholders representing a majority of total issued shares shall the company transfer shares to employees at a price lower than the average actual repurchase price, or issue the employee stock warrants at a subscription price lower than the closing price of common stock on the issuing date.
- Article 6-2: The treasury stocks purchased by the Company according to the Company Act may be transferred to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions. The Company's employee stock options may be issued to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions. When the Company issues new shares, employees purchasing the shares include employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.

The Company may issue new shares for restricting employee rights to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions.

Article 7: The company is exempted from printing any share certificate for the shares issued. However, the issued shares should be registered with a centralized securities depository enterprise. This also applies to other securities.

Article 8: Unless otherwise stipulated by laws and securities regulations, the company's shareholders handle matters related to stock affairs in accordance with the Company Law and the Regulations Governing the Administration of Shareholder Services of Public Companies.

### **Chapter 3 Shareholders' Meetings**

Article 9: The shareholders' meetings are divided into the regular shareholders' meeting and the special shareholders' meeting. The regular shareholders' meeting is convened by the Board of Directors once a year within six months after the end of a fiscal year, according to the law. A special shareholders' meeting may be convened in accordance with the law if necessary.

The shareholders' meeting of the company may be held by video conference or other means announced by the central competent authority.

The convening procedure of the shareholders' meeting shall be handled in accordance with Article 172, the Company Act.

Article 10: If a shareholder cannot attend a shareholders' meeting for some reason, he or she may issue a proxy form, printed by the company, stating the scope of authorization, to authorize an agent to attend the meeting on his or her behalf. Unless otherwise provided for under Article 177 of the Company Act, the rules of shareholders' authorization for attendance shall comply with the "Regulations Governing the Use of Proxies for Attendance at Shareholders Meeting of Public Companies".

Article 11: When the shareholders' meeting is convened, the chairperson of the Board shall chair the meeting. In case the chairperson of the Board is absent, he/she may designate one director as his/her agent. In case of no designation, one director may be elected from among the directors. For a shareholders' meeting which is convened by the convener other than the Board of Directors, according to the Company Act, the chairperson role shall be assumed by the said convener. In case of two or more conveners, one shall be elected among them.

Article 12: Each shareholder of the company shall have a voting right for each share he/she holds. However, those who involve any conditions specified in Article 179 of the Company Act have no voting right.

Article 13: Unless otherwise provided by relevant laws and regulations, the resolution of the shareholders' meeting shall be adopted by the affirmative votes of the attending shareholders representing more than half of the total issued shares.

Article 14: Resolutions of a shareholders' meeting shall be recorded in the meeting minutes signed or affixed with the chop by the meeting chair. Meeting minutes may be produced and distributed in accordance with Article 183 of the Company Act.

### **Chapter 4 Directors and Audit Committees**

Article 15: The company shall have a board of directors consisting of seven to nine members, with a term of three years, who shall be elected by the shareholders' meeting in accordance with the law. In the event that the term of a director expires before re-election, the director shall continue to perform his or her duties until a new director is elected. There shall be at least three independent directors, and the election of directors adopts the candidate

nomination system and shall be handled in accordance with the Company Act and relevant regulations.

Article 16: The Board of Directors is organized by directors. The Chairman of the Board of Directors shall be elected from among the attending directors by a majority vote and with the attendance over two thirds of the seats in a meeting of the Board of Directors. As necessary, a Vice Chairman may be elected among the attending directors in the same manner. The Chairman of the Board shall externally have the authority to represent the Company.

In case the Chairman of the Board asks for leave or for other reason cannot exercise his power and authority, he may appoint another director to represent him by proxy in accordance with Article 208 of the Company Act.

If the Board of Directors meeting is held by video conference, the directors taking part in the meeting are deemed present in person.

Article 16-1: The Company shall set up the Audit Committee organized by all of the independent directors in accordance with the Securities and Exchange Act. The composition of the audit committee, duties, rules of meeting procedure and other compliance matters shall comply with the relevant regulations prescribed by the securities supervisory authorities.

Article 17: The remuneration of the whole directors shall be established by the Board of Directors subject to authority, based on personal contribution and the level in the same industry.

Article 18: If the directors are unable to attend the board meeting, they shall issue the proxy form to authorize other directors to be present as their agents, pursuant to Article 205 of the Company Act. However, one proxy form can be issued for one director only.

Article 19: As resolved by the Board of Directors, the company may purchase liability insurance for the directors with respect to liabilities resulting from exercising their duties.

#### **Chapter 5 Managerial Officer**

Article 20: The company shall have one general manager and several vice general managers. Their appointment, discharge, and remuneration shall be handled in accordance with Article 29 of the Company Act.

#### **Chapter 6 Finalization of Accounts and distribution**

Article 21: At the end of a fiscal year, the Board of Directors shall prepare the following reports and statements to be audited by the audit committee within 30 days prior to the regular shareholders' meeting before they will be submitted to the shareholders' meeting for recognition:

1. Business report;
2. Financial statements
3. Proposal for allocation of profits or compensation of losses.

Article 22: If there is profit in the year (the so-called profit refers to the pre-tax income before deducting the profit-sharing compensation for employees and directors), the Company shall appropriate 2- 20% as the reward for employees and no more than 1% as the reward for directors. When there is a deficit (including adjustment of undistributed earnings), however, the amount for compensation shall first be reserved.

The preceding employee compensation may be distributed in the form of stock or cash, and the distribution may include employees of the parent or subsidiary companies who meet specific criteria. The preceding director compensation shall only be in cash.

The preceding two items shall be carried out by resolution of the Board of Directors and reported to the shareholders' meeting.

- Article 22-1: If there are earnings at the end of each fiscal year, the company shall first compensate the accumulated losses, in addition to paying all taxes according to the law, then withdraw 10% as the legal reserve and other special reserve, which should be withdrawn or reversed in accordance with the law. In case of any other earnings left, the Board of Directors shall draw up a distribution proposal in terms of the said balance, along with the undistributed earnings in the past years and present the proposal during the shareholders' meeting for the purpose of making a resolution on distribution.
- If the foregoing earnings distribution is carried out in cash dividend, the Board of Directors shall be authorized to make a resolution and report it during the shareholders' meeting.
- In response to the company's operation and growth needs, the company's dividend distribution policy considers the budget of future capital expenditure and fund needs. If there are earnings at the annual final accounts and the distributable earnings in the current year reach 2% of the capital, the dividend distribution shall not be less than 10% of the distributable earnings in the current year, in which the ratio of cash distribution shall not be less than 20% of the total dividends of the current year.
- Article 22-2: The Company may distribute new shares or cash by way of legal reserve or capital reserve in accordance with Article 241 of the Company Act.
- Where the means of cash is performed in the preceding paragraph, it is proposed the Board of Directors be authorized for resolution. The resolution thereof shall be reported in the Shareholders' Meeting.

### **Chapter 7 Supplementary Provisions**

- Article 23: If the company's stock is intended to be cancelled for public offering, a special resolution shall be made at the shareholders' meeting, and this article shall remain unchanged during the period of the company's listing on the TWSE and TPEX.
- Article 24: Matters not provided for herein shall be subject to the Company Act and the related laws and regulations.
- Article 25: The establishment or amendment of these Articles of Incorporation shall come into force upon approval by the competent authority.
- Article 26: These Articles of Incorporation were established by the organizers on March 20, 1984.  
 The 1<sup>th</sup> amendment was made on September 10, 1986.  
 The 2<sup>th</sup> amendment was made on June 30, 1987.  
 The 3<sup>th</sup> amendment was made on September 30, 1988.  
 The 4<sup>th</sup> amendment was made on July 31, 1990.  
 The 5<sup>th</sup> amendment was made on October 9, 1992.  
 The 6<sup>th</sup> amendment was made on October 20, 1993.  
 The 7<sup>th</sup> amendment was made on June 29, 1994.  
 The 8<sup>th</sup> amendment was made on June 22, 1995.  
 The 9<sup>th</sup> amendment was made on June 25, 1997.  
 The 10<sup>th</sup> amendment was made on June 12, 1998.  
 The 11<sup>th</sup> amendment was made on June 30, 1999.  
 The 12<sup>th</sup> amendment was made on June 22, 2000.  
 The 13<sup>th</sup> amendment was made on June 15, 2001.  
 The 14<sup>th</sup> amendment was made on September 5, 2001.  
 The 15<sup>th</sup> amendment was made on November 13, 2001.

The 16<sup>th</sup> amendment was made on June 28, 2002.  
The 17<sup>th</sup> amendment was made on June 15, 2005.  
The 18<sup>th</sup> amendment was made on June 15, 2006.  
The 19<sup>th</sup> amendment was made on June 13, 2007.  
The 20<sup>th</sup> amendment was made on June 13, 2008.  
The 21<sup>th</sup> amendment was made on June 19, 2009.  
The 22<sup>th</sup> amendment was made on June 18, 2012.  
The 23<sup>th</sup> amendment was made on June 24, 2014.  
The 24<sup>th</sup> amendment was made on June 15, 2016.  
The 25<sup>th</sup> amendment was made on June 16, 2017.  
The 26<sup>th</sup> amendment was made on March 13, 2019.  
The 27<sup>th</sup> amendment was made on November 13, 2019.  
The 28<sup>th</sup> amendment was made on June 12, 2020.  
The 29<sup>th</sup> amendment was made on August 24, 2021.  
The 30<sup>th</sup> amendment was made on June 14, 2022.

## Appendix 2: Rules of Procedure for Shareholders' Meeting

### **ACE PILLAR CO., LTD.**

#### **RULES OF PROCEDURE FOR SHAREHOLDERS' MEETING**

- Article 1 The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 2 Any reference to shareholders in this process mean shareholders registered in the members' register, solicitor, or the proxies entrusted by the shareholders to attend the shareholders' meetings for them.
- Article 3 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- Article 5 The venue for a shareholders meeting shall be the premises of this Corporation, 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. The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.
- Article 5-1 To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:
- I. How shareholders attend the virtual meeting and exercise their rights.

2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

(1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

(2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.

(3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

(4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 6 If 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 on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or 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 7 This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene 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, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Discussions or votes shall be carried out only for proposals. 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.

For such motions which are announced by the chair to be determined by votes, ballots may be casted for several motions at the same time but shall be voted separately.

Article 9 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.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 3.

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 the Company Act.

Article 10 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

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

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Article 10 do not apply.

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, paragraph 2 of the Company Act.

When this Corporation holds a shareholder 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.

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

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 or online, 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 the Company Act and in this Corporation'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.

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.

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 this Corporation. The result of each vote shall be announced at the meeting immediately and shall be recorded into the minute.

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

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

Article 13 This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures and shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

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

Article 14 Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

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

Article 15 When a meeting is in progress, the chair may announce a break based on time considerations.

Article 16 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.

This Corporation 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 this Corporation.

Article 17 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.

Article 18 The Rules and Procedures were established on June 28, 2002.  
The 1<sup>th</sup> amendment was made on May 26, 2023.

Appendix 3:

**ACE PILLAR CO., LTD.**

**RULES FOR THE ELECTION OF DIRECTORS**

- Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
1. The ability to make judgments about operations.
  2. Accounting and financial analysis ability.
  3. Business management ability.
  4. Crisis management ability.
  5. Knowledge of the industry.
  6. An international market perspective.
  7. Leadership ability.
  8. Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
- Article 4 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 5 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act and Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall

be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6 The Company's directors shall be elected by means of the single open cumulative ballot method. Each share shall have voting rights equivalent to the number of directors to be elected, which may be allocated to one or more candidates. The election of independent and non-independent directors shall be held concurrently, with the results calculated separately.

Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10 If the candidate is a shareholder of the Company, Elector shall fill the candidate's name and shareholder's number in the "candidate" column of the ballot; if the candidate is not a shareholder of the Company, voters shall fill the candidate's name and ID number in the "candidate" column. If the candidate is a government agency or a legal entity, voters shall fill the name of the government agency or the legal entity or the name of their representative in the column. In the event that several candidates represent a government agency or a legal entity, the names of the representatives shall be filled separately in the column.

Article 11 A ballot is invalid under any of the following circumstances:

1. Ballots Not Prepared by the Board of Directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. If the candidate is a shareholder, the name and shareholder account number do not match the shareholder register; if the candidate is not a shareholder, the name and identification number do not match the verification records.
5. Other information is written on the ballot besides the name (or account number/identification number) of the candidate and the number of votes assigned.
6. The candidate's name is identical to that of another shareholder, and no account number or identification number is provided to distinguish the individual.

Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 13 The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 14 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix 4 : Shareholding of Directors

**ACE PILLAR CO., LTD.**  
**Shareholding of Directors**

| Title                | Name  | Shares Held |
|----------------------|---|-------------|
| Chairman             | Wen-Hsing Tseng (Representative of DFI Inc.)                    | 52,436,069  |
| Director             | Chang-Chien Li (Representative of DFI Inc.)                     | 52,436,069  |
| Director             | Chih-Chen Lin (Representative of DFI Inc.)                      | 52,436,069  |
| Director             | Chin-Yin Tien (Representative of DFI Inc.)                      | 52,436,069  |
| Director             | Li-Min Huang (Representative of DFI Inc.)                       | 52,436,069  |
| Director             | Han-Yu Investment Co., Ltd.<br>(Representative: Hwei-Ling Yang) | 10,176,013  |
| Independent Director | Liang-Yoo Lee   | 0           |
| Independent Director | Chi-Hang Yang   | 0           |
| Independent Director | Sheng-Fa Yeh  | 0           |
| Total                |   | 62,612,082  |

Note1: The numbers of shares held by the directors and supervisors individually and by the entire bodies thereof respectively as recorded in the shareholders' register as of the book closure date (March 25, 2025) for that shareholders' meeting.

Note2: The legal number of shares held by all directors is 8,000,000 shares in accordance with the regulations of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.