

Gordon Auto Body Parts Co., LTD.

**Handbook for the 2024 Annual Meeting
Of Shareholders**

MEETING TIME: June 12, 2024

No 48, Nieh Hsi Road, Lu Chu Dist. Taoyuan City, Taiwan 33852

(Translation - In case of any difference between the Chinese and English versions, the Chinese version shall prevail.)

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I 、 Meeting Procedure

Gordon Auto Body Parts Co., LTD. Procedure for the 2024 Annual Meeting of Shareholders

- (I) 、 Call the Meeting to order and report attendance Shares
- (II) 、 Chairperson Takes Chair
- (III) 、 Chairperson Remarks
- (IX) 、 Management Presentation (Company Reports)
- (V) 、 Proposals
- (VI) 、 Questions and Motions
- (VII) 、 Adjournment

II 、 Meeting Agenda

Agenda of Annual Meeting of Gordon Auto Body Parts Co., LTD. Year 2024 Shareholders

(I) 、 Time:9:00 a.m. on June 12, 2024

(II) 、 Location: No. 48, Nieh Hsi Road, Lu Chu District, Taoyuan City, Taiwan

(III) 、 Convening method: Physical shareholders' meeting

(IV) 、 Chairperson Remarks

(V) 、 Management Presentation (Company Reports)

A 、 Report on the company's 2023 business report.

B 、 Audit Committee's review of the 2023 annual final
accounting books and statements.

C 、 Report on 2023 employees' and directors' remuneration.

D 、 Report on 2023 distribution of the cash dividend from profits.

(VI) 、 Proposals

A 、 Acknowledgment of the 2023 annual final accounting
books and statements.

B 、 Acknowledgment of the 2023 earnings distribution.

(VII) 、 Questions and Motions

(VIII) 、 Adjournment

Management Presentation (Company Reports)

(I) Report on the company's 2023 business report

A Sales

The company's consolidated operating income in 2023 was NT\$2,697,553 thousand, an increase of 10.58% from NT\$2,439,452 thousand in 2022, of which auto parts revenue accounted for 98.41% of the consolidated revenue, and processing revenue accounted for 1.59% of the consolidated revenue.

The consolidated auto parts sales revenue in 2023 was NT\$2,654,529 thousand, an increase of 10.39%, compared to NT\$2,404,724 thousand in 2022. The growth mainly reflects the growth in demand for automotive after-sales maintenance (AM) parts and the increase in momentum of container shipping and the appreciation of the US dollar exchange rate have led to a substantial increase in revenue.

B Production

(A) Production volume

In 2023, the company's output was 2,017,122 pieces, with an output value of NT\$1,577,965 thousand, an increase of 6.80%, and decrease of 0.29% compared with the output of 1,888,694 pieces, with an output value of NT\$1,582,524 thousand in 2022. The growth of output mainly reflects the after-sales of automobiles a growth in demand for maintenance (AM) parts. The decrease in output value was mainly due to the decrease in unit costs due to the increase in output.

(B) Research and development

The company developed 25 sets of molds in 2023 and completed the initial mass production, which not only continued to meet the market's demand for one-time diversified purchases, but also continued to improve the bargaining power for the company's product portfolio.

C Factors affecting the overall economic environment

The economic environment in 2023 was affected by the economic warming after the global epidemic was lifted, which showed favorable factors for the recovery and growth of the automobile industry. 2024 is expected to be a cautiously optimistic year compared with 2023. The global economy will still be strong. However in the face of uncertainties such as geopolitical conflicts, it is expected that major economies will enter a cycle of interest rate cuts, and terminal demand growth and economic recovery will continue. The number of cars in the past few years has remained maintain a high level and the average vehicle age in the automotive aftermarket maintenance market will further increase, coupled with the expansion of the use of AM collision parts by major U.S. auto insurance companies, which will drive the demand for automotive aftermarket maintenance (AM) parts, and the utilization rate of automotive aftermarket maintenance (AM) parts will increase in the future. Regardless of the degree of economic impact, Gordon will continue to uphold the consistent concept of "quality, technology, innovation and customer service" and continue to provide customers with the best services and products. We believe that under the wise leadership of the management team, we can continue the past Innovative performance drives new growth and expands market share in the after-sales maintenance service market.

Chairman: Maoyuan Lee

General Manager: Maoyuan Lee

Accounting Supervisor: Jianrong Chen

(II) 、 Audit Committee's review of the 2023 annual final accounting books and statements

Gordon Auto Body Parts Co., LTD.

Audit committee's review report

The board of directors submitted the company's 2023 parent financial statements and consolidated financial statements, which have been audited by Chia-Yu Lai and Li-Chen Peng of Baker Tilly Clock & Co, and plan to issue an audit report, together with the business report and the profit distribution proposal, approved by the audit committee After the inspection is completed, it is considered that there is no discrepancy. In accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, a report is hereby made.

To

Gordon Auto Body Parts Co., LTD. 2024 Annual General Meeting of Shareholders

Gordon Auto Body Parts Co., LTD

Audit Committee

Convener: Independent Director DECAI ZHENG

March 8, 2024

(III) › Report on 2023 employees' and directors' remuneration

In accordance with Article 32 of the company's articles of association, and approved by the board of directors on March 8, 2024, according to the company's 2023 profits, 3% of the employee's remuneration was allocated, NT\$13,760,034, and the remuneration of directors and supervisors 2 %, NT\$9,173,356 and totaling NT\$22,933,390, all issued in cash.

(IV) › Report on 2023 distribution of the cash dividend from profits.

1. In accordance with the provisions of Article 32-1 of the "Articles of Association" of the company.
2. Cash dividends of NT\$214,903,516 will be allocated from the distributable earnings in 2023, and NT\$1.3 per share will be allocated. The calculation is up to NT\$1, and rounds below NT\$1 belongs to other income of company.
3. After this profit distribution proposal was approved by the board of directors on March 8, 2024, the chairman has been authorized to set April 18, 2024 as the ex-dividend base date, and to distribute cash dividends on May 10, 2024.

Proposals

Proposal I: (Proposed by the Board of Directors)

Subject: Acknowledgment of the 2023 annual final accounting books and statements..

Explanation: The company's 2023 parent financial statements and consolidated financial statements (please refer to Attachment 1) have been audited by Chia-Yu Lai and Li-Chen Peng of Baker Tilly Clock & Co, and plan to issue an audit report, which will be approved by the board of directors along with the business report. After the approval, it will be sent to the audit committee for review, and it will be submitted to the regular meeting of shareholders for approval.

Resolution:

Proposal II: (Proposed by the Board of Directors)

Subject: Acknowledgment of the 2023 earnings distribution.

Explanation: 2023 annual profit distribution table (below) will be submitted to the supervisor for review and completion, and will be submitted to the regular meeting of shareholders for approval.

Gordon Auto Body Parts Co., LTD. PROFIT DISTRIBUTION TABLE

Year 2023

(Unit: NTD \$)

Item	Amount		Note
	Subtotal	Total	
Beginning retained earnings		\$ 441,254,519	Note: The amount of this surplus distribution is based on the 2023 after-tax net profit for priority distribution.
Add: net profit after tax	\$351,560,547		
2022 other comprehensive profit and loss (determined Actuarial gains and losses from benefit plans)	<u>(699,138)</u>		
terms other than the current after-tax net profit plus the current after-tax net profit are included in the current year's undistributed surplus		350,861,409	
Less: 10% legal reserve		<u>(35,086,141)</u>	
Distributable net profit		757,029,787	
Distributable items			
Dividend to shareholders-cash(NT\$ 1.3 per share)		<u>(214,903,516)</u>	
Ending retained earnings		<u>\$ 542,126,271</u>	

Chairman: Maoyuan Li

Manager: Maoyuan Li

Accounting Supervisor: Jianrong Chen

Resolution:

Questions and Motions

Adjournment

Attachment I

INDEPENDENT AUDITORS' REPORT

NO.14681120EA

To GORDON AUTO BODY PARTS CO., LTD.

Opinion

We have audited the accompanying parent company only financial statements of Gordon Auto Body Parts Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company, as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion

thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the parent company only financial statements for the year ended December 31, 2023 are as follows:

1. Measurement of impairment losses on inventory

Refer to Note 4(5) to the alone financial statements for the accounting policies for inventories; refer to Note 5(1) to the alone financial statements for the accounting estimates and uncertainties in assumptions regarding the valuation of inventories; refer to Note 6(6) to the alone financial statements for a description of inventories.

Description of key audit matters

The Company's main business is manufacturing and selling auto parts, doors, fenders and molds for collision repair. The products are mainly sold to the repair market for vehicles in the existing market. In the collision repair market, product market life and sales cycle are based on the vehicle models sold. Therefore, the Company adjusts the production quantity of each product each year based on the market circulation status of each vehicle model.

The Company's production process involves cutting, pressing, sheet metal and baking paint (baking rust-proof paint). Under normal circumstances, such components are less susceptible to deterioration and damage. In the financial statements, inventories are measured at a lower cost or net realizable value. Although the sales prices are adjusted based on the cost of raw materials, the quoted price in U.S. dollars is susceptible to exchange rate fluctuations and competition, which may result in the risk that the carrying value of inventories may exceed the net realizable value, since the amount of inventories is significant and there are many items. Therefore, the Company's measurement of impairment losses on inventory is one of the most important matters to be audited.

Audit procedures in response

We perform the audit procedures regard to the above key audit matters included:

- Obtain an analysis of the year ending inventory's lost and the lower of net realizable value, and check the total number of each inventory item in the general ledger and the sub-ledger.
- Compare the policies on the allowance to reduce inventory to market value in the current financial reporting period with those in the previous, and assess whether

the policies are reasonable.

- Sampling the estimated sale prices of finished goods and products are based on the last sale price before and after the reporting date of the financial statements, and evaluate the basis for calculating the selling expense ratio to confirm the reasonableness of the net realizable value.
- Evaluate whether the analysis of the year ending inventory and net realizable value provided by management has been compared on an item-by-item basis and calculated.
- Evaluate whether management has adequately disclosed the allowance to reduce inventory to market value.

2. The assessment of financial assets at fair value through other comprehensive income.

For the accounting policies of financial assets at fair value through other comprehensive income, refer to Note 4(9) of the parent company only financial statements; for a description of financial assets at fair value through other comprehensive income, refer to Note 6(3) of the parent company only financial statements.

Description of key audit matters

Financial assets at fair value through other comprehensive income are measured at fair value. The financial assets at fair value through other comprehensive income held by the Company are unlisted companies, whose fair value is not available in an active market, so they are valued with the market-based approach. The market-based approach requires a more subjective valuation technique, which significantly affects the fair value measurement results and affects the fair value recognition of financial assets at fair value through other comprehensive income. Therefore, the Company fair value assessment of financial assets at fair value through other comprehensive income is one of the most significant key audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters include:

- Obtain the opinion from external experts and inquire about their professional qualifications, experience and reputation to ensure the credibility of their skills and

capabilities.

- Check the objectivity of the external experts to confirm whether their opinions can be reasonably adopted.
- Evaluate whether the values of the amount and ratio of the comparable subject matter used in the external expert opinion are unreasonable in relation to the information about the comparable company obtained from the Market Observation Post System.
- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

3. Measurement of impairment of property, plant and equipment

Refer to Note 4(8) of the parent company only financial statements for the accounting policy for impairment of tangible and intangible assets (exclude goodwill); refer to Note 5(2) of the parent company only financial statements for the accounting estimates and uncertainties of the assumptions used in assessing the impairment of tangible assets; refer to Note 6(8) of the parent company only financial statements for the description of property, plant and equipment.

Description of the key audit matters

The Company needs to continuously develop tooling in order to produce products for various vehicles in the market. Depreciation has been provided over the useful life of tooling in line with the average age of vehicles. However, due to competition and market conditions, the Company conducts an annual assessment of property, plant and equipment for impairment. The Company is a single cash-generating unit. Therefore, the company discounts the estimated future cash flows using an appropriate discount rate to measure the cash-generating unit's recoverable amount as a basis for assessing whether the property, plant and equipment is impaired.

The Company uses estimated future cash flows as a measure of recoverable amounts of property, plant and equipment. The assumptions used in forecasting are prone to subjective judgments and are highly uncertain, resulting in a significant effect on the recoverable amount, which in turn affects whether the property, plant and equipment are impaired. Therefore, the measurement of the impairment of property, plant and equipment of the Company is one of the most significant audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain documents related to the Company's self-assessment of asset impairment and review whether there is any indication of impairment.
- Examine the expected future cash flows and estimate whether the average net cash inflows for the current year are materially different from the estimated annual net cash inflows adopted by the Company, based on its actual net earnings before interest, taxes, depreciation, and amortization (EBITDA) for the last five years.
- Review the projected growth rates to see if they are unreasonable compared to historical results, economic and industry forecasts.
- Review the discount rate used whether there is unreasonable when compared to the cash-generating unit's cost of capital assumptions.
- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

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

Management has the responsibility for the preparation and represents fairly 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 necessary to enable the preparation of the 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 also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease its operations or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, and 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 auditing standards generally accepted in the Republic of China, we performed professional judgment and maintained professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall representation, 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 expressed.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit, and provide an 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 the most significant audit matters of the parent company only financial statements for the year ended December 31, 2023. We describe these matters in our auditors' report unless the 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 Chia-Yu Lai and Li-Chen Peng.

Baker Tilly Clock & Co

March 8, 2024

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance and cash flow in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such parent company only financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4.6(1)	\$ 699,199	13	\$ 699,595	13
1110	Financial assets at fair value through profit or loss - current	4.6(2)	4,320	—	4,871	—
1150	Notes receivables	4.6(5)	25,552	1	25,616	1
1170	Accounts receivables	4.6(5)	485,060	9	407,089	7
1200	Other receivables		10,862	—	10,856	—
130x	Inventories, net	4.5.6(6)	634,214	12	784,551	14
1410	Prepayments	6(10)	92,343	2	87,990	2
11xx	Total current assets		1,951,550	37	2,020,568	37
15xx	Non-current assets					
1517	Financial assets at fair value through other comprehensive income – non-current	4.6(3)	105,112	2	118,825	2
1535	Financial assets at amortized cost - non-current	4.6(4).8	2,300	—	2,300	—
1550	Investments accounted for using the equity method	4.6(7)	—	—	119	—
1600	Property, plant and equipment	4.5.6(8).8	3,026,076	57	3,149,208	58
1755	Right-of-use assets	4.5.6(9)	19,815	—	5,083	—
1840	Deferred tax assets	4.5.6.(24)	10,514	—	7,396	—
1915	Prepayment for equipment	4.6(10)	216,189	4	127,828	3
1920	Guarantee deposits paid		546	—	526	—
15xx	Total non-current assets		3,380,552	63	3,411,285	63
	Total assets		\$ 5,332,102	100	\$ 5,431,853	100

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

(Continued)

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Liabilities And Equity	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
21xx	Current Liabilities					
2100	Current borrowings	6(11)	\$ 210,000	4	\$ 497,000	9
2110	Short-term notes and bills payables	6(12)	—	—	39,982	1
2150	Notes payables	6(13)	36,965	1	1,578	—
2170	Accounts payables	6(13)	397,052	7	263,995	5
2200	Other payables		82,321	2	79,951	1
2213	Payables on equipment		95,589	2	79,655	1
2230	Current tax liabilities	4.6(24)	88,477	2	75,782	1
2280	Lease liabilities - current	4.6(9)	5,315	—	3,318	—
2300	Other current liabilities		21,463	—	26,232	1
2322	Current portion of long-term borrowings	6(14)	145,857	3	145,857	3
21xx	Total current liabilities		1,083,039	21	1,213,350	22
25xx	Non-Current liabilities					
2540	Long-term borrowings	6(14)	1,449,098	27	1,594,956	29
2571	Deferred tax liabilities— land value increment tax	4	74,336	1	74,336	1
2572	Deferred tax liabilities— income tax	4.6(24)	466	—	3,786	—
2580	Lease liabilities - non-current	4.6(9)	14,601	—	1,845	—
2640	Net defined benefit liabilities - non current	4.6(15)	12,598	—	17,539	1
25xx	Total non-current liabilities		1,551,099	28	1,692,462	31
2xxx	Total liabilities		2,634,138	49	2,905,812	53
31xx	Equity attributable to owners of the parent	6(16)				
3100	Capital					
3110	Common stock		1,653,104	31	1,653,104	31
3200	Capital surplus		935	—	850	—
3300	Retained earnings					
3310	Legal reserve		113,766	2	80,137	1
3320	Special reserve		98,923	2	98,923	2
3350	Unappropriated earnings		792,116	15	640,194	12
3400	Other equity	6(16)	39,120	1	52,833	1
3xxx	Total equity		2,697,964	51	2,526,041	47
	Total liabilities and equity		\$ 5,332,102	100	\$ 5,431,853	100

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	4.6(18)	\$ 2,697,553	100	\$ 2,439,452	100
5000	Operating costs		(1,968,591)	(73)	(1,883,014)	(77)
5900	Gross profit		728,962	27	556,438	23
6000	Operating expenses					
6100	Selling and marketing expenses		(186,130)	(7)	(174,262)	(7)
6200	General and administrative expenses		(100,455)	(4)	(93,844)	(4)
6300	Research and development expenses		(4,833)	—	(4,539)	—
6450	Expected credit losses	6(5).6(23)	(1,834)	—	(621)	—
6000	Total operating expenses		(293,252)	(11)	(273,266)	(11)
6900	Net operating income		435,710	16	283,172	12
7000	Non-operating income and expenses					
7100	Interest income	6(19)	18,589	1	12,810	—
7010	Other income	4.6(20)	16,224	—	14,672	1
7020	Other gains and losses	6(21)	(4,851)	—	138,624	6
7050	Finance costs	6(22)	(29,878)	(1)	(31,254)	(2)
7070	Share of loss of subsidiaries	6(7)	(60)	—	(97)	—
7000	Total non-operating income and expenses		24	—	134,755	5
7900	Profit from continuing operations before income tax		435,734	16	417,927	17
7950	Income tax expenses	4.6(24)	(84,174)	(3)	(81,482)	(3)
8200	Net income		351,560	13	336,445	14
8300	Other comprehensive income (loss)					
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans	6(15)	(874)	—	(194)	—
8316	Unrealized gain(loss) on investments in equity instruments at fair value through other comprehensive income	6(16)	(13,713)	—	(8,069)	—
8349	Income tax relating to items that will not be reclassified subsequently to profit or (loss)	6(24)	175	—	39	—
8300	Other comprehensive income		(14,412)	—	(8,224)	—
8500	Total comprehensive income		\$ 337,148	13	\$ 328,221	14
	Earnings per share	6(17)				
9750	Basic		\$ 2.13		\$ 2.04	
9850	Diluted		\$ 2.12		\$ 2.03	

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Item	Share capital	Capital surplus	Retained earnings			Other equity	Total equity	
	Common stock		Legal reserve	Special reserve	Unappropriated earnings	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income		
A1	Balance at January 1, 2022	\$ 1,653,104	\$ 850	\$ 73,760	\$ 98,923	\$ 359,875	\$ 60,902	\$ 2,247,414
B1	Legal reserve	—	—	6,377	—	(6,377)	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(49,594)	—	(49,594)
D1	Net income in 2022	—	—	—	—	336,445	—	336,445
D3	Other comprehensive income in 2022	—	—	—	—	(155)	(8,069)	(8,224)
D5	Comprehensive income in 2022	—	—	—	—	336,290	(8,069)	328,221
Z1	Balance at December 31, 2022	1,653,104	850	80,137	98,923	640,194	52,833	2,526,041
B1	Legal reserve	—	—	33,629	—	(33,629)	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(165,310)	—	(165,310)
C17	Other changes in capital surplus	—	85	—	—	—	—	85
D1	Net income in 2023	—	—	—	—	351,560	—	351,560
D3	Other comprehensive income in 2023	—	—	—	—	(699)	(13,713)	(14,412)
D5	Comprehensive income in 2023	—	—	—	—	350,861	(13,713)	337,148
Z1	Balance at December 31, 2023	\$ 1,653,104	\$ 935	\$ 113,766	\$ 98,923	\$ 792,116	\$ 39,120	\$ 2,697,964

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

GORDON AUTO BODY PARTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Item	2023	2022
AAAA	Cash flows from (used in) operating activities		
A10000	Profit from continuing operations before income tax	\$ 435,734	\$ 417,927
A20010	Adjustments:		
A20100	Depreciation expense	340,276	362,562
A20300	Expected credit loss (gain)	1,834	621
A20400	Net loss (profit) on financial assets at fair value through profit or loss	(477)	511
A20900	Interest expense	29,878	31,254
A21200	Interest income	(18,589)	(12,810)
A21300	Dividend income	(12,570)	(9,311)
A22400	Share of loss of subsidiaries, associates, and joint ventures	60	97
A22500	Gain on disposal of property, plant and equipment	(5,713)	(17,303)
A23100	Loss (gain) on disposal of investment	(8)	1
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets mandatorily classified as at fair value through profit or loss	1,036	(987)
A31130	Notes receivables	64	7,487
A31150	Accounts receivables	(79,805)	(48,078)
A31180	Other receivables	(1,242)	3,220
A31200	Inventories	150,337	(41,034)
A31230	Prepayments	(4,353)	9,701
A32130	Notes payables	35,387	(4,653)
A32150	Accounts payables	133,057	(17,940)
A32180	Other payables	2,482	27,001
A32230	Other current liabilities	(4,769)	16,670
A32240	Net defined benefit liabilities	(5,815)	(2,517)
A33000	Cash inflow generated from operations	996,804	722,419
A33100	Interest received	19,825	10,540
A33300	Interest paid	(29,806)	(30,740)
A33500	Income taxes paid	(77,742)	(20,050)
AAAA	Net cash flows from operating activities	909,081	682,169
BBBB	Cash flows from (used in) investing activities:		
B02300	Disposal of subsidiaries	59	—
B02700	Acquisition of property, plant and equipment	(213,931)	(233,987)
B02800	Proceeds from disposal of property, plant and equipment	7,499	24,001
B03700	Increase in refundable deposits	(20)	—
B07100	Increase in prepayment of equipments	(72,427)	—
B07200	Decrease in prepayment of equipments	—	20,118
B07600	Dividends received	12,570	9,311
BBBB	Net cash flows used in investing activities	(266,250)	(180,557)
CCCC	Cash flows from (used in) financing activities:		
C00100	Increase in short-term borrowings	—	134,892
C00200	Decrease in short-term borrowings	(287,000)	—
C00600	Decrease in short-term bills payables	(39,982)	(129,935)
C01700	Decrease in long-term borrowings	(145,858)	(353,249)
C04020	Payment of lease liabilities	(5,162)	(4,159)
C04500	Cash dividends	(165,310)	(49,594)
C09900	The statute barred dividends for the shareholders	85	—
CCCC	Net cash flows used in financing activities	(643,227)	(402,045)
EEEE	Net increase (decrease) in cash and cash equivalents	(396)	99,567
E00100	Cash and cash equivalents at beginning of year	699,595	600,028
E00200	Cash and cash equivalents at end of year	\$ 699,199	\$ 699,595

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

INDEPENDENT AUDITORS' REPORT

NO.14681120ECA

To GORDON AUTO BODY PARTS CO., LTD.

Opinion

We have audited the accompanying consolidated financial statements of Gordon Auto Body Parts Co., Ltd. (the "Company") and subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China (ROC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountant code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 were those matters that, in our professional judgment, were of most

significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the Group consolidated financial statements for the year ended December 31, 2023 are stated as follows:

1. Measurement of impairment losses on inventory

Refer to Note 4(6) to the consolidated financial statements for the accounting policies for inventories; refer to Note 5(1) to the consolidated financial statements for the accounting estimates and uncertainties in assumptions regarding the valuation of inventories; refer to Note 6(6) to the consolidated financial statements for a description of inventories.

Description of key audit matters

The Group's main business is manufacturing and selling auto parts, doors, fenders and molds for collision repair. The products are mainly sold to the repair market for vehicles in the existing market. In the collision repair market, product market life and sales cycle are based on the vehicle models sold. Therefore, the Group adjusts the production quantity of each product in each year based on the market circulation status of each vehicle model.

The Group's production process involves cutting, pressing, sheet metal and baking paint (baking rust-proof paint). Under normal circumstances, such components are less susceptible to deterioration and damage. In the financial statements, inventories are measured at a lower cost or net realizable value. Although the sales prices are adjusted based on the cost of raw materials, the quoted price in U.S. dollars is susceptible to exchange rate fluctuations and competition, which may result in the risk that the carrying value of inventories may exceed the net realizable value, since the amount of inventories is significant and there are many items. Therefore, the Group's measurement of impairment losses on inventory is one of the most significant matters to be audited.

Audit procedures in response

We perform the audit procedures regard to the above key audit matters included:

- Obtain an analysis of the year ending inventory's cost and the lower of net realizable value, and check the total number of each inventory item in the general ledger and the sub-ledger.
 - Compare the policies on the allowance to reduce inventory to market value in the current financial reporting period with those in the previous, and assess whether the policies are reasonable.
 - Sampling the estimated sale prices of finished goods and products are based on the last sale price before and after the reporting date of the financial statements, and evaluate the basis for calculating the selling expense ratio to confirm the reasonableness of the net realizable value.
 - Evaluate whether the analysis of the year ending inventory and net realizable value provided by management has been compared on an item-by-item basis and calculated.
 - Evaluate whether management has adequately disclosed the allowance to reduce inventory to market value.
2. The assessment of financial assets at fair value through other comprehensive income.

For the accounting policies of financial assets at fair value through other comprehensive income, refer to Note 4(9) of the consolidated financial statements; for a description of financial assets at fair value through other comprehensive income, refer to Note 6(3) of the consolidated financial statements.

Description of key audit matters

Financial assets at fair value through other comprehensive income are measured at fair value. The financial assets at fair value through other comprehensive income held by the Group are unlisted companies, whose fair value is not available in an active market, therefore, are valued with the market-based approach. The market-based approach requires a more subjective valuation technique, which significantly affects the fair value measurement results and affects the fair value recognition of financial assets at fair value through other comprehensive income. Therefore, the Group's fair value assessment of financial assets at fair value through other comprehensive income is one of the most significant key audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain the opinion from external experts and inquire about their professional

qualifications, experience and reputation to ensure the credibility of their skills and capabilities.

- Check the objectivity of the external experts to confirm whether their opinions can be reasonably adopted.
- Evaluate whether the values of the amount and ratio of the comparable subject matter used in the external expert opinion are unreasonable in relation to the information about the comparable company obtained from the Market Observation Post System.
- Check the parameters of the evaluation model and the settings of the calculation formula for inconsistencies or errors.

3. Measurement of impairment of property, plant and equipment

Refer to Note 4(7) of the consolidated financial statements for the accounting policy for impairment of tangible and intangible assets (exclude goodwill); refer to Note 5(2) of the consolidated financial statements for the accounting estimates and uncertainties of the assumptions used in assessing the impairment of tangible assets; refer to Note 6(7) of the consolidated financial statements for the description of property, plant and equipment.

Description of key audit matters

The Group needs to continuously develop tooling in order to produce products for various vehicles in the market. Depreciation has been provided over the useful life of tooling in line with the average age of vehicles. However, due to competition and market conditions, the Group conducts an annual assessment of property, plant and equipment for impairment. The Company is a single cash-generating unit. Therefore, the Company discounts the estimated future cash flows using an appropriate discount rate to measure the cash-generating unit's recoverable amount as a basis for assessing whether the property, plant and equipment is impaired.

The Group uses estimated future cash flows as a measure of recoverable amounts of property, plant and equipment. The assumptions used in forecasting are prone to subjective judgments and are highly uncertain, resulting in a significant effect on the recoverable amount, which in turn affects whether the property, plant and equipment are impaired. Therefore, the measurement of the impairment of property, plant and equipment of the Group is one of the most significant audit matters.

Audit procedures in response

Our audit procedures regarding to the above key audit matters included:

- Obtain documents related to the Group's self-assessment of asset impairment and review whether there is any indication of impairment.
- Examine the expected future cash flows and estimate whether the average net cash

inflows for the current year are materially different from the estimated annual net cash inflows adopted by the Group based on its actual net earnings before interest, taxes, depreciation, and amortization (EBITDA) for the last five years.

- Review the projected growth rates whether there are unreasonable when compared to historical results, economic and industry forecasts.
- Review the discount rate used whether there is unreasonable when compared to the cash-generating unit's cost of capital assumptions.
- Check the parameters of the evaluation model and the settings of the calculation formula whether there are existing inconsistencies or errors.

Other Matters

The Company has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have audited and issued an unmodified opinion, respectively.

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

Management has the responsibility for the preparation and represents fairly of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable

assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, and 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 auditing standards generally accepted in the Republic of China, we performed professional judgment and maintain professional skepticism throughout the audit. We also:

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

the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit, and provide an 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 the most significant audit matters of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless the 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 Chia-Yu Lai and Li-Chen Peng.

Baker Tilly Clock & Co

March 8, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flow in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Assets	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4.6(1)	\$ 699,199	13	\$ 699,763	13
1110	Financial assets at fair value through profit or loss	4.6(2)	4,320	—	4,871	—
1150	Notes receivables	4.6(5)	25,552	1	25,616	1
1170	Accounts receivables	4.6(5)	485,060	9	407,089	7
1200	Other receivables		10,862	—	10,856	—
130x	Inventories, net	4.5.6(6)	634,214	12	784,551	14
1410	Prepayments	6(9)	92,343	2	87,991	2
11xx	Total current assets		1,951,550	37	2,020,737	37
15xx	Non-current assets					
1517	Financial assets at fair value through other comprehensive income	4.6(3)	105,112	2	118,825	2
1535	Financial assets at amortized cost	4.6(4).8	2,300	—	2,300	—
1600	Property, plant and equipment	4.5.6 (7).8	3,026,076	57	3,149,208	58
1755	Right-of-use assets	4.5.6(8)	19,815	—	5,083	—
1840	Deferred tax assets	4.6(23)	10,514	—	7,396	—
1915	Prepayment for equipment	4.6(9)	216,189	4	127,828	3
1920	Guarantee deposits paid		546	—	526	—
15xx	Total non-current assets		3,380,552	63	3,411,166	63
	Total assets		\$ 5,332,102	100	\$ 5,431,903	100

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

(Continued)

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Liabilities And Equity	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
21xx	Current Liabilities					
2100	Current borrowings	6(10)	\$ 210,000	4	\$ 497,000	9
2110	Short-term notes and bills payables	6(11)	—	—	39,982	1
2150	Notes payables	6(12)	36,965	1	1,578	—
2170	Accounts payables	6(12)	397,052	7	263,995	5
2200	Other payables		82,321	2	80,001	1
2213	Payables on equipment		95,589	2	79,655	1
2230	Current tax liabilities	4.6(23)	88,477	2	75,782	1
2280	Lease liabilities - current	4.6(8)	5,315	—	3,318	—
2300	Other current liabilities		21,463	—	26,232	1
2322	Current portion of long-term borrowings	6(13)	145,857	3	145,857	3
21xx	Total current liabilities		1,083,039	21	1,213,400	22
25xx	Non-Current liabilities					
2540	Long-term borrowings	6(13)	1,449,098	27	1,594,956	29
2571	Deferred tax liabilities - land value increment tax	4	74,336	1	74,336	1
2572	Deferred tax liabilities - income tax	4.6(23)	466	—	3,786	—
2580	Lease liabilities - non-current	4.6(8)	14,601	—	1,845	—
2640	Net defined benefit liabilities - non-current	4.6 (14)	12,598	—	17,539	1
25xx	Total non-current liabilities		1,551,099	28	1,692,462	31
2xxx	Total liabilities		2,634,138	49	2,905,862	53
31xx	Equity attributable to shareholders of the parent	6(15)				
3100	Capital					
3110	Common stock		1,653,104	31	1,653,104	31
3200	Capital surplus		935	—	850	—
3300	Retained earnings					
3310	Legal reserve		113,766	2	80,137	1
3320	Special reserve		98,923	2	98,923	2
3350	Unappropriated earnings		792,116	15	640,194	12
3400	Other equity	6(15)	39,120	1	52,833	1
31xx	Total equity attributable to shareholders of the parent		2,697,964	51	2,526,041	47
36xx	Non-controlling interests		—	—	—	—
3xxx	Total equity		2,697,964	51	2,526,041	47
	Total liabilities and equity		\$ 5,332,102	100	\$ 5,431,903	100

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	4.6(17)	\$ 2,697,553	100	\$ 2,439,452	100
5000	Operating costs		(1,968,591)	(73)	(1,883,014)	(77)
5900	Gross profit		728,962	27	556,438	23
6000	Operating expenses					
6100	Selling and marketing expenses		(186,130)	(7)	(174,262)	(7)
6200	General and administrative expenses		(100,515)	(4)	(93,941)	(4)
6300	Research and development expenses		(4,833)	—	(4,539)	—
6450	Expected credit losses	6(5), 6(22)	(1,834)	—	(621)	—
6000	Total operating expenses		(293,312)	(11)	(273,363)	(11)
6900	Net operating income		435,650	16	283,075	12
7000	Non-operating income and expenses					
7100	Interest income	6(18)	18,589	1	12,810	—
7010	Other income	4.6 (19)	16,224	—	14,672	1
7020	Other gains and losses	6(20)	(4,851)	—	138,624	6
7050	Finance costs	6(21)	(29,878)	(1)	(31,254)	(2)
7000	Total non-operating income and expenses		84	—	134,852	5
7900	Profit from continuing operations before income tax		435,734	16	417,927	17
7950	Income tax expenses	4.6(23)	(84,174)	(3)	(81,482)	(3)
8200	Net income		351,560	13	336,445	14
8300	Other comprehensive (loss) income					
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasurements of defined benefit plans	6(14)	(874)	—	(194)	—
8316	Unrealized (loss)gain on investments in equity instruments at fair value through other comprehensive income	6(15)	(13,713)	—	(8,069)	—
8349	Income tax relating to items that will not be reclassified subsequently	6(23)	175	—	39	—
8300	Other comprehensive (loss) income		(14,412)	—	(8,224)	—
8500	Total comprehensive income		\$ 337,148	13	\$ 328,221	14
8600	Net profit attributable to:					
8610	Shareholders of the parent		\$ 351,560		\$ 336,445	
8620	Non-controlling interests		—		—	
			\$ 351,560		\$ 336,445	
8700	Total comprehensive income attributable to:					
8710	Shareholders of the parent		\$ 337,148		\$ 328,221	
8720	Non-controlling interests		—		—	
			\$ 337,148		\$ 328,221	
	Earnings per share	6(16)				
9750	Basic		\$ 2.13		\$ 2.04	
9850	Diluted		\$ 2.12		\$ 2.03	

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Item	Equity attributable to shareholders of the parent company							Total	Total equity
	Share capital		Retained earnings			Other equity			
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income			
A1	Balance at January 1, 2022	\$ 1,653,104	\$ 850	\$ 73,760	\$ 98,923	\$ 359,875	\$ 60,902	\$ 2,247,414	\$ 2,247,414
B1	Legal reserve	—	—	6,377	—	(6,377)	—	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(49,594)	—	(49,594)	(49,594)
D1	Net income in 2022	—	—	—	—	336,445	—	336,445	336,445
D3	Other comprehensive income in 2022	—	—	—	—	(155)	(8,069)	(8,224)	(8,224)
D5	Comprehensive income in 2022	—	—	—	—	336,290	(8,069)	328,221	328,221
Z1	Balance at December 31, 2022	1,653,104	850	80,137	98,923	640,194	52,833	2,526,041	2,526,041
B1	Legal reserve	—	—	33,629	—	(33,629)	—	—	—
B5	Cash dividends distributed by the Company	—	—	—	—	(165,310)	—	(165,310)	(165,310)
C17	Other changes in capital surplus	—	85	—	—	—	—	85	85
D1	Net income in 2023	—	—	—	—	351,560	—	351,560	351,560
D3	Other comprehensive income in 2023	—	—	—	—	(699)	(13,713)	(14,412)	(14,412)
D5	Comprehensive income in 2023	—	—	—	—	350,861	(13,713)	337,148	337,148
Z1	Balance at December 31, 2023	\$ 1,653,104	\$ 935	\$ 113,766	\$ 98,923	\$ 792,116	\$ 39,120	\$ 2,697,964	\$ 2,697,964

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

GORDON AUTO BODY PARTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

(In Thousands of New Taiwan Dollars)

Code	Item	2023	2022
AAAA	Cash flows from (used in) operating activities:		
A10000	Profit from continuing operations before income tax	\$ 435,734	\$ 417,927
A20010	Adjustments:		
A20100	Depreciation expense	340,276	362,562
A20300	Expected credit losses (gains)	1,834	621
A20400	Net loss(profit) on financial assets at fair value through profit or loss	(477)	511
A20900	Interest expense	29,878	31,254
A21200	Interest income	(18,589)	(12,810)
A21300	Dividend income	(12,570)	(9,311)
A22500	Gain on disposal of property, plant and equipment	(5,713)	(17,303)
A23100	Loss (gain) on disposal of investment	(8)	1
A30000	Changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets mandatorily classified as at fair value through profit or loss	1,036	(987)
A31130	Notes receivables	64	7,487
A31150	Accounts receivables	(79,805)	(48,078)
A31180	Other receivables	(1,242)	3,220
A31200	Inventories	150,337	(41,034)
A31230	Prepayments	(4,352)	9,701
A32130	Notes payables	35,387	(4,653)
A32150	Accounts payables	133,057	(17,940)
A32180	Other payables	2,432	26,991
A32230	Other current liabilities	(4,769)	16,670
A32240	Net defined benefit liabilities	(5,815)	(2,517)
A33000	Cash inflow generated from operations	996,695	722,312
A33100	Interest received	19,825	10,540
A33300	Interest paid	(29,806)	(30,740)
A33500	Income taxes paid	(77,742)	(20,050)
AAAA	Net cash flows from operating activities	908,972	682,062
BBBB	Cash flows from (used in) investing activities:		
B02700	Acquisition of property, plant and equipment	(213,931)	(233,987)
B02800	Proceeds from disposal of property, plant and equipment	7,499	24,001
B03700	Increase in refundable deposits	(20)	—
B07100	Increase in prepayment of equipments	(72,427)	—
B07200	Decrease in prepayment of equipments	—	20,118
B07600	Dividends received	12,570	9,311
BBBB	Net cash flows used in investing activities	(266,309)	(180,557)
CCCC	Cash flows from (used in) financing activities:		
C00100	Increase in short-term borrowings	—	134,892
C00200	Decrease in short-term borrowings	(287,000)	—
C00600	Decrease in short-term bills payables	(39,982)	(129,935)
C01700	Decrease in long-term borrowings	(145,858)	(353,249)
C04020	Payment of lease liabilities	(5,162)	(4,159)
C04500	Cash dividends	(165,310)	(49,594)
C09900	The statute barred dividends for the shareholders	85	—
CCCC	Net cash flows used in financing activities	(643,227)	(402,045)
EEEE	Net increase (decrease) in cash and cash equivalents	(564)	99,460
E00100	Cash and cash equivalents at beginning of year	699,763	600,303
E00200	Cash and cash equivalents at end of year	\$ 699,199	\$ 699,763

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

Appendix I

Articles of Incorporation of Gordon Auto Body Parts Co., Ltd.

Chapter 1 General Provisions

Article 1: The company is organized in accordance with the provisions of the Company Law and named as Gordon Auto Body Parts Co., Ltd. The English name is GORDON AUTO BODY PARTS CO., LTD.

Article 2: The business of the company is as follows:

1. CQ01010 Mold manufacturing.
2. CD01030 Automobile and its parts manufacturing.
3. CA02990 Other metal products manufacturing.
4. CB01010 Machinery and equipment manufacturing.
5. CD01060 aircraft and its parts manufacturing.
6. CA01050 steel secondary processing industry.
7. F401010 International trade industry.
8. In addition to the licensed business, ZZ99999 may operate businesses that are not prohibited or restricted by law.

Article 3: The company shall set up its head office in Taoyuan City and may establish branch offices at home and abroad upon the resolution of the board of directors when necessary.

Article 3-1: The company may re-invest as necessary for business operations, and the total amount of re-investment is not subject to the restriction that re-investment shall not exceed 40% of the paid-in share capital in Article 13 of the Company Law.

Article 4: (Deleted)

Chapter II Shares

Article 5: The capital of the company is rated at NT\$250 million, divided into 250 million shares, each with a face value of NT\$10, and the board of directors is authorized to issue them in installments.

Article 6: The company's shares are issued in registered form, signed or stamped by the directors representing the company, and issued after obtaining a visa in accordance with the law. The shares of the company may also be issued in the form of printing-free stock certificates, but registration should be made with the centralized securities custodian institution.

Article 7: (Deleted)

Article 8: (Deleted)

Article 9: (Deleted)

Article 10: The change of name and transfer of shares shall be suspended within 60 days before the ordinary shareholders' meeting, within 30 days before the extraordinary shareholders' meeting, or within 5 days before the base day before the company decides to distribute dividends, bonuses or other benefits.

Chapter III Shareholders' Meeting

Article 11: The shareholders' meeting is divided into two types: regular meeting and temporary meeting. The regular meeting is held once a year, and the board of directors shall convene it according to law within six months after the end of each fiscal year. Temporary meetings are convened according to law when necessary.

Article 11-1: The company's shareholders' meeting may be held by video conference or other methods announced by the central competent authority.

The requirements, operating procedures, and other matters to be complied with for the adoption of video shareholders' meetings shall be governed by the regulations of the securities regulatory authority if otherwise stipulated.

Article 12: The general meeting of shareholders shall be convened 30 days before the meeting, and the extraordinary meeting shall be convened 15 days before the meeting. Shareholders shall be notified of the date, venue and reasons for the meeting, and announced in accordance with the law.

- Article 13: If the shareholders meeting is convened by the board of directors, its chairman shall be convened in accordance with the provisions of Paragraph 3 of Article 208 of the Company Law, and if it is convened by a person with the right to convene other than the board of directors, the chairman shall be the person with the right to convene. When there are more than two rights holders, one person shall be elected from each other.
- Article 14: If a shareholder is unable to attend the shareholders' meeting for some reason, he must issue a power of attorney issued by the company stating the scope of authorization, and sign and seal to entrust an agent to attend. A shareholder is limited to issuing one power of attorney and entrusting one person. If there are duplicate powers of attorney, the one that is served first shall prevail, except for those who declare that the power of attorney was revoked; if one person is entrusted by two or more shareholders at the same time, The voting rights of its proxy shall not exceed 3% of the total voting rights of the issued shares, and the voting rights in excess of which shall not be counted.
- Article 15: Unless otherwise stipulated by laws and regulations, the shareholders of the company shall have one vote per share.
- Article 16: Unless otherwise provided by the Company Law, resolutions of the shareholders' meeting shall be attended by shareholders representing more than half of the total number of issued shares, and shall be implemented with the consent of more than half of the voting rights of the shareholders present.
- Article 17: When the shareholders' meeting elects directors, each share has the same voting rights as the directors to be elected. One person may be elected centrally, or several people may be allocated for election. The person with more votes represented by the votes obtained is elected.
- Article 18: The resolution minutes of the shareholders' meeting shall record the date, venue, name of the chairman, the method of resolution and the proceedings and results of the meeting, which shall be signed or sealed by the chairman and distributed to all shareholders within 20 days after the meeting. The distribution of minutes of proceedings may be done by public announcement.

Chapter 4 Directors

- Article 19: The company has 7 to 11 directors with a term of three years. The candidate nomination system is adopted. The shareholders' meeting selects and appoints the candidates from the list of candidates. The nomination method is in accordance with Article 192-1 of the Company Law. Provisions to handle, re-election can be re-elected. The total amount of shares held by all directors shall comply with the provisions of the "Regulations on the Shareholding Ratio of Directors and Supervisors of Publicly Issued Companies and the Implementation Rules for Inspection".
- Among the number of directors in the preceding paragraph, the number of independent directors shall not be less than three, and shall not be less than one-fifth of the number of directors. The professional qualifications, shareholding, part-time restrictions, nomination and selection methods, and other matters to be complied with for independent directors in the preceding paragraph shall be in accordance with the relevant regulations of the securities regulatory authority.
- Article 19-1: The company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is composed of all independent directors. The exercise of the functions and powers of the audit committee and its members and related matters shall be handled in accordance with the relevant laws and regulations of the Securities and Exchange Act. .
- Article 20: The board of directors shall be organized by the directors, and a chairman and a vice-chairman shall be elected by the attendance of more than two-thirds of the directors and the consent of more than half of the directors present. The chairman of the board shall represent the company externally and the shareholders' meeting internally Chairman of the Board of Directors.
- Article 21: If the chairman asks for leave or is unable to exercise his powers for some reason, the vice chairman shall act as his agent. When the vice chairman is also absent, the chairman shall appoint a director to act as his agent. If the chairman does not designate an agent, the directors shall recommend one person to each other agent.

Article 22: When the board of directors holds a meeting, the directors shall attend in person. If they cannot attend in person, they shall issue a power of attorney and entrust other directors to act as their representatives. The representative of directors in this paragraph is limited to the entrustment of one person. . Unless otherwise provided by the Company Law, resolutions of the board of directors shall be made with the attendance of more than half of the directors, and shall be implemented with the consent of more than half of the directors present.

Article 23: When the vacancy of directors reaches one-third, the board of directors shall convene a shareholders' meeting according to law to elect them. Directors elected by by-election shall hold office for the remainder of the previous term.

Article 24: If the company sells, purchases major assets, or borrows from external parties or provides external guarantees, unless otherwise stipulated by the company law, more than two-thirds of the directors shall be authorized to attend, and it shall be done with the consent of more than half of the directors present.

Article 24-1: When directors perform their duties in the company, regardless of the company's profit or loss, the company may pay remuneration, and the remuneration shall be determined according to the level of participation in the company's operations and the value of its contribution, taking into account the general level of the industry and authorizing the board of directors.

Article 25: (deleted)

Article 26: (Deleted)

Article 27: (Deleted)

Article 28: (Deleted)

Chapter 5 Managers

Article 29: The company may set up managers, whose appointment and dismissal shall be carried out with the consent of more than half of the directors.

Chapter 6 Accounting

Article 30: At the end of each fiscal year, the board of directors shall prepare (1) business reports, (2) financial statements, and (3) proposals for distribution of profits or making up for losses, etc., and submit them to the general meeting of shareholders in accordance with the law for approval.

Article 31: (Deleted)

Article 32: If the company has a profit in the year, it shall allocate no less than 1% as employee compensation, and no more than 3% as director compensation. However, when the company still has accumulated losses, it should reserve the amount in advance to make up for it.

The object of the Company's distribution of employee remuneration includes employees of controlled or subordinate companies who meet certain conditions, and the conditions are authorized to be decided by the board of directors.

Article 32-1: If there is a surplus in the company's annual final accounts, it shall first pay taxes, make up for accumulated losses, and then withdraw 10% of the statutory surplus reserve, and then allocate or reverse special funds in accordance with the Securities and Exchange Law and the regulations of the competent authority. After the surplus reserve, if there is still a balance, the balance should be added to the accumulated undistributed surplus of the previous year before distributing dividends to shareholders. 10% of the distributable surplus for the year.

The above-mentioned earnings distribution shall be proposed by the Board of Directors with a distribution proposal. When it is made by way of new shares, it shall be submitted to the shareholders' meeting for resolution. The Company shall distribute all or part of dividends and bonuses in the form of cash, authorize the board of directors to do so with the presence of more than two-thirds of the directors, and with the approval of more than half of the directors present, and report to the general meeting of shareholders.

When there is a reversal of the amount of the deduction of the shareholders' equity in the preceding paragraph, the surplus may be distributed according to the reversal part. The company is in the business growth stage. In order to cope with the continuous expansion of the business scale, the cash dividend among the types of dividends shall not be less than 10% of the total number of shareholders' dividends.

Article 32-2: The Company will issue all or a part of the statutory surplus reserve and capital reserve to new shares or cash in proportion to the shareholders' existing shares. In the case of cash distribution, the board of directors shall be authorized to use two-thirds of the the attendance of the above directors, and the resolutions of more than half of the directors present, shall be reported to the general meeting of shareholders.

Chapter 7 Supplementary Provisions

Article 33: Matters not stipulated in this Articles of Association shall be handled in accordance with the provisions of the Company Law.

Article 34: The Articles of Association shall be made on January 20, 1986.

The first amendment was made on December 6, 1986.

The second amendment was made on July 20, 1987.

The third amendment was made on January 15, 1988.

The fourth amendment was made on February 15, 1990.

The fifth amendment was made on March 3, 1990.

The sixth amendment was made on May 1, 1991.

The seventh amendment was made on April 9, 1992.

The eighth amendment was made on April 16, 1993.

The ninth amendment was made on April 25, 1994.

The tenth amendment was made on May 25, 1995.

The eleventh amendment was made on May 29, 1996.

The twelfth amendment was made on May 10, 1997.

The thirteenth amendment was made on April 16, 1998.

The fourteenth amendment was made on August 25, 1998.

The fifteenth amendment was made on May 6, 2000.

The sixteenth amendment was made on May 16, 2001.

The seventeenth amendment was made on May 16, 2001.

The eighteenth amendment was made on May 31, 2002.

The nineteenth amendment was made on May 31, 2002.

The twentieth amendment was made on June 18, 2003.

The twenty-first amendment was made on June 18, 2003.

The twenty-second amendment was made on June 11, 2004.

The twenty-third amendment was made on June 11, 2004.

The twenty-fourth amendment was made on June 3, 2005.

The twenty-fifth amendment was made on June 3, 2005.

The twenty-sixth amendment was made on June 16, 2006.

The twenty-seventh amendment was made on June 21, 2007.

The twenty-eighth amendment was made on June 13, 2008.

The twenty-ninth amendment was made on June 19, 2009.

The thirtieth amendment was made on June 12, 2012.

The thirty-first amendment was made on September 6, 2013.

The thirty-second amendment was made on June 11, 2015.

The thirty-third amendment was made on June 29, 2016.

The thirty-fourth amendment was made on June 13, 2019.

The thirty-fifth amendment was made on June 10, 2020.

The thirty-sixth amendment was made on June 14, 2022.

Appendix II

Rules and Procedures of Shareholder Meeting

Article 1: To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2: 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 3: Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. for physical shareholders meetings, to be distributed on-site at the meeting.
2. for hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

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

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 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: (Principles determining the time and place of a shareholders meeting)

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. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 6 : (Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel

assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

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

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

Article 6-1 : (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:

1. 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:
 - A. 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.
 - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. 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.
 - D. 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 7: (The chair and non-voting participants of a shareholders meeting)

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.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by 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.

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: (Documentation of a shareholders meeting by audio or video)

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.

The recorded materials of the preceding paragraph 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.

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

The information and audio and video recording in the preceding paragraph shall be properly kept by 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.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9:

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 attendance book and 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.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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 6.

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: (Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). 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, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

Article 11: (Shareholder speech)

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.

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 paragraphs 1 to 5 do not apply.

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

Article 12: (Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 13:

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. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or 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.

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

When 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.

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

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

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

Article 14: (Election of directors and supervisors)

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. 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 15:

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 or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

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

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

Article 16: (Public disclosure)

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

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

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: (Maintaining order at the meeting place)

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."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

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

Article 18: (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

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

Article 19: (Disclosure of information at virtual meetings)

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

Article 20: (Location of the chair and secretary of virtual-only shareholders meeting)

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

Article 21: (Handling of disconnection)

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

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

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

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

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

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

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

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

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

Article 22: (Handling of digital divide)

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

Article 23:

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix III

Current Shareholding of Directors

(I)、Directors shareholding status table

The minimum number of shares held by all directors and the detailed list of the number of shares held by the shareholder register

Job title	Number of shares to be held	Number of shares registered in the register of shareholders
Director	9,918,623	42,949,674

Closing date of transfer of ownership: April 14, 2024

(II)、Director's shareholding list

Job title	Name	Number of shares registered in the register of shareholders
Chairman	MAO YUAN LI	12, 235, 873
Director	JIAN CHUN FANG	12, 535, 643
Director	XIUHUI LI WANG	6, 869, 398
Director	HEHAN INVESTMENT CO., LTD.	6, 051, 760
Director	Y.C.C. PARTS MFG. CO., LTD.	5, 257, 000
Independent Director	DAWEI WANG	0
Independent Director	DECAI ZHENG	0
Independent Director	QING EN PENG	0
Independent Director	HOU DE CHEN	0

Closing date of transfer of ownership: April 14, 2024