

Stock Code: 5450



南良國際股份有限公司
NAM LIONG GLOBAL CORPORATION

2024 Annual Shareholders' Meeting

Meeting Agenda (Translation)

Meeting Type: Physical Shareholders' Meeting

Time: June 25, 2024, at 9:00 am

Place: B1 F, No. 269, Chongyang Rd., Nangang Dist., Taipei City 115, Taiwan

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NAM LIONG GLOBAL CORPORATION

Procedures for the 2024 Annual Shareholders' Meeting

- I. Call the Meeting to Order
- II. Chairman's Remarks
- III. Report Matters
- IV. Acknowledgement Matters
- V. Discussion Matters
- VI. Extemporary Motions
- VII. Adjournment

NAM LIONG GLOBAL CORPORATION

Agenda of the 2024 Annual Shareholders' Meeting

Time: June 25, 2024, at 9:00 am

Place: B1 F, No. 269, Chongyang Rd., Nangang Dist., Taipei City 115, Taiwan

Meeting Type: Physical Shareholders' Meeting

Meeting Agenda:

- I. Call the Meeting to Order (Report on Number of Shares Present)
- II. Chairman's Remarks
- III. Report Matters
 1. 2023 Business Report.
 2. Audit Committee's Review Report on the 2023 Financial Statements.
 3. Distribution of Employees' and Directors' Compensation in 2023.
 4. Report on Director Remuneration for 2023.
 5. Report on Investment Business.
- IV. Acknowledgement Matters
 1. Adoption of the 2023 Business Report and Financial Statements.
 2. Adoption of the Proposal for 2023 Distribution of Earnings.
- V. Discussion Matters
 1. Amendment to the Company's "Articles of Association".
- VI. Extemporary Motions
- VII. Adjournment

I. Call the Meeting to Order

II. Chairman's Remarks

III. Report Matters

Report No. 1: 2023 Business Report.

Explanation: The attached 2023 Business Report and 2023 Financial Statements are found on page 8-15 of this handbook (Attachment 1) and page 17-40 (Attachment 3).

Report No. 2: Audit Committee's Review Report on the 2023 Financial Statements.

Explanation: The attached 2023 Audit Committee's Review Report is found on page 16 of this handbook (Attachment 2).

Report No. 3: Distribution of Employees' and Directors' Compensation in 2023.

Explanation:

- (1). In accordance with the Articles of Incorporation, the compensation payable to employees shall be 2% to 20% of profit, and shall not exceed 20% of the Company's net profits. The compensation payable to directors and supervisors shall not exceed 2% of the Company's net profits.
- (2). The company's employee remuneration and director's remuneration for 2023 have been reviewed by the Salary and Remuneration Committee on March 8, 2024 and approved by the board of directors' resolution on March 12, 2024. The employee remuneration is NT\$569,000, and the director's remuneration is NT\$450,000. The aforementioned remuneration all are issued in cash.

Report No. 4: Report on Director Remuneration for 2023.

Explanation: Details of Directors' Remuneration Payment is found on page 41 of this handbook (Attachment 4).

Report No. 5: Report on Investment Business.

Explanation: Below is the list and details of investment businesses approved by the Board of Directors until the 31st of December 2023.

Unit: Unless otherwise specified, the unit shall be based on NT\$ thousand

Name of investee	Original Investment Amount		Share of Profit (Loss)	Held at end of year	
	Closing balance (2023/12/31)	Closing balance (2022/12/31)		Number of shares	Percentage (%)
GREENCHEM INTERNATIONAL CO., LTD.	240,000	240,000	12,404	8,000,000	100
ELEMENTECH INTERNATIONAL CO., LTD.	224,500	154,500	(42,307)	16,846,640	100
NAM LIONG INTERNATIONAL INVESTMENT & HOLDING CORP.	US\$1,930 thousand	US\$1,930 thousand	427	1,930,000	100
SPEEDBEST INTERNATIONAL LIMITED	US\$6,810 thousand	US\$6,810 thousand	2,571	6,810,000	100
NAM LIONG ENTERPRISE CO., LTD (VIETNAM).	US\$1,600 thousand	US\$1,600 thousand	(14,505)	-	100
ELEMENTECH (HONG KONG) LIMITED	HK\$16,056 thousand	HK\$15,856 thousand	(27,996)	-	100
GREENCHEM INTERNATIONAL SHANGHAI CO., LTD.	US\$200 thousand	US\$200 thousand	21,766	-	100
SUZHOU GREATSUN ELECTRONICS	US\$2,000 thousand	US\$2,000 thousand	(27,859)	-	100
JIAXING NANXIONG POLYMER CO., LTD.	US\$8,583 thousand	US\$8,583 thousand	2,389	-	100
DONG GUAN NAMLIONG RUBBER MANUFACTURES CO., LTD.	US\$2,651 thousand	US\$2,651 thousand	607	-	100

IV. Acknowledgement Matters

Report No. 1: (Proposed by the Board of Directors)

Subject: Adoption of the 2023 Business Report and Financial Statements.

Explanation:

- (1). The Company's 2023 Parent Company Only Financial Statements and Consolidated Financial Statements (Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows) have been certified by Chang, Cheng-Hsiu and Huang, Hsiu-Chun of Deloitte & Touche. The reports and business report have also been reviewed by the audit committee.
- (2). Please refer to pages 8-15 of this Handbook (Attachment 1) and pages 17-40 of this Handbook (Attachment 3) for the 2023 Business Report, Independent Auditor's Report and aforementioned financial reports.
- (3). This proposal was put forth for approval.

Resolution:

Report No. 2: (Proposed by the Board of Directors)

Subject: Adoption of the Proposal for 2023 Distribution of Earnings.

Explanation:

- (1). 1. The 2023 Net profit after tax was NT \$ 12,545,863. The Board has adopted a Proposal for the 2023 Distribution of Earnings as shown below:

NAM LIONG GLOBAL CORPORATION

Earnings Distribution Table

2023

Unit: NTD\$

Item	Total	
Beginning unappropriated retained earnings		\$138,487,040
Net profit after tax	\$12,545,863	
Remeasurements of the net defined benefit recognized in retained earnings	18,913	
The amount of other losses adjusted to the current year's undistributed earnings other than after-tax net income for the period		12,564,776
Legal reserve recognized (10%)		(1,256,478)
Distributable net earnings		149,795,338
Distributable Items:		
Cash dividends - NT\$ 0.25 per share		(30,598,062)
Unappropriated retained earnings		\$119,197,276

Chairman:

Shao, Ten-Po

General Manager:

Chang, Shun-Ching

Accounting Manager:

Su, Meng-Hsu

2. According to the Proposal for 2023 Distribution of Earnings, the cash dividends was NT\$ 0.25 per share, with a distribution earnings of NT\$ 30,598,062. The aforementioned cash dividend shall be rounded down to the nearest dollar, and the total of any fractional amount less than one dollar shall have decimals ordered from greatest to least, with the account no. from front-to-back order to meet the total cash dividends distribution. The above distribution ratio is calculated based on the number of issued

and outstanding ordinary shares of 122,392,250 shares.

3. Upon approval during the Annual Meeting of Shareholders, it was proposed that the Chairman be authorized to resolve the ex-dividend date, issue date, and other relevant issues.
4. If the dividend ratio is affected later on by changes in the outstanding shares due to change in share capital, shares repurchased by the Company or the Company's Employees, and change or cancellation of treasury shares, resulting in adjustment of dividend for distribution per share, it was proposed that the Chairman be authorized to facilitate such adjustment.

(2). This proposal was put forth for approval.

Resolution:

V. Discussion Matters

Report No. 1: (Proposed by the Board of Directors)

Subject: Amendment to the Company's "Articles of Association".

Explanation:

- (1). In response to the need for corporate operational, it is proposed to amend of the Company's "Articles of Association".
- (2). Please refer to pages 42 of this Handbook (Attachment 5) for The Comparison Table of Amended Articles of Incorporation.
- (3). This proposal was put forth for approval.

Resolution:

VI. Extemporary Motions

VII. Adjournment

VIII. Attachments

Attachment 1

2023 Business Report

In 2023, the business performance was adversely affected by tightening consumer demand compared to the previous year. Both year's revenue and net profit faced significant pressures, exhibiting a decline. The primary markets experiencing contraction in orders extended beyond China to include the United States, Central and South America, and European markets. This decline was largely attributed to the downstream of customers' destocking activities and the derivative effects of inflation. Order contraction persisted into July of the first half of the year, primarily affecting water-related products, safety protection products, and the apparel market. Both overseas and domestic facilities were impacted. Following adjustments in various operational strategies, a gradual recovery commenced and continued until the year-end.

Below is the report on the 2023 and 2024 business plans:

1. 2023 Business Report

(1). 2023 Business Achievement Report

A. Income and Expenses:

- a The Net Operating Revenue in 2023 was NT \$ 1,611,660 thousand, an decrease of NT\$ 402,999 thousand, compared to the Net Operating Revenue in 2022 of NT \$ 2,014,659 thousand. The Consolidated Net Revenues in 2023 was NT \$ 2,411,798 thousand, an decrease of NT\$ 670,429 thousand, compared to the Consolidated Net Revenues in 2022 of NT\$ 3,082,227 thousand.
- b The Cost of Revenue in 2023 was NT\$ 1,181,423 thousand, which was 73.30% of the Net Operating Revenue. The Consolidated Cost of Revenue in 2023 was NT\$ 1,806,711 thousand, which was 74.91% of the Consolidated Net Operating Revenue.
- c The Operating Expenses in 2023 was NT\$ 368,708 thousand, which was 22.88% of the Net Operating Revenue. The Consolidated Operating Expenses in 2023 was NT\$ 586,123 thousand, which was 24.30% of the

Consolidated Net Operating Revenue.

B. Net Profit

- a The Net Income in 2023 was NT\$ 12,546 thousand. The Earnings Per Share (EPS) was NT\$ 0.10.
- b The Consolidated Net income in 2023 was NT\$ 12,546 thousand. The Earnings Per Share (EPS) was NT\$ 0.10.

(2). Report on Budget Implementation

Not applicable, the company has not prepared a financial forecast for 2023.

(3). Analysis of Financial Balance and Profitability

Unit: NT\$; %

Item	Ratio (%)
Return on Assets (ROA)	0.88
Return on Equity (ROE)	0.75
Profit Before Tax to Capital Stock	3.28
Net profit margin	0.52
Basic earnings per share	0.10

(4). Research & Development Results

The consolidated research and development expense in 2023 was NT\$ 74,137 thousand, which was 3.07% of the Consolidated Net Operating Revenue.

Textile Composites

- A. In 2023, significant tangible benefits have been gradually realized in the development of Eco-Family initiatives. With materials products oriented towards the principles of Reduce, Replace, and Recycle, they have gained recognition from major brands and consumers, contributing to a revenue share exceeding 20%, which continues to rise rapidly. Particularly in the field of polymers, whether in sponge foaming or specialty film products, advancements in the substitution of bio-based materials and the enhancement of substitution ratios to the application of recycled materials have steadily gained market certification and customer recognition. This positions them as products with significant potential for the future.
- B. In terms of environmental-friendly processes, we have developed Supraccoat, a solvent-free solution that can completely eliminate VOCs emissions. Through assessment and analysis, we have also reduced the overall production costs of this product line. This solution not only meets the specific requirements of sustainability and environmental protection

but also enhances the product' s gross profit margin. In the future, it will serve as a powerful tool for expanding revenue and acquiring new orders for our company.

- C. The development of protective equipment prioritizes functionality, thus utilizing yarn colors and environmentally friendly processes as the current development focus. As for functional enhancements, future efforts will be directed towards multifunctional integration and the development of high-priced, high-margin new products, such as arc flash protection, gradually establishing a foundation for tapping into new niche markets.

Chemical Product

- A. Continuously increasing partnerships with advanced development suppliers enables the introduction of novel and unique products, aligning with current market trends centered around environmental protection, energy efficiency, sustainability, and natural materials. Emphasizing environmentally certified products ensures fulfillment of customer and market demands.
- B. To enhance the Company's reputation in various industries, we have proactively introduced antimicrobial plastic materials that cater to more customers and generate higher profits in non-textile business segments.

Electronic Product

Plasma equipment is important in different manufacturing processes. It has a wide range of uses (e.g., in food production, auto parts manufacturing, glass product manufacturing, and electronics manufacturing process). Through compressed air ionization, surface dust is removed by high-pressure air. The currently developed plasma power supply is a low-temperature atmospheric pressure plasma that uses Arc-jet nozzles. Continuous efforts are being made to strengthen strategic partnerships to shorten development cycles and continuously enhance production efficiency. This includes shortening product lead times and improving product quality. The trend of Edge Computing, ChatGPT, and other AI functionalities continues to drive demand for AI PCs, with the majority of the market expecting AI PCs to hit the market in the second half of 2024. Modular designs with output power ranging from 800W to 3KW are planned as the main power output configurations. Power supply manufacturers are optimistic about the "AI PC specification upgrade" that

follows.

2. 2024 Business Plan for Production and Sales

(1). Operations Strategy

In the face of ongoing challenges in 2024, we aim to leverage the diverse applications of our products to unlock new market opportunities. Our company has always been a Taiwan-based enterprise with a global outlook. This year, we intend to harness Taiwan's energy to facilitate the development of our overseas subsidiaries, which are one of the driving forces of our future growth. Another key focus is the accelerated development of sustainable green products. Aligning with the increasing trend of ESG recognition among brands and consumers, we will strengthen the market promotion of our green products, expand market share, and establish our image as a partner in the green supply chain, thereby enhancing revenue and profitability. Thirdly, we will maximize the integration of technology, applying it to product and production management for digitization and even intelligence, to create differentiated competitiveness and penetrate advanced segments of the supply chain market.

Textile Composites

A. Implementing Sustainable Carbon Reduction Development

In line with sustainable development planning, we continue to conduct product carbon footprint assessments and organizational carbon inventories based on the previous year, actively pursuing energy-saving and carbon reduction initiatives. Carbon reduction is not only an environmental consideration but also a competitiveness factor in expanding markets and reducing costs. We engage in communication and care with key stakeholders.

B. Aligning with Brand Carbon Reduction Trends

Focusing primarily on safety protection, outdoor, and sports leisure markets, we continuously engage in diversified market collaborations across industries and domains. We provide niche and environmentally friendly composite materials with carbon reduction capabilities, complemented by comprehensive international certifications, to meet the needs of brand customers and establish the company's differentiated core competitiveness.

C. Continuous Refinement of Key Advantages

Combining Taiwan and overseas deployments, we employ a matrix-style management and support system to maximize the development benefits of overseas subsidiaries. We utilize technology and digitization to streamline and strengthen product, production, and management processes. Introducing AI mechanisms enhances quality management and improves production efficiency, while reinforcing talent retention systems and cultivating local talent. This realizes the core competitiveness of continuous refinement of key advantages.

Chemical Product

A. As clients gradually move their production bases overseas and increasingly prefer local delivery as an alternative, the domestic market is facing a declining demand. Therefore, the Company has to establish new subsidiaries overseas to meet market demand.

B. Unfavorable factors affecting the development of Taiwan's textile industry such as rising cost, shrinking production scale and declining customer base have had a great impact on the Company's financial performance. One alternative to dealing with the challenges is to develop new opportunities in non-textile industries. For example, enabling additives of chemicals in the plastics industry would be our business target, which has more advantages than the domestic textile industry.

Electronic Product

In response to the energy shortage caused by the Russia-Ukraine war, power supply products with energy storage, energy-saving, and green energy features have become mainstream. Home energy storage devices (non-high power energy storage devices) have therefore become the basis for product development and market assessment, and through joint development with other companies in the same field will be able to roll out the application of related products. This technology will also be extended to medical communication and other related products, providing stable and safe power supplies, energy storage equipment, and AI medical health-related products. This initiative aims to prepare for the global aging population, promoting healthy aging. As for power supplies, the plan includes the development of next-generation fanless PD 3.1 (Type C interface) power supplies. The feature of PD 3.1 fast charging is its compatibility with a wider range of devices. It is

not limited to charging mobile phones; devices like the latest iPad Pro, MacBook, and gaming laptops support PD charging. This is expected to rapidly increase market share and product visibility.

(2). Estimated Number of Items Sold

Items	Estimated Number of Items Sold
Textile Composites (Note 1)	173,775,000
Chemical Product (Note 2)	368,000
Electronic Product (Note 3)	889,000

Note 1: The product units are PCS, BAG, M and YDS.

Note 2: The product unit is KG.

Note 3: The product unit is PCS.

(3). Key Sales and Marketing Policies

A. Carry out Sustainable Carbon-reduction Development:

Following the international sustainability indicators SASB-Apparel, Accessories, and Footwear for the textile, apparel, and footwear industries, we manage key indicators and continuously develop green materials research and explore green supply chains.

B. In Line with Brand carbon-reduction Trends:

Continuously optimizing the promotion tools for green marketing, integrating planning with international green certifications, and combining the value chains upstream and downstream to provide customers with comprehensive solutions for developing trend demands.

C. Continuous Improvement of Key Advantages:

Through digitized management, we leverage the complementary operational benefits between Taiwan and overseas bases, refine quality management, enhance production efficiency, and strengthen the sustainable inheritance of talents.

3. Company Development Strategies

(1). Enhancing Innovative Research and Development to Boost Core Competitiveness Continuously

We have been aggressive in leveling up our core technological competence. In terms of Research and Development, the Company has established 3 primary principles governing product innovations: Lightweight, High performance and/or with intelligence, and Sustainability. Each of these

principles is applied in the plan to build a laboratory.

(2). Upgrade digital technology to provide real-time and precise management

In order to achieve real-time global management and precise decision-making, we are undergoing comprehensive digital technology upgrades. This includes drilling into multidimensional data for analysis, integrating production scheduling, simplifying processes, and transitioning from passive to proactive precision marketing. These efforts aim to provide strategic management, management control, and operational layers with comprehensive information data, ensuring the company's competitive advantage in the digital age. Additionally, the company will continue to strengthen information security risk management and maintain information security through the ISO 27001 system framework.

(3). Implement Sustainable Management with Talent Sustainability Planning

Establishing a skill management system and consistently investing in diversified education and training serve as initiatives to enhance employee capabilities. Simultaneously, initiating a talent sustainability succession plan ensures the company maintains an ample talent pool. This not only contributes to sustainable development but also addresses future changes in market demands and technological trends.

(4). Proactively Manage Risks and Build a Strong Control Mechanism

In accordance with the TCFD framework for climate-related financial disclosures, we aim to understand both the actual and potential climate risks and opportunities, identify and assess their materiality and significance, and formulate various risk prevention, mitigation, and adaptation strategies. This is to enhance our risk management mechanisms, ensuring swift and effective responses to various challenges as they arise.

4. Impacts on competitive, legal and general environment

(1). Actively phasing out fossil fuels and investing in green and renewable materials research

Due to the influence of the United Nations Framework Convention on Climate Change (UNFCCC), Naliang International is committed to actively phasing out fossil fuels, aligning with key discussion topics at COP 28. Since 2020, the company has successfully replaced heavy oil steam boilers with

natural gas steam boilers, thereby reducing carbon emissions. Simultaneously, it continues research and development on green and recycled materials under the Eco-Family initiative, reducing reliance on petroleum and actively engaging in the recycling and reuse of waste, not only contributing to environmental protection but also keeping pace with trends in the international business environment, enhancing the company's sustainability competitiveness.

(2). Diversifying markets and spreading risks through shipments to three locations amidst anticipated economic slowdown and geopolitical uncertainties

In response to the anticipated slowdown in economic growth and the geopolitical uncertainties, the company has adopted a proactive approach by diversifying its markets and spreading risks through shipments to three different locations. It focuses on various sectors such as the safety and protection market, outdoor leisure and sports market, medical and care market, industrial market, home textile market, automotive materials market, and bedding market, among others. By maintaining competitive advantages in different markets, the company aims to enhance its resilience and flexibility to cope with uncertain environmental changes, ensuring stable revenue performance.

We are grateful for the continued support and encouragement from each shareholder. We look forward to further growing the business with you.

2024 Annual Shareholders' Meeting

Warm regards,

Chairman:
Shao, Ten-Po

General Manager:
Chang, Shun-Ching

Accounting Manager:
Su, Meng-Hsu

NAM LIONG GLOBAL CORPORATION

Audit Committee's Review Report

The 2023 business report, parent company only financial statements and consolidated financial statements of the Company were prepared by its Board of Directors and certified by Chang, Cheng-Hsiu and Huang, Hsiu-Chun of Deloitte & Touche. The aforementioned reports, business report, parent company only financial statements and consolidated financial statements as well as earnings distribution proposal were reviewed by the Committee and are certified true and correct. The Committee hereby submits the aforementioned reports and proposal for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To: 2024 Annual Shareholders' Meeting

NAM LIONG GLOBAL CORPORATION
Convener of Audit Committee
Huang, Chung-Hui
March 12, 2024

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2023, the entities that are required to be included in the consolidated financial statements of NAM LIONG GLOBAL CORPORATION, in accordance with the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared under the International Financial Reporting Standard 10, "Consolidated Financial Statements". In addition, the information required to be disclosed in the consolidated financial statements of Affiliates has all been included in the consolidated financial statements of parent and subsidiary companies. Consequently, NAM LIONG GLOBAL CORPORATION and Subsidiaries do not prepare a separate set of consolidated financial statements.

Hereby declare,

NAM LIONG GLOBAL CORPORATION

By

Shao, Ten-Po
Chairman

March 12, 2024

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
NAM LIONG GLOBAL CORPORATION

Opinion

We have audited the consolidated financial statements of NAM LIONG GLOBAL CORPORATION and its 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 then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company 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) that came into effect as endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

Sales to Specific Customers

The Group's sales of specific customers was different from the overall sales trend the amount was substantial in 2023. Therefore, authenticity of revenue for the sales to specific customers is identified as one of the key audit matters for the year ended December 31, 2023.

In connection with the above key audit matter, the following audit procedures were performed:

1. We understood, and evaluated relevant operating procedures and internal controls for sales transactions. Also, we tested the design on of the internal controls and the effectiveness of the implementation.
2. We obtained details of sales to breakdown from specific customers, and reviewed relevant documents of revenue recognition, including the original orders, delivery notes, and actual amount received to verify the authenticity of revenue recognition.
3. We obtained details of subsequent sales returns from specific customers, and verified the reasonableness of the returns.

Other Matter

We have audited and issued an unmodified opinion with an explanatory paragraph on the parent company only financial statements of NAM LIONG GLOBAL CORPORATION as of and for the years ended December 31, 2023 and 2022.

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

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 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 presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,

including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chang, Cheng-Hsiu and Huang, Hsiu-Chun.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the 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.

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2023		December 31, 2022 (Restated)	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 781,609	23	\$ 730,742	21
1136	Financial assets at amortized cost – current (Notes 4, 9 and 27)	78,624	2	46,863	1
1150	Notes receivable – non-related parties (Notes 4 and 10)	74,253	2	35,954	1
1160	Notes receivable – related parties (Notes 4, 10 and 26)	7,758	-	11,309	-
1170	Accounts receivable – non-related parties (Notes 4 and 10)	306,841	9	354,095	10
1180	Accounts receivable – related parties (Notes 4, 10 and 26)	40,371	1	46,909	2
1220	Current tax assets (Notes 4 and 22)	2,081	-	1,857	-
130X	Inventories (Notes 4, 5 and 11)	335,043	10	511,778	15
1470	Other current assets (Note 26)	52,209	2	55,816	2
11XX	Total current assets	<u>1,678,789</u>	<u>49</u>	<u>1,795,323</u>	<u>52</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income – non-current (Notes 4, 8 and 25)	286,314	8	205,273	6
1535	Financial assets at amortized cost – non-current (Notes 4, 9 and 27)	110,000	3	-	-
1600	Property, plant and equipment (Notes 4, 13 and 27)	951,614	28	1,064,128	31
1755	Right-of-use assets (Notes 4, 14, 27 and 28)	186,603	5	212,150	6
1760	Investment properties (Notes 4, 15 and 27)	55,687	2	-	-
1805	Goodwill (Notes 4 and 16)	88,813	3	88,813	3
1821	Intangible assets (Note 4)	5,451	-	4,152	-
1840	Deferred tax assets (Notes 4 and 22)	52,343	2	53,699	2
1990	Other non-current assets	10,104	-	16,728	-
15XX	Total non-current assets	<u>1,746,929</u>	<u>51</u>	<u>1,644,943</u>	<u>48</u>
1XXX	TOTAL	<u>\$3,425,718</u>	<u>100</u>	<u>\$3,440,266</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 17 and 27)	\$ 130,000	4	\$ 362,143	11
2110	Short-term notes and bills payable (Notes 17 and 27)	-	-	29,871	1
2120	Financial liabilities at fair value through profit or loss – current (Notes 4, 7, 18 and 25)	2,150	-	-	-
2150	Notes payable – non-related parties	15,712	-	15,107	1
2160	Notes payable – related parties (Note 26)	534	-	527	-
2170	Accounts payable – non-related parties	194,440	6	203,878	6
2180	Accounts payable – related parties (Note 26)	9,037	-	7,230	-
2219	Other payables (Note 26)	138,350	4	174,555	5
2230	Current tax liabilities (Notes 4 and 22)	19,629	1	11,451	-
2280	Lease liabilities – current (Notes 4, 14 and 27)	33,609	1	30,114	1
2320	Current portion of long-term borrowings (Notes 17, 27 and 28)	223,207	6	220,607	6
2399	Other current liabilities	11,152	-	79,239	2
21XX	Total current liabilities	<u>777,820</u>	<u>22</u>	<u>1,134,722</u>	<u>33</u>
	NON-CURRENT LIABILITIES				
2530	Bonds payable (Notes 4, 18, 25 and 27)	527,856	16	-	-
2540	Long-term borrowings (Notes 17, 27 and 28)	284,925	8	456,238	13
2570	Deferred tax liabilities (Notes 4 and 22)	42,434	1	47,458	1
2580	Lease liabilities – non-current (Notes 4, 14 and 27)	127,903	4	153,453	5
2640	Net defined benefit liability – non-current (Notes 4 and 19)	-	-	9,065	-
2645	Guarantee deposits received	651	-	176	-
25XX	Total non-current liabilities	<u>983,769</u>	<u>29</u>	<u>666,390</u>	<u>19</u>
2XXX	Total liabilities	<u>1,761,589</u>	<u>51</u>	<u>1,801,112</u>	<u>52</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 18, 20 and 23)				
3100	Share capital	1,223,923	36	1,223,923	36
3211	Capital surplus	100,683	3	57,621	2
	Retained earnings				
3310	Legal reserve	32,386	1	14,597	-
3350	Unappropriated earnings	151,052	4	235,831	7
3300	Total Retained earnings	183,438	5	250,428	7
3400	Other equity	156,085	5	107,182	3
3XXX	Total equity	<u>1,664,129</u>	<u>49</u>	<u>1,639,154</u>	<u>48</u>
	TOTAL	<u>\$3,425,718</u>	<u>100</u>	<u>\$3,440,266</u>	<u>100</u>

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2023		2022	
		Amount	%	Amount	%
4100	OPERATING REVENUE (Notes 4 and 26)	\$ 2,411,798	100	\$ 3,082,227	100
5110	OPERATING COSTS (Notes 4, 11, 19, 21 and 26)	<u>1,806,711</u>	<u>75</u>	<u>2,262,133</u>	<u>74</u>
5900	GROSS PROFIT	<u>605,087</u>	<u>25</u>	<u>820,094</u>	<u>26</u>
	OPERATING EXPENSES (Notes 4, 10, 19, 21 and 26)				
6100	Selling and marketing expenses	153,380	6	181,162	6
6200	General and administrative expenses	355,267	15	410,025	13
6300	Research and development expenses	74,137	3	90,095	3
6450	Expected credit loss recognized (reversed)	<u>3,339</u>	<u>-</u>	<u>(1,102)</u>	<u>-</u>
6000	Total operating expenses	<u>586,123</u>	<u>24</u>	<u>680,180</u>	<u>22</u>
6900	PROFIT FROM OPERATIONS	<u>18,964</u>	<u>1</u>	<u>139,914</u>	<u>4</u>
	NON-OPERATING INCOME AND EXPENSES				
7020	Other gains and losses (Notes 4, 13, 18 and 21)	(2,720)	-	916	-
7050	Finance costs (Notes 4 and 21)	(27,439)	(1)	(30,670)	(1)
7100	Interest revenue	10,769	-	3,352	-
7190	Other income (Notes 4, 21, and 26)	41,570	2	29,074	1
7230	Foreign exchange gains (Notes 4, 21 and 29)	871	-	52,847	2
7590	Miscellaneous disbursements	<u>(1,848)</u>	<u>-</u>	<u>(3,934)</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>21,203</u>	<u>1</u>	<u>51,585</u>	<u>2</u>

(Continued)

Code		2023		2022	
		Amount	%	Amount	%
7900	PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	\$ 40,167	2	\$ 191,499	6
7950	INCOME TAX EXPENSE (Notes 4 and 22)	(27,621)	(1)	(13,880)	-
8200	NET PROFIT FOR THE YEAR	<u>12,546</u>	<u>1</u>	<u>177,619</u>	<u>6</u>
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 19, 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	461	-	344	-
8316	Unrealized gains on investments in equity instruments at fair value through other comprehensive income	62,787	3	73,614	3
8349	Income tax related to items that will not be reclassified subsequently	(442)	-	(69)	-
8310		<u>62,806</u>	<u>3</u>	<u>73,889</u>	<u>3</u>
	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of the financial statements of foreign operations	(14,037)	(1)	11,899	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	153	-	(555)	-
8360		(13,884)	(1)	<u>11,344</u>	-
8300	Other comprehensive income (loss), net of income tax	<u>48,922</u>	<u>2</u>	<u>85,233</u>	<u>3</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 61,468</u>	<u>3</u>	<u>\$ 262,852</u>	<u>9</u>
	EARNINGS PER SHARE (Note 23)				
9710	Basic	<u>\$ 0.10</u>		<u>\$ 1.45</u>	
9810	Diluted	<u>\$ 0.07</u>		<u>\$ 1.44</u>	

(Concluded)

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Code		Share capital (Notes 4 and 20)		Capital surplus (Notes 4, 12,18 and 20)	Retained Earnings (Notes 4, 7, 19 and 20)		Other equity		Total Equity
		Shares (In Thousands)	Amount		Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operation (Notes 4 and 22)	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4 and 8)	
A1	BALANCE AT JANUARY 1, 2022	122,392	\$ 1,223,923	\$ 57,621	\$ -	\$ 145,969	(\$ 24,031)	\$ 46,255	\$ 1,449,737
	Appropriation of 2021 earnings:								
B1	Legal reserve	-	-	-	14,597	(14,597)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(73,435)	-	-	(73,435)
		-	-	-	14,597	(88,032)	-	-	(73,435)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	177,619	-	-	177,619
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	275	11,344	73,614	85,233
D5	Total comprehensive income (loss) in 2022	-	-	-	-	177,894	11,344	73,614	262,852
Z1	BALANCE AT DECEMBER 31, 2022	122,392	1,223,923	57,621	14,597	235,831	(12,687)	119,869	1,639,154
	Appropriation of 2022 earnings								
B1	Legal reserve	-	-	-	17,789	(17,789)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(79,555)	-	-	(79,555)
		-	-	-	17,789	(97,344)	-	-	(79,555)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	12,546	-	-	12,546
D3	Other comprehensive income (loss) in 2023, net of income tax	-	-	-	-	19	(13,884)	62,787	48,922
D5	Total comprehensive income (loss) in 2023	-	-	-	-	12,565	(13,884)	62,787	61,468
C5	Other changes in capital surplus: Equity component of convertible bonds issued by the Company	-	-	43,062	-	-	-	-	43,062
Z1	BALANCE AT DECEMBER 31, 2023	122,392	\$ 1,223,923	\$ 100,683	\$ 32,386	\$ 151,052	(\$ 26,571)	\$ 182,656	\$ 1,664,129

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

Code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 40,167	\$ 191,499
A20010	Adjustments for:		
A20100	Depreciation expense	119,565	112,730
A20200	Amortization expense	1,078	1,060
A20300	Expected credit loss recognized (reversed)	3,339	(1,102)
A20400	Net loss on financial liabilities at fair value through profit or loss	2,000	-
A20900	Finance costs	27,439	30,670
A21200	Interest revenue	(10,769)	(3,352)
A21300	Dividend income	(2,938)	(44)
A22500	Loss (Gain) on disposal of property, plant and equipment	767	(961)
A22800	Loss on disposal of intangible assets	-	45
A22900	Gain on disposal of right-of-use assets	(47)	-
A23700	Write-down of inventories	35,486	23,936
A24100	Unrealized foreign currency exchange losses	3,086	619
A29900	Gain from lease modification	-	72
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	(34,748)	69,628
A31150	Accounts receivable	28,175	118,449
A31200	Inventories	142,396	(21,912)
A31240	Other current assets	(1,152)	15,901
A32130	Notes payable	612	(5,046)
A32150	Accounts payable	(7,566)	(114,530)
A32180	Other payables	(36,023)	(5,743)
A32230	Other current liabilities	(48,920)	35,737
A32240	Net defined benefit liabilities	(8,604)	273
A33000	Cash generated from operations	253,343	447,929
A33100	Interest received	10,769	3,352
A33300	Interest paid	(22,651)	(24,344)
A33500	Income taxes paid	(23,379)	(9,044)
AAAA	Net cash generated from operating activities	<u>218,082</u>	<u>417,893</u>

(Continued)

Code		2023	2022
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisitions of financial assets at fair value through other comprehensive income	(\$ 18,254)	(\$ 30,985)
B00040	Acquisitions of financial assets at amortized cost	(173,398)	-
B00050	Proceeds from disposal of financial assets at amortized cost	31,637	35,372
B02700	Acquisitions of property, plant, and equipment	(38,192)	(97,464)
B02800	Proceeds from disposal of property, plant and equipment	7,067	1,091
B03800	Decrease in guarantee deposits paid	1,190	4,235
B04500	Acquisitions of intangible assets	(2,377)	(1,922)
B05350	Acquisition of right-of-use assets	-	(208)
B07200	Decrease in prepayments for equipment	4,135	18,863
B07600	Dividends received	2,938	44
BBBB	Net cash used in investing activities	<u>(185,254)</u>	<u>(70,974)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Decrease in short-term borrowings	(232,143)	(58,642)
C00600	Decrease in short-term notes and bills payable	(29,871)	(166)
C01200	Proceeds from convertible bonds	581,142	-
C01600	Proceeds from long-term borrowings	73,000	46,000
C01700	Repayments of long-term borrowings	(241,713)	(93,267)
C03000	Deposits received	480	-
C04020	Payments of lease liabilities	(38,517)	(37,261)
C04500	Cash dividends	(79,555)	(73,435)
C09900	Bond issue cost paid	(5,000)	-
CCCC	Net cash generated from (used in) financing activities	<u>27,823</u>	<u>(216,771)</u>
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(9,784)</u>	<u>11,981</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	50,867	142,129
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>730,742</u>	<u>588,613</u>
E00200	CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 781,609</u>	<u>\$ 730,742</u>

(Concluded)

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
NAM LIONG GLOBAL CORPORATION

Opinion

We have audited the parent company only financial statements of NAM LIONG GLOBAL CORPORATION (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 then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

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

Sales to Specific Customers

The Company's sales growth of specific customers was different from the overall sales trend and the amount was substantial in 2023. Therefore, authenticity of revenue for the sales to specific customers is identified as one of the key audit matters for the year ended December 31, 2023.

In connection with the above key audit matter, the following audit procedures were performed:

1. We understood, and evaluated relevant operating procedures and internal controls for sales transactions. Also, we tested the design on of the internal controls and the effectiveness of the implementation.
2. We obtained details of sales to breakdown from specific customers, and reviewed relevant documents of revenue recognition, including the original orders, delivery notes, and actual amount received to verify the authenticity of revenue recognition.
3. We obtained details of subsequent sales returns from specific customers, and verified the reasonableness of the returns.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and relevant acts, and for such internal control as management determines is necessary to enable the

preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chang, Cheng-Hsiu and Huang, Hsiu-Chun.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the 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 financial statements shall prevail.

NAM LIONG GLOBAL CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 332,657	11	\$ 304,350	10
1136	Financial assets at amortized cost – current (Notes 4, 9 and 27)	15,226	-	43,863	1
1150	Notes receivable, net – non-related parties (Notes 4 and 10)	33,039	1	34,751	1
1160	Notes receivable – related parties (Notes 4, 10 and 26)	7,736	-	11,242	-
1170	Accounts receivable, net – non-related parties (Notes 4 and 10)	195,953	6	232,316	8
1180	Accounts receivable – related parties (Notes 4, 10 and 26)	56,557	2	47,127	2
1200	Other receivables	1,974	-	3,032	-
1210	Other receivables – related parties (Note 26)	1,647	-	772	-
130X	Inventories (Notes 4, 5 and 11)	206,322	7	286,395	9
1470	Other current assets	16,960	1	17,519	1
11XX	Total current assets	<u>868,071</u>	<u>28</u>	<u>981,367</u>	<u>32</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income – non-current (Notes 4, 8 and 25)	286,314	9	205,273	7
1535	Financial assets at amortized cost – non-current (Notes 4, 9 and 27)	110,000	4	-	-
1550	Investments accounted for using equity method (Note 4 and 12)	1,153,314	37	1,152,444	38
1600	Property, plant and equipment (Notes 4, 13 and 27)	563,338	18	640,755	21
1755	Right-of-use assets (Notes 4, 14, 27 and 28)	43,393	1	46,794	2
1760	Investment properties (Notes 4, 15 and 27)	55,687	2	-	-
1821	Intangible assets (Notes 4)	4,802	-	3,441	-
1840	Deferred tax assets (Notes 4 and 22)	19,272	1	13,628	-
1900	Other non-current assets	5,242	-	9,912	-
15XX	Total non-current assets	<u>2,241,362</u>	<u>72</u>	<u>2,072,247</u>	<u>68</u>
1XXX	TOTAL	<u>\$3,109,433</u>	<u>100</u>	<u>\$3,053,614</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 16 and 27)	\$ 130,000	4	\$ 362,143	12
2110	Short-term notes and bills payable (Notes 16 and 27)	-	-	29,871	1
2120	Financial liabilities at fair value through profit or loss – current (Notes 4, 7, 17 and 25)	2,150	-	-	-
2150	Notes payable – non-related parties	6,651	-	14,950	1
2160	Notes payable – related parties (Notes 26)	534	-	516	-
2170	Accounts payable – non-related parties	138,009	5	145,260	5
2180	Accounts payable – related parties (Notes 26)	12,914	-	11,636	-
2219	Other payables (Notes 18)	95,713	3	126,414	4
2220	Other payables – related parties (Notes 26)	243	-	731	-
2230	Current tax liabilities (Notes 4 and 22)	16,147	1	2,302	-
2280	Lease liabilities – current (Notes 4, 14 and 27)	2,043	-	1,856	-
2320	Current portion of long-term borrowings (Notes 16, 27 and 28)	199,515	6	196,915	6
2399	Other current liabilities	7,400	-	43,522	1
21XX	Total current liabilities	<u>611,319</u>	<u>19</u>	<u>936,116</u>	<u>30</u>
	NON-CURRENT LIABILITIES				
2530	Bonds payable (Notes 4, 17, 25 and 27)	527,856	17	-	-
2540	Long-term borrowings (Notes 16, 27 and 28)	283,078	9	453,700	15
2570	Deferred tax liabilities (Notes 4 and 22)	-	-	164	-
2580	Lease liabilities – non-current (Notes 4, 14 and 27)	22,571	1	24,480	1
2645	Guarantee deposits received	480	-	-	-
25XX	Total non-current liabilities	<u>833,985</u>	<u>27</u>	<u>478,344</u>	<u>16</u>
2XXX	Total liabilities	<u>1,445,304</u>	<u>46</u>	<u>1,414,460</u>	<u>46</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 12, 20 and 23)				
3100	Share capital	1,223,923	40	1,223,923	40
3211	Capital surplus	100,683	3	57,621	2
	Retained earnings				
3310	Legal reserve	32,386	1	14,597	-
3350	Unappropriated earnings	151,052	5	235,831	8
3300	Total Retained earnings	183,438	6	250,428	8
3400	Other equity	156,085	5	107,182	4
3XXX	Total equity	<u>1,664,129</u>	<u>54</u>	<u>1,639,154</u>	<u>54</u>
	TOTAL	<u>\$3,109,433</u>	<u>100</u>	<u>\$3,053,614</u>	<u>100</u>

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

NAM LIONG GLOBAL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2023		2022	
		Amount	%	Amount	%
4110	OPERATING REVENUE (Notes 4 and 26)	\$ 1,611,660	100	\$ 2,014,659	100
5110	OPERATING COSTS (Notes 4, 11, 21, and 26)	(1,181,423)	(73)	(1,468,941)	(73)
5900	GROSS PROFIT	<u>430,237</u>	<u>27</u>	<u>545,718</u>	<u>27</u>
5910	UNREALIZED GAINS FROM SALES (Note 4)	(1,100)	-	(2,260)	-
5920	REALIZED GAINS FROM SALES (Note 4)	<u>2,260</u>	<u>-</u>	<u>1,354</u>	<u>-</u>
5950	REALIZED GROSS PROFIT	<u>431,397</u>	<u>27</u>	<u>544,812</u>	<u>27</u>
	OPERATING EXPENSES (Notes 4, 10, 21 and 26)				
6100	Selling and marketing expenses	101,037	6	121,068	6
6200	General and administrative expenses	225,830	14	283,042	14
6300	Research and development expenses	38,144	3	43,104	2
6450	Expected credit loss recognized (reversed)	<u>3,697</u>	<u>-</u>	(<u>890</u>)	<u>-</u>
6000	Total operating expenses	<u>368,708</u>	<u>23</u>	<u>446,324</u>	<u>22</u>
6900	PROFIT FROM OPERATIONS	<u>62,689</u>	<u>4</u>	<u>98,488</u>	<u>5</u>
	NON-OPERATING INCOME AND EXPENSES				
7020	Other gains and losses (Notes 4, 17, 21 and 26)	(2,763)	-	955	-
7050	Finance costs (Notes 4 and 21)	(22,467)	(1)	(24,098)	(1)

(Continued)

Code		2023		2022	
		Amount	%	Amount	%
7070	Share of profits of subsidiaries accounted for using equity method (Notes 4 and 12)	(\$ 41,410)	(3)	\$ 47,249	2
7100	Interest revenue	4,366	-	698	-
7190	Other income (Notes 4, 21 and 26)	26,791	2	24,102	1
7230	Foreign exchange gains (Notes 4, 21 and 29)	575	-	36,267	2
7590	Miscellaneous disbursements	(376)	-	(507)	-
7000	Total non-operating income and expenses	(35,284)	(2)	84,666	4
7900	PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	27,405	2	183,154	9
7950	INCOME TAX EXPENSE (Notes 4 and 22)	(14,859)	(1)	(5,535)	-
8200	NET PROFIT FOR THE YEAR	12,546	1	177,619	9
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gains on investments in equity instruments at fair value through other comprehensive income	62,787	4	73,614	4
8388	Share of other comprehensive income of subsidiaries accounted for using the equity method-remeasurement of defined benefit plans	19	-	275	-
8310		62,806	4	73,889	4

(Continued)

Code		2023		2022	
		Amount	%	Amount	%
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of the financial statements of foreign operations	(\$ 13,345)	(1)	\$ 10,919	-
8381	Share of the other comprehensive gains (losses) of subsidiaries accounted for using the equity method - exchange differences on translation of the financial statements of foreign operations	(554)	-	784	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	15	-	(359)	-
8360		(13,884)	(1)	11,344	-
8300	Other comprehensive income (loss), net of income tax	48,922	3	85,233	4
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 61,468	4	\$ 262,852	13
	EARNINGS PER SHARE (Note 23)				
9710	Basic	\$ 0.10		\$ 1.45	
9810	Diluted	\$ 0.07		\$ 1.44	

(Concluded)

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

NAM LIONG GLOBAL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Code		Share capital (Notes 4 and 20)		Capital surplus (Notes 4, 12, 17 and 20)	Retained Earnings (Notes 4 and 20)		Other equity		Total Equity
		Shares (In Thousands)	Amount		Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operation (Notes 4 and 22)	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4 and 8)	
A1	BALANCE AT JANUARY 1, 2022	122,392	\$ 1,223,923	\$ 57,621	\$ -	\$ 145,969	(\$ 24,031)	\$ 46,255	\$ 1,449,737
	Appropriation of 2021 earnings:								
B1	Legal reserve	-	-	-	14,597	(14,597)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(73,435)	-	-	(73,435)
		-	-	-	14,597	(88,032)	-	-	(73,435)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	177,619	-	-	177,619
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	275	11,344	73,614	85,233
D5	Total comprehensive income (loss) in 2022	-	-	-	-	177,894	11,344	73,614	262,852
Z1	BALANCE AT DECEMBER 31, 2022	122,392	1,223,923	57,621	14,597	235,831	(12,687)	119,869	1,639,154
	Appropriation of 2022 earnings:								
B1	Legal reserve	-	-	-	17,789	(17,789)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(79,555)	-	-	(79,555)
		-	-	-	17,789	(97,344)	-	-	(79,555)
D1	Net profit for the year ended December 31, 2023	-	-	-	-	12,546	-	-	12,546
D3	Other comprehensive income (loss) in 2023, net of income tax	-	-	-	-	19	(13,884)	62,787	48,922
D5	Total comprehensive income (loss) in 2023	-	-	-	-	12,565	(13,884)	62,787	61,468
	Other changes in capital surplus:								
C5	Equity component of convertible bonds issued by the Company	-	-	43,062	-	-	-	-	43,062
Z1	BALANCE AT DECEMBER 31, 2023	<u>122,392</u>	<u>\$ 1,223,923</u>	<u>\$ 100,683</u>	<u>\$ 32,386</u>	<u>\$ 151,052</u>	(<u>\$ 26,571</u>)	<u>\$ 182,656</u>	<u>\$ 1,664,129</u>

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

NAM LIONG GLOBAL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

Code		2023	2022
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 27,405	\$ 183,154
A20010	Incomes and expenses not affecting cash flow		
A20100	Depreciation expense	49,296	49,425
A20200	Amortization expense	1,016	863
A20300	Expected credit loss recognized (reversed)	3,697	(890)
A20400	Net Loss on financial liabilities at fair value through profit or loss	2,000	-
A20900	Finance costs	22,467	24,098
A21200	Interest revenue	(4,366)	(698)
A21300	Dividend income	(2,938)	(44)
A22400	Share of profits of subsidiaries accounted for using the equity method	41,410	(47,249)
A22500	Gain on disposal of property, plant and equipment	763	(1,000)
A22800	Loss on disposal of intangible assets	-	45
A23700	Write-down of inventories	4,164	12,519
A23900	Unrealized gains from sales with subsidiary	1,100	2,260
A24000	Realized gains from sales with subsidiary	(2,260)	(1,354)
A24100	Unrealized foreign currency exchange gains (losses)	3,355	(203)
A29900	Gain from lease modification	-	72
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	5,218	16,749
A31150	Accounts receivable	19,619	33,006
A31180	Other receivables	183	3,441
A31200	Inventories	75,909	(25,729)
A31240	Other current assets	(4,200)	4,318
A32130	Notes payable	(8,281)	341
A32150	Accounts payable	(5,711)	(60,695)
A32180	Other payables	(31,006)	3,107
A32230	Other current liabilities	(36,122)	25,762
A33000	Cash generated from operations	162,718	221,298
A33100	Interest received	4,366	698

(Continued)

Code		2023	2022
A33300	Interest paid	(\$ 22,110)	(\$ 22,350)
AC0500	Income taxes return (paid)	(6,807)	37
AAAA	Net cash generated from operating activities	<u>138,167</u>	<u>199,683</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisitions of financial assets at fair value through other comprehensive income	(18,254)	(30,985)
B00040	Acquisitions of financial assets at amortized cost	(112,000)	(16,657)
B00050	Proceeds from disposal of financial assets at amortized cost	30,637	19,367
B01800	Acquisitions of long-term equity investments accounted for using the equity method	(70,000)	-
B02700	Acquisitions of property, plant, and equipment	(29,621)	(48,216)
B02800	Proceeds from disposal of property, plant and equipment	7,067	1,000
B03800	Decrease (increase) in refundable deposits	1,303	(179)
B04500	Acquisitions of intangible assets	(2,377)	(1,729)
B07200	Decrease in prepayments for equipment	1,677	664
B07600	Dividends received	<u>17,938</u>	<u>30,044</u>
BBBB	Net cash used in investing activities	(<u>173,630</u>)	(<u>46,691</u>)
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Increase (decrease) in short-term loans	(232,143)	23,877
C00600	Decrease in short-term notes and bills payable	(29,871)	(386)
C01200	Proceeds from convertible bonds	581,142	-
C01600	Proceeds from long-term borrowings	50,000	-
C01700	Repayments of long-term borrowings	(218,022)	(46,574)
C03000	Deposits received	480	-
C04020	Payments of lease liabilities	(3,261)	(3,402)
C04500	Cash dividends	(79,555)	(73,435)
C09900	Bond issue cost paid	(5,000)	-
CCCC	Net cash generated from (used in) financing activities	<u>63,770</u>	(<u>99,920</u>)
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	28,307	53,072
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>304,350</u>	<u>251,278</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>\$ 332,657</u>	<u>\$ 304,350</u>

(Concluded)

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

Attachment 4

Unit: NT\$ thousand

Title	Name	Director remuneration								Amount and Ratio of Total A, B, C, and D to Net Income after Tax		Remuneration Received as Employee								Amount and Ratio of Total A, B, C, D, E and F to Net Income after Tax		Remuneration from a non-subsidiary investee company or parent company
		Remuneration (A)		Pension (B)		Director Remuneration (C) (Note)		Operation fee (D)				Salaries, bonus, and special allowance, etc. (E)		Pension (F)		Employee remuneration (G)(Note)						
		NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL	All Consolidated Entities	NL		All Consolidated Entities		NL	All Consolidated Entities	
Chairman	ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	-	-	-	-	50	50	24	24	74 0.59%	74 0.59%	6,828	6,828	-	-	-	-	-	-	6,902 55.01%	6,902 55.01%	-
Director	ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu	-	600	-	-	50	218	12	704	62 0.49%	1,522 12.13%	-	-	-	-	-	-	-	-	62 0.49%	1,522 12.13%	-
Director	Chang, Shun-Ching	-	-	-	-	50	50	24	24	74 0.59%	74 0.59%	5,274	5,274	108	108	9	-	9	-	5,465 43.56%	5,465 43.56%	-
Director	Pai, Ching-Jen	-	-	-	-	50	106	18	96	68 0.54%	202 1.61%	1,715	1,715	80	80	4	-	4	-	1,867 14.88%	2,001 15.95%	-
Director	Hsiao, Yu-Chiao	-	-	-	-	50	50	24	24	74 0.59%	74 0.59%	1,404	1,404	83	83	-	-	-	-	1,561 12.44%	1,585 12.63%	-
Director	EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting	-	-	-	-	50	50	24	24	74 0.59%	74 0.59%	1,527	1,527	76	76	-	-	-	-	1,677 13.37%	1,677 13.37%	-
Independent Director	Huang, Chung-Hui	368	368	-	-	50	50	144	144	562 4.48%	562 4.48%	-	-	-	-	-	-	-	-	562 4.48%	562 4.48%	-
Independent Director	Huang, Wen-Ming	368	368	-	-	50	50	144	144	562 4.48%	562 4.48%	-	-	-	-	-	-	-	-	562 4.48%	562 4.48%	-
Independent Director	Tsao, Ching-Ming	368	368	-	-	50	50	144	144	562 4.48%	562 4.48%	-	-	-	-	-	-	-	-	562 4.48%	562 4.48%	-

1. Please specify remuneration policy, system, standard and structure for independent directors, and justify in terms of their scope, risk, work time and other associating factors with remuneration: Independent director remuneration depends on one's participation and contribution to company operation and is remunerated on a monthly basis and fixed amount. No floating bonus. Independent directors are obliged to supervise and contact the management of the company for company information regularly. The current annual remuneration is reasonable.

2. Besides aforesaid disclosure, please specify the remuneration from service at any company stated in the Business Report of Board of Directors (E.g. Parent company/any company from financial statement/Third-party investee other than employees' advisor, etc.): None.

Note: Director and supervisor remuneration and employee remuneration for 2022 have been adopted by Board of Directors votes.

NAM LIONG GLOBAL CORPORATION

The Comparison Table of Amended Articles of Incorporation

Article No.	Detail		Reason for Amendment
	Before revision	After revision	
Article 22	<p>If the Company generates profit in a year, <u>no less than 2% and no more than 20% of the profit</u> shall be allocated for employee compensation. If the Company has accumulated losses, such losses shall be covered first. The compensation is distributed in the form of either stock or cash to qualified employees, as determined by a board resolution. No more than 2% of the profit shall be distributed to directors as compensation. The proposals for employee compensation and director compensation shall be submitted at the shareholders' meeting.</p> <p>If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses and then to set aside employees' and directors' remuneration according to the aforementioned percentages.</p>	<p>If the Company generates profit in a year, <u>no less than 1% and no more than 2% of the profit</u> shall be allocated for employee compensation. If the Company has accumulated losses, such losses shall be covered first. The compensation is distributed in the form of either stock or cash to qualified employees, as determined by a board resolution. No more than 2% of the profit shall be distributed to directors as compensation. The proposals for employee compensation and director compensation shall be submitted at the shareholders' meeting.</p> <p>If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses and then to set aside employees' and directors' remuneration according to the aforementioned percentages.</p>	Revised according to Company's actual operational needs
Article 26	<p>(Omitted)</p> <p>The 30th amendment was made on June 23, 2022.</p>	<p>(Omitted)</p> <p>The 30th amendment was made on June 23, 2022.</p> <p><u>The 31st amendment was made on June 25, 2024.</u></p>	The date of this amendment is added.

IX. Appendix

Appendix 1

NAM LIONG GLOBAL CORPORATION

Before revision

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Corporation shall be organized as a company limited by shares under the Company Act of the Republic of China, and its name shall be 南良國際股份有限公司 in Chinese and NAM LIONG GLOBAL CORPORATION in English.

Article 2: The scope of business of the Corporation:

1. C301010 Spinning of Yarn
2. C302010 Weaving of Textiles
3. C303010 Manufacture of Non-woven Fabric
4. C306010 Wearing Apparel
5. C399990 Other Textiles and Products Manufacturing
6. C402030 Manufacture of Leather, Fur and Related Products
7. C804020 Industrial Rubber Products Manufacturing
8. C804990 Other Rubber Products Manufacturing
9. C805020 Manufacture of Plastic Films and Bags
10. C805990 Other Plastic Products Manufacturing
11. C901060 Manufacture of Refractory Products
12. CF01011 Medical Devices Manufacturing
13. CI01020 Rug and Felt Manufacturing
14. CK01010 Footwear Manufacturing
15. CM01010 Case and Bag Manufacturing
16. CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified
17. D101060 Self-Usage Power Generation Equipment Utilizing Renewable Energy Industry
18. EZ05010 Instrument and Meter Installation Engineering
19. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
20. F105050 Wholesale of Furniture, Beddings, Kitchen Utensils and Fixtures
21. F106050 Wholesale of Ceramic and Glassware

22. F107170 Wholesale of Industrial Catalysts
23. F107990 Wholesale of Other Chemical Products
24. F108031 Wholesale of Medical Devices
25. F109070 Wholesale of Cultural, Education, Musical Instruments and Educational Entertainment Supplies
26. F120010 Wholesale of Refractory Materials
27. F199990 Other Wholesale Trade
28. F203010 Retail sale of Food, Grocery and Beverage
29. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
30. F205040 Retail Sale of Furniture, Beddings Kitchen Utensils and Fixtures
31. F206020 Retail Sale of Daily Commodities
32. F207030 Retail Sale of Cleaning Supplies
33. F207990 Retail Sale of Other Chemical Products
34. F208031 Retail Sale of Medical Apparatus
35. F208040 Retail Sale of Cosmetics
36. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
37. F220010 Retail Sale of Refractory Materials
38. F299990 Retail Sale of Other Products
39. F399040 Retail Sale No Storefront
40. F401010 International Trade
41. G799990 Other Transportation Support
42. H703100 Real Estate Leasing
43. I103060 Management Consulting
44. I301010 Information Software Services
45. IG03010 Energy Technical Services
46. JE01010 Rental and Leasing
47. JZ99990 Unclassified Other Services
48. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

Article 3: The Corporations' headquarters is located in Taipei City and a local or overseas branch may be established upon approval of the Board of Directors through a resolution and permission from government

authorities.

Article 4: The Corporation may provide external guarantees if needed for its business. The Board of Directors shall authorize the execution of the Company's endorsements and guarantees.

Article 5: The total investment amount of the Company is not limited under Article 13 of the Company Act. The Board of Directors shall authorize the execution of investment.

Chapter 2 Shares

Article 6: The total capital stock of the Corporation is NT\$ 2,000,000,000 divided into 200,000,000 ordinary shares at NT\$ 10 per share. The Board of Directors is authorized to issue these shares separately.

Article 7: The Corporation does not need to print share certificates but a centralized securities depository should be contacted for registering these shares.

Article 8: Share transfer registration should be suspended 60 days before a routine shareholders' meeting, 30 days before a special shareholders' meeting, or five (5) days before the base day scheduled by the Corporation for distributing dividends, bonuses, or other benefits.

Article 9: The Corporation's stock is in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" of the Republic of China.

Chapter 3 Shareholders' Meeting

Article 10: There are two kinds of Shareholders' meetings:

1. Regular meeting of shareholders: shall be held at least once every year.
2. Special meeting of shareholders: may be held at any time.

The regular meeting of shareholders referred to in the preceding Paragraph shall be convened within six months after the close of each fiscal year. A special shareholders' meeting shall be convened by the Board of Directors in accordance with relevant laws when necessary. The shareholders' meeting may be held by means of a visual communication network or other methods approved by the central competent authority. In case a shareholders' meeting is held via visual communication network, then the shareholders participating in such a meeting shall be deemed to

have attended the meeting in person.

Article 11: Shareholders who are unable to attend a shareholders' meeting may provide the Corporation's power of attorney form to authorize a proxy to attend the meeting on their behalf.

Article 12: With every share of Company stock, shareholders are entitled to one vote, excluding those who have no voting rights as specified in Article 79 of the Company Act.

Article 13: Unless required by law or regulation, a shareholders' resolution shall be adopted if the meeting is attended by shareholders in person or by their proxy representing more than one half of the total issued and outstanding shares of the Corporation and more than one half of the shareholders present (or their proxies) voted in favor of the resolution.

Article 14: Shareholders' meetings shall be convened by the Board, and the Chairperson of the Board shall preside over these meetings. If the Chairperson of the Board is on leave or absent, he or she shall designate one Board Director to act on his/her behalf. For shareholders' meetings arranged by others with convening rights, the convener shall preside over the meeting. If there are more than two conveners, they should select one from among themselves to preside over the meeting.

Article 15: Resolutions at shareholders' meetings should be recorded in the meeting minutes, which should bear the signature or seal of the Chairperson of the meeting and sent to each shareholder within twenty (20) days following the meeting. Making and distribution of the aforementioned meeting minutes may be done electronically.

Chapter 4 Directors and Audit Committee

Article 16: The Corporation shall have eight to eleven Directors, and the number of Independent Directors shall be no fewer than three. The election of independent directors in a public company is subject to the Company Act and Securities and Exchange Act in which a candidate nomination system shall be adopted. The Corporation complies with regulations stipulated by the competent authority for securities governing professional qualifications, shareholding, part-time restriction, nomination, election, and other guidelines for Independent Directors.

Article 17: The Company has set up an audit committee to replace the execution right of supervisors. The audit committee is composed entirely of independent directors and established to exercise power and authority specified in the Company Act, Securities and Exchange Act, and other relevant laws.

The set-up, duty and rules of procedure of the audit committee shall comply with regulations stipulated by the competent authority for securities.

Article 18: The Board of Directors shall be composed of Directors who will select from among themselves a Chairperson and Vice Chairperson, in which a majority vote in a meeting attended by over two-thirds of Directors is required. The Chairperson represents the Company.

Article 19: If the Chairperson of the Board is on leave or absent or unable to exercise his/her duty, a proxy should be designated according to Article 208 of the Company Act. In case a director appoints another director to attend a board meeting in his/her behalf, he/she shall issue a proxy statement containing the scope of authority with reference to subjects to be discussed at the meeting. A director may accept the appointment to act as proxy for one other director only.

Chapter 5 Managerial Officials

Article 20: A company may have one general manager or more managerial personnel whose appointment, discharge and remuneration shall be determined in accordance with Article 29 of the Company Act. The Company is allowed to appoint a chief executive officer, deputy chief executive officer, general managers of business groups, general managers of divisions, and consultants based on a board resolution.

Chapter 6 Accounting

Article 21: After the close of each fiscal year, the Board of Directors shall prepare the following documents and submit them during the regular meeting of shareholders for approval, unless not otherwise specified by the Securities and Exchange Act or other regulations:

- (1) Business report
- (2) Financial statements

(3) Proposal for earnings distribution or covering losses

Article 22: If the Company generates profit in a year, no less than 2% and no more than 20% of the profit shall be allocated for employee compensation. If the Company has accumulated losses, such losses shall be covered first. The compensation is distributed in the form of either stock or cash to qualified employees, as determined by a board resolution. No more than 2% of the profit shall be distributed to directors as compensation. The proposals for employee compensation and director compensation shall be submitted at the shareholders' meeting.

If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses and then to set aside employees' and directors' remuneration according to the aforementioned percentages.

Article 23: After paying all taxes and dues, the Company shall first cover accumulated losses and set aside 10% of its surplus earnings as legal reserve. In addition to the legal reserve, a company may, under operation need or stipulated by relevant regulations, appropriate or set aside special reserve, or the reserves can be reversed.

In addition to the aforementioned allocations, the Board of Directors may also use the accumulated surplus from previous years for dividends and bonuses to be distributed to shareholders. The amount of distribution shall be proposed by the Board of Directors and submitted it at the shareholders' meeting for resolution.

When the Company has special surplus reserve in accordance with the law or regulation of the competent authority, the insufficient amount representing the "net increase in the fair value of investment property accumulated in the previous period" and the "net deduction of other accrued interest from the previous period" shall be set aside from previous undistributed surplus before distribution. If there is insufficient surplus, the amount shall be set aside representing undistributed surplus of the current period which includes net income after taxes plus other unspecified income.

The Company's dividend policy is determined by the ever-changing investment environment, the Company's funding needs, foreign and domestic business competition, expenditures, and long-term financial planning. The total amount of dividends paid is based on the annual

"total distributable surplus" and the amount reserved is deducted depending on the operating conditions and shall be no less than 10%. Dividend payment shall be made primarily in cash and shall not be less than 10% of the total amount of dividends distributed. The rest shall be distributed in the form of stock dividends. Cash dividend less than NT\$ 0.1 per share shall not be distributed.

Chapter 7 Supplementary Provisions

Article 24: The Company shall purchase liability insurance for Directors and Managers. The Board of Directors is authorized to determine the insurance coverage and insurance amount. All Directors shall receive a salary for performing their duties for the Company's business. The Board of Directors shall be authorized to determine the total amount of compensation for directors based on the level of involvement in the Corporation's operations, value of contribution, and industry average compensation for Directors.

Article 25: Matters not mentioned in this Chapter shall be handled in accordance with the Company Act, laws and regulations.

Article 26: The Articles of Incorporation have been established and implemented since August 8, 1989.

The 1st amendment was made on October 2, 1990.

The 2nd amendment was made on November 2, 1990.

The 3rd amendment was made on July 2, 1995.

The 4th amendment was made on July 26, 1996.

The 5th amendment was made on August 15, 1997.

The 6th amendment was made on September 26, 1997.

The 7th amendment was made on April 3, 1998.

The 8th amendment was made on May 12, 1998.

The 9th amendment was made on April 15, 2000.

The 10th amendment was made on April 15, 2000.

The 11th amendment was made on May 23, 2001.

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

The 13th amendment was made on May 15, 2003.

The 14th amendment was made on May 18, 2004.

The 15th amendment was made on May 18, 2005.

The 16th amendment was made on May 24, 2006.
The 17th amendment was made on May 22, 2007.
The 18th amendment was made on June 26, 2009.
The 19th amendment was made on June 29, 2010.
The 20th amendment was made on June 24, 2011.
The 21st amendment was made on June 5, 2012.
The 22nd amendment was made on June 24, 2013.
The 23rd amendment was made on June 23, 2014.
The 24th amendment was made on June 26, 2015.
The 25th amendment was made on June 20, 2016.
The 26th amendment was made on June 28, 2017.
The 27th amendment was made on June 26, 2018.
The 28th amendment was made on June 22, 2020.
The 29th amendment was made on August 6, 2021.
The 30th amendment was made on June 23, 2022.

NAM LIONG GLOBAL CORPORATION

Rules of Procedure for Shareholders' Meetings

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

Article 2: The rules of procedure for the Corporation's shareholders' meetings shall be provided in these Rules, except as otherwise provided by law, regulation, or the Articles of Incorporation.

Article 3: Convening shareholders' meetings and shareholders' meeting notices
Unless otherwise provided by law or regulation, the Corporation's shareholders' meetings shall be convened by the Board of Directors. Changes to procedures for convening the Corporation's shareholders' meetings shall be resolved by the Board of Directors and made no later than the mailing of shareholders' meeting notice.

The Corporation shall prepare electronic versions of the shareholders' meeting notice and proxy forms, as well as origins of and explanatory materials relevant to all proposals, including those for ratification, matters for deliberation, or election/dismissal of directors or supervisors, which should be uploaded to the Market Observation Post System (MOPS) 30 days before the date of regular shareholders' meeting or 15 days before the date of special shareholders' meeting. Electronic versions of the shareholders' meeting agenda and supplemental meeting materials shall be prepared and upload to the MOPS 21 days before the date of regular shareholders' meeting or 15 days before the date of special shareholders' meeting. If, however, the Corporation has a paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or the total ownership of foreign shareholders and PRC shareholders reaches 30% or more, as recorded in the register of shareholders during the shareholders' meeting held in the preceding year, transmission of related electronic files shall be made 30 days before the regular shareholders' meeting. In addition, 15 days before the date of the shareholders' meeting, the

Corporation shall prepare the shareholders' meeting agenda and supplemental meeting materials, making them available to shareholders at any time. The meeting agenda and supplemental materials shall also be provided by the Company and shareholder services agent.

The Company shall prepare the meeting agenda and supplemental meeting materials, making them available to shareholders for review in accordance with the shareholders' meeting procedures:

1. For physical shareholders' meetings, materials shall be distributed on-site.
2. For hybrid shareholders' meetings, materials shall be distributed on-site 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 approval to cease to be a public corporation, approval of directors in competition with the Company, distribution of surplus earnings in the form of new shares, distribution of reserves in the form of new shares, the dissolution, merger, or de-merger 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 Issuers shall be set out and the essential contents explained in the notice stating the reasons for convening the shareholders' meeting. None of the above matters may be raised in an extraordinary motion.

Where the re-election of all directors and supervisors as well as their inauguration date is stated in the notice of reasons for convening the shareholders' meeting, no extraordinary motion or otherwise may alter the said inauguration date in the same meeting after completion of re-election.

A shareholder with one percent or more of the total number of issued shares of the Company may submit a proposal for discussion at a regular

shareholders' meeting. The number of proposed items is limited to one and no proposal containing more than one item would be included in the meeting agenda. If there is any condition under Article 172-1, paragraph 4 of the Company Act that applies to the proposal submitted by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation urging the corporation to promote public interest or fulfill its social responsibilities, provided that the number of items proposed is limited to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item would be included in the meeting agenda.

Prior to the book closure date before convening a regular shareholders' meeting, the Corporation shall make a public announcement in writing or electronically regarding acceptance of shareholder proposals, including the location and submission period for shareholder proposals which shall not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words shall be included in the meeting agenda. The shareholder who makes the proposal shall be present in person or represented by a proxy at the regular shareholders' meeting and must participate in the discussion of the proposal.

Before a notice of shareholders' meeting is issued, the Corporation shall inform shareholders who submitted proposals of the results of the proposal screening process, and shall list in the meeting notice the proposals that comply with the provisions of this Article. At the shareholders' meeting, the Board of Directors shall explain the reasons for excluding any shareholder proposal from the agenda.

Article 4: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by submitting a proxy form issued by the Corporation and stating the proxy's scope of authority.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall submit the proxy form to the Corporation five days before the date of the shareholders' meeting. If duplicate proxy forms are submitted, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After submitting a proxy form to the Corporation, if the shareholder

intends to attend the meeting in person or exercise voting rights via correspondence or electronically, a written notice of proxy cancellation should be submitted to the Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast by the proxy at the meeting shall prevail.

If a shareholder wishes to attend the shareholders' meeting online after submitting a proxy form to the Corporation, a written notice of proxy cancellation should be submitted to the Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast by the proxy at the meeting shall prevail.

Article 5: Principles determining the time and place of a shareholders' meeting

The shareholders' meeting shall be held on company premises 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 independent directors with respect to the place and time of the meeting.

Restrictions on the meeting venue shall not apply when the Corporation convenes a virtual-only shareholders' meeting.

Article 6: Preparation of documents such as attendance book

The Corporation shall specify in its notice of shareholders' meeting the time and place for accepting attendance registration of shareholders, solicitors and proxies (collectively referred to as "shareholders"), as well as other matters needing attention.

The time for accepting shareholder attendance registrations, as stated in the preceding paragraph, shall be at least 30 minutes prior to the start of the meeting. The place for accepting attendance registrations shall be clearly marked and manned by a sufficient number of personnel assigned to handle the registration. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders who complete registration shall be deemed to have attended the meeting in person.

Shareholders shall attend meetings using attendance cards, sign-in cards, or other certificates of attendance. The Corporation may not arbitrarily add other documentary requirements beyond those showing attendance eligibility presented by shareholders. Solicitors who request for proxy

forms shall also bring identification documents for verification.

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

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

In the event of a virtual shareholders' meeting, shareholders who wish to attend the meeting online shall register with the Corporation two days before the meeting date. In the event of a virtual shareholders' meeting, the 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 the shareholders' meeting notice

To convene a virtual shareholders' meeting, the Corporation shall include the following particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights
2. Actions to be taken if there is obstruction to the virtual meeting platform or participation in the virtual meeting due to natural disasters, accidents or other force majeure events that cover at least any of the following:
 - (1). Rescheduling or resumption of meeting time and date if the above obstruction continues and cannot be resolved
 - (2). Shareholders with no attendance registration in the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
 - (3). In case of a hybrid shareholders' meeting, wherein the virtual meeting cannot continue, the shareholders' meeting may

continue if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual meeting, meets the minimum legal requirement for a shareholders' meeting. The shares represented by shareholders attending the virtual meeting shall be counted towards the total number of shares represented by shareholders present at the actual meeting, and the shareholders attending the virtual meeting shall be deemed to have abstained from voting on all proposals stated on the meeting agenda of the said shareholders' meeting.

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

3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulty in attending a virtual shareholders' meeting 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 chairperson of the Board shall preside over the meeting. When the chairperson is on leave or for any reason unable to exercise his/her powers, the vice chairperson shall act in his/her place. If there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise his/her powers, 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 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 must have held his/her position for six months or more and understands the financial and business conditions of the Company. The same condition shall apply to a representative of a juristic person-director who serves as chair.

It is advisable that the Board of Directors convenes the shareholders' meetings to be presided over in person by the chairperson of the board and attended by a majority of the directors, at least one supervisor in

person, and at least one member of each functional committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by an entity with convening rights other than the Board of Directors, the convening party shall chair the meeting. If there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Corporation may appoint its attorneys, certified public accountants, or related persons on retainer to attend a shareholders' meeting in a non-voting capacity.

Article 8: Audio or video documentation of a shareholders' meeting

The Corporation shall make an uninterrupted audio and video recording of the registration procedure, proceedings of the shareholders' meeting, as well as voting and vote counting procedures at the time it begins accepting shareholder attendance registrations.

The recorded materials specified in the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit under Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

For online shareholders' meetings, the Corporation shall keep records of shareholder registrations, sign-in, check-in, questions raised, votes cast and results of votes counted. It shall make an uninterrupted audio and video recording of the virtual meeting from beginning to end.

The information and audio and video recording specified in the preceding paragraph shall be properly kept by the Corporation for as long as it exists. The party appointed to handle the virtual meeting shall be provided with and shall store copies of the audio and video recording.

For virtual shareholders' meetings, it is recommended that the Corporation make an audio and video recording of the back-end operation interface of the virtual meeting platform.

Article 9: Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated in the attendance book and sign-in cards handed in, and shares checked in on the virtual meeting platform, plus the number of shares with voting rights exercised via correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information regarding the number of non-voting shares and number of shares represented by shareholders attending the meeting.

However, when 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 a quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If a 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 with the Corporation in accordance with Article 6.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit a tentative resolution for a vote during the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10: Discussion of proposals

The Board of Directors shall set the agenda for any shareholders' meeting it convenes. Each proposal on the agenda shall be voted on separately (including extraordinary motions and amendments to original proposals specified in the agenda). The meeting shall follow the agenda, and the order of the agenda may not be changed without a shareholder resolution.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party (with convening rights) other than the Board of Directors.

Unless there is a shareholder resolution, the chair may not declare the meeting adjourned until all items on the agenda specified in the preceding two paragraphs (including extraordinary motions) have been discussed.

If the chair declares the meeting adjourned in violation of the rules of procedure, other members of the Board of Directors shall promptly assist attending shareholders in selecting a new chair in accordance with statutory procedures. The new chair must be approved by a majority of votes cast by all attending shareholders; after which, the meeting may continue.

During the meeting, the chair shall allow ample opportunity for explanation and discussion of proposals and amendments or extraordinary motions put forward by shareholders. When the chair believes that a proposal is ready to be voted on, he/she may declare 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 chair shall determine the order in which shareholders speak.

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 designated representatives may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Shareholders attending a meeting online may submit written questions at the virtual meeting platform from the time the meeting is declared open by the chair until it ends. No more than two questions for the same proposal may be raised.

Each question shall contain no more than 200 words. The regulations specified in paragraphs 1 to 5 do not apply. It is advisable to raise questions publicly through the virtual meeting platform as long as these questions do not violate regulations or are beyond the scope of a proposal.

Article 12: Calculation of voting shares and recusal system

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

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

If a shareholder has a conflict of interest with an agenda item, that may be prejudicial to the interest of the Corporation, he/she may not vote on that item and may not exercise voting rights as proxy for any other shareholder.

The number of shares with no voting rights as specified in the preceding paragraph shall not be included when calculating the number of voting rights represented by attending shareholders.

With the exception of a trust company or shareholder services agent approved by a competent securities' regulatory 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 holding a shareholders' meeting, the Corporation shall allow voting

by electronic means or correspondence. The method of exercising voting rights by correspondence or electronic means shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the meeting in person, but have waived his/her rights with respect to extraordinary motions and amendments to original proposals at that meeting. Hence, it is advisable for the Corporation to discourage any submission of extraordinary motions and amendments to original proposals.

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

If a shareholder has already voted by correspondence or electronic means and then decides to attend the shareholders' meeting in person or online, he/she must submit a written declaration of intent to the Corporation, retracting his/her vote in the same way it was cast, as specified in the preceding paragraph, at least 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 his//her voting rights by correspondence or electronic means or by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy at the meeting shall prevail.

Except as otherwise provided in the Company Act and the Corporation's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of attending shareholders with voting rights. Before a vote is taken on any proposal, the chair or another person designated by the chair shall first announce the total number of voting rights represented by attending shareholders. The results of each proposal, i.e., the number of votes in favor and against as well as abstentions shall be entered into the MOPS on the day of the meeting after it adjourns.

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 determine the order of the proposals to be voted on. If any of the proposals is passed, the others will be considered rejected, and no further voting will be required.

The chair shall appoint shareholders of the Corporation to monitor and count the votes on a proposal. Vote counting for shareholders' meeting proposals or elections shall be done publicly at the meeting venue.

As soon as vote counting is completed, the results of the voting, including statistical tallies of the number of votes, shall be announced on-site and recorded.

When the Corporation convenes a virtual shareholders' meeting, shareholders attending the meeting shall cast votes on proposals and elections on the virtual meeting platform from the time the meeting is declared open by the chair until the voting session ends; otherwise, they shall be deemed to have abstained from voting.

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

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

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

Article 14: Election of directors and supervisors

The election of directors or supervisors at a shareholders' meeting shall be held in accordance with applicable election and appointment rules

adopted by the Corporation, and voting results shall be announced immediately on-site, including the names of those elected and not elected as directors and supervisors and the number of votes they received.

The ballots for the election referred to in the preceding paragraph shall bear the seal and signature of the monitoring personnel and kept in proper storage 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 shareholder resolutions shall be recorded in the meeting minutes. The chair shall affix his/her signature or seal on the meeting minutes and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Corporation may distribute the meeting minutes specified in 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 deliberations and voting results (including the number of voting rights). It shall also disclose the number of voting rights received by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the entire duration of the Corporation's existence.

If a virtual shareholders' meeting is held, the meeting minutes shall include the following information in addition to the particulars described in the preceding paragraph: the start and end times of the shareholders' meeting, the procedures for convening the meeting, the name of the chair and secretary, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the virtual meeting due to natural disasters, accidents or other force majeure events, as well as the methods of resolving issues.

When convening a virtual-only shareholders' meeting, other than compliance with requirements described in the preceding paragraph, the Corporation shall specify in the meeting minutes alternative measures available to shareholders who have difficulty in attending a virtual-only shareholders' meeting.

Article 16: Public disclosure

On the day of a shareholders' meeting, the Corporation shall prepare a statistical statement on the number of shares obtained by solicitors and represented by proxies as well as shareholders attending the meeting by correspondence or electronic means, in accordance with the prescribed format. It shall also make the same disclosure at the venue of the shareholders' meeting.

In the event a virtual shareholders' meeting, the 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. When the said 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 as well as 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 the Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Maintaining order at the meeting venue

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

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

If a shareholder attempts to speak through any device other than the public address equipment set up by the Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's orders, obstructing 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 declare the meeting temporarily adjourned and announce when, in view of circumstances, it will be reconvened.

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

A resolution may be adopted at a shareholders' meeting to defer or reconvene 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, the 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 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 the virtual-only shareholders' meeting

When the Corporation convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall disclose 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, the 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.

When declaring the meeting open, the chair shall also disclose that 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 meeting is adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed or reconvened on another date within five days unless otherwise stated under Article 44-20, paragraph 4 of the Regulations Governing the Administration of

Shareholder Services of Public Companies, 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 virtual shareholders' meeting shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed as stated in the second paragraph, the number of shares represented by, and voting rights and election rights exercised by shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in, but do not attend the postponed or resumed session, 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 specified in the second paragraph, no further discussion or resolution is required for proposals on which votes have been cast and counted, and results have been announced, or for list of elected directors and supervisors.

When the Corporation convenes a hybrid shareholders' meeting and the virtual meeting cannot continue as described in the second paragraph, the meeting may continue if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting, still meets the minimum legal requirement for a shareholders' meeting. In this case, the meeting shall not be postponed or reconvened as stated in the second paragraph.

If a meeting should continue as specified in the preceding paragraph, the shares represented by shareholders attending the virtual meeting shall be counted towards the total number of shares represented by shareholders present at the meeting. However, these shareholders shall be deemed to have abstained from voting on all proposals on the meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting as described in the second paragraph, the Corporation shall handle the preparatory work based on the date of the original shareholders' meeting according to 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 the Regulations Governing the Use of Proxies for Attendance at Shareholders' meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Corporation shall handle the matter based on the date of the postponed or resumed shareholders' meeting specified in the second paragraph.

Article 22: Handling digital divide

When convening a virtual-only shareholders' meeting, the Corporation shall provide appropriate alternative measures available to shareholders with difficulty in attending a virtual shareholders' meeting.

Article 23: These rules shall take effect after they have been submitted to and approved by the shareholders. Subsequent amendments to these rules shall be made in the same manner.

Article 24: The Rules of Procedure have been made and implemented since May 23, 2001.

The 1st amendment was made on May 24, 2002.

The 2nd amendment was made on May 18, 2005.

The 3rd amendment was made on May 24, 2006.

The 4th amendment was made on June 05, 2012.

The 5th amendment was made on June 25, 2019.

The 6th amendment was made on June 22, 2020.

The 7th amendment was made on August 06, 2021.

The 8th amendment was made on June 23, 2022.

NAM LIONG GLOBAL CORPORATION

Shareholdings of Directors

1. The list of minimum number of directors' and supervisors' shareholdings is prescribed in accordance with Article 26 of the Securities and Exchange Act and Article 2 of the Rules and Review Procedures for Directors' and Supervisors' Share Ownership Ratios in Public Companies:

Title	Minimum Number of Shareholdings	Shareholdings Listed in Register of Members
Director	8,000,000	88,759,261

2. List of Directors' Shareholdings

Title	Name	Shareholdings Listed in Register of Members	Shareholder Equity Ratio (%)
Chairman	ZI LIONG ENTERPRISE CO., LTD. Representative: Shao, Ten-Po	88,221,501	72.07%
Director	ZI LIONG ENTERPRISE CO., LTD. Representative: Hsiao, Chung-Hu		
Director	Chang, Shun-Ching	0	0%
Director	Pai, Ching-Jen	0	0%
Director	Hsiao, Yu-Chiao	0	0%
Director	EVER DEVELOPMENT INVESTMENT CO., LTD. Representative: Wang, Shih-Ting	537,760	0.44%
Independent Director	Huang, Chung-Hui	0	0%
Independent Director	Huang, Wen-Ming	0	0%
Independent Director	Tsao, Ching-Ming	0	0%
Total Shareholdings of All Directors		88,759,261	72.51%

Remarks:

- Book closure date: 2024/04/27
- The listed Shareholder Equity Ratio is calculated based on the outstanding shares (122,403,239 shares) as of the book closure date of the Company's shareholders' meeting.

NAM LIONG GLOBAL CORPORATION
Other Matters

1. Below is an overview of the proposals submitted during the regular meeting of shareholders:
 - A. Shareholder(s) with one percent (1%) or more of the total number of a company's outstanding shares may submit a proposal for discussion at the regular shareholders' meeting, provided that only one matter may be included in each proposal. The number of words in a proposal submitted by a shareholder shall not exceed three hundred (300) words.
 - B. The Company began the application process for proposals submitted by shareholders from 2024/04/19 to 2024/04/29 and the announcement was made on the MOPS.
 - C. No-action requests on proposals were submitted for the regular meeting of shareholders from 2024/04/19 to 2024/04/29.
2. The impact of stock grants on Business Performance, EPS, and Shareholder Return Rate: Not applicable.