

Stock Code: 1612

**Hong Tai Electric Industrial Co., Ltd.**

**2024  
Annual Shareholders' Meeting**

**Meeting Handbook  
【Translation】**

**June 12, 2024**

# Table of Contents

	<u>Page No.</u>
A. Meeting Agenda .....	1
B. Reports .....	2
C. Acknowledgments .....	4
D. Extempore Motions .....	5
E. Adjournment.....	5
F. Attachment	
1. 2023 Business Report .....	6
2. Review Report from the Audit Committee .....	9
3. CPA's Audit Report and 2023 Individual Financial Statements .....	10
4. CPA's Audit Report and 2023 Consolidated Financial Statements .....	21
5. 2023 Earnings Distribution Statement.....	33

## G. Appendix

1. Articles of Incorporation . . . . .	34
2. Rules of Procedure for the Shareholders' Meeting . . . .	44
3. Shareholding Status of Directors . . . . .	49

## **A. Agenda of 2024 General Shareholders' Meeting of Hong Tai Electric Industrial Co., Ltd.**

Time: 10:00 a.m. (Wednesday) June 12, 2024

Venue: Conference Room on 4F of Kuanyin Plant of Hong Tai Electric Industrial Co., Ltd.(Physical shareholders' meeting)

(No. 2, Kuo-Chien 1<sup>st</sup> Rd, Kuanyin District, Taoyuan City)

### **I. Meeting Called to Order**

### **II. Chairperson's Remarks**

### **III. Reports**

Case 1: The Company's 2023 Business Report

Case 2: Report by Audit Committee on Review of Finalized Statements and Books for 2023

Case 3: Report on the 2023 distribution of remuneration to employees and directors

Case 4: Report on Distribution of 2023 Cash Dividends

Case 5: Report on Impairment of Assets

### **IV. Acknowledgments**

Case 1: 2023 Business Report and Financial Statements

Case 2: 2023 Earnings Distribution Statement

### **V. Extempore Motions**

### **VI. Adjournment**

## **B. Reports**

- I. For the 2023 Business Report of the Company, refer to Attachment 1 of this Manual (Page 6~8)
- II. For the report from the Audit Committee on the review of finalized statements and reports for 2023, refer to Attachment 2 of this Manual (Page 9)
- III. Distribution of 2023 Remunerations for Employees and Those for Directors: It is intended to assign \$48,843,219 as the remuneration to employees and \$24,421,610 as that to directors, which accounts for 5.9% and 2.95%, respectively, of finalized profits of 2023; all are to be released in cash. The amounts are no different from those estimated for the year where they are recognized.
- IV. Distribution of 2023 Cash Dividends: According to the Company's Articles of Incorporation, the Board of Directors is authorized to decide on the distribution of NTD 2.0 per share as cash dividends. Current cash dividends are calculated proportionally by chopping off to the nearest integer. Odd lots assigned with less than \$1 are listed under other income of the Company. The Chairman is authorized to set further the ex dividend date, the release date, and other related

matters. In case of buyback of the Company's shares or transfer, conversion, or voidance of treasury stock in the future to impact the number of outstanding shares and to result in changes to the payout ratio for shareholders, however, the Chairman is authorized to make adjustments.

- V. The Company evaluated and recognized the reversal amount of impairment loss of NTD 144 thousand for non-financial assets as required by the International Accounting Standards for 2023.

## **C. Acknowledgments**

Case 1: Proposed by the Board of Directors

Proposal: The 2023 Business Report, Individual Financial Statements, and Consolidated Financial Statements of the Company are brought forth for acknowledgement.

Description: I. The 2023 Individual Financial Statements and Consolidated Financial Statements of the Company have been audited by CPAs Hsieh, Sheng-An and Chang Chih-Ming of Ernst & Young and have been reviewed along with the Business Report by the Audit Committee.

II. The Business Report, the CPA's Audit Report and the above-mentioned financial statements. Refer to Attachments 1, 3, and 4 of this Manual (Pages 6~8, 10~20, and 21~32) are enclosed.

Resolution:

Case 2: Proposed by the Board of Directors

Proposal: The 2023 Earnings Distribution Statement is brought forth for acknowledgement.

Description: The Earnings Distribution Statement has been finalized and approved by the Board of Directors and been audited by the Audit Committee. Refer to Attachment 5 of this Manual (Page 33).

Resolution:

**D. Extempore Motions**

**E. Adjournment**



## Attachment 1

### 2023 Business Report

Dear Shareholders,

Thank you for your support and encouragement of Hong Tai over the years. Under the efforts of all employees, the net consolidated revenue came to NTD 6.195 billion and the consolidated after-tax net profits totaled NTD 629 million, a decrease for the consolidated revenue by 2.99% from the preceding year. The earnings per share after tax amounted to NTD 1.99, an increase of 77.68% from last year.

Over the past year, the global economy was damped by interest rate hikes, China's weaker-than-expected economic recovery and geopolitical conflicts, resulting in weaker growth. However, the international stock market saw a breakthrough led by AI. Consumer spending was strong domestically, especially in food and beverage, leisure and entertainment and travel services. With respect to investment, the slowdown of corporate investment was caused by the rising capital costs as a result of the monetary tightening policy. In terms of export, the main growth momentum was concentrated in the supply chain of related servers and graphics cards due to business opportunities arising from AI, together with the surge of stockpiling of new technology products. Given environmental and space factors, the Company also ceased its copper clad laminate business in 2023, which did not have a significant impact on the Company's financial and business performance.

Looking ahead to 2024, the recovery of the global economy will still be full of uncertainties due the global election year and the changes in monetary policy in

various countries. However, driven by the demand for emerging technology applications and net-zero carbon emissions, Taiwan's external demand and investment are expected to regain its growth momentum. In regard to the power cable division, we will continue to participate in the government's green energy policy, the strong grid plan, and the establishment of electronic technology factories to benefit from the increased demand for domestic wire/cable. At the same time, we will step up our efforts to secure orders from private-public engineering and the establishment of factories by renowned technology companies, and set up an operation office in southern Taiwan to intensify our service network. In the future, we will continue to carry out energy transformation and development construction and expand our presence in the green energy industry. In addition, the copper clad laminate plant will be converted into a power cable plant for the production of extra-high-voltage cables and other high value-added products to enhance comprehensive efficiency.

Since it was established, the Company has been adhering to its management belief of “integrity and honesty, innovation and advancement” and devoted to optimizing the quality of its products and reinforcing corporate governance and enhancing its long-term competitive advantages and corporate value. The Company continues to issue Sustainability Reports, implements corporate social responsibilities, and plans for the implementation of greenhouse gas inventories and verifications towards the goal of sustainable business operations. In the coming year, the management team will refocus on the wire/cable industry to enhance brand recognition. We will develop new industrial markets, develop relevant green energy products, capture the trend of market technology, actively invest in the technology required for future growth, promote growth and

profitability, enhance the Company's competitiveness in response to challenges, and work together with all colleagues to create sustainable value for shareholders. Thank you very much!

We wish all of you the best in all your endeavors and good health.

Chairman of the Board:  
Chiu Chiang Investment Co., Ltd.  
Representative: Chen Shih-yi

Manager:  
Li Wen-Pin

Head of Accounting:  
Pan Shao-ping

## Attachment 2

### Hong Tai Electric Industrial Co., Ltd. Review Report from the Audit Committee

The Board of Directors prepared and submitted the Company's 2023 Business Report, Individual Financial Statements, Consolidated Financial Statements, and Statement of Earnings Distribution, among others. The Individual Financial Statements and the Consolidated Financial Statements, in particular, have been audited by CPAs Hsieh, Sheng-An and Chang Chih-Ming of Ernst & Young, with the Audit Report issued. The above-mentioned Business Report, Individual Financial Statements, Consolidated Financial Statements, and Statement of Earnings Distribution have been reviewed by the Audit Committee, with no discrepancies found. Therefore, the report is prepared in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Your review and approval are cordially requested.

To

2024 Annual General Shareholders' Meeting

Hong Tai Electric Industrial Co., Ltd.  
Convener of Audit Committee:

Chao Jang, Jing

March 22, 2024

## Attachment 3

### Independent Auditors' Report Translated from Chinese

To the Board of Directors and Stockholders of  
Hong Tai Electric Industrial Co., LTD.

#### Opinion

We have audited the accompanying parent company only balance sheets of Hong Tai Electric Industrial Co., LTD. (the "Company") as of December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the parent company only financial statements, including the summary of significant accounting policies.

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

#### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 2023 parent company only financial statements. These matters were addressed in the context of the audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Impairment assessment of accounts receivable

As of December 31, 2023, the Company's accounts receivable amounted to NT\$1,063,788 thousand, representing 13% of total assets, which was significant to the parent company only financial statements. Due to loss allowance for accounts receivable was based on expected credit losses duration of the company, the measurement process must distinguish groups appropriately for accounts receivable and judge the analysis and measurement process, evaluation and application of relevant assumptions, including the appropriate aging period and the loss rate of each aging period. Based on measuring expected credit losses was involving judgment, analysis and estimation, we listed impairment assessment of accounts receivable as a key audit matter.

The audit procedures we performed regarding impairment assessment of accounts receivable included but not limited to: evaluate and test the effectiveness of the controls related to impairment assessment of accounts receivable; analyze the suitability of management to determine customer grouping that based on customer credit risk characteristics, and whether the accounting policy and loss rate were reasonable; check the sampled acceptance or shipping documents to the accounts receivable aging table to confirm the correctness of the accounts receivable aging period; test the preparation matrix, including evaluating whether the decision of each group of aging intervals is reasonable, and recalculating the loss rate that calculated by the rolling rate every month during a year; consider the reasonableness of forward-looking information included in the loss rate assessment and evaluate whether such forward-looking information affects the loss rate, and recalculate the correctness of the allowance for loss proposed by the management. In addition, for customers with a large balance of accounts receivable at the end of the period, review the post-period collection of accounts receivable to assess the recoverability of accounts receivable.

We also consider the appropriateness of the accounts receivable disclosure included in note 5 and 6 to the parent company only financial statements.

### Valuation of inventories

As of December 31, 2023, the Company's net inventories amounted to NT\$1,717,143 thousand, representing 20% of total assets, which was significant to the parent company only financial statements. Due to inventories remeasured by lower of cost or net realizable value, the valuation of inventories were influenced by international copper prices and material price fluctuate frequently, and involved in the subjective judgement of the management, we listed valuation of inventories as a key audit matter.

The audit procedures we performed regarding valuation of inventories included but not limited to: evaluate and test the effectiveness of controls related to valuation of inventories; evaluate the appropriateness of the management's policies regarding the writing-down of slow-moving inventories, and sample to test the accuracy of inventories aging; perform sampling to verify the related documentation and recalculate the net realizable value was used accurate by the management; evaluate the management's inventory plan and observe the stock taking to identify the writing-down of slow-moving inventories.

We also consider the appropriateness of the inventory disclosure included in note 5 and 6 to the parent company only financial statements.

#### Revenue recognition

The Company recognized operating revenue from sale of NT\$6,185,832 thousand in the year ended December 31, 2023, which was significant to the parent company only financial statements. It's critical for financial statements audit to justify and analyze the obligation of customers contracts and the timing and completeness of revenue recognition. Therefore, we listed revenue recognition as a key audit matter.

The audit procedures we performed regarding revenue recognition included but not limited to: evaluate and test the effectiveness of controls related to revenue recognition; inspect the terms of transaction and understand the revenue recognition process related to the identified obligation of customer contract; perform test of details, including verify the samples of the related documentation and the collection records, to ensure accurate timing and amount for revenue recognition; inspect the supporting document of sales transaction near the balance sheet date to ensure revenue recognized in proper period.

We also consider the appropriateness of the revenue disclosure included in note 6 to the parent company only financial statements.

#### Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain associates accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reports of other auditors. These associates under equity method amounted to NT\$117,537 thousand and NT\$109,721 thousand, representing 1% and 1% of total assets as of December 31, 2023 and 2022, respectively. The related shares of profits from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$40,854 thousand and NT\$24,544 thousand, representing 5% and 4% of the income before tax for the year ended December 31, 2023 and 2022, respectively, and the related shares of other comprehensive income from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$(27,467) thousand and NT\$14,807 thousand, representing (9)% and (8)% of the comprehensive income (loss) for the year ended December 31, 2023 and 2022, respectively.

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

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.

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

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

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

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



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 ability to continue as a going concern of the Company. 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 accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the 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 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 2023 parent company only financial statements 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.

Hsieh, Sheng-An  
Chang, Chih-Ming  
Ernst & Young, Taiwan  
March 22, 2024

#### **Notice to Readers**

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Parent Company Only Balance Sheets

As at December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets Items	Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
1100	Current Assets					
1110	Cash and Cash equivalents	4, 6.1	\$1,805,179	21	\$2,293,535	28
1110	Financial Assets at Fair Value Through Profit or Loss, Current	4, 6.2	265,111	3	229,865	3
1150	Notes Receivable, Net	4, 6.4, 6.15	32,729	-	65,988	1
1160	Notes Receivable - Related Parties, Net	4, 6.4, 6.15, 7	-	-	2,541	-
1170	Accounts Receivable, Net	4, 6.5, 6.15	1,057,361	13	810,678	10
1180	Accounts Receivable - Related Parties, Net	4, 6.5, 6.15, 7	6,427	-	7,101	-
1200	Other Receivables	7	1,339	-	5,805	-
1210	Other Receivables - Related Parties	7	322	-	27	-
130x	Inventories	4, 6.6	1,717,143	20	1,837,388	22
1410	Prepayments	7	75,715	1	32,367	-
11xx	Total Current Assets		4,961,326	58	5,285,295	64
	Non - Current Assets					
1517	Financial Assets at Fair Value Through Other Comprehensive Income, Non - Current	4, 6.3	1,517,778	18	1,032,152	13
1550	Investments Accounted for Using the Equity Method	4, 6.7	422,150	5	377,713	5
1600	Property, Plant and Equipment	4, 6.8, 8	1,273,708	15	1,311,066	16
1755	Right-of-use Asset	4, 6.16	4,333	-	9,218	-
1760	Investment Property, Net	4, 6.9, 8	91,674	1	92,271	1
1840	Deferred Income Tax Assets	4, 6.20	15,627	-	25,648	-
1920	Refundable Deposits	7	212,557	3	69,380	1
1990	Other Non - Current Assets		823	-	2,249	-
15xx	Total Non - Current Assets		3,538,650	42	2,919,697	36
1xxx	Total Assets		\$8,499,976	100	\$8,204,992	100

(The accompanying notes are an integral part of these parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Parent Company Only Balance Sheets (continued)

As at December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Liabilities and Equity Items	Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
2100	Current Liabilities					
2130	Short - Term Loans	6.10	\$4,214	-	\$-	-
2150	Contract Liabilities, Current	4, 6.14	108,820	1	143,774	2
2160	Notes Payable		5,859	-	4,158	-
2170	Notes Payable - Related Parties	7	-	-	63,177	1
2180	Accounts Payable		368,202	4	324,310	4
2200	Accounts Payable - Related Parties	7	28,230	-	40,315	-
2220	Other Payables		207,366	3	182,405	2
2230	Other Payables- Related Parties	7	14,225	-	5,905	-
2280	Current Tax Liabilities	4	55,688	1	143,991	2
2299	Lease Liabilities, Current	4, 6.16	4,035	-	5,518	-
2399	Other Current Liabilities		1,052	-	1,194	-
21xx	Total Current Liabilities		797,691	9	914,747	11
2550	Non - Current Liabilities					
2570	Provisions, Non - Current	4, 6.11	100,000	1	120,000	2
2580	Deferred Tax Liabilities	4, 6.20	41,457	1	33,410	-
2640	Lease Liabilities, Non - Current	4, 6.16	330	-	3,718	-
2645	Defined Benefit Pension Liability	4, 6.12	8,461	-	27,417	-
265	Deposits Received		1,503	-	1,503	-
25xx	Total Non - Current Liabilities		151,751	2	186,048	2
2xxx	Total Liabilities		949,442	11	1,100,795	13
3110	Equity					
3200	Common Stock	4, 6.13	3,160,801	37	3,160,801	39
3300	Capital Surplus		191,704	2	191,704	2
3310	Retained Earnings					
3320	Legal Reserve		1,096,954	13	1,061,473	13
3350	Special Reserve		179,492	2	-	-
3400	Unappropriated Earnings		2,883,290	34	2,869,712	35
3410	Total Retained Earnings		4,159,736	49	3,931,185	48
3420	Other Equity					
3430	Exchange Differences on Translation of Foreign Operations		(345,854)	(4)	(313,109)	(4)
3440	Unrealized Gains or Losses on Financial Assets Measured at Fair Value Through					
3450	Other Comprehensive Income		384,147	5	133,616	2
3xxx	Total Other Equity		38,293	1	(179,493)	(2)
34xx	Total Equity		7,550,534	89	7,104,197	87
35xx	Total Liabilities and Equity		\$8,499,976	100	\$8,204,992	100

(The accompanying notes are an integral part of these parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Parent Company Only Statements of Comprehensive Income

For the Years Ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating Revenue	4 , 6.14 , 7	\$6,186,918	100	\$6,381,432	100
5000	Operating Costs	6.6 , 6.12 , 6.17 , 7	(5,328,575)	(86)	(5,627,208)	(88)
5900	Gross Margin		858,343	14	754,224	12
6000	Operating Expenses	6.12 , 6.17 , 7	(255,564)	(4)	(239,647)	(4)
6450	Expected Credit Impairment (Losses) Gains	4 , 6.15	(3,989)	-	511	-
	Total Operating Expenses		(259,553)	(4)	(239,136)	(4)
6900	Operating Income (Loss)		598,790	10	515,088	8
7000	Non-operating Income and Expenses	6.18				
7100	Interest Income		13,271	-	4,968	-
7010	Other Income	7	69,608	1	78,563	1
7020	Other Gains and Losses		9,229	-	(63,601)	(1)
7050	Finance Cost		(1,377)	-	(1,125)	-
7070	Share of Profit or Loss of Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	4 , 6.7	65,065	1	18,565	1
	Total Non-operating Income and Expenses		155,796	2	37,370	1
7900	Income (Loss) Before Income Tax		754,586	12	552,458	9
7950	Income Tax (Expense) Benefits	4 , 6.20	(126,119)	(2)	(198,696)	(3)
8200	Net Income (Loss)		628,467	10	353,762	6
8300	Other Comprehensive Income (Loss)	6.19				
8310	Items that will not be Reclassified Subsequently to Profit or Loss					
8311	Remeasurements of Defined Benefit Plans	6.12	4,361	-	(1,244)	-
8316	Unrealized Gains (Losses) from Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income		307,206	5	(169,180)	(3)
8330	Share of Other Comprehensive Income (loss) of Subsidiaries, Associates and Joint Ventures which will not be Reclassified Subsequently to Profit or Loss		18,346	-	(34,565)	-
8349	Income Tax Related to Items that will not be Reclassified Subsequently	6.20	(5,235)	-	(4,056)	-
8360	Items that may be Reclassified Subsequently to Profit or Loss					
8380	Share of other Comprehensive (Loss) Income of Subsidiaries, Associates and Joint Ventures which may be Reclassified Subsequently to Profit or Loss		(32,688)	-	28,962	-
	Other Comprehensive Income (Loss)		291,990	5	(180,083)	(3)
8500	Total Comprehensive Income (Loss)		\$920,457	15	\$173,679	3
	Earnings Per Share (NTD)	6.21				
9750	Earnings Per Share - Basic		\$1.99		\$1.12	
9850	Earnings Per Share - Diluted		\$1.98		\$1.10	

(The accompanying notes are an integral part of these parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Parent Company Only Statements of Changes in Equity

For the Years Ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Retained Earnings			Other Components of Equity			Total Equity	
		Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Difference on Translation of Foreign Operations		Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income
		3100	3200	3310	3320	3350	3410	3420	3XXX
A1	Balance as at January 1, 2022	\$3,160,801	\$191,704	\$782,025	\$103,802	\$3,575,567	\$(341,876)	\$343,519	\$7,815,542
B1	Appropriation and Distribution of the Earnings for the year 2021								
B5	Legal Reserve	-	-	279,448	-	(279,448)	-	-	-
B17	Cash Dividends	-	-	-	-	(885,024)	-	-	(885,024)
	Special Reserve	-	-	-	(103,802)	103,802	-	-	-
D1	Net Income (Loss) in 2022	-	-	-	-	353,762	-	-	353,762
D3	Other Comprehensive Income (Loss) in 2022	-	-	-	-	(995)	28,767	(207,855)	(180,083)
D5	Total Comprehensive Income (Loss) in 2022	-	-	-	-	352,767	28,767	(207,855)	173,679
Q1	Disposal of Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income								
		-	-	-	-	2,048	-	(2,048)	-
Z1	Balance as at December 31, 2022	\$3,160,801	\$191,704	\$1,061,473	\$-	\$2,869,712	\$(313,109)	\$133,616	\$7,104,197
A1	Balance as at January 1, 2023	\$3,160,801	\$191,704	\$1,061,473	\$-	\$2,869,712	\$(313,109)	\$133,616	\$7,104,197
B1	Appropriation and Distribution of the Earnings for the year 2022								
B3	Legal Reserve	-	-	35,481	-	(35,481)	-	-	-
B5	Special Reserve	-	-	-	179,492	(179,492)	-	-	-
	Cash Dividends	-	-	-	-	(474,120)	-	-	(474,120)
D1	Net Income (Loss) in 2023	-	-	-	-	628,467	-	-	628,467
D3	Other Comprehensive Income (Loss) in 2023	-	-	-	-	3,489	(32,745)	321,246	291,990
D5	Total Comprehensive Income (Loss) in 2023	-	-	-	-	631,956	(32,745)	321,246	920,457
Q1	Disposal of Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income								
		-	-	-	-	70,715	-	(70,715)	-
Z1	Balance as at December 31, 2023	\$3,160,801	\$191,704	\$1,096,954	\$179,492	\$2,883,290	\$(345,854)	\$384,147	\$7,550,534

(The accompanying notes are an integral part of these parent company only financial statements.)

English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Parent Company Only Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Items	2023	2022
		Amounts	Amounts
AAAA	Cash Flows From Operating Activities		
A10000	Income Before Income Tax	\$754,586	\$552,458
A20000	Adjustments to Reconcile Income Before Income Tax to Net Cash Provided By Operating Activities:		
A20100	Depreciation expense	86,782	85,987
A20200	Amortization expense	1,526	4,021
A20300	Expected Credit Impairment (Gains) Losses	3,989	(511)
A20900	Interest Expense	1,377	1,125
A21200	Interest Income	(13,271)	(4,968)
A21300	Dividend Income	(39,407)	(56,623)
A22400	Share of Profit or Loss of Subsidiaries, Associates and Joint Ventures for Using the Equity Method	(65,065)	(18,565)
A22500	(Gain) loss on Disposal of Property, Plant and Equipment	23,373	(29,557)
A23800	Reversal of Impairment Loss Recognised in Profit or Loss, Non-financial Assets	(144)	(144)
A30000	Changes in Operating Assets and Liabilities		
A31115	(Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss	(35,246)	107,227
A31130	(Increase) Decrease in Notes Receivable	33,259	(13,863)
A31140	(Increase) Decrease in Notes Receivable - Related Parties	2,541	2,879
A31150	(Increase) Decrease in Accounts Receivable	(250,672)	(353,014)
A31160	(Increase) Decrease in Accounts Receivable - Related Parties	674	2,340
A31180	(Increase) Decrease in Other Receivables	3,959	116,837
A31190	(Increase) Decrease in Other Receivables - Related Parties	(295)	15
A31200	(Increase) Decrease in Inventories	120,245	104,235
A31230	(Increase) Decrease in Prepayments	(22,048)	491
A32125	Increase (Decrease) in Contract Liabilities	(34,954)	67,076
A32130	Increase (Decrease) in Notes Payable	1,701	604
A32140	Increase (Decrease) in Notes Payable - Related Parties	(63,177)	63,177
A32150	Increase (Decrease) in Accounts Payable	43,892	114,723
A32160	Increase (Decrease) in Accounts Payable - Related Parties	(12,085)	38,476
A32180	Increase (Decrease) in Other Payable	26,361	(186,140)
A32190	Increase (Decrease) in Other Payable - Related Parties	8,320	(2,452)
A32200	Increase (Decrease) in Provisions	(20,000)	-
A32230	Increase (Decrease) in Other Current Liabilities	(142)	(2,306)
A32240	Increase (Decrease) in Defined Benefit Pension Liability	(14,595)	(6,905)
A33000	Cash Generated (Outflow) From Operations	541,484	586,623
A33100	Interest Received	13,122	4,672
A33200	Dividend Received	5,557	11,043
A33500	Income Tax Paid	(201,589)	(99,673)
AAAA	Net Cash Provided By (Used in) Operating Activities	358,574	502,665
BBBB	Cash Flows from Investing Activities		
B00010	Acquisition of Financial Assets at Fair Value Through Comprehensive Income	(400,326)	(137,398)
B00020	Proceeds from Disposal of Financial Assets at Fair Value Through Comprehensive Income	210,676	2,614
B00030	Return Capital from Financial Assets at Fair Value Through Other Comprehensive Income	11,229	7,036
B02000	Increase in Current Prepayments for Investments	(21,300)	(6,000)
B02700	Acquisition of Property, Plant and Equipment	(109,588)	(42,037)
B02800	Proceeds from Disposal of Property, Plant and Equipment	41,623	30,527
B03700	Increase in Refundable Deposits	(143,177)	-
B03800	Decrease in Refundable Deposits	-	5,297
B06700	Increase in Other Non-current Assets	(100)	(166)
B07600	Dividend Received	40,792	59,155
BBBB	Net cash provided by (Used in) Investing Activities	(370,171)	(80,972)
CCCC	Cash Flows from Financing Activities		
C00100	Increase in Short - term Loans	4,214	-
C03000	Increase in Deposits Received	-	21
C04020	Cash Payments for the Principal Portion of the Lease Liability	(5,564)	(2,490)
C04500	Payment of Cash Dividends	(474,120)	(885,024)
C05600	Interest Paid	(1,289)	(1,026)
CCCC	Net cash provided by (Used in) Financing Activities	(476,759)	(888,519)
EEEE	Net Increase (Decrease) In Cash and Cash equivalents	(488,356)	(466,826)
E00100	Cash and Cash equivalents, Beginning of the Year	2,293,535	2,760,361
E00200	Cash and Cash equivalents, End of the Year	\$1,805,179	\$2,293,535

(The accompanying notes are an integral part of these parent company only financial statements.)

## Attachment 4

### **Independent Auditors' Report Translated from Chinese**

To the Board of Directors and Stockholders of  
Hong Tai Electric Industrial Co., LTD.

#### **Opinion**

We have audited the accompanying consolidated balance sheets of Hong Tai Electric Industrial Co., LTD. and its subsidiaries (the “Group”) as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and their consolidated financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Impairment assessment of accounts receivable

As of December 31, 2023, the Group's accounts receivable amounted to NT\$1,062,603 thousand, representing 13% of total assets, which was significant to the consolidated financial statements. Due to loss allowance for accounts receivable was based on expected credit losses duration of the company, the measurement process must distinguish groups appropriately for accounts receivable and judge the analysis and measurement process, evaluation and application of relevant assumptions, including the appropriate aging period and the loss rate of each aging period. Based on measuring expected credit losses was involving judgment, analysis and estimation, we listed impairment assessment of accounts receivable as a key audit matter.

The audit procedures we performed regarding impairment assessment of accounts receivable included but not limited to: evaluate and test the effectiveness of the controls related to impairment assessment of accounts receivable; analyze the suitability of management to determine customer grouping that based on customer credit risk characteristics, and whether the accounting policy and loss rate were reasonable; check the sampled acceptance or shipping documents to the accounts receivable aging table to confirm the correctness of the accounts receivable aging period; test the preparation matrix, including evaluating whether the decision of each group of aging intervals is reasonable, and recalculating the loss rate that calculated by the rolling rate every month during a year; consider the reasonableness of forward-looking information included in the loss rate assessment and evaluate whether such forward-looking information affects the loss rate, and recalculate the correctness of the allowance for loss proposed by the management. In addition, for customers with a large balance of accounts receivable at the end of the period, review the post-period collection of accounts receivable to assess the recoverability of accounts receivable.

We also consider the appropriateness of the accounts receivable disclosure included in note 5 and 6 to the consolidated financial statements.

### Valuation of inventories

As of December 31, 2023, the Group's net inventories amounted to NT\$1,733,892 thousand, representing 20% of total assets, which was significant to the consolidated financial statements. Due to inventories remeasured by lower of cost or net realizable value, the valuation of inventories were influenced by international copper prices and material price fluctuate frequently, and involved in the subjective judgement of the management, we listed valuation of inventories as a key audit matter.

The audit procedures we performed regarding valuation of inventories included but not limited to: evaluate and test the effectiveness of controls related to valuation of inventories; evaluate the appropriateness of the management's policies regarding the writing-down of slow-moving inventories, and sample to test the accuracy of inventories aging; perform sampling to verify the related documentation and recalculate the net realizable value was used accurate by the management; evaluate the management's inventory plan and observe the stock taking to identify the writing-down of slow-moving inventories.

We also consider the appropriateness of the inventory disclosure included in note 5 and 6 to the consolidated financial statements.

### Revenue recognition

The Group recognized operating revenue from sale of NT\$6,193,939 thousand in the year ended December 31, 2023, which was significant to the consolidated financial statements. It's critical for financial statements audit to justify and analyze the obligation of customers contracts and the timing and completeness of revenue recognition. Therefore, we listed revenue recognition as a key audit matter.

The audit procedures we performed regarding revenue recognition included but not limited to: evaluate and test the effectiveness of controls related to revenue recognition; inspect the terms of transaction and understand the revenue recognition process related to the identified obligation of customer contract; perform test of details, including verify the samples of the related documentation and the collection records, to ensure accurate timing and amount for revenue recognition; inspect the supporting document of sales transaction near the balance sheet date to ensure revenue recognized in proper period.

We also consider the appropriateness of the revenue disclosure included in note 6 to the consolidated financial statements.

## Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain associates accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reports of other auditors. These associates under equity method amounted to NT\$133,016 thousand and NT\$124,295 thousand, representing 2% and 2% of total assets as of December 31, 2023 and 2022, respectively. The related shares of profits from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$45,343 thousand and NT\$27,079 thousand, representing 6% and 5% of the income before tax for the year ended December 31, 2023 and 2022, respectively, and the related shares of other comprehensive income from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$(30,478) thousand and NT\$13,192 thousand, representing (10)% and (7)% of the comprehensive income (loss) for the year ended December 31, 2023 and 2022, respectively.

## **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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Group, 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 audit committee, are responsible for overseeing the financial reporting process of the Group.

## **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 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 the consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
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 ability to continue as a going concern of the Group. 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 accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the 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 2023 consolidated financial statements 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.

#### **Other**

We have audited and expressed an unqualified opinion on the parent company only financial statement of the company as of and for the years ended December 31, 2023 and 2022.

Hsieh, Sheng-An  
Chang, Chih-Ming  
Ernst & Young, Taiwan  
March 22, 2024

**Notice to Readers**

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Financial Statements Originally Issued in Chinese  
HONG TAI ELECTRIC INDUSTRIAL CO., LTD.  
Consolidated Balance Sheets  
As at December 31, 2023 and 2022  
(Expressed in Thousands of New Taiwan Dollars)

Code	Assets Items	Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
1100	Current Assets					
1110	Cash and Cash equivalents	4, 6.1	\$1,929,079	23	\$2,420,702	30
1110	Financial Assets at Fair Value Through Profit or Loss, Current	4, 6.2	295,436	3	264,125	3
1120	Financial Assets at Fair Value Through Other Comprehensive Income, Current	4, 6.3	22,832	-	8,800	-
1150	Notes Receivable, Net	4, 6.4, 6.15	40,780	1	69,625	1
1170	Accounts Receivable, Net	4, 6.5, 6.15	1,062,603	13	818,388	10
1200	Other Receivables		2,149	-	6,413	-
130x	Inventories	4, 6.6	1,733,892	20	1,848,789	23
1410	Prepayments		76,617	1	33,874	-
11xx	Total Current Assets		5,163,388	61	5,470,716	67
	Non - Current Assets					
1517	Financial Assets at Fair Value Through Other Comprehensive Income, Non - Current	4, 6.3	1,557,416	18	1,059,086	13
1550	Investments Accounted for Using the Equity Method	4, 6.7	133,016	2	124,295	2
1600	Property, Plant and Equipment	4, 6.8, 8	1,295,077	15	1,333,899	16
1755	Right-of-use Asset	4, 6.16	4,333	-	9,218	-
1760	Investment Property, Net	4, 6.9, 8	113,753	1	114,575	1
1840	Deferred Income Tax Assets	4, 6.20	15,627	-	25,648	-
1920	Refundable Deposits	7	212,746	3	69,380	1
1990	Other Non - Current Assets		823	-	2,249	-
15xx	Total Non - Current Assets		3,332,791	39	2,738,350	33
1xxx	Total Assets		\$8,496,179	100	\$8,209,066	100

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

English Translation of Financial Statements Originally Issued in Chinese  
HONG TAI ELECTRIC INDUSTRIAL CO., LTD.  
Consolidated Balance Sheets (continued)  
As at December 31, 2023 and 2022  
(Expressed in Thousands of New Taiwan Dollars)

Code	Liabilities and Equity Items	Notes	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
2100	Current Liabilities					
2130	Short - Term Loans	6.10	\$4,214	-	\$-	-
2150	Contract Liabilities, Current	4, 6.14	108,833	1	143,941	2
2160	Notes Payable		5,859	-	5,104	-
2170	Notes Payable - Related Parties		-	-	63,177	1
2180	Accounts Payable		369,158	4	324,877	4
2200	Accounts Payable - Related Parties	7	26,420	-	39,058	-
2230	Other Payables		214,351	3	189,583	2
2280	Current Tax Liabilities	4	57,395	1	144,034	2
2399	Lease Liabilities, Current		4,035	-	5,518	-
21xx	Other Current Liabilities	4, 6.16	1,101	-	1,253	-
	Total Current Liabilities		791,366	9	916,545	11
2550	Non - Current Liabilities					
2570	Provisions, Non - Current	4, 6.11	100,000	1	120,000	2
2580	Deferred Tax Liabilities	4, 6.20	41,457	1	33,410	-
2640	Lease Liabilities, Non - Current	4, 6.16	330	-	3,718	-
2645	Defined Benefit Pension Liability	4, 6.12	8,461	-	27,417	-
25xx	Deposits Received		1,597	-	1,597	-
2xxx	Total Non - Current Liabilities		151,845	2	186,142	2
	Total Liabilities		943,211	11	1,102,687	13
31xx	Equity					
3110	Common Stock	4, 6.13	3,160,801	37	3,160,801	39
3200	Capital Surplus		191,704	2	191,704	2
3300	Retained Earnings					
3310	Legal Reserve		1,096,954	13	1,061,473	13
3320	Special Reserve		179,492	2	-	-
3350	Unappropriated Earnings		2,883,290	34	2,869,712	35
	Total Retained Earnings		4,159,736	49	3,931,185	48
3400	Other Equity					
3410	Exchange Differences on Translation of Foreign Operations		(345,854)	(4)	(313,109)	(4)
3420	Unrealized Gains or Losses on Financial Assets Measured at Fair Value Through		384,147	5	133,616	2
	Total Other Equity		38,293	1	(179,493)	(2)
36xx	Total equity attributable to owners of the parent company		7,550,534	89	7,104,197	87
3xxx	Non - Controlling Interest		2,434	-	2,182	-
	Total Equity		7,552,968	89	7,106,379	87
	Total Liabilities and Equity		\$8,496,179	100	\$8,209,066	100

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



English Translation of Financial Statements Originally Issued in Chinese

HONG TAI ELECTRIC INDUSTRIAL CO., LTD.

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating Revenue	4, 6.14, 7	\$6,195,025	100	\$6,385,945	100
5000	Operating Costs	6.6, 6.12, 6.18, 7	(5,323,372)	(86)	(5,618,483)	(88)
5900	Gross Margin		871,653	14	767,462	12
6000	Operating Expenses	6.12, 6.17, 7	(261,591)	(4)	(245,086)	(4)
6450	Expected Credit Impairment (Losses) Gains	4, 6.15	(3,989)	-	511	-
	Total Operating Expenses		(265,580)	(4)	(244,575)	(4)
6900	Operating Income (Loss)		606,073	10	522,887	8
7000	Non-operating Income and Expenses	6.18				
7100	Interest Income		14,743	-	5,316	-
7010	Other Income	7	70,381	1	81,321	1
7020	Other Gains and Losses		21,426	-	(82,606)	(1)
7050	Finance Cost		(1,378)	-	(1,126)	-
7060	Share of Profit or Loss of Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	4, 6.7	45,343	1	27,079	1
	Total Non-operating Income and Expenses		150,515	2	29,984	1
7900	Income (Loss) Before Income Tax		756,588	12	552,871	9
7950	Income Tax (Expense) Benefits	4, 6.20	(127,837)	(2)	(198,742)	(3)
8200	Net Income (Loss)		628,751	10	354,129	6
8300	Other Comprehensive Income (Loss)	6.20				
8310	Items that will not be Reclassified Subsequently to Profit or Loss					
8311	Remeasurements of Defined Benefit Plans	6.12	4,361	-	(1,244)	-
8316	Unrealized Gains (Losses) from Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income		325,609	5	(203,748)	(3)
8349	Income Tax Related to Items that will not be Reclassified Subsequently	6.20	(5,235)	-	(4,056)	-
8360	Items that may be Reclassified Subsequently to Profit or Loss					
8361	Foreign Operating Agency Financial Statement Exchange Difference		(2,267)	-	15,575	-
8367	Unrealized Gains (Losses) from Debt Instruments Investments Measured at Fair Value Through Other Comprehensive Income		1		195	
8370	The share of other comprehensive gains and losses of affiliated companies and joint ventures recognized using the equity method-items that may be reclassified to gains and losses		(30,478)	-	13,192	-
	Other Comprehensive Income (Loss)		291,991	5	(180,086)	(3)
8500	Total Comprehensive Income (Loss)		\$920,742	15	\$174,043	3
8600	Net Profit Attributable To:					
8610	Attributable to the owner of the parent company		\$628,467	10	\$353,762	6
8620	Non-controlling Interest		284	-	367	-
			\$628,751	10	\$354,129	6
8700	Total Comprehensive Income (Loss) Attributable To:					
8710	Attributable to the owner of the parent company		\$920,457	15	\$173,679	3
8720	Non-controlling Interest		285	-	364	-
			\$920,742	15	\$174,043	3
	Earnings Per Share (NTD)	6.21				
9750	Earnings Per Share - Basic		\$1.99		\$1.12	
9850	Earnings Per Share - Diluted		\$1.98		\$1.10	

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

English Translation of Financial Statements Originally Issued in Chinese  
HONG TAI ELECTRIC INDUSTRIAL CO., LTD.  
Consolidated Statements of Changes in Equity  
For the Years Ended December 31, 2023 and 2022  
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	Equity attributable to owners of the parent company								Non-Controlling Interest	Total Equity
		Retained Earnings				Other Components of Equity					
		Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Difference on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income	Equity attributable to owners of the parent company total		
A1	Balance as at January 1, 2022	3100	3200	3310	3320	3350	3410	3420	31XX	36XX	3XXX
		\$3,160,801	\$191,704	\$782,025	\$103,802	\$3,575,567	\$(341,876)	\$343,519	\$7,815,542	\$1,821	\$7,817,363
B1	Appropriation and Distribution of the Earnings for the year 2021										
B5	Legal Reserve	-	-	279,448	-	(279,448)	-	-	-	-	-
B17	Cash Dividends	-	-	-	-	(885,024)	-	-	(885,024)	-	(885,024)
	Special Reserve	-	-	-	(103,802)	103,802	-	-	-	-	-
D1	Net Income (Loss) in 2022	-	-	-	-	353,762	-	-	353,762	367	354,129
D3	Other Comprehensive Income (Loss) in 2022	-	-	-	-	(995)	28,767	(207,855)	(180,083)	(3)	(180,086)
D5	Total Comprehensive Income (Loss) in 2022	-	-	-	-	352,767	28,767	(207,855)	173,679	364	174,043
O1	Increase (decrease) in non-controlling interests	-	-	-	-	-	-	-	-	(3)	(3)
Q1	Disposal of Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income	-	-	-	-	2,048	-	(2,048)	-	-	-
Z1	Balance as at December 31, 2022	\$3,160,801	\$191,704	\$1,061,473	\$-	\$2,869,712	\$(313,109)	\$133,616	\$7,104,197	\$2,182	\$7,106,379
A1	Balance as at January 1, 2023	\$3,160,801	\$191,704	\$1,061,473	\$-	\$2,869,712	\$(313,109)	\$133,616	\$7,104,197	\$2,182	\$7,106,379
B1	Appropriation and Distribution of the Earnings for the year 2022										
B3	Legal Reserve	-	-	35,481	-	(35,481)	-	-	-	-	-
B5	Special Reserve	-	-	-	179,492	(179,492)	-	-	-	-	-
	Cash Dividends	-	-	-	-	(474,120)	-	-	(474,120)	-	(474,120)
D1	Net Income (Loss) in 2023	-	-	-	-	628,467	-	-	628,467	284	628,751
D3	Other Comprehensive Income (Loss) in 2023	-	-	-	-	3,489	(32,745)	321,246	291,990	1	291,991
D5	Total Comprehensive Income (Loss) in 2023	-	-	-	-	631,956	(32,745)	321,246	920,457	285	920,742
O1	Increase (decrease) in non-controlling interests	-	-	-	-	-	-	-	-	(33)	(33)
Q1	Disposal of Equity Instruments Investments Measured at Fair Value Through Other Comprehensive Income	-	-	-	-	70,715	-	(70,715)	-	-	-
Z1	Balance as at December 31, 2023	\$3,160,801	\$191,704	\$1,096,954	\$179,492	\$2,883,290	\$(345,854)	\$384,147	\$7,550,534	\$2,434	\$7,552,968

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

English Translation of Financial Statements Originally Issued in Chinese  
HONG TAI ELECTRIC INDUSTRIAL CO., LTD.  
Consolidated Statements of Cash Flows  
For the Years Ended December 31, 2023 and 2022  
(Expressed in Thousands of New Taiwan Dollars)

Code	Items	2023	2022
		Amounts	Amounts
AAAA	Cash Flows From Operating Activities		
A10000	Income Before Income Tax	\$756,588	\$552,871
A20000	Adjustments to Reconcile Income Before Income Tax to Net Cash Provided By Operating Activities:		
A20100	Depreciation expense	88,471	87,638
A20200	Amortization expense	1,526	4,020
A20300	Expected Credit Impairment Losses (Gains)	3,989	(511)
A20900	Interest Expense	1,378	1,126
A21200	Interest Income	(14,743)	(5,316)
A21300	Dividend Income	(41,039)	(60,126)
A22300	Share of Profit or Loss of Subsidiaries, Associates and Joint Ventures for Using the Equity Method	(45,343)	(27,079)
A22500	(Gain) loss on Disposal of Property, Plant and Equipment	23,373	(29,557)
A23800	Reversal of Impairment Loss Recognised in Profit or Loss, Non-financial Assets	(144)	(144)
A30000	Changes in Operating Assets and Liabilities		
A31115	(Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss	(31,311)	105,402
A31130	(Increase) Decrease in Notes Receivable	28,845	(14,157)
A31150	(Increase) Decrease in Accounts Receivable	(248,204)	(347,458)
A31160	(Increase) Decrease in Accounts Receivable - Related Parties	-	1,519
A31180	(Increase) Decrease in Other Receivables	3,757	116,836
A31200	(Increase) Decrease in Inventories	114,897	111,789
A31230	(Increase) Decrease in Prepayments	(21,443)	(755)
A31240	(Increase) Decrease in Other Current Assets	-	67
A32125	Increase (Decrease) in Contract Liabilities	(35,108)	59,802
A32130	Increase (Decrease) in Notes Payable	755	537
A32140	Increase (Decrease) in Notes Payable- Related Parties	(63,177)	63,177
A32150	Increase (Decrease) in Accounts Payable	44,281	115,290
A32160	Increase (Decrease) in Accounts Payable - Related Parties	(12,638)	37,219
A32180	Increase (Decrease) in Other Payables	26,168	(190,445)
A32200	Increase (Decrease) in Provisions	(20,000)	-
A32230	Increase (Decrease) in Other Current Liabilities	(152)	(2,301)
A32240	Increase (Decrease) in Defined Benefit Pension Liability	(14,595)	(6,905)
A33000	Cash Generated (Outflow) From Operations	546,131	572,539
A33100	Interest Received	14,594	5,019
A33200	Dividend Received	6,999	13,418
A33500	Income Tax Paid	(201,643)	(99,807)
AAAA	Net Cash Provided By (Used in) Operating Activities	366,081	491,169
BBBB	Cash Flows from Investing Activities		
B00010	Acquisition of Financial Assets at Fair Value Through Comprehensive Income	(426,968)	(142,557)
B00020	Proceeds from Disposal of Financial Assets at Fair Value Through Comprehensive Income	226,719	2,690
B00030	Return Capital from Financial Assets at Fair Value Through Other Comprehensive Income	11,229	7,036
B02000	Increase in Current Prepayments for Investments	(21,300)	(6,000)
B02700	Acquisition of Property, Plant and Equipment	(109,589)	(42,497)
B02800	Proceeds from Disposal of Property, Plant and Equipment	41,623	30,527
B03700	Increase in Refundable Deposits	(143,366)	-
B03800	Decrease in Refundable Deposits	-	5,320
B06700	Increase in Other Non-current Assets	(100)	(166)
B07600	Dividend Received	41,638	61,428
BBBB	Net cash provided by (Used in) Investing Activities	(380,114)	(84,219)
CCCC	Cash Flows from Financing Activities		
C00100	Increase in Short - term Loans	4,214	-
C03000	Increase in Deposits Received	-	38
C04020	Cash Payments for the Principal Portion of the Lease Liability	(5,564)	(2,490)
C04500	Payment of Cash Dividends	(474,120)	(885,024)
C05600	Interest Paid	(1,290)	(1,027)
C05800	Changes in non-controlling interests	(33)	(3)
CCCC	Net cash provided by (Used in) Financing Activities	(476,793)	(888,506)
DDDD	The impact of exchange rate changes on cash and cash equivalents	(797)	3,028
EEEE	Net Increase (Decrease) In Cash and Cash equivalents	(491,623)	(478,528)
E00100	Cash and Cash equivalents, Beginning of the Year	2,420,702	2,899,230
E00200	Cash and Cash equivalents, End of the Year	\$1,929,079	\$2,420,702

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

**Attachment 5****Hong Tai Electric Industrial Co., Ltd.  
2023 Earnings Distribution Statement**

Unit NTD

Item	Amount
Undistributed earnings at start of term	2,180,618,056
Plus: Remeasurements of the defined benefit plan	3,489,185
Plus: Retained earnings from accumulated income from the disposal of equity tools measured at fair value through other comprehensive income	70,715,663
Plus: After-tax net profits of current term	628,467,483
Less: Appropriation of legal reserve (10%)	(70,267,233)
Plus: Reversal of special reserve	179,491,764
Total distributable earnings	2,992,514,918
Assignment:	
Less: Cash dividend (NT\$2.0 per share)	(632,160,126)
Undistributed earnings at end of term	2,360,354,792

Remarks: The Company distributes earnings on the basis of prioritizing earnings from 2023 that may be assigned. In case of any shortage, according to the year where the earnings were generated, by the last in, first out rule, earnings accumulated from prior years that are available for distribution are distributed.

Chairman of the Board:  
Chiu Chiang Investment Co., Ltd.  
Representative: Chen Shih-yi

Manager:  
Li Wen-Pin

Head of Accounting:  
Pan Shao-ping

## Appendix 1

### Hong Tai Electric Industrial Co., Ltd.

#### Articles of Incorporation

#### Chapter 1 General Provisions

Article 1: The Company is organized in compliance with the Company Act and is named Hong Tai Electric Industrial Co., Ltd. (宏泰電工股份有限公司)

Article 2: Its scope of operation includes:

- I. Manufacturing, processing, and distribution of various types of electrical wires, cables, and accessories
- II. Smelting, manufacturing, processing, and distribution of various types of metal products
- III. Design, manufacturing, processing, and distribution of raw materials, semi-finished products, and final products of various electrical/mechanical, electronic, electrical appliances, communications, semi-conductors, copper foil substrates, and insulating materials.
- IV. Manufacturing, processing, and distribution of the above-listed various relevant machines
- V. Design, construction, maintenance, and provision of quality control and technical service for various power and telecommunication projects
- VI. C901010 Manufacturing of ceramics and ceramic products
- VII. CC01020 Manufacturing of electrical wires and cables
- VIII. CC01060 Manufacturing of cable communication machinery and devices
- IX. CC01080 Manufacturing of electronic parts and components
- X. CC01090 Manufacturing of batteries

- XI. CC01070 Manufacturing of wireless communication machinery and devices
- XII. CE01030 Manufacturing of optical instruments
- XIII. E601010 Installation of electrical appliances
- XIV. EZ06010 Traffic sign engineering
- XV. I301020 Data processing
- XVI. I301030 Electronic information supply
- XVII. Agency and dealership for imports and exports concerning each of the above-listed businesses
- XVIII. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company may provide external guarantee as needed for its business with prior approval by the Board of Directors.

The external re-investments of the Company may exceed 40% of its paid-in capital.

Article 4: The Company is established in Taoyuan and its branch office, agency, operating location, or manufacturing facility may be set up domestically or internationally as needed.

## **Chapter 2      Shares**

Article 5: The Company has a capital size worth NTD 3.98 billion only which consists of 398 million shares, with each share worth NTD 10. The shares are issued in separate efforts. Shares are issued to meet actual demand with prior approval by the Board of Directors. As part of the capital size indicated in the preceding paragraph, NTD 100 million, consisting of 10 million shares with each share worth NTD 10, is meant for issuance of employee subscription certificates and may be released in separate efforts. The Board of Directors is authorized to issue them in

compliance with the Company Act and applicable laws and regulations.

Article 5-1: The Company may assign shares of the Company that have been bought back to its employees at the mean price of the shares actually bought back or issue employee subscription certificates at the subscription price below the closing price of the Company's stock on the date of issuance with two-thirds or more of affirmative votes among shareholders holding a majority of issued shares combined who attended the shareholders' meeting.

Parties to whom the shares bought back by the Company as indicated in the preceding paragraph are assigned may include employees of affiliated companies meeting certain criteria. The criteria and the assignment approach may be decided by the Board of Directors as authorized.

Article 5-2: Parties to whom the Company's employee subscription certificates, restricted stock awards, and retained new shares upon capital increase in cash for subscription by employees are issued may include employees of affiliated companies meeting certain criteria. The criteria, the issuance method, and the subscription method may be decided by the Board of Directors as authorized.

Article 6: The registered share certificates of the Company shall be affixed with the signature or seal of the director representing the Company, and shall be legally authenticated before issuance. For shares issued by the Company, it is allowed not to print out the stock yet they shall be registered at the depository and clearing institutions for securities.

Article 7: Shareholder relations of the Company, unless specified otherwise in laws and regulations, shall be addressed as required by the competent authority.

### **Chapter 3      Shareholders' Meeting**

Article 8: The shareholders' meetings include the general ones and the extraordinary ones. General shareholders' meetings are called for by the Board of Directors within six months after each fiscal year ends while the extraordinary ones are to be called for whenever it is considered necessary by law.

A shareholders' meeting of the Company may be held through video conferencing or in any other way announced by the central competent authority. A meeting held through video-conferencing shall meet applicable requirements such as the criteria, the operating procedure, and other matters that shall be followed unless it is specified otherwise by the competent securities authority.

Article 9: When a shareholder is unable to attend the shareholders' meeting for whatever the reason, the shareholder may present a proxy statement printed by the Company that states the scope of authorization to entrust a proxy to attend the shareholders' meeting.

The said proxy statement shall be delivered to the Company or to the registrar designated by the Company five days before the shareholders' meeting. In case of any repetition, the one that is delivered earlier shall be valid.

With the exception of trust businesses or registrars approved by the competent securities authority, when the votes that may be cast by one proxy representing two or more shareholders exceed three percent of the votes of total shares issued, the excess shall not be counted.

Article 10: Each shareholder of the Company, unless specified otherwise in laws and regulations, has one voting right for each share held.

Article 11: Shareholders' resolutions shall be adopted by at least a majority of the votes of shareholders present at a shareholders' meeting who hold a majority of all issued and outstanding shares of the Company unless



otherwise required by the Company Act.

## **Chapter 4      Directors and Managers**

Article 12: The Company has seven to nine directors who serve a term of three years. According to the candidate nomination system under Article 192-1 of the Company Act, the directors are elected among those shown on the list of candidates in the shareholders' meeting and may serve multiple terms if they are re-elected. The shares held by all directors combined of the Company may not be less than the percentage required by the competent authority.

Among the directors are at least three independent directors that may not be less than one-fifth of all directors and are elected among those shown on the list of candidates in the shareholders' meeting. Independent directors and non-independent directors shall be elected concurrently and the elects are calculated separately.

The Audit Committee shall consist of all independent directors and its powers and related matters shall be devised by the Board of Directors separately in accordance with applicable laws and regulations.

The Company's Board of Directors may set up functional committees whose membership eligibility, functions, and related matters shall be devised by the Board of Directors separately in accordance with applicable laws and regulations.

Article 13: The Board of Directors is staffed by directors. The Chairman is elected among the directors upon approval by a majority of directors present in the board meeting that is attended by two-thirds or more of all directors and one Vice Chairman may be assigned. The Chairman represents the Company externally and is the chairperson of the Board of Directors

internally.

Article 14: In the event that the Chairman is on leave or is not functional for some reason, the Vice Chairman shall act on his/her behalf. In the event that both the Chairman and the Vice Chairman are absent, one director shall be assigned by the Chairman to act on his/her behalf. When no proxies are assigned, the directors may have one among themselves to act on behalf of the Chairman.

In the event that directors are unable to attend the board meeting in person, they may assign other directors to act on their behalf in the meeting as required by the Company Act.

Article 15: A board meeting, except for the very first one of each intake that is called for as required by the Company Act, is to be called for by the Chairman.

Decisions made by the Board of Directors, unless specified otherwise in the Company Act, shall be supported by approval from a majority of attending directors who account for a majority of all directors. A notice of the reasons for convening a board meeting shall be given to each director seven days before the meeting is convened. Under emergency circumstances, however, a board meeting may be called for at any time without written notice.

The notice may be provided in writing, by fax, or through email.

Article 16: Responsibilities of the Board of Directors are as follows:

- (I) To deliberate on business plans
- (II) To deliberate on budget and final accounts
- (III) To deliberate on capital increase or reduction
- (IV) To deliberate on the distribution of earnings or appropriations to fill losses
- (V) To deliberate on respective rules and important contracts

- (VI) To deliberate on the establishment, change, or cancelation of branches
- (VII) To decide on important candidates and to deliberate on the acquisition or disposal of important assets
- (VIII) To call for shareholders' meetings
- (IX) To review and finalize the Regulations Governing the Retirement of Appointed Managers
- (X) To deliberate on the assignment of dividends, legal reserve, and capital reserve in cash in special approved ways
- (XI) To deliberate on other responsibilities provided under laws and regulations and through the shareholders' meeting and important matters specified by the competent authority

Article 17: The Company may set up managers whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

Article 18: The General Manager of the Company, in compliance with the decisions made by the Board of Directors and instructions from the Chairman, handles all affairs concerning the Company.

Article 19: Directors of the Company may receive compensation unaffected by profits or losses according to their involvement in and their contributions to the Company's operation. The industrial standards may be referred to. Such compensation is determined by the Board of Directors as authorized after it is deliberated by the Compensation and Remuneration Committee. When a director or a shareholder is also an employee, salaries shall be paid as they are for the other employees. The Board of Directors may purchase liability insurance for directors and important cadres during their term in office with approval from a majority of directors attending the board meeting who represent a

majority of all directors to meet the actual demand.

## **Chapter 5      Accounting**

Article 20: The Board of Directors will prepare the (I) Business Report, (II) Financial Statements, and (III) tables or books with proposed distribution of earnings or appropriations to fill losses at the end of each fiscal year and bring them forth in the general shareholders' meeting to be acknowledged.

Article 21: In cases of profits for the year, the Company shall set aside 2% to 8% as remunerations for employees and no more than 3% to be those for directors. With accumulated deficits remaining, however, the portion required to offset the deficits shall be retained first.

Where remunerations for employees are in stock cash and the parties to whom such stock or cash may be issued to may include employees of affiliated companies meeting certain criteria, the criteria and the distribution method are to be decided by the Board of Directors as authorized.

By profitability for the year as indicated in Paragraph 1, it refers to the profits before the remunerations for employees and those for directors are subtracted from the pre-tax profits for the year.

Remunerations for employees and those for directors shall be assigned on the basis of a decision supported by a majority of directors attending the board meeting who represent two-thirds or more of all directors and shall be presented in the shareholders' meeting.

Article 21-1: After accounts are finalized at the end of the year, in cases of earnings, the Company shall allocate the portion required to offset deficits and pay all taxes first and then set aside 10% to be the legal reserve unless the accumulated legal reserve has reached the capital

size of the Company. Meanwhile, after the special reserve is set aside or reversed as required by law, the remainder, along with the undistributed earnings at start of term, shall be the accumulated distributable earnings. The Board of Directors will prepare the assignment proposal and bring it forth in the shareholders' meeting for a decision before it is enforced.

For the distribution of earnings as indicated in the preceding paragraph, the Board of Directors, with attendance of two-thirds and more of all directors and approval from a majority of attending directors, decides on the release of all or part of the dividends to be assigned, along with the proposals on the distribution of legal reserve and capital reserve, in cash and presented it in the shareholders' meeting.

Part of the Company's products belong to the traditional industry and the corporate life cycle is gradually reaching "maturity" while part of them belong to an emerging industry whose life cycle is at the growth stage. The Company's policies on the distribution of dividends must take into consideration its demand for funds in the future and its long-term financial plan while at the same time taking care of the interests of its shareholders. It is not to exceed 20% of the earnings available for distribution for the year in principle. The ratio of cash dividends to be distributed, in particular, may not be below 20% of the total dividends.

In cases of non-frequent material income for the earnings of the specific year, however, part or all of the said income may be retained in the distribution of dividends and the ratios indicated in the foregoing paragraph do not apply.

## **Chapter 6 Supplemental Provisions**

Article 22: For details not covered herein, the requirements of the Company Act and applicable regulatory requirements shall be followed.

Article 23: These Articles of Incorporation were established on October 26, 1967 and were revised for the first time on July 8, 1970,.....for the 22<sup>nd</sup> time on June 4, 1999, for the 23<sup>rd</sup> time on April 27, 2000, for the 24<sup>th</sup> time on April 26, 2001, for the 25<sup>th</sup> time on May 7, 2002, for the 26<sup>th</sup> time on April 22, 2003, for the 27<sup>th</sup> time on May 28, 2004, for the 28<sup>th</sup> time on June 10, 2005, for the 29<sup>th</sup> time on June 9, 2006, for the 30<sup>th</sup> time on June 16, 2009, for the 31<sup>st</sup> time on June 15, 2010, for the 32<sup>nd</sup> time on June 12, 2012, for the 33<sup>rd</sup> time on June 14, 2013, for the 34<sup>th</sup> time on June 23, 2015, for the 35<sup>th</sup> time on June 21, 2016, for the 36<sup>th</sup> time on June 14, 2018, for the 37<sup>th</sup> time on June 13, 2019, and for the 38<sup>th</sup> time on June 21, 2022.

Hong Tai Electric Industrial Co., Ltd.

Chairman of the Board:

Chiu Chiang Investment Co., Ltd.

Representative: Chen Shih-yi

## Appendix 2

### Hong Tai Electric Industrial Co., Ltd.

#### Rules of Procedure for the Shareholders' Meeting

Article 1: The Shareholders' Meeting of the Company shall be conducted in accordance with the Rules specified herein.

Article 2: The Company shall prepare an attendance book to be signed by attending shareholders (or their proxies) or have the attending shareholders (or their proxies) to turn in the attendance card instead of providing their signature. Solicitors of letters of delegation shall also bring their identity supporting documents to facilitate verification. The number of shares represented during the meeting is calculated based on the signatures rendered in the attendance book or the attendance cards collected plus the number of shares whose voting rights are exercised electronically.

Article 3: The attendance and voting in a shareholders' meeting, unless specified otherwise in laws and regulations, shall be calculated by the share.

Article 4: Shareholders' meetings shall be held in counties or cities where the headquarters are located or at locations that are convenient for shareholders to attend. Meetings shall not begin earlier than 9 AM or later than 3 PM.

The meeting notice shall specify the time when shareholders may begin to check in and the venue for them to check into and other precautions for shareholders. The time when shareholders may begin to check in as indicated in the preceding paragraph shall be at least 30 minutes before the meeting starts. The check-in area shall be clearly labeled and adequate suitable manpower shall be available to help with check-in.

Article 5: Shareholders' meetings shall be chaired by the Chairman unless it is specified otherwise in the Company Act. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice

Chairman shall act on his/her behalf. If the Vice Chairman is also unavailable or is non-existent, the Chairman may appoint one of the standing directors to act on his/her behalf. If the Chairman does not appoint a delegate, one shall be elected from among the standing directors or the directors to act on the Chairman's behalf.

When the chairperson in the preceding paragraph is acted by a standing director or a director, the said standing director or director shall be someone that has served in office for at least six months and an understanding of the financial standing of the Company. If the chairperson is the representative of a corporate director, the same applies.

Article 6: The Company may designate retained lawyers, certified public accountants or relevant personnel to attend the shareholders' meeting. Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.

Article 7: The Company shall record the whole course of the shareholders' meeting on audio tape or video tape, and shall keep the tape on file for at least one year.

Article 8: When presence of shareholders (or their proxies) representing a majority of all issued shares is reached for a shareholders' meeting, the chairperson may call the meeting to order. If the quorum is not reached when it is already past the scheduled start time of the meeting, the chairperson may announce an extension of the start time. If the quorum remains unreached upon the second extension of the start time and the presence of shareholders representing one-third and more of the overall issued shares is reached, tentative resolutions may be reached with approval by a majority of attending shareholders with voting rights.

If the quorum is reached with the number of shares represented by attending shareholders (or their proxies) after the tentative resolutions



indicated in the preceding paragraph are made, the chairperson may bring forth the said tentative resolutions in the meeting to be endorsed.

Article 9: Agenda of a shareholders meeting shall be prepared by the Board of Directors. The meeting shall proceed according to the agenda unless changed through a resolution reached in the meeting. If a shareholders' meeting is called for by someone else entitled to convene it than the Board of Directors, the rules in the preceding paragraph shall apply.

Unless through a resolution reached in the shareholders' meeting, the chairperson may not announce that the meeting is adjourned until all items on the agenda (including extemporaneous motions) arranged as indicated in the preceding two paragraphs have been completed. When the chairperson violates the Rules of Procedure and announces that the meeting is adjourned, another chairperson may be elected with approval from a majority of attending shareholders with voting rights and the meeting may be continued.

Once a meeting is adjourned based on a resolution, shareholders may not elect another chairperson to continue with the meeting at the same or another location.

Article 10: Reports or non-proposals will not be discussed or voted for or against. Attending shareholders are obligated to follow the Rules of Procedure, to obey the resolutions reached, and to maintain order on the floor.

Article 11: Before attending shareholders (or their proxies) speak, they need to complete a statement slip that highlights what they will speak about.

According to the account number and name on the account of each shareholder (or the number shown on the attendance card), the chairperson will decide the order by which he/she speaks.

When a shareholder present at the meeting merely submits a statement slip without speaking, he/she is considered to have not spoken. If what is

spoken about does not answer to what is indicated in the statement slip, the confirmed spoken words shall prevail.

Unless given consent by the chairperson and the speaking shareholder, other shareholders may not speak to interrupt the shareholder that is speaking; otherwise the chairperson shall stop the interruption.

Article 12: Unless permitted by the chairperson, no shareholder may speak more than twice regarding the same proposal and may not speak for more than five minutes each time.

When a shareholder speaks in violation of the requirement in the preceding paragraph or out of the scope of the issue, the chairperson may stop the shareholder.

Article 13: An institutional shareholder may assign only one representative to attend the meeting on its behalf.

In the event that an institutional shareholder assigns two or more representatives to attend the shareholders' meeting, only one of the representatives may speak.

Article 14: After a shareholder present at the meeting speaks, the chairperson may reply in person or have a relevant party to reply.

Article 15: When the chairperson believes that a proposal may be put to a vote after discussions, the chairperson may declare closure of discussions and call for a vote.

Article 16: The chairperson shall assign staff to scrutinize or count the ballots when a proposal is put to a vote. Such staff, however, shall be shareholders and the outcome of the vote shall be announced on the spot, including the statistical weight and records shall be produced.

When directors are elected in a shareholders' meeting, applicable election regulations defined by the Company shall be followed and the outcome of the election shall be announced on the spot, including the list of elected

directors and their elect weight.

Article 17: While the meeting is in session, the chairperson may at his/her discretion allocate and announce time for breaks.

Article 18: Unless specified otherwise in the Company Act or the Articles of Incorporation, a proposal shall be approved by the consent of a majority of the attending shareholders (or their proxies) with voting rights.

In voting, a proposal is considered approved if the chairperson receives no dissenting opinions after solicitation and its power is the same as that of casting a ballot.

Article 19: Where there are amendments or alternatives to one proposal, the chairperson shall determine the order in which they and the original proposal are to be voted. If one of them is approved, the others are considered to have been vetoed; no further voting is needed.

Article 20: The chairperson may instruct the inspectors (or security personnel) to assist in maintaining order on the floor. While assisting in maintaining order on the floor, the inspectors (or security personnel) shall wear an ID or an arm-band reading "Inspector."

Article 21: Matters not provided herein shall be subject to the provisions of the Company Act and other applicable laws and regulations.

Article 22: These Rules shall be enforced after they are approved in the shareholders' meeting, as shall any amendment. They were established on June 19, 1991; revised for the first time on April 28, 1998; revised for the second time on May 7, 2002; revised for the third time on June 13, 2008; revised for the fourth time on June 12, 2012; revised for the fifth time on June 14, 2013; and revised for the sixth time on June 23, 2015.

## Appendix 3

### Hong Tai Electric Industrial Co., Ltd.

#### Name, term, and number of shares held of director

Book closure date April 14, 2024

Title	Name		Date elected	Term	Number of shares held now
Chairman	Chiu Chiang Investment Co., Ltd.		2022.06.21	3 years	15,734,514
Director	Qiqingxin Investment Co., Ltd.		2022.06.21	3 years	6,000,000
Director	Jyh Tai Investment Co., Ltd.		2022.06.21	3 years	11,650,029
Director	Shinn Bang Investment Co., Ltd.		2022.06.21	3 years	5,390,500
Independent Director	Chao Jang, Jing		2022.06.21	3 years	461,913
Independent Director	Lu Chih Yuan		2022.06.21	3 years	0
Independent Director	LO Hsueh Yu		2022.06.21	3 years	0
Number of shares held by all directors combined	Minimum number of shares that shall be held	12,643,202 shares	Ratio in overall shares		4%
	Actual number of shares held	39,236,956 shares	Ratio in overall shares		12.41%

Note: As of April 14, 2024, there had been 316,080,063 shares issued by the Company.