



Iron Force Industrial Co., Ltd.

2024 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Type of Meeting : Physical Meeting

Time : 9:00 a.m., June 21st (Fri), 2024

Place : Cosmos Global Cultural Exhibition Center

(23F.-5, No. 93, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei
City 221, Taiwan (R.O.C.))



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Iron Force Industrial Co., Ltd.

2023 Annual Shareholders' Meeting

Meeting Agenda

- 1 、 Call Meeting to Order
- 2 、 Chairman's Address
- 3 、 Reported Matters
- 4 、 Acknowledged Matters
- 5 、 Election Matters
- 6 、 Other Proposals
- 7 、 Extemporaneous Motions
- 8 、 Adjournment

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1. Report attending share: Call meeting to order
2. Chairman's Address
3. Reported Matters
 - 3.1 2023 Business Report
 - 3.2 Audit Committee's Review Report
 - 3.3 Report on 2023 Employees' and Directors' Remuneration
 - 3.4 2023 Annual Director Remuneration Policy Report
4. Acknowledged Matters
 - 4.1 2023 Business Report and Financial Statements
 - 4.2 2023 Earnings Distribution
5. Election Matters
 - Election of new directors
6. Other Proposals
 - Discussion to approve the lifting of non-competition restrictions for directors and their representatives
7. Extraordinary Motions
8. Adjournment

Reported Matters

【Report No. 1】

2023 Business Report

Explanation : 2023 Business Report is as attached, Attachment I.

【Report No. 2】

Audit Committee's Review Report

Explanation :

1. The Audit Committee's Review is as attached, Attachment II.
2. The Status on Communication between chief internal auditors and the Audit Committee is as attached, Attachment III.

【Report No. 3】

Report on 2023 Employees' and Directors' Remuneration

Explanation :

1. The Company's profit distribution to employees and directors in Year 2023 is in the term of cash by a resolution of the meeting of board of directors on March 7th, 2024.
2. Distribution status is as below:
 - 2.1 Employee's compensation: NT\$ 3,700,000
 - 2.2 Directors' compensation: NT\$ 1,589,787

【Report No. 4】

2023 Annual Director Remuneration Policy Report

Explanation : The company's director remuneration policy is established in accordance with the provisions of the company's articles of incorporation. For details regarding relevant policies, individual compensation components, and amounts is as attached, Attachment IV.

Acknowledged Matters

【Proposal No.1】

Proposed by the Board of Directors

Adoption of 2023 Business Report and Financial Statements

Explanation :

1. The Company's Individual and Consolidated Financial Statements were audited by independent auditors, Chen, Ching Chang and Lin, Yi-Fan of PwC Firm. Also Business Report and Financial Statements have been approved by the Audit Committee.
2. The Business Report, the Audit Committee's review, independent auditors' audit report, and the above-mentioned Financial Statements are attached as Attachment I, II, and V.

Resolution :

【Proposal No. 2】

Proposed by the Board of Directors

Adoption of the Proposal for 2023 Earnings Distribution

Explanation :

1. Adoption of the Proposal for Distribution of 2023 Profit was by a resolution of the board meeting on March 7th, 2024.
2. The proposed cash dividends to shareholders are NT\$ 378,901,405 as NT\$ 5 per share.
3. In the event that, before the distribution record date, the proposed profit distribution is affected by a buyback of shares or transferring treasury shares to employees or withdrawing outstanding shares or exchanging convertible corporate bonds or employee stock options or capital increase in cash, it is proposed that the chairman of the board be authorized to adjust the cash and stock to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
4. The proposal of distribution will be resolved by shareholders meeting and be authorized to the chairman of the board to specify ex-dividend date. The cash dividend amount to each shareholder is

distributed up to a dollar. Less than a dollar shall be allocated to shareholders' equity.

5. The Earnings Distribution of 2023 is as attached, Attachment VI.

Resolution :

Election Matters

【Proposal No.1】

Proposed by the Board of Directors

Election of new directors

Explanation :

1. The term of the Company's current directors expires on August 26, 2024. A comprehensive re-election of directors shall be conducted during this year's annual general shareholders' meeting.
2. In accordance with the Articles of Incorporation, it is proposed to elect nine directors (including three independent directors). The newly elected directors will take office from the date of election at this shareholders' meeting, with a term of three years, from June 21, 2024, to June 20, 2027.
3. In accordance with the Articles of Incorporation, a candidate nomination system is used for the election of directors and independent directors. Shareholders shall elect directors and independent directors from the candidate list. Information about their education, experience, and other related details can be found in Appendix VII.
4. Proposal for election.

Election results :

Other Proposals

【Proposal No.1】

Proposed by the Board of Directors

Discussion to approve the lifting of non-competition restrictions for directors and their representatives

Explanation:

1. In accordance with Article 209 of the Company Act, Directors and their representatives engaging in activities for themselves or others within the scope of the company's business shall explain the significant details of their actions to the shareholders' meeting and obtain their approval.
2. To leverage the expertise and relevant experience of the directors, it is proposed to request the approval of the shareholders' meeting to lift the non-competition restrictions for the directors and their representatives. Please refer to Attachment VIII.

Resolution:

Extraordinary Motions

Adjournment

Attachment I

2023 Business Report

The global automotive market gradually rebounded in 2023, with the operating performance of the Company's automotive parts business group significantly improving. The revenue of the automotive parts business group reached a historical high in 2023, driving the overall consolidated revenue of the group to achieve a historic high as well. Global sales of electric vehicles continued to grow in 2023. The Company will continue to focus on the comprehensive "thermal management" solution for vehicle cooling, concentrate on the front-end market, and product process development to lay the groundwork for future new profit sources and capture market share.

The overall revenue and profits of the display fixtures business in 2023 remained roughly flat compared to 2022. However, we still need to closely monitor the impact of changes in consumer purchasing behavior due to the pandemic, as well as the continued development of e-commerce and online shopping, which have led to a significant decline in the global physical retail consumer market.

The results of the operating performance in 2023, the operating plan for 2024 and future corporate development strategy, the explanation is as follows:

1、The Operating Performance in 2023

(1) The Implementation Results of The Operating Plan:

The group's total consolidated sales revenue was NT\$ 4,894 million in 2023, net profit after tax was NT\$ 514 million, earnings per share (EPS) was NT\$6.78, which was increasing 13.57 % annually. The operating performance had a significant rebound compared to 2022.

UNIT : NT Thousand Dollar

Items	2023	2022	Variable ratio
Sales revenue	4,894,258	4,373,785	11.90%
Gross profit	1,213,061	1,136,245	6.76%
Operating profit	560,879	450,596	24.47%
Profit before tax	705,029	605,657	16.41%
Profit for the year	513,817	452,590	13.53%
Basic earnings per share	6.78	5.97	13.57%

(2) Budget Implementation:

By operation of law, the company has not disclosed the financial forecasting for 2023 to the public, and the overall operating performance compared to the internally formulated operating plan for 2023, the revenue achievement percentage was 109%, and the next profit before tax achievement percentage was 141%.

(3) Research and Development Status:

The Company's product process primarily focuses on the molding, assembly, automated production, and inspection of metal parts. Currently, our research and development direction remains consistent with our long-term strategic goals. In addition to continuously improving our existing technology and establishing innovative precision technology, the Company continuously develops technology for automatic measurement, feedback, and correction in production. It promotes the development of equipment intelligence and factory intelligence to accelerate the enhancement of added value and productivity, ensuring continuous growth in quality and profitability. Furthermore, in light of the recent and potential growth of the electric vehicle market, the Company's new product business has been actively investing in the automotive cooling field since 2019. Through industry-academic cooperation, the Company has promptly acquired advanced technology and patents. In 2020, the Company completed the construction of production bases and commenced trial production at the end of 2022, gradually increasing its revenue. The Company continues to focus on "thermal management" as the main strategy for sustainable development. Building upon its solid business foundation, the Company aims to drive new growth momentum through various research and development efforts and expansion into the automotive cooling field.

2、Summary of Operating Plan for 2024

(1) Business policy and strategy:

The Company continues to actively transform its production strategy through intelligent manufacturing, integrating new technologies and techniques to continuously strengthen its core capabilities and competitiveness. At the same time, in line with the growth trend of electric vehicles, the Company strategically focuses

on "thermal management" as the main axis. This key technique, developed through the Company's new business division, is targeted towards the front-end market and product technology development, aiming to seize market share in the automotive cooling industry and establish a foothold in new markets.

Internally, the Company continues to strengthen the integration and cultivation of human resources to better understand market changes, front-end technology advancements, and iterative production techniques. The Company is also committed to creating a superior working environment, laying the foundation for the sustainable management of a century-old enterprise.

The Automotive Component Division:

1. The Automotive Parts Division in Poland began production in the third quarter of 2020 and is poised to ramp up shipments and improve production efficiency in 2024. It plans to introduce more high-value products to boost overall divisional capacity, strengthen collaboration with customers for timely service, seize regional markets, secure additional orders, and participate in front-end technology development, aligning with Iron Force Industrial Co., Ltd.'s global expansion strategy.
2. Iron Force Industrial Co., Ltd.'s New Business Development Division, dedicated to Automotive Heat Dissipation solutions, completed its production facility construction in the fourth quarter of 2020 and started small-scale production and shipping by the end of 2021. In 2024, the New Business Development Division aims to further increase shipments and revenue, explore new markets in automotive heat dissipation, and enhance research and development capabilities along with technical patents.
3. The entire business group conducts the allocation of resource integration, it is moving towards to the supplier of system integration, and through the continuously growth of R&D capabilities and strengthening the customer relationship management, it becomes a solution provider to customers.

The Display Fixture and Houseware Division:

1. Increasing the market visibility and market share of environment-friendly products, and doing the further integration with the upstream and downstream of the

industrial chain, conducting the overall resource planning, and providing the customer service with a complete operating process from the design, production and sales.

2. Using the manufacturing technique and resources of The Automotive Component Division to develop precision-processed and sustainable products and customers.
3. In response to significant environmental changes, we are consolidating our resource focus into a high-value-added operational model, transitioning towards a trade integrator model by outsourcing technical content and lower-level manufacturing processes, and expanding our market niche while ensuring sustainable management.

(2) Expected Sales Volume and Reference

The Company's automotive parts business group showed continued growth in 2023. With the ongoing increase in production volume at Iron Force Poland Sp. z o.o., and the continuous ramp-up of cooling product production, along with the existing business growth momentum, and considering factors such as anticipated customer order plans and market trend changes, the overall revenue of the automotive parts business unit in 2024 is expected to experience a minor growth compared to the same period in 2023.

The display fixture business group was impacted by the operational effects of COVID-19 on customers. Customers have slowed down or reduced new investments and decoration budgets for retail stores. Considering environmental trends, operational overview, current production capabilities, business models, and customer variations, the sales revenue for the display fixture business unit in 2024 is expected to remain steady compared to 2023.

(3) Major Production and Marketing Policies

1. Maintain long-term cooperative relationships with existing customers and actively cultivate new products and customers, effectively understanding customer needs and market trends.
2. Enhance research and development capabilities, continuously improve and advance manufacturing techniques, reduce the defect rates of mass production processes, and implement automation equipment to reduce costs.

3 、 The Influence Affected by The External Competitive Environment, Regulatory Environment and General Operating Environment

Regarding the overall environmental impact: Looking ahead to 2024, changes in the overall environment include the potential economic downturn resulting from global interest rate hikes, the continued rapid development of the electric vehicle industry, the gradual decline of physical retail channels due to the advancement of e-commerce, as well as the ripple effects caused by changes in political and economic environments and fluctuations in the stock and currency markets.

The Company maintains real-time awareness of market dynamics and external conditions, formulates short, medium, and long-term operational strategies, and adapts flexibly to market fluctuations. It continues to operate prudently, steadily advancing towards the goal of sustainable development and maintaining the legacy of a century-old enterprise.

Iron Force Industrial Co., Ltd.

Chairman: Huang, Cheng-I

President : Huang, Cheng-Chung

Account Manager : Chen, Li-Nung

Attachment II

Audit Committee's Review Report

The board of directors has prepared and submitted to the undersigned, Audit Committee Business Report, Consolidated Financial Statements and Dividend Distribution proposal in Year 2023. The Consolidated Financial Statements have been duly audited by Certified Public Accountants of PwC Taiwan. The above Business Report, Consolidated Financial Statements and Dividend Distribution proposal have been examined and determined to be correct and accurate by the undersigned. This Report is duly submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Annual Shareholders' Meeting of Iron Force Industrial Co., Ltd. in the year 2024

Chairperson of the Audit Committee : CHANG, SHA-WEI

On the date of March 7, 2024

Attachment III

Audit Committee's Communication Report with the Chief Internal Auditor

《Regular》

- The Chief Internal Auditor shall provide reports at each quarterly meeting of the Audit Committee on the following:
 1. Compliance status with legal audit reporting requirements.
 2. Results of the annual audit plan execution.
 3. Summary of audit business execution.
 4. Improvements made in audit deficiencies and abnormal matters.

《Irregular》

- As necessary, communicate audit findings and strategies for continuously enhancing audit value via email, phone calls, or in-person meetings.
- Based on the recommendations of the Audit Committee, the Chief Internal Auditor is responsible for consolidating relevant processing situations and reporting them back to the Audit Committee or project business reports.

Attachment IV

2023 Annual Director Remuneration Policy Report

The Company's remuneration policy, system, standards, and structure for both executive and independent directors are established based on factors such as their responsibilities, risks, time commitments, and the corresponding remuneration amounts, as outlined below:

1. Remuneration for Executive Directors:

According to Article 20 of the Company's Articles of Association, if the Company generates profits in a fiscal year, the Board of Directors may allocate director remuneration up to five percent of the annual profit. However, in the case of accumulated losses, an amount must be reserved to offset the deficit.

Director remuneration is determined in accordance with the "Regulations on the Payment of Director and Functional Committee Members' Remuneration."

Key points of this regulation include:

The total director remuneration allocated is based on the annual profit approved at the shareholders' meeting, considering factors such as directorship in the Company's subsidiaries, attendance at board meetings, participation in the annual shareholders' meeting, and the responsibilities held by directors. The Chairman has the authority to adjust each director's remuneration based on the board performance evaluation results.

2. Remuneration for Independent Directors:

The remuneration for independent directors follows the guidelines outlined in the Company's "Regulations on the Payment of Director and Functional Committee Members' Remuneration." Key points include:

Each independent director is entitled to a fixed monthly remuneration of NT\$20,000 from the date of election. If an independent director also serves as a member of a functional committee, they are entitled to an additional fixed monthly remuneration of NT\$5,000 for each functional committee they serve on, starting from the date of appointment.

3. Details of remuneration paid to directors and independent directors in 2023:

UNIT : NT Thousand Dollar

Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities				
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Director	Meng Ching Investment Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director representative & Chairman	HUANG, CHENG-I	3,374	3,374	0	0	397	397	36	36	3,807 0.84%	3,807 0.84%	0	0	0	0	0	0	0	0	3,807 0.84%	3,807 0.84%	None
Director representative	CHANG, YUAN-JAN	0	0	0	0	397	397	36	36	433 0.09%	433 0.09%	0	0	0	0	0	0	0	0	433 0.09%	433 0.09%	None
Director	HUANG, CHENG-CHU	0	0	0	0	397	397	36	36	433 0.09%	433 0.09%	4,213	4,213	108	108	54	0	54	0	4,808 1.06%	4,808 1.06%	None
Director	YCSY Co., Ltd.	0	0	0	0	397	397	30	30	427 0.09%	427 0.09%	0	0	0	0	0	0	0	0	427 0.09%	427 0.09%	None
Director representative	WAY, YUNG-DO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Independent director	WU, SU-HUAN	360	360	0	0	0	0	30	30	390 0.08%	390 0.08%	0	0	0	0	0	0	0	0	390 0.08%	390 0.08%	None
Independent director	SHIH, YAO-TSU	360	360	0	0	0	0	30	30	390 0.08%	390 0.08%	0	0	0	0	0	0	0	0	390 0.08%	390 0.08%	None
Independent director	CHANG, SHA-WEI	360	360	0	0	0	0	36	36	396 0.08%	396 0.08%	0	0	0	0	0	0	0	0	396 0.08%	396 0.08%	None

Attachment V

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Iron Force Industrial Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Iron Force Industrial Co., Ltd. as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Iron Force Industrial Co., Ltd. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of Iron Force Industrial Co., Ltd.'s 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for Iron Force Industrial Co., Ltd.'s 2023 parent company only financial statements are stated as follows:

Appropriateness of cut-off of warehouse operating revenue

Description

Refer to Note 4(27) for accounting policies on revenue recognition.

To meet the needs of some customers, the Auto Parts Division of Iron Force Industrial Co., Ltd. and its subsidiary, Huzhou Iron Force Metal Product Co., Ltd., store certain inventories in the customers' distribution warehouses. The warehouse custodians are responsible for checking and accepting as well as custody of the inventories, and regularly send the requisition reports to the authorised personnel of Iron Force Industrial Co., Ltd. and its subsidiary, Huzhou Iron Force Metal Product Co., Ltd., for checking inventory quantities. In accordance with the principle of revenue recognition, sales are recognised as revenue when the inventories are actually requested and used by the customer. Iron Force Industrial Co., Ltd. and its subsidiary, Huzhou Iron Force Metal Product Co., Ltd., recognises revenue based on the requisition reports provided by the warehouse custodians of Iron Force Industrial Co., Ltd. and the customers and verified by authorised personnel of Iron Force Industrial Co., Ltd. and its subsidiary, Huzhou Iron Force Metal Product Co., Ltd.

The distribution warehouses are located in the United States, Germany and China, contents of requisition reports provided by custodians are different and the process of revenue recognition involves manual verification. Thus, in consideration of the appropriateness of the timing of revenue recognition from warehouse sales, we considered the cut-off of warehouse operating revenue as a key audit matter for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. For the above revenue transactions, obtained an understanding of the sales transactions, amount and terms of mutual agreements, and selected samples and tested the reconciliation of sales records between both parties.
2. Obtained the requisition reports provided by the warehouse custodians during a certain period before and after the balance sheet date and verified the reports against the relevant invoices issued and the sales revenue on the accounting records.

3. Performed confirmation procedures based on the balance of inventory quantities at the end of the year.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing Iron Force Industrial Co., Ltd.'s financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial

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

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

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

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

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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.

Chen, Ching Chang

Lin, Yi-Fan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 7, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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.

IRON FORCE INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 258,884	4	\$ 161,073	3
1110	Financial assets at fair value through	6(2)				
	profit or loss – current		528	-	280	-
1170	Accounts receivable, net	6(3)	311,792	5	224,003	4
1200	Other receivables		13,681	-	12,833	-
1210	Other receivables - related parties	7	42,896	1	17,626	-
130X	Inventories	6(4)	393,575	6	439,075	8
1470	Other current assets		3,394	-	24,471	-
11XX	Total current assets		1,024,750	16	879,361	15
Non-current assets						
1550	Investments accounted for under	6(5)				
	equity method		4,764,918	75	4,308,285	76
1600	Property, plant and equipment	6(6)	405,999	7	388,036	7
1780	Intangible assets		19,837	-	11,772	-
1840	Deferred income tax assets	6(18)	69,239	1	63,073	1
1900	Other non-current assets		70,667	1	68,331	1
15XX	Total non-current assets		5,330,660	84	4,839,497	85
1XXX	Total assets		\$ 6,355,410	100	\$ 5,718,858	100

(Continued)

IRON FORCE INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(8)	\$	382,000	6	\$	484,000	9		
2120	Current financial liabilities at fair value through profit or loss	6(2)		7,600	-		-	-		
2130	Current contract liabilities	6(14)		1,977	-		892	-		
2170	Accounts payable			136,806	2		124,643	2		
2200	Other payables	6(7)		166,046	2		127,349	2		
2220	Other payables - related parties	7		698,841	11		17,514	-		
2230	Current income tax liabilities			42,057	1		39,749	1		
2320	Long-term liabilities, current portion	6(9)		-	-		299,371	5		
2399	Other current liabilities			4,712	-		12,042	-		
21XX	Total current liabilities			1,440,039	22		1,105,560	19		
Non-current liabilities										
2570	Deferred income tax liabilities	6(18)		516,244	8		420,851	7		
2600	Other non-current liabilities	6(10)		35,557	1		28,661	1		
25XX	Total non-current liabilities			551,801	9		449,512	8		
2XXX	Total liabilities			1,991,840	31		1,555,072	27		
Equity										
	Share capital	6(11)								
3110	Common stock			757,803	12		757,803	13		
	Capital surplus	6(12)								
3200	Capital surplus			813,473	13		813,473	14		
	Retained earnings	6(13)								
3310	Legal reserve			714,295	11		668,091	12		
3320	Special reserve			325,899	5		383,506	7		
3350	Unappropriated retained earnings			2,083,825	33		1,866,812	33		
	Other equity									
3400	Other equity interest		(331,725)	(5)	(325,899)	(6)
3XXX	Total equity			4,363,570	69		4,163,786	73		
	Significant contingent liabilities and unrecognised contract commitments	9								
	Significant events after the balance sheet date	11								
3X2X	Total liabilities and equity		\$	6,355,410	100	\$	5,718,858	100		

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

IRON FORCE INDUSTRIAL CO., LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(14)	\$ 1,788,823	100	\$ 1,636,262	100
5000	Operating costs	6(4)(17)	(1,437,606)	(81)	(1,261,967)	(77)
5900	Gross profit		351,217	19	374,295	23
	Operating expenses	6(17)				
6100	Selling expenses		(52,926)	(3)	(88,253)	(5)
6200	General and administrative expenses		(143,254)	(8)	(131,829)	(8)
6300	Research and development expenses		(45,652)	(2)	(41,234)	(3)
6450	Reversal of impairment loss determined in accordance with IFRS 9 (Expected credit impairment loss)		5,378	-	(8,411)	-
6000	Total operating expenses		(236,454)	(13)	(269,727)	(16)
6900	Operating profit		114,763	6	104,568	7
	Non-operating income and expenses					
7100	Interest income	7	5,218	-	3,504	-
7010	Other income	6(15) and 7	55,684	3	52,229	3
7020	Other gains and losses	6(16)	11,191	1	37,026	2
7050	Finance costs		(9,452)	-	(7,790)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	472,601	26	376,986	23
7000	Total non-operating income and expenses		535,242	30	461,955	28
7900	Profit before tax		650,005	36	566,523	35
7950	Income tax expense	6(18)	(136,188)	(7)	(113,933)	(7)
8200	Profit for the year		\$ 513,817	29	\$ 452,590	28
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	(Losses) Gains on remeasurements of defined benefit plan	6(10)	(\$ 6,358)	-	\$ 11,818	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(18)	1,272	-	(2,364)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(7,283)	(1)	72,009	4
8399	Income tax relating to the components of other comprehensive income	6(18)	1,457	-	(14,403)	(1)
8300	Other comprehensive income (loss) for the year		(\$ 10,912)	(1)	\$ 67,060	4
8500	Total comprehensive income for the year		\$ 502,905	28	\$ 519,650	32
	Earnings per share (in dollars)	6(19)				
9750	Basic earnings per share		\$ 6.78		\$ 5.97	
9850	Diluted earnings per share		\$ 6.77		\$ 5.76	

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

IRON FORCE INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Retained Earnings				Financial statements translation differences of foreign operations	Total equity
Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings		
<u>Year ended December 31, 2022</u>							
Balance at January 1, 2022	\$ 757,803	\$ 813,473	\$ 644,117	\$ 337,333	\$ 1,626,476	(\$ 383,505)	\$ 3,795,697
Profit for the year	-	-	-	-	452,590	-	452,590
Other comprehensive income for the year	-	-	-	-	9,454	57,606	67,060
Total comprehensive income	-	-	-	-	462,044	57,606	519,650
Appropriations of 2021 earnings	6(13)						
Legal reserve	-	-	23,974	-	(23,974)	-	-
Special reserve	-	-	-	46,173	(46,173)	-	-
Cash dividends	-	-	-	-	(151,561)	-	(151,561)
Balance at December 31, 2022	\$ 757,803	\$ 813,473	\$ 668,091	\$ 383,506	\$ 1,866,812	(\$ 325,899)	\$ 4,163,786
<u>Year ended December 31, 2023</u>							
Balance at January 1, 2023	\$ 757,803	\$ 813,473	\$ 668,091	\$ 383,506	\$ 1,866,812	(\$ 325,899)	\$ 4,163,786
Profit for the year	-	-	-	-	513,817	-	513,817
Other comprehensive loss for the year	-	-	-	-	(5,086)	(5,826)	(10,912)
Total comprehensive income (loss)	-	-	-	-	508,731	(5,826)	502,905
Appropriations of 2022 earnings	6(13)						
Legal reserve	-	-	46,204	-	(46,204)	-	-
Special reserve	-	-	-	(57,607)	57,607	-	-
Cash dividends	-	-	-	-	(303,121)	-	(303,121)
Balance at December 31, 2023	\$ 757,803	\$ 813,473	\$ 714,295	\$ 325,899	\$ 2,083,825	(\$ 331,725)	\$ 4,363,570

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

IRON FORCE INDUSTRIAL CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 650,005	\$ 566,523
Adjustments			
Adjustments to reconcile profit (loss)			
Unrealized profit from intercompany sales		25,019	16,334
Realized gain from intercompany sales	(	16,334)	(22,457)
Expected credit impairment (gain)loss	(	5,378)	(8,411)
Depreciation	6(6)(17)	47,605	44,098
Gain on disposal of property, plant and equipment	(	411)	(166)
Amortization	6(17)	12,735	8,501
Interest income	(	5,218)	(3,504)
Loss (gain) on financial assets and liabilities at fair value through profit or loss	6(2)(16)	12,490	(1,709)
Interest expense		9,452	7,790
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(5)	(472,601)	(376,986)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable	(	82,411)	(70,040)
Other receivables	(	848)	(953)
Other receivables - related parties	(	25,270)	(7,481)
Inventories		45,500	(132,115)
Other current assets		21,082	8,573
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss	(	5,138)	-
Accounts payable		12,163	75,218
Other current liabilities	(	307,329)	(1,933)
Other payables		41,398	(5,240)
Other payables - related parties		681,327	1,742
Current contract liabilities		1,085	(1,177)
Other non-current liabilities		538	469
Cash inflow generated from operations		639,461	128,860
Interest received		5,218	3,504
Income tax paid	(	41,929)	(8,791)
Interest paid	(	8,823)	(4,145)
Net cash flows from operating activities		593,927	119,428
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(20)	(74,839)	(79,262)
Proceeds from disposal of property, plant and equipment		619	999
Increase in other non-current assets	(	16,775)	(15,217)
Net cash flows used in investing activities	(	90,995)	(93,480)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term loan	6(21)	(102,000)	84,000
Payments of cash dividends	6(13)	(303,121)	(151,561)
Net cash flows used in financing activities	(	405,121)	(67,561)
Net increase in cash and cash equivalents		97,811	(41,613)
Cash and cash equivalents at beginning of year		161,073	202,686
Cash and cash equivalents at end of year		\$ 258,884	\$ 161,073

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Iron Force Industrial Co., Ltd.

Opinion

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

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 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, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Appropriateness of cut-off of warehouse operating revenue

Description

Refer to Note 4(27) for accounting policies on revenue recognition.

To meet the needs of some customers, the Auto Parts Division of the Group stores certain inventories in the customers' distribution warehouses. The warehouse custodians are responsible for checking and accepting as well as custody of the inventories, and regularly send the requisition reports to the authorised personnel of the Group for checking inventory quantities. In accordance with the principle of revenue recognition, sales are recognised as revenue when the inventories are actually requested and used by the customer. The Group recognises revenue based on the requisition reports provided by the warehouse custodians of the Group and customers and verified by authorised personnel of the Group.

The distribution warehouses are located in the United States, Germany and China, contents of requisition reports provided by custodians are different and the process of revenue recognition involves manual verification. Thus, in consideration of the appropriateness of the timing of revenue recognition from warehouse sales, we considered the cut-off of warehouse operating revenue as a key audit matter for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. For the above revenue transactions, obtained an understanding of the sales transactions, amount and terms of mutual agreements, and selected samples and tested the reconciliation of sales records between both parties.
2. Obtained the requisition reports provided by the warehouse custodians during a certain period before and after the balance sheet date and verified the reports against the relevant invoices issued and the sales revenue on the accounting records.
3. Performed confirmation procedures based on the balance of inventory quantities at the end of the year.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chen, Ching Chang

Lin, Yi-Fan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 7, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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.

IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

ASSETS			December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,406,535	23	\$ 1,055,079	17
1110	Financial assets at fair value through	6(2)				
	profit or loss - current		264,862	4	670,199	11
1150	Notes receivable, net		11	-	11	-
1170	Accounts receivable, net	6(3)	1,241,098	20	1,124,281	19
1200	Other receivables, net		25,976	1	38,290	1
130X	Inventories	6(4)	1,003,945	16	1,058,317	17
1410	Prepayments		47,134	1	57,776	1
1479	Other current assets		8,219	-	10,179	-
11XX	Total current assets		3,997,780	65	4,014,132	66
Non-current assets						
1600	Property, plant and equipment	6(5) and 8	1,852,823	30	1,827,663	30
1755	Right-of-use assets	6(6)	61,291	1	61,332	1
1780	Intangible assets		34,747	1	26,696	-
1840	Deferred tax assets	6(19)	76,788	1	71,450	1
1900	Other non-current assets	6(7)	111,935	2	111,354	2
15XX	Total non-current assets		2,137,584	35	2,098,495	34
1XXX	Total assets		\$ 6,135,364	100	\$ 6,112,627	100

(Continued)

IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

(Expressed in thousands of New Taiwan dollars)										
LIABILITIES AND EQUITY			December 31, 2023		December 31, 2022					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(8)	\$	382,000	6	\$	484,000	8		
2120	Current financial liabilities at fair value through profit or loss	6(2)		7,600	-		-	-		
2130	Current contract liabilities	6(16)		2,053	-		892	-		
2170	Accounts payable			309,738	5		249,417	4		
2200	Other payables	6(9)		339,644	6		300,645	5		
2230	Current income tax liabilities			76,086	1		54,562	1		
2280	Current lease liabilities			1,450	-		728	-		
2320	Long-term liabilities, current portion	6(10)(11)		6,123	-		303,409	5		
2399	Other current liabilities			6,234	-		20,814	-		
21XX	Total current liabilities			1,130,928	18		1,414,467	23		
Non-current liabilities										
2540	Long-term loans	6(11)		31,638	1		25,890	-		
2570	Deferred tax liabilities	6(19)		558,474	9		463,912	8		
2580	Non-current lease liabilities			2,673	-		768	-		
2600	Other non-current liabilities	6(12)		48,081	1		43,804	1		
25XX	Total non-current liabilities			640,866	11		534,374	9		
2XXX	Total liabilities			1,771,794	29		1,948,841	32		
Equity attributable to owners of parent										
	Share capital	6(13)								
3110	Common stock			757,803	12		757,803	12		
	Capital surplus	6(14)								
3200	Capital surplus			813,473	13		813,473	13		
	Retained earnings	6(15)								
3310	Legal reserve			714,295	12		668,091	11		
3320	Special reserve			325,899	5		383,506	6		
3350	Unappropriated retained earnings			2,083,825	34		1,866,812	31		
	Other equity interest									
3400	Other equity interest		(331,725)	(5)	(325,899)	(5)
3XXX	Total equity			4,363,570	71		4,163,786	68		
	Significant contingent liabilities and unrecognised contract commitments	9								
	Significant events after the balance sheet date	11								
3X2X	Total liabilities and equity		\$	6,135,364	100	\$	6,112,627	100		

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

IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(16)	\$ 4,894,258	100	\$ 4,373,785	100
5000	Operating costs	6(4)(17)	(3,681,197)	(75)	(3,237,540)	(74)
5900	Gross profit		<u>1,213,061</u>	<u>25</u>	<u>1,136,245</u>	<u>26</u>
	Operating expenses	6(17)				
6100	Selling expenses		(144,474)	(3)	(172,868)	(4)
6200	General and administrative expenses		(366,533)	(8)	(334,323)	(8)
6300	Research and development expenses		(153,779)	(3)	(162,150)	(4)
6450	Reversal of impairment loss determined in accordance with IFRS 9 (Expected credit impairment loss)	12(2)	<u>12,604</u>	<u>-</u>	<u>(16,308)</u>	<u>-</u>
6000	Total operating expenses		<u>(652,182)</u>	<u>(14)</u>	<u>(685,649)</u>	<u>(16)</u>
6900	Operating profit		<u>560,879</u>	<u>11</u>	<u>450,596</u>	<u>10</u>
	Non-operating income and expenses					
7100	Interest income		31,988	1	18,473	1
7010	Other income	7	336	-	336	-
7020	Other gains and losses	6(18) and 7	121,941	2	144,644	3
7050	Finance costs		(10,115)	-	(8,392)	-
7000	Total non-operating income and expenses		<u>144,150</u>	<u>3</u>	<u>155,061</u>	<u>4</u>
7900	Profit before tax		<u>705,029</u>	<u>14</u>	<u>605,657</u>	<u>14</u>
7950	Income tax expense	6(19)	(191,212)	(4)	(153,067)	(4)
8200	Profit for the year		<u>\$ 513,817</u>	<u>10</u>	<u>\$ 452,590</u>	<u>10</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	(Losses) Gains on remeasurements of defined benefit plan	6(12)	(\$ 6,358)	-	\$ 11,818	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(19)	1,272	-	(2,364)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(7,283)	-	72,009	2
8399	Income tax relating to the components of other comprehensive income	6(19)	<u>1,457</u>	<u>-</u>	<u>(14,403)</u>	<u>-</u>
8300	Other comprehensive income (loss) for the year		<u>(\$ 10,912)</u>	<u>-</u>	<u>\$ 67,060</u>	<u>2</u>
8500	Total comprehensive income for the year		<u>\$ 502,905</u>	<u>10</u>	<u>\$ 519,650</u>	<u>12</u>
	Profit attributable to:					
8610	Owners of the parent		<u>\$ 513,817</u>	<u>10</u>	<u>\$ 452,590</u>	<u>10</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 502,905</u>	<u>10</u>	<u>\$ 519,650</u>	<u>12</u>
	Earnings per share (in dollars)	6(20)				
9750	Basic earnings per share		<u>\$ 6.78</u>		<u>\$ 5.97</u>	
9850	Diluted earnings per share		<u>\$ 6.77</u>		<u>\$ 5.76</u>	

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

IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent					Financial statements translation differences of foreign operations	Total equity
		Share capital- common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings		
<u>Year ended December 31, 2022</u>								
Balance at January 1, 2022		\$ 757,803	\$ 813,473	\$ 644,117	\$ 337,333	\$ 1,626,476	(\$ 383,505)	\$ 3,795,697
Profit for the year		-	-	-	-	452,590	-	452,590
Other comprehensive income for the year		-	-	-	-	9,454	57,606	67,060
Total comprehensive income		-	-	-	-	462,044	57,606	519,650
Appropriations of 2021 earnings	6(15)							
Legal reserve		-	-	23,974	-	(23,974)	-	-
Special reserve		-	-	-	46,173	(46,173)	-	-
Cash dividends		-	-	-	-	(151,561)	-	(151,561)
Balance at December 31, 2022		\$ 757,803	\$ 813,473	\$ 668,091	\$ 383,506	\$ 1,866,812	(\$ 325,899)	\$ 4,163,786
<u>Year ended December 31, 2023</u>								
Balance at January 1, 2023		\$ 757,803	\$ 813,473	\$ 668,091	\$ 383,506	\$ 1,866,812	(\$ 325,899)	\$ 4,163,786
Profit for the year		-	-	-	-	513,817	-	513,817
Other comprehensive loss for the year		-	-	-	-	(5,086)	(5,826)	(10,912)
Total comprehensive income (loss)		-	-	-	-	508,731	(5,826)	502,905
Appropriations of 2022 earnings	6(15)							
Legal reserve		-	-	46,204	-	(46,204)	-	-
Special reserve		-	-	-	(57,607)	57,607	-	-
Cash dividends		-	-	-	-	(303,121)	-	(303,121)
Balance at December 31, 2023		\$ 757,803	\$ 813,473	\$ 714,295	\$ 325,899	\$ 2,083,825	(\$ 331,725)	\$ 4,363,570

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

IRON FORCE INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 705,029	\$ 605,657
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment (gain)loss	12(2)	(12,604)	16,308
Depreciation	6(5)(6)(17)	193,491	207,615
Amortization	6(17)	12,856	9,897
Interest income	(	31,988)	(18,473)
Loss on disposal of property, plant and equipment	6(18)	3,253	2,452
Loss (gain) on financial assets and liabilities at fair value through profit or loss	6(2)(18)	3,483	(26,322)
Interest expense		10,115	8,392
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		401,854	(118,011)
Notes receivable		-	(11)
Accounts receivable	(	104,213)	(322,856)
Other receivables		12,314	(13,773)
Inventories		54,372	(234,106)
Prepayments		10,642	(4,140)
Other current assets		1,966	2,716
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss		7,600	-
Current contract liabilities		1,161	(10,125)
Accounts payable		60,321	93,547
Other payables		35,926	24,665
Other current liabilities	(	14,580)	(2,669)
Other non-current liabilities	(	2,081)	(9,138)
Cash inflow generated from operations		1,348,917	216,963
Interest received		31,988	18,473
Income tax paid	(	77,741)	(34,112)
Interest paid	(	10,115)	(4,741)
Net cash flows from operating activities		1,293,049	196,583
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(21)	(198,688)	(148,651)
Proceeds from disposal of property, plant and equipment		1,898	1,126
Increase in other non-current assets	(	11,682)	(15,326)
Net cash flows used in investing activities	(	208,472)	(162,851)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term loan	6(22)	(102,000)	84,000
Payments of lease liabilities	6(22)	(1,126)	(770)
Repayments of long-term debt	6(22)	(5,881)	(3,849)
Proceeds from long-term debt	6(22)	12,509	-
Repayments of bonds	6(22)	(300,000)	-
Payments of cash dividends	6(15)	(303,121)	(151,561)
Net cash flows used in financing activities	(	699,619)	(72,180)
Effect of exchange rate changes on cash and cash equivalents	(	33,502)	(59,736)
Net increase in cash and cash equivalents		351,456	21,288
Cash and cash equivalents at beginning of year		1,055,079	1,033,791
Cash and cash equivalents at end of year		\$ 1,406,535	\$ 1,055,079

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

Attachment VI

Iron Force Industrial Co., Ltd 2023 Earnings Distribution

UNIT: NT\$

Subject	Amount		Note
	subtotal	subtotal	
Beginning retained earnings		1,575,093,601	
Add : Profit after tax in Year 2023		513,816,585	
Add: Actuarial present value of promised benefits plan in retained earnings in Year 2023		(5,086,281)	
Less : 10% legal reserve (Note)		(50,873,030)	
Add : Reverse (set aside) special reserve		(5,826,020)	
Distributable net profit		2,027,124,855	
Distributable items :			
Cash Dividend	(378,901,405)	(378,901,405)	NT\$ 5 per share
Year End Unappropriated retained earnings		<u>1,648,223,450</u>	

Note : The Company shall set aside legal reserve under Article 237 of the Company Act on the basis of [net profit after tax plus other income outside net profit after tax this current year as unappropriated retained earnings] by Issue No 10802432410 of Business and Industry on January 9, 2010.

Chairman: HUANG, CHENG-I

President : HUANG CHENG-CHUNG

Account Manager : CHEN, LI-NUNG

Attachment VII

Iron Force Industrial Co., Ltd. Roster of Director and Independent Director Candidates

Title	Gender	Name	Principal work experience and academic qualifications	Shareholdings (shares)
Director	Male	MENG CHING INVESTMENT CO., LTD. Director representative: HUANG, CHENG-I	Graduated from Christ's College Taipei Founder of Iron Force Industrial Co., Ltd. Chairman of Iron Force Industrial Co., Ltd. Chairman of Fan Yang Investment Co., Ltd. Director of Hypen Industrial corp. Director of Yang Fan Investment Co., Ltd. Director of MENG CHING INVESTMENT CO., LTD. Chairman of Transtat Investment Ltd. Chairman of Zhejiang Iron Force Metal Products Co., Ltd. Chairman of Huzhou Iron Force Metal Products Co., Ltd. Principal of Cortec GmbH	19,386,486
Director	Male	HUANG, CHENG-CHUNG	Graduated from Shih Hsin School of Journalism President of Iron Force Industrial Co., Ltd. Chairman of Zheng Yu Investment Co., Ltd. Director of Hyphen Industrial Corp. Director of Meng Ching Investment co., ltd. Director of Transtat Investment Ltd. Chairman of Zhejiang Iron Force Metal Products Co., Ltd. Chairman of Huzhou Iron Force Metal Products Co., Ltd.	32,534
Director	Male	YCSY Co., Ltd. Director representative: WAY, YUNG-DO	Master of Business Administration in the University of Georgi, USA Chairman of Deloitte & Touche Accounting Firm Chairman of YCSY Co., Ltd. Independent director, audit committee, compensation committee of Cathay Financial Holding Co., Ltd. (The subsidiary) Independent director of Cathay Securities Corporation (The subsidiary) Independent director of Cathay United Bank Company Limited Director of Vanguard International Semiconductor Corporation Corporate director representative of MiTAC Holdings Corporation Independent director, audit committee, compensation committee of Taita Chemical Co., Ltd. Independent director, audit committee, compensation committee of Far Eastern Department Stores Co. Ltd.	3,602

Title	Gender	Name	Principal work experience and academic qualifications	Shareholdings (shares)
Director	Male	I Yang Investment Ltd. Director representative: HUANG, I-YANG	The University of Hawaii, Dept. of Communicology Associate Director of Iron Force Industrial Co., Ltd. Project Manager of Iron Force Industrial Co., Ltd. Director of Zheng Yi Investment Co., Ltd. Director of Fan Yang Investment Co., Ltd. Director of Yang Fan Investment Co., Ltd. Director of Zhi Ming Investment Co., Ltd. Director of I Yang Investment Ltd.	1,771,842
Director	Male	I Fan Investment Ltd. Director representative: HUANG, YI-FAN	Century College Director of Zheng Yi Investment Co., Ltd. Director of Fan Yang Investment Co., Ltd. Chairman of Yang Fan Investment Co., Ltd. Chairman of Zhi Ming Investment Co., Ltd. Director of I Fan Investment Ltd.	1,663,842
Director	Male	MENG CHING INVESTMENT CO., LTD. Director representative: LIN CHIN-NENG	Master of Business Administration (M.B.A.). General manager of Chairman of Huzhou Iron Force Metal Products Co., Ltd. Vice President of Ruentex Industries Limited Supervisors of NORMTECH CORPORATION Chairman of LASTING CREDIBILITY INTERNATIONAL INVESTORS CO., LTD.	19,386,486

Title	Gender	Name	Principal work experience and academic qualifications	Incumbency as Independent Director: More than 3 Terms	Shareholdings (shares)
Independent Director	Female	WU, SU-HUAN	EMBA of Business Administration in the National Taiwan University Department of Accounting in the Tunghai University Suzhou Chung- HWA Chemical & Pharmaceutical Industrial Co., Ltd. Chairman and general manager Partner of PricewaterhouseCoopers Taiwan (PwC Taiwan) Executive director PricewaterhouseCoopers Management Consulting Company Ltd. Special assistant to CEO in the Madenform Health Co., Ltd. General manager of Raccoon Original Co., Ltd.	Considering her expertise in finance, accounting, and operational experience in mainland China, which would contribute to the effective functioning of the company and the board, she is being nominated to continue serving as an independent director candidate.	0
Independent Director	Female	CHANG, YING-LING	Graduated from the International Trade Department of Ming Chuan University Sales Specialist of Iron Force Industrial Co., Ltd. Sales Manager of Iron Force Industrial Co., Ltd. Director of Display and Houseware Div., Taiwan of Iron Force Industrial Co., Ltd.	None	5,987
Independent Director	Male	CHEN, KUO-AN	College of Management, Tunghai University Vice President of IBF SECURITIES CO., LTD. Director of QST INTERNATIONAL CORP. Vice President of IBF SECURITIES VENTURE CAPITAL CO., LTD	None	0

Attachment VIII

Iron Force Industrial Co., Ltd.

Approve the lifting of non-competition restrictions for Director

Title	Gender	Name	Principal work experience and academic qualifications
Director	Male	I Yang Investment Ltd. Director representative: HUANG, I-YANG	Associate Director of Iron Force Industrial Co., Ltd. Project Manager of Iron Force Industrial Co., Ltd. Director of Zheng Yi Investment Co., Ltd. Director of Fan Yang Investment Co., Ltd. Director of Yang Fan Investment Co., Ltd. Director of Zhi Ming Investment Co., Ltd. Director of I Yang Investment Ltd.
Director	Male	I Fan Investment Ltd. Director representative: HUANG, YI-FAN	Director of Zheng Yi Investment Co., Ltd. Director of Fan Yang Investment Co., Ltd. Chairman of Yang Fan Investment Co., Ltd. Chairman of Zhi Ming Investment Co., Ltd. Director of I Fan Investment Ltd.
Director	Male	MENG CHING INVESTMENT CO., LTD. Director representative: LIN, CHIN-NENG	Vice President of IBF SECURITIES CO., LTD. Director of QST INTERNATIONAL CORP. Vice President of IBF SECURITIES VENTURE CAPITAL CO., LTD
Independent Director	Female	CHANG, YING-LING	Sales Specialist of Iron Force Industrial Co., Ltd. Sales Manager of Iron Force Industrial Co., Ltd. Director of Display and Houseware Div., Taiwan of Iron Force Industrial Co., Ltd.
Independent Director	Male	CHEN, KUO-AN	Vice President of IBF SECURITIES CO., LTD. Vice President of IBF SECURITIES VENTURE CAPITAL CO., LTD

Appendix I

Iron Force Industrial Co., Ltd. Articles of Incorporation

Chapter 1 General Provision

Article 1 : The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 劍麟股份有限公司 in mandarin; its name shall be Iron Force Industrial Co., Ltd in English .

Article 2 : The scope of business of The Company:

1. CD01030 Motor Vehicles and Parts Manufacturing
2. F401010 International Trade
3. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2.1: The Company may act as a guarantor.

Article 2.2 : The investment amount of the Company for outside companies may exceed forty percent of paid-in capital, not restricted to Article 13 of the Company Act.

Article 3 : The headquarters of the Company is set in New Taipei City and may set up a branch domestically or overseas with approval from the board of directors in a resolution and from the government authorities.

Article 4 : The public announcement method is according to Article 28 of the Company Act.

Chapter 2 Shares

Article 5 : The total capital stock of the Company is NT\$ 1.3 billion divided into 130 million ordinary shares of NT\$ 10 per share.

The board of directors is authorized to issue these shares separately. Among these shares, 4.5 million shares are reserved for stock warrants, preferred shares with warrants, or corporate bonds with warrants. The board of directors is authorized to issue these shares separately.

Article 6 : The Company's shares shall bear the signatures or personal seals by the director representing the Company, and be issued upon approvals from relevant competent authorities in accordance with the law. The company may not print its share certificate and shall register the issued shares with a centralized securities depository enterprise.

Article 7 : For other affairs related to stocks, it shall be governed by Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 8 : Transfer/registration of changes/ inheritance/ pledge/ loss reporting of shares shall comply

with the Company Act and related laws.

Chapter 3 Shareholders meeting

Article 9 : The shareholders meeting shall be two kinds:

The regular meeting of shareholders shall be convened within six months after close of each fiscal year. Special meeting of shareholders shall be held when necessary and referred to the competent authority.

A shareholders meeting shall, unless otherwise provided for in the Company Act, be convened by the board of directors.

Article 9.1 : Shareholders meeting may be held via visual meeting or other method announced publicly by the competent authority.

Article 10 : A shareholder may appoint a proxy to attend a shareholders meeting on his/her/its behalf by executing a power of attorney by offering the letter of power of attorney printed from the Company. A shareholder shall follow the Company Act and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 11 : Except in the circumstances otherwise provided for in this Act, a shareholder shall have one voting power in respect of each share in his/her/its possession. The shares shall have no voting power under any of the circumstances referring to Article 179 of the Company Act.

Article 12 : Unless otherwise provided by the competent authorities, a resolution of a shareholders meeting shall be adopted with a consent of the shareholders representing a majority of the voting rights at the meeting attended by shareholders holding a majority of the total issued shares.

Article 13 : The chair of shareholders meeting is selected according to Article 182-1 and Article 208-3 of the Company Act.

Article 13.1 : Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting.

The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be effected by means of electronic transmission. The distribution of the minutes of shareholders' meeting as required may be effected by means of a public notice.

The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.

Chapter 4 Board of Directors

Article 14 : The Company shall have seven to nine Directors, who shall be elected from legally competent persons at the shareholders meeting and hold office for three years; re-elected Directors may serve consecutive terms. In the process of electing directors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect. The manner of amendment and other related matters shall comply with Article 172 of the Company Act and specify in convening notice.

Article 14.1 : There shall be at least two independent Directors among the number of Directors to be elected referred to Article 14-2 and Article 183 of Security and Exchange Act, and the independent Directors shall represent at least one-fifth of the Board. The independent Directors shall be elected at the shareholders meeting using the candidate nomination system and from among a list of candidates. The restrictions on professional qualifications, share ownership, concurrent positions held, the manner of nomination, the election of the independent Directors, and other related matters shall comply with applicable laws and regulations prescribed by the competent authority.

Article 14.2 : The Company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 14.3 : The Company shall set up an Audit Committee. The Audit Committee is composed of all Independent Directors.

The exercise of the duty by members of the Audit Committee, Articles of the Committee, responsibilities to exercise and the Company's support will be set up by other rules.

Article 14.4 : The Company shall set up a Remuneration Committee.

The exercise of the duty by the members, period, responsibilities, articles of the committee and support from the Company will be set up by other rules.

Article 15 : In case a company has no managing directors, the board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the proxy procedure will exercise according to Article 208 of the Company Act.

Except the laws stated in the Company Act, the board of directors shall be convened by the chairman in written, email or fax notice to all directors.

Article 16 : A resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors except not complied with the Company Act or other competent regulations. A director who is absent by any reason shall provide power of attorney and state the scope of the proxy listed in the convening notice. The proceeding proxy is for one director. The

meeting is held via visual communication network, directors participate via visual communication network as attending in person.

Article 17 : The directors are remunerated regularly, authorizing the board of directors to agree on the level of their participation in the company's operations and the value of their contributions, and with reference to the standard of the same trade concerned.

Chapter 5 Managers

Article 18 : The company may have managers and the appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with Article 29 of the Company Act.°

Chapter 6 Accountant

Article 19 : At the end of each fiscal year, The board of directors shall prepare 1.Business report 2.Financial statements 3. Proposals for distribution of earnings or makeup for the deficit, and submit the documents to routine shareholders meeting to be recognized by required legal procedure.

Article 20 : Once the Company has made profits in a year, then no less than 0.5% of the profits should be allocated to employee compensation. The board of directors shall decide profits distribution in cash or by shares. Once the Company has made profits in a year, no more than 5% of the profits should be allocated for Directors compensation by a resolution of the board of directors. The distribution shall be reported to shareholders meeting.

However, the Company shall make up the deficit when accumulated losses still. The Company, when allocating its surplus profits shall pay all taxes and duties; and then make up the deficit; and then set aside ten percent of said profits as legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. Where the Competent Authority deems necessary, it may set aside a certain proportion of its earnings as special reserve. If there is a surplus still, the Board of Directors will propose the surplus distribution case with the unpaid profits accumulation of undistributed surplus last year to the shareholders meeting for resolution.

The dividend policy of the Company shall meet business strategy, long-term investment plan, capital budget, internal and external environments, shareholders cash inflow concern, future capital needs, and keep partial profits for future operation. The partial distribution shall be in cash or shares no less than 10% of distributable surplus as dividend. Among the dividends, the dividend paid in cash shall be no less than 10% of total dividends. The said employees include employees of subordinate companies qualifying certain conditions set by the board of directors.

Chapter 7 Others

Article 21 : The proposal to withdraw public offering shall resolve on shareholders meeting and cannot adjust during the procedure of the over-the counter market or public offering market.

Article 22 : Matters not specified in this Articles of Incorporation shall be governed by the Company Act.

Article 23 : The original Articles of Incorporation were adopted on April 6, 1977.

1st Amended on Jan 6, 1981

2nd Amended on Dec 26, 1986

3rd Amended on Aug 8, 1989

4th Amended on Oct 23, 1993

5th Amended on May 15, 1995

6th Amended on Sep 1, 1995

7th Amended on Aug 22, 1996

8th Amended on Oct 24, 1996

9th Amended on Mar 4, 1997

10th Amended on Mar 5, 1998

11th Amended on Oct 25, 2001

12th Amended on Nov 26, 2001

13th Amended on Dec 24, 2001

14th Amended on Mar 10, 2003

15th Amended on Nov 23, 2003

16th Amended on Aug 20, 2004

17th Amended on Jun 30, 2005

18th Amended on Jun 22, 2006

19th Amended on Feb 17, 2012

20th Amended on Jun 12, 2014

21th Amended on Jun 2, 2015

22th Amended on Jun 15, 2016

23th Amended on Jun 13, 2017

24th Amended on Jun 23, 2020

25th Amended on Jun 24, 2022

21th Amended on Jun 21, 2023

Iron Force Industrial Co., Ltd.

Chairman: HUANG, CHENG-I

Appendix II

Iron Force Industrial Co., Ltd. Rules and Procedures for Shareholders' Meeting

1. To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
2. The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
3. Convening shareholders meetings and shareholders meeting notices:
 - 3.1 Unless otherwise provided by law or regulation, The Company's shareholders meetings shall be convened by the board of directors.
 - 3.2 The convening of a shareholders' meeting via video conference by the company shall be stipulated in the articles of association, resolved by the board of directors, and executed upon the approval of two-thirds or more of the directors' attendance and the consent of the majority of attending directors at the board meeting preceding the video shareholders' meeting.
 - 3.3 Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.
 - 3.4 The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. If, however, The Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, 15 days before the date of the shareholders meeting, The Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at The Company and the professional shareholder services agent designated thereby.
 - 3.5 The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
 - 3.5.1 For physical shareholders meetings, to be distributed on-site at the meeting.
 - 3.5.2 For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 - 3.5.3 For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
 - 3.6 The reasons for convening a shareholders meeting shall be specified in the meeting notice and public

announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

- 3.7 Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

3.8 Shareholders Proposal :

- 3.8.1 Prior to the book closure date before a regular shareholders meeting is held, The Company shall publicly announce its acceptance of shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- 3.8.2 A shareholder holding one percent or more of the total number of issued shares may submit to The Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, the board of directors shall include the proposal. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.
- 3.8.3 Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
- 3.8.4 Prior to the date for issuance of notice of a shareholders meeting, The Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting, the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

4. The proxy appointment :

- 4.1 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by The Company and stating the scope of the proxy's authorization.
- 4.2 A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to The Company five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- 4.3 After a proxy form has been delivered to The Company, if the shareholder intends to attend the meeting in person, a written notice of proxy cancellation shall be submitted to The Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 4.4 If, after a proxy form is delivered to The Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to The Company two business days before

the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

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

- 5.1 The venue for a shareholders meeting shall be the premises of The Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
- 5.2 The restrictions on the place of the meeting shall not apply when The Company convenes a virtual-only shareholders meeting.

6.Preparation of documents such as the attendance book :

- 6.1 The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
 - 6.2 The time during which shareholder attendance registrations will be accepted shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.
 - 6.3 Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
 - 6.4 The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in behalf of signing in.
 - 6.5 The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
 - 6.6 When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
 - 6.7 In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with The Company two days before the meeting date.
 - 6.8 In the event of a virtual shareholders meeting, The Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- 6-1 To convene a virtual shareholders meeting, The Company shall include the follow particulars in the shareholders meeting notice:
- 6-1.1 How shareholders attend the virtual meeting and exercise their rights
 - 6-1.2 Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or

on which the meeting will resume.

- (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
- (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders meeting.
- (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.°

6-1.3 To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. At least shareholder connection equipment and necessary assistance shall be provided, and the period for shareholders to apply to the company and other relevant precautions shall be specified.

7. The chair and non-voting participants of a shareholders meeting :

- 7.1 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- 7.2 When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of The Company. The same shall be true for a representative of a juristic person director that serves as chair.
- 7.3 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. °
- 7.4 If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- 7.5 The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

8. Documentation of a shareholders meeting by audio or video :

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

- 8.3 Where a shareholders meeting is held online, The Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by The Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
- 8.4 The information and audio and video recording in the preceding paragraph shall be properly kept by The Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
- 8.5 In the event of a virtual shareholders meeting, The Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

9. Attendance at shareholders meetings shall be calculated based on numbers of shares :

- 9.1 The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- 9.2 The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, The Company shall also declare the meeting adjourned at the virtual meeting platform.
- 9.3 If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to The Company in accordance with Article 6.
- 9.4 When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

10. Discussion of proposals :

- 10.1 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
- 10.2 The provisions of the preceding paragraph apply the same way to a shareholders meeting convened by a party with the power to convene that is not the board of directors.
- 10.3 The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
- 10.4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the

opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

11. Shareholder speech :

- 11.1 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
- 11.2 A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- 11.3 Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- 11.4 When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- 11.5 When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
- 11.6 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- 11.7 Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.
- 11.8 As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

12. Calculation of voting shares and recusal system :

- 12.1 Voting at a shareholders meeting shall be calculated based on the number of shares.
- 12.2 With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares
- 12.3 When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of The Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- 12.4 The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
- 12.5 With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

13. Voting rights, vote monitoring and counting :

- 13.1 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

- 13.2 When The Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that The Company avoid the submission of extraordinary motions and amendments to original proposals.
- 13.3 A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to The Company two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
- 13.4 After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to The Company, by the same means by which the voting rights were exercised, two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
- 13.5 Except as otherwise provided in the Company Act and in The Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
- 13.6 At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.
- 13.7 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- 13.8 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of The Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- 13.9 When The Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.
- 13.10 In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.
- 13.11 When The Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.
- 13.12 When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary

motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

14.Election :

- 14.1 The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by The Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.
- 14.2 The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

15.Meeting minutes and seal matters :

- 15.1 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
- 15.2 The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- 15.3 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of The Company.
- 15.4 When the method of preceding resolution is adopted from the chair seeking for opinions of shareholders and they shows no against the proposal, the minutes shall be specified in “ none voices an objection by inquiry, the proposal is deemed to be approved.” If an objection occurred, a note for voting methods and their voting results including numbers and ratio to pass shall be specified
- 15.5 Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.
- 15.6 Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

16.Public disclosure :

- 16.1 On the day of a shareholders meeting, The Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the

shareholders meeting. In the event of a virtual shareholders meeting, The Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

17. Maintaining order at the meeting place :

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

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

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

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

18. Recess and resumption of a shareholders meeting :

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

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

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

19. Information disclosure of virtual shareholders meeting :

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

20. The location of virtual-only shareholders meeting :

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

21. Handling of digital communication for shareholders with difficulties :

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

- 21.2 In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.
- 21.3 For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.
- 21.4 For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.
- 21.5 During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
- 21.6 When The Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
- 21.7 Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
- 21.8 When postponing or resuming a meeting according to the second paragraph, The Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.
- 21.9 For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, The Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

22. Handling of digital device :

When convening a virtual-only shareholders meeting, The Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. At least shareholder connection equipment and necessary assistance shall be provided, along with specifying the period for shareholders to apply to the company and other relevant precautions.

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

Appendix III

Iron Force Industrial Co., Ltd. Rules for Election of Directors

1. In order to ensure fairness, impartiality, and transparency in the selection of directors, this procedure is established in accordance with Articles 21 and 41 of the "Corporate Governance Best Practice Principles for Listed and OTC Companies." Unless otherwise provided by laws or the articles of association, the selection of directors in the Company shall be conducted in accordance with this procedure.
2. The selection of directors in the Company should consider the overall composition of the board. The composition of the board members should be diverse, and appropriate diversification policies should be formulated based on the operation, business model, and development needs of the Company. These policies should include, but not be limited to, the following two major aspects:
 - (1) Basic criteria and values: Gender, age, nationality, and cultural background.
 - (2) Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.Board members should generally possess the knowledge, skills, and qualities necessary to carry out their duties. The overall capabilities they should possess are as follows:
 - 2.1 Operational judgment ability.
 - 2.2 Accounting and financial analysis ability.
 - 2.3 Business management capability.
 - 2.4 Crisis management ability.
 - 2.5 Industry knowledge.
 - 2.6 International market insight.
 - 2.7 Leadership capability.
 - 2.8 Decision-making ability.The board of directors should have more than half of its seats filled by individuals who do not have a spouse or a relative within the second degree of kinship.
The composition of the board of directors in the Company should be reviewed based on the results of performance evaluations.
3. (Deleted)
4.
 - (1) The selection of independent directors in our company shall comply with the provisions of Articles 5, 6, 7, 8, and 9 of the "Regulations Governing the Appointment of Independent Directors in Publicly Traded Companies" and shall be conducted in accordance with Article 24 of the "Corporate Governance Best Practice Principles for Publicly Listed and OTC Companies."
 - (2) The professional qualifications required for independent directors in our company shall meet the criteria set forth in Articles 2, 3, and 4 of the "Regulations Governing the Appointment of

Independent Directors in Publicly Traded Companies."

5. Directors of the company are elected by the shareholders' meeting from the list of candidates, and the number of votes for independent and non-independent directors is calculated separately in accordance with the company's articles of association and relevant announcements. The candidates with the highest number of votes are elected as independent and non-independent directors, respectively. In the event that two or more candidates have an equal number of votes exceeding the prescribed quota, the selection will be determined by drawing lots among those with equal votes. In the case of absentees, the chairman will draw lots on their behalf.
6. The election of directors in the company shall adopt cumulative voting, with each share having voting rights equal to the number of directors to be elected, allowing shareholders to either concentrate their votes on one candidate or distribute them among multiple candidates.
7. The board of directors shall prepare voting papers equal to the number of directors to be elected, indicating their respective voting weights, and distribute them to shareholders attending the shareholders' meeting. The names of the electors may be replaced by their attendance certificate numbers printed on the ballot papers.
8. Prior to the commencement of the election, the chairman shall designate several shareholders to act as scrutineers, who must hold shareholder status, to carry out various related duties. The ballot box, prepared by the board of directors, shall be publicly inspected by the scrutineers before voting commences.
9. If the candidate is a shareholder, the elector must provide the candidate's name and shareholder account number in the designated fields on the ballot. If the candidate is not a shareholder, their name and identification document number must be provided. However, if the candidate is a government entity or legal entity shareholder, the candidate's name field on the ballot should list the name of the government entity or legal entity. Optionally, the name of the government entity or legal entity and the name of its representative may also be provided, with separate entries for each representative if there are multiple representatives.
10. The following circumstances render a ballot invalid:
 - 10.1 Use of ballots not prepared by the board of directors.
 - 10.2 Submission of blank ballots into the ballot box.
 - 10.3 Illegible handwriting or alterations.
 - 10.4 If the candidate listed is a shareholder, discrepancies in the name, shareholder account number, or shareholder registry. If the candidate listed is not a shareholder, discrepancies in the name or identification document number upon verification.
 - 10.5 10.5. Addition of any other text besides the candidate's name (or shareholder name) or shareholder account number (or identification document number) and the allocation of voting rights.
 - 10.6 If the candidate's name matches that of another shareholder but lacks a corresponding shareholder account number or identification document number for differentiation.
 - 10.7 Listing two or more candidates on the same ballot.
 - 10.8 Listing more candidates than the number of positions available for election.

11. After the completion of voting, the ballots shall be counted on the spot, and the results shall be announced immediately by the chairperson or the master of ceremonies. This announcement shall include the list of elected directors and their respective vote counts. The ballots for the aforementioned election shall be sealed and signed by the scrutineers, then properly preserved for at least one year. However, if shareholders initiate litigation pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
12. These regulations shall come into effect upon approval by the shareholders' meeting and shall also apply to any subsequent amendments.

Appendix IV

Iron Force Industrial Co., Ltd.

Shareholding of all Directors

book closure date: April 23, 2024

Position	Name	Current shareholding
President	MENG CHING INVESTMENT CO., LTD. Representative: HUANG, CHENG-I	19,386,486
Director	HUANG, CHENG-CHUNG	32,534
Director	YCSY Co., Ltd. Representative: WAY, YUNG-DO	3,602
Director	MENG CHING INVESTMENT CO., LTD. Representative: CHANG, YUAN-JAN	19,386,486
Independent Director	SHIH, YAO-TSU	0
Independent Director	WU, SU-HUAN	0
Independent Director	CHANG, SHA-WEI	0

Note :

(1) Total outstanding shares of the Company : 75,780,281 shares

(2) The Company has elected three independent directors, the share ownership figures calculated at the rates set forth by the law for all directors and supervisors other than the independent directors and shall be decreased by 80 percent under Article 2 of Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.

(3) The Company has set up an audit committee, the provisions on the minimum percentage requirements for the shareholding of supervisors shall not apply.

(4) Shareholding of all directors of the Company was qualified under Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.