

Stock Code: 1419



Shinkong Textile Co., Ltd. Annual Shareholders' Meeting of 2025

Meeting Handbook

(This translated document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.)

May 26, 2025
8/F, No. 15, Section 2, Jianguo North Road,
Taipei City
(Shinkong Insurance Tower)

Table of Contents

Meeting Procedure	1
Meeting Agenda	2
Announcements	3
Proposals and Discussions	5
Extempore Motions	6
Attachment I: Business Report	7
Attachment II: Audit Committee's Review Report.....	10
Attachment III: CPA's Audit Report and Financial Statements	11
Attachment IV: Earnings Distribution Table	35
Attachment V: Comparison Table on "Articles of Incorporation" before and after Amendment	36
Attachment VI: Comparison Table on “Operating Procedures of Fund Lending” before and after Amendment	38
Appendix I: Articles of Incorporation.....	39
Appendix II: Rules of Procedure for Shareholders' Meetings	51
Appendix III: Shareholdings of All Directors.....	56

Shinkong Textile Co., Ltd.

Procedure for 2025 Annual Shareholders' Meeting

- I. Meeting Called to Order
- II. Chairman's Remarks
- III. Announcements
- IV. Proposals and Discussions
- V. Extempore Motions
- VI. Adjournment

Shinkong Textile Co., Ltd.

Agenda of 2025 Annual Shareholders' Meeting

Time: 9:00 a.m. on May 26, 2025 (Monday)

Venue: 8/F, No. 15, Section 2, Jianguo North Road, Taipei City
(Shinkong Insurance Tower)

Method: Physical shareholders' meeting

Report the number of shares represented at the meeting

I. Meeting Called to Order

II. Chairman's Remarks

III. Announcements

(I) 2024 Business Report

(II) Audit Committee's Review Report

(III) Report on the Distribution of Remuneration to Employees
and Directors of 2024

(IV) Report on Distribution of Earnings in Cash Dividends of
2024

IV. Proposals and Discussions

(I) Ratification of 2024 Business Report and Financial
Statements

(II) Ratification of 2024 Earnings Distribution

(III) Amendment to the Company's Articles of Incorporation

(IV) Amendment to the Company's Operating Procedures of
Fund Lending

V. Extempore Motions

VI. Adjournment

[Announcements]

(I) 2024 Business Report

2024 Business Report (please refer to Attachment I, pp. 7-9)

(II) Audit Committee's Review Report

Audit Committee's Review Report (please refer to Attachment II, p.10)

(III) Report on the Distribution of Remuneration to Employees and Directors of 2024

1. Pursuant to Article 27 of the Articles of Incorporation, the Company shall allocate no less than one percent as the remuneration for employees and no more than five percent as the remuneration for Directors, if there's profits.
2. The Company distributed NT\$18,000,000 of remuneration to employees and directors respectively for the year of 2024. Both were paid in cash.

(IV) Report on Distribution of Earnings in Cash Dividends of 2024

1. Pursuant to Article 27-1 of the Articles of Incorporation, the earnings shall be distributed in the form of cash dividends, and the Board of the Directors is authorized to make a resolution and report to the Shareholders' Meeting.
2. It is proposed to allocate NT\$450,061,920 of dividends for shareholders from the accumulated distributable earnings of 2024, and pay NT\$1.50 for each share, and authorize the Chairman to determine dividend base date, payment date, and other related matters.
3. For the distribution of cash dividends this time, if the distribution ratio needs to be revised due to the change to the distribution ratio caused by the changes in the number of the Company's outstanding shares, the Company authorizes the Chairman to handle it.
4. For the cash dividends to the shareholders, the Company will adopt the calculation method of "unconditionally removing the amount below NT\$1" and adjust the total change below NT\$1 based on the decimal places from big to small and the account number from front to back to make it consistent with the total cash dividend distribution.

[Proposals and Discussions]

Item I Proposed by the Board of Directors

Subject: 2024 Business Report and Financial Statements are hereby submitted for ratification.

Description: I. The Company's 2024 Business Report as well as Financial Statements and Consolidated Financial Statements reviewed by CPAs have been submitted to Audit Committee for audit and Review Reports have been issued.

II. Please refer to Attachment I, pp.7-9 and Attachment III, pp.11-34 for the Business Report, CPAs' Reviewed Reports and various Financial Statements.

III. The proposal is hereby submitted for ratification.

Resolution:

Item II Proposed by the Board of Directors

Subject: 2024 Earnings Distribution is hereby submitted for ratification.

Description: I. Please refer to Attachment IV, p.35 for 2024 Earnings Distribution Table.

II. The proposal is hereby submitted for ratification.

Resolution:

Item III Proposed by the Board of Directors

Subject: The Amendment of the Company's Articles of Incorporation is hereby submitted for discussion.

Description: I. It is hereby proposed to amend certain articles of the Company's Articles of Incorporation to comply with the provisions of Article 14, Paragraph 6 of the Securities and Exchange Act.

II. The comparison table on the Articles of Incorporation before and after amendment is provided in Attachment V, pp.36-37.

III. The proposal is hereby submitted for discussion.

Resolution:

Item IV Proposed by the Board of Directors

Subject: The Amendment to the Company's Operating Procedures of Fund Lending is hereby submitted for discussion.

Description: I. It is hereby proposed to amend some articles of the Company's "Operating Procedures of Fund Lending" and the operation needs of the Company.

II. Please refer to Attachment VI, p.38 of the company's comparison table on "Operating Procedures of Fund Lending" before and after amendment.

III. The proposal is hereby submitted for discussion.

Resolution:

[Extempore Motions]

[Adjournment]

Attachment I

Business Report

The Company's 2024 annual operating revenue was NT\$3,985,990 thousand, an increase of NT\$824,800 thousand as compared with the previous year, its gross profit was NT\$1,079,402 thousand, an increase of NT\$249,254 thousand as compared with the previous year, its profit from operations was NT\$352,136 thousand, an increase of NT\$100,050 thousand as compared with the previous year, its net profit after tax was NT\$869,014 thousand, an increase of NT\$220,066 thousand as compared with the previous year, and its EPS after tax was NT\$2.90.

The production and sales status of the Company are described as follows:

- I. Production status: This period, 3,872,340 yds were self-produced, a decrease of 92,021 yds compared to the previous period's 3,964,361 yds. Subsequent finishing and processing reached 22,112,158 yds, an increase of 4,201,088 yds compared to the previous period's 17,911,070 yds.
- II. Operating status: The total net operating revenue for the current period amounted to NT\$3,985,990 thousand, representing an increase of NT\$824,800 thousand compared to the previous period's NT\$3,161,190 thousand, achieving 109.26% of the budget.

Overview of the business operations of business departments is as follows:

- (I) Sales Department: Focused primarily on exporting finished fabric, the current period's revenue amounted to NT\$2,560,530 thousand, reflecting a 14.91% increase compared to the same period last year, achieving 117.72%

of the budget. The strategies of expanding potential customers, diversifying products, and developing functional and eco-friendly materials have contributed to sustaining business growth.

- (II) Retail Department: With a focus on domestic retail sales in the apparel market, the current period's revenue totaled NT\$1,266,622 thousand, an increase of 63.23% compared to the same period last year. However, it represented 91.97% of the budget. The growth rate has shown a decline from the high base during the pandemic period, as the increase in outbound travel has weakened domestic consumption momentum for department stores. However, with the added contribution from the military supply outlets, overall profitability still grew compared to the same period last year, even though the budget target was not fully met.
- (III) Business Development Department: Its revenue of the current period was NT\$158,838 thousand, remained unchanged from the same period of last year, accounting for 100.62% of budget.

For the full year 2024, consolidated operating revenue amounted to NT\$4,214,489 thousand, an increase of NT\$831,544 thousand compared to the same period last year, achieving 107.24% of the budget. The net profit after tax attributable to the Company's owners was NT\$869,014 thousand.

In 2024, the Company navigated a mixed landscape of opportunities and challenges shaped by global inflation, interest rate cuts, the U.S. presidential election, the geopolitical tensions between Iran and Israel, and the post-pandemic era.

The export-driven Sales Department faced:

1. Brand customers increasingly focusing on sustainability, diversity, equity, and inclusion.
2. Demand for innovative new products and technologies.
3. Heightened emphasis on energy conservation, waste reduction, and carbon emissions cuts.
4. Supply chain restructuring and the rise of competing brands.

Despite these challenges, the Company achieved steady revenue growth by prioritizing ESG principles, developing new products, and expanding potential customer bases.

On the domestic retail front, the international luxury market experienced a decline due to the surge in outbound travel and rising luxury goods prices, compounded by renovation and expansion projects in some malls. However, the Company's successful acquisition of the operational rights for the second phase of the naval supply station boosted overall retail division revenues compared to 2023.

Combining domestic and international markets, the addition of the military supply outlet contributed to a 26.09% increase in annual revenue compared to the previous year.

Chairman: Hsing-En Wu

President: Chin-Fa Chiu

Accounting Manager: Su-Chuan Ko

Jui-Nan Chang

Attachment II

Audit Report of Auditing Committee, Shinkong Textile Co., Ltd.

The Board of Directors prepare and submit the Company's business report, financial statements and earnings distribution plan for the year of 2024, including the financial statements and consolidated financial statements, which are jointly audited by CPA Li-Huang Li and CPA Po-Jen Weng from Deloitte & Touche and issued the audit report. The above-mentioned statements have been reviewed by us, the Audit Committee of the Company. Therefore, we, the Audit Committee, hereby issue this report in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

Shinkong Textile Co., Ltd.

Convener of the Audit
Committee: David Chin

March 11, 2025

Attachment III

CPA's Audit Report and Financial Statements

Independent Auditors' Report

To Shinkong Textile Co., Ltd.:

Audit Opinion

We have audited the parent company only balance sheets of Shinkong Textile Co., Ltd. (hereinafter referred to as the "Company") as of December 31, 2024 and 2023; and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to parent company only financial statements (including a summary on significant accounting policies).

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, 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 ones that were of most significance in our audit of the parent company only financial statements of the Company for the year ended December 31, 2024 based on our professional judgment. These matters have been covered during the audit of the overall parent company only financial statements and in forming the audit opinion. We will not express a separate opinion on these matters.

Key audit matters of the parent company only financial statements of Shinkong Textile Co., Ltd. for the year ended December 31, 2024 are as follows:

Authenticity of sales revenue from specific customers

The Company's principal source of income is the sale of various types of fabrics and finished clothing, apparel agency and property leasing. Significant risk is presumed in revenue recognition in view of significance and auditing standards. In our opinion, the authenticity on revenue from customers with specific trading terms has significant impact on the financial statements. Thus, we identified the authenticity of sales revenue from specific customers as a key audit matter. For the accounting policies related to revenue recognition, please refer to Note 4(13) of the notes to parent company only financial statements.

Our corresponding audit procedures were as follows:

1. We understood and tested the design and implementation of internal controls in relation to the recognition of sales revenue from specific customers.
2. From the sales details of specific customers above, we selected proper samples to inspect the relevant supporting documents and tested the collection conditions to confirm the authenticity of sales transactions.

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

The responsibilities of management are to prepare the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and maintain necessary internal controls associated with the preparation in order to ensure the parent company only financial statements are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or

error, and to issue an independent auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Amounts of misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of the parent company only financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the 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 the key audit matters of the Company's parent company only financial statements for the year ended December 31, 2024. We describe these matters in our independent auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter shall 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.

Deloitte & Touché

CPA Li-Huang Li

CPA Po-Jen Weng

Securities and Futures Commission
Approval No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

Financial Supervisory Commission Approval
No.

Jin-Guan-Zheng-Shen-Zi No. 1010028123

March 11, 2025

Shinkong Textile Co., Ltd.
Parent Company Only Balance Sheets
December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 768,189	4	\$ 951,439	6
1110	Financial assets at fair value through profit or loss - current	527,450	3	451,193	3
1120	Financial assets at fair value through other comprehensive income - current	1,027,659	5	1,054,662	6
1150	Notes receivable	6,292	-	11,024	-
1160	Notes receivable - related parties, net	8	-	7	-
1170	Accounts receivable	511,891	3	359,151	2
1180	Accounts receivable - related parties, net	71,167	-	63,275	-
1200	Other receivables	80,041	-	14,409	-
1210	Other receivables - related parties	5,615	-	11,590	-
130X	Inventories	1,144,322	6	982,039	6
1410	Prepayments	151,211	1	86,796	-
1470	Other current assets	2,477	-	52	-
11XX	Total current assets	4,296,322	22	3,985,637	23
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current	7,991,448	41	6,089,744	35
1535	Financial assets at amortized cost - non-current	12,700	-	12,700	-
1550	Investments accounted for using the equity method	4,003,281	20	3,931,883	23
1600	Property, plant and equipment	350,696	2	349,399	2
1755	Right-of-use assets	126,075	1	147,636	1
1760	Investment properties	2,570,224	13	2,593,314	15
1780	Other intangible assets	7,510	-	4,886	-
1840	Deferred tax assets	47,928	-	36,755	-
1990	Other non-current assets	172,078	1	77,394	1
15XX	Total non-current assets	15,281,940	78	13,243,711	77
1XXX	Total assets	\$ 19,578,262	100	\$ 17,229,348	100
代碼	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings	\$ 2,640,000	14	\$ 2,600,000	15
2110	Short-term bills payable	-	-	99,931	1
2130	Contract liabilities - current	31,016	-	22,057	-
2150	Notes payable	167,473	1	165,424	1
2160	Notes payable - related parties	34,463	-	39,160	-
2170	Accounts payable	205,187	1	125,570	1
2180	Accounts payable - related parties	10,888	-	10,383	-
2219	Other payables	197,148	1	157,791	1
2220	Other payables - related parties	2,219	-	2,286	-
2230	Current tax liabilities	71,725	1	131,492	1
2280	Lease liabilities - current	47,925	-	44,618	-
2399	Other current liabilities	3,150	-	3,166	-
21XX	Total current liabilities	3,411,194	18	3,401,878	20
	Non-current liabilities				
2570	Deferred tax liabilities	543,197	3	531,543	3
2580	Lease liabilities - non-current	82,203	-	107,889	1
2645	Guarantee deposits received	40,018	-	40,977	-
25XX	Total non-current liabilities	665,418	3	680,409	4
2XXX	Total liabilities	4,076,612	21	4,082,287	24
	Equity				
	Share capital				
3110	Common shares	3,000,413	15	3,000,413	17
3200	Capital surplus	14,849	-	13,385	-
	Retained earnings				
3310	Legal surplus reserve	822,889	4	748,625	4
3320	Special reserve	1,006,356	5	1,006,356	6
3350	Unappropriated earnings	3,301,476	17	2,864,193	17
3300	Total retained earnings	5,130,721	26	4,619,174	27
	Other equity				
3410	Exchange differences on translating the financial statements of foreign operations	(2,319)	-	(2,773)	-
3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	7,371,160	38	5,530,036	32
3400	Total other equity	7,368,841	38	5,527,263	32
3500	Treasury share	(13,174)	-	(13,174)	-
3XXX	Total equity	15,501,650	79	13,147,061	76
	Total liabilities and equity	\$ 19,578,262	100	\$ 17,229,348	100

Shinkong Textile Co., Ltd.

Parent Company Only Statements of Comprehensive Income

January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share

Code		2024		2023	
		Amount	%	Amount	%
	Operating revenue				
4100	Sales revenue	\$ 3,826,225	96	\$ 3,002,924	95
4300	Rental revenue	159,400	4	157,518	5
4800	Other operating revenue	<u>365</u>	<u>-</u>	<u>748</u>	<u>-</u>
4000	Total operating revenue	<u>3,985,990</u>	<u>100</u>	<u>3,161,190</u>	<u>100</u>
	Operating costs				
5110	Cost of goods sold	(2,863,100)	(72)	(2,290,417)	(73)
5300	Rental costs	(<u>43,488</u>)	(<u>1</u>)	(<u>40,625</u>)	(<u>1</u>)
5000	Total operating costs	(<u>2,906,588</u>)	(<u>73</u>)	(<u>2,331,042</u>)	(<u>74</u>)
5900	Gross profit	<u>1,079,402</u>	<u>27</u>	<u>830,148</u>	<u>26</u>
	Operating expenses				
6100	Selling and marketing	(524,697)	(13)	(401,319)	(13)
6200	General and administrative	(165,302)	(4)	(141,799)	(4)
6300	R&D expenses	(37,281)	(1)	(34,949)	(1)
6400	Reversal of expected credit (impairment loss) benefits	(<u>19</u>)	<u>-</u>	<u>5</u>	<u>-</u>
6000	Total operating expenses	(<u>727,299</u>)	(<u>18</u>)	(<u>578,062</u>)	(<u>18</u>)
6500	Other income and expenses, net	<u>33</u>	<u>-</u>	<u>-</u>	<u>-</u>
6900	Net operating income	<u>352,136</u>	<u>9</u>	<u>252,086</u>	<u>8</u>
	Non-operating income and expenses				
7100	Interest income	18,036	-	14,608	1
7010	Other income	435,064	11	367,597	12
7020	Other gains and losses	90,690	2	(1,052)	-
7050	Finance costs	(47,966)	(1)	(50,464)	(2)
7060	Share of profit or loss of subsidiaries, associated companies and joint ventures accounted for using the equity method	<u>120,896</u>	<u>3</u>	<u>172,511</u>	<u>5</u>
7000	Total non-operating income and expenses	<u>616,720</u>	<u>15</u>	<u>503,200</u>	<u>16</u>
7900	Net income before tax	\$ 968,856	24	\$ 755,286	24
7950	Income tax expense	(<u>99,842</u>)	(<u>2</u>)	(<u>106,338</u>)	(<u>3</u>)

(Continued on the next page)

(Continued from the previous page)

Code		2024		2023	
		Amount	%	Amount	%
8200	Net income	<u>869,014</u>	<u>22</u>	<u>648,948</u>	<u>21</u>
	Other comprehensive income				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	2,583	-	(314)	-
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	1,871,444	47	1,119,044	35
8330	Share of other comprehensive income of subsidiaries, associated companies and joint ventures accounted for using the equity method	(30,320)	(1)	84,640	3
8360	Items that may be reclassified subsequently to profit or loss:				
8370	Share of other comprehensive income of subsidiaries, associated companies and joint ventures accounted for using the equity method	568	-	(1,890)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(114)	-	378	-
8300	Total other comprehensive income, net of tax	<u>1,844,161</u>	<u>46</u>	<u>1,201,858</u>	<u>38</u>
8500	Total comprehensive income	<u>\$ 2,713,175</u>	<u>68</u>	<u>\$ 1,850,806</u>	<u>59</u>
	Earnings per share				
	From continuing operations				
9710	Basic	<u>\$ 2.90</u>		<u>\$ 2.17</u>	
9810	Diluted	<u>\$ 2.90</u>		<u>\$ 2.17</u>	

Shinkong Textile Co., Ltd.
Parent Company Only Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		Share capital		Retained earnings				Other equity		Treasury share	Total Equity
		Number of Shares (in Thousands Shares)	Amount	Capital surplus	Legal surplus reserve	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income		
A1	Balance at January 1, 2023	300,041	\$ 3,000,413	\$ 10,010	\$ 542,270	\$ 1,006,548	\$ 2,777,974	(\$ 1,261)	\$ 4,420,162	(\$ 13,174)	\$ 11,742,942
B17	In compliance with the law, the initial implementation of the IFRS accounting standards pertains to special surplus reserves.	-	-	-	-	(192)	192	-	-	-	-
	Appropriation and distribution of surplus in 2022										
B1	Legal surplus reserve	-	-	-	206,355	-	(206,355)	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	-	(450,062)	-	-	-	(450,062)
M1	Other changes in capital surplus: Changes in capital surplus from dividends paid to subsidiaries	-	-	1,205	-	-	-	-	-	-	1,205
T1	Dividends not collected by shareholders before the designated date	-	-	2,170	-	-	-	-	-	-	2,170
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	93,810	-	(93,810)	-	-
D1	Net income in 2023	-	-	-	-	-	648,948	-	-	-	648,948
D3	Other comprehensive income in 2023, net of tax	-	-	-	-	-	(314)	(1,512)	1,203,684	-	1,201,858
D5	Total comprehensive income in 2023	-	-	-	-	-	648,634	(1,512)	1,203,684	-	1,850,806
Z1	Balance at December 31, 2023	300,041	3,000,413	13,385	748,625	1,006,356	2,864,193	(2,773)	5,530,036	(13,174)	13,147,061
	Appropriation and distribution of surplus in 2023										
B1	Legal surplus reserve	-	-	-	74,264	-	(74,264)	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	-	(360,050)	-	-	-	(360,050)
M1	Other changes in capital surplus: Changes in capital surplus from dividends paid to subsidiaries	-	-	965	-	-	-	-	-	-	965
T1	Dividends not collected by shareholders before the designated date	-	-	499	-	-	-	-	-	-	499
D1	Net income in 2024	-	-	-	-	-	869,014	-	-	-	869,014
D3	Other comprehensive income in 2024, net of tax	-	-	-	-	-	2,583	454	1,841,124	-	1,844,161
D5	Total comprehensive income in 2024	-	-	-	-	-	871,597	454	1,841,124	-	2,713,175
Z1	Balance at December 31, 2024	<u>300,041</u>	<u>\$ 3,000,413</u>	<u>\$ 14,849</u>	<u>\$ 822,889</u>	<u>\$ 1,006,356</u>	<u>\$ 3,301,476</u>	(<u>\$ 2,319</u>)	<u>\$ 7,371,160</u>	(<u>\$ 13,174</u>)	<u>\$ 15,501,650</u>

Shinkong Textile Co., Ltd.
Parent Company Only Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		2024	2023
	Cash flows from operating activities		
A10000	Income before income tax	\$ 968,856	\$ 755,286
A20010	Income and expense items		
A20100	Depreciation	147,053	139,251
A20200	Amortization expense	25,632	2,071
A20300	Expected credit loss/(gain)	19	(5)
A20400	Net gains on financial assets and liabilities at fair value through profit or loss	(34,450)	(23,093)
A20900	Finance costs	47,966	50,464
A21200	Interest income	(18,036)	(14,608)
A21300	Dividend income	(431,916)	(351,873)
A22300	Share of profit or loss of subsidiaries and associated companies accounted for using the equity method	(120,896)	(172,511)
A22500	(Profit) Loss on disposal of property, plant and equipment	(4,211)	25
A22700	Gain from disposal of investment properties	-	(3,377)
A23700	Loss for market price decline and obsolete and slow-moving inventories	67,206	22,659
A24500	Capital surplus from dividends on dividends that have not been collected	499	2,170
A29900	Gains on lease modification	(33)	-
A30000	Changes in operating assets and liabilities, net		
A31130	Notes receivable	4,731	(1,116)
A31150	Accounts receivable	(160,443)	(84,122)
A31180	Other receivables	(54,042)	2,208
A31200	Inventories	(225,381)	25,723
A31230	Prepayments	(61,865)	(29,042)
A31240	Other current assets	(2,422)	(43)
A32125	Contract liabilities	8,959	(7,584)

A32130	Notes payable	(2,648)	(54,575)
A32150	Accounts payable	80,122	26,242
A32180	Other payables	38,355	1,705
A32230	Other current liabilities	(408)	(20,309)
A32240	Net defined benefit liabilities	(<u>520</u>)	<u>2,275</u>
A33000	Cash generated from operations	272,127	267,821

(Continued on the next page)

(Continued from the previous page)

Code		2024	2023
A33300	Interest paid	(\$ 47,840)	(\$ 54,689)
A33500	Income tax paid	(164,987)	(39,972)
AAAA	Net cash generated from operating activities	<u>59,300</u>	<u>173,160</u>
	Cash flows from investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(3,885)	(108,410)
B00020	Disposal of the financial assets at fair value through other comprehensive income	628	27,685
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	(10,900)
B00100	Acquisition of financial assets at fair value through profit or loss	(102,480)	(37,508)
B00200	Disposal of financial assets at fair value through profit or loss	60,673	167,090
B01800	Acquisition of long-term equity investments using equity method	(142,496)	(15,439)
B02700	Acquisition of property, plant, and equipment	(71,283)	(53,650)
B02800	Proceeds from disposal of property, plant and equipment	4,884	11
B03700	Increase in refundable deposits	(33)	(52,826)
B04300	Other receivables - related parties	-	(5)
B04500	Acquisition of intangible assets	(28,256)	(3,776)
B05400	Acquisition of investment properties	(42)	(2,561)
B05000	Net cash outflow arising from mergers/acquisitions	(6,421)	-
B05500	Proceeds from disposal of investment properties	-	3,674
B07100	Increase in prepayments for equipment	(95,344)	(3,734)
B07500	Interest received	18,036	14,608
B07600	Dividends received from subsidiaries/associated companies	163,337	642,329
B07600	Other dividends received	<u>431,916</u>	<u>351,873</u>

BBBB	Net cash generated from investing activities	<u>229,234</u>	<u>918,461</u>
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	40,000	-

(Continued on the next page)

(Continued from the previous page)

<u>Code</u>		<u>2024</u>	<u>2023</u>
C00200	Decrease in short-term borrowings	-	(410,000)
C00500	Increase in short-term notes and bills payable	-	100,000
C00600	Decrease in short-term notes and bills payable	(99,862)	-
C03100	Refund of guarantee deposits received	(959)	(69)
C04020	Repayment of the principal portion of lease liabilities	(50,913)	(43,648)
C04500	Dividends paid	(<u>360,050</u>)	(<u>450,062</u>)
CCCC	Net cash used in financing activities	(<u>471,784</u>)	(<u>803,779</u>)
EEEE	Net increase (decrease) in cash and cash equivalents	(\$ 183,250)	\$ 287,842
E00100	Cash and cash equivalents at beginning of year	<u>951,439</u>	<u>663,597</u>
E00200	Cash and cash equivalents at end of year	<u>\$ 768,189</u>	<u>\$ 951,439</u>

Independent Auditors' Report

To Shinkong Textile Co., Ltd.:

Audit Opinion

We have audited the consolidated balance sheets of Shinkong Textile Co., Ltd. and its subsidiaries (hereinafter referred to as the "Group") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2024 and 2023, and notes to consolidated financial statements (including a summary on significant accounting policies).

Based on our opinions, the accompanying consolidated financial statements do present fairly, in all material respects, the consolidated financial position of Shinkong Textile Co., Ltd. and its subsidiaries as of December 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, their interpretations and announcements endorsed and issued into effect 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 auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The 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 ones that were of most significance in our audit of the consolidated financial statements of Shinkong Textile Co., Ltd. and subsidiaries for the year ended December 31, 2024 based on our professional judgment. These matters have been covered during the audit of the overall consolidated financial statements and in forming the audit opinion. We will not express a separate opinion on these matters.

Key audit matters of the consolidated financial statements of Shinkong Textile Co., Ltd. and subsidiaries for the year ended December 31, 2024 are as follows:

Authenticity of sales revenue from specific customers

The Group's principal source of income is the sale of various types of fabrics and finished clothing, apparel agency and property leasing. Significant risk is presumed in revenue recognition in view of significance and auditing standards. In our opinion, the authenticity on revenue from customers with specific trading terms has significant impact on the financial statements. Thus, we identified the authenticity of sales revenue from specific customers as a key audit matter. For the accounting policies related to revenue recognition, please refer to Note 4(13) of the notes to consolidated financial statements.

Our corresponding audit procedures were as follows:

1. We understood and tested the design and implementation of internal controls in relation to the recognition of sales revenue from specific customers.
2. From the sales details of specific customers above, we selected proper samples to inspect the relevant supporting documents and tested the collection conditions to confirm the authenticity of sales transactions.

Other Matters

Shinkong Textile Co., Ltd. has prepared the parent company only financial statements for the years of 2024 and 2023. We have issued an audit report with an unqualified opinion, which is available for reference.

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

The responsibilities of management are to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission, and maintain necessary internal controls associated with the preparation in order to ensure the consolidated financial statements are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing

he 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 independent auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists in the consolidated financial statements. Misstatements can arise from fraud or error. Amounts of misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of the consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in 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 Shinkong Textile Co., Ltd. and subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on Shinkong Textile Co., Ltd. and subsidiaries' ability to continue as a going concern based on the audit evidence obtained. 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 relevant notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated 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 the key audit matters of Shinkong Textile Co., Ltd. and subsidiaries' consolidated financial statements for the year ended December 31, 2024. We describe these matters in our independent auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter shall 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.

Deloitte & Touché

CPA Li-Huang Li

CPA Po-Jen Weng

Securities and Futures Commission
Approval No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

Financial Supervisory Commission Approval
No.

Jin-Guan-Zheng-Shen-Zi No. 1010028123

March 11, 2025

Shinkong Textile Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 859,291	4	\$ 1,610,707	9
1110	Financial assets at fair value through profit or loss - current	527,450	3	451,193	2
1120	Financial assets at fair value through other comprehensive income - current	1,027,659	5	1,054,662	6
1136	Financial assets at amortized cost - current	100,000	1	-	-
1150	Notes receivable	6,292	-	11,024	-
1160	Notes receivable - related parties, net	8	-	7	-
1170	Accounts receivable	512,288	2	360,350	2
1180	Accounts receivable - related parties	75,179	-	67,074	-
1200	Other receivables	80,826	-	15,168	-
1220	Current tax assets	2,560	-	2,100	-
130X	Inventories	1,144,322	5	1,007,469	5
1410	Prepayments	163,159	1	95,417	1
1470	Other current assets	2,491	-	3,011	-
11XX	Total current assets	<u>4,501,525</u>	<u>21</u>	<u>4,678,182</u>	<u>25</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current	8,043,758	37	6,141,485	33
1535	Financial assets at amortized cost - non-current	12,700	-	12,700	-
1550	Investments accounted for using the equity method	1,453,264	7	1,384,974	8
1600	Property, plant and equipment	354,644	2	353,929	2
1755	Right-of-use assets	130,780	1	153,864	1
1760	Investment properties	6,661,727	31	5,585,247	30
1780	Other intangible assets	7,510	-	4,958	-
1840	Deferred tax assets	47,928	-	36,755	-
1990	Other non-current assets	315,390	1	192,083	1
15XX	Total non-current assets	<u>17,027,701</u>	<u>79</u>	<u>13,865,995</u>	<u>75</u>
1XXX	Total Assets	<u>\$ 21,529,226</u>	<u>100</u>	<u>\$ 18,544,177</u>	<u>100</u>
Code	Liabilities and equity	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current liabilities				
2100	Short-term borrowings	\$ 2,677,000	13	\$ 3,046,000	16
2110	Short-term notes payable	-	-	99,931	1
2130	Contract liabilities - current	31,102	-	22,346	-
2150	Notes payable	167,473	1	165,424	1
2160	Notes payable - related parties	34,653	-	39,540	-
2170	Accounts payable	205,187	1	125,717	1
2180	Accounts payable - related parties	10,888	-	10,339	-
2200	Other payables	237,383	1	185,964	1
2220	Other payables - related parties	2,219	-	2,302	-
2230	Current tax liabilities	75,261	-	131,975	1
2280	Lease liabilities - current	49,565	-	48,632	-
2320	Long-term borrowings due within one year	21,763	-	-	-
2399	Other current liabilities	3,403	-	3,881	-
21XX	Total current liabilities	<u>3,515,897</u>	<u>16</u>	<u>3,882,051</u>	<u>21</u>
	Non-current liabilities				
2540	Long-term borrowings	1,330,905	6	402,780	2
2570	Deferred tax liabilities	770,977	4	759,323	4
2580	Lease liabilities - non-current	85,334	-	110,156	1
2600	Other non-current liabilities	324,463	2	242,806	1
25XX	Total non-current liabilities	<u>2,511,679</u>	<u>12</u>	<u>1,515,065</u>	<u>8</u>
2XXX	Total liabilities	<u>6,027,576</u>	<u>28</u>	<u>5,397,116</u>	<u>29</u>
	Equity attributable to owners of the Company				
	Share capital				
3110	Common stock	<u>3,000,413</u>	<u>14</u>	<u>3,000,413</u>	<u>16</u>
3200	Capital surplus	<u>14,849</u>	<u>-</u>	<u>13,385</u>	<u>-</u>
	Retained earnings				
3310	Legal surplus reserve	822,889	4	748,625	4
3320	Special reserve	1,006,356	5	1,006,356	5
3350	Unappropriated earnings	<u>3,301,476</u>	<u>15</u>	<u>2,864,193</u>	<u>16</u>
3300	Total retained earnings	<u>5,130,721</u>	<u>24</u>	<u>4,619,174</u>	<u>25</u>
	Other equity				
3410	Exchange differences on translating the financial statements of foreign operations	(2,319)	-	(2,773)	-
3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive profit and loss	<u>7,371,160</u>	<u>34</u>	<u>5,530,036</u>	<u>30</u>
3400	Total other equity	<u>7,368,841</u>	<u>34</u>	<u>5,527,263</u>	<u>30</u>
3500	Treasury share	(13,174)	-	(13,174)	-
31XX	Total equity attributable to owners of the Company	<u>15,501,650</u>	<u>72</u>	<u>13,147,061</u>	<u>71</u>
3XXX	Total equity	<u>15,501,650</u>	<u>72</u>	<u>13,147,061</u>	<u>71</u>
	Total Liabilities and Equity	<u>\$ 21,529,226</u>	<u>100</u>	<u>\$ 18,544,177</u>	<u>100</u>

Shinkong Textile Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share

Code		2024		2023	
		Amount	%	Amount	%
	Operating revenue				
4110	Sales revenue	\$ 3,827,033	91	\$ 3,007,833	89
4300	Rental revenue	387,091	9	374,364	11
4800	Other operating revenue	<u>365</u>	<u>-</u>	<u>748</u>	<u>-</u>
4000	Total operating revenue	<u>4,214,489</u>	<u>100</u>	<u>3,382,945</u>	<u>100</u>
	Operating costs				
5110	Cost of goods sold	(2,883,129)	(69)	(2,297,353)	(68)
5300	Rental costs	(<u>97,938</u>)	(<u>2</u>)	(<u>92,318</u>)	(<u>2</u>)
5000	Total operating costs	(<u>2,981,067</u>)	(<u>71</u>)	(<u>2,389,671</u>)	(<u>70</u>)
5900	Gross profit	<u>1,233,422</u>	<u>29</u>	<u>993,274</u>	<u>30</u>
	Operating expenses				
6100	Selling and marketing	(567,550)	(13)	(452,404)	(14)
6200	General and administrative	(170,300)	(4)	(146,182)	(4)
6300	R&D expenses	(37,281)	(1)	(34,949)	(1)
6450	Reversal of expected credit (impairment loss) benefits	(<u>19</u>)	<u>-</u>	<u>5</u>	<u>-</u>
6000	Total operating expenses	(<u>775,150</u>)	(<u>18</u>)	(<u>633,530</u>)	(<u>19</u>)
6500	Other income and expenses, net	<u>34</u>	<u>-</u>	<u>-</u>	<u>-</u>
6900	Net operating income	<u>458,306</u>	<u>11</u>	<u>359,744</u>	<u>11</u>
	Non-operating income and expenses				
7100	Interest income	21,745	-	23,183	1
7010	Other income	438,058	10	370,408	11
7020	Other gains and losses	78,191	2	(5,238)	-
7050	Finance costs	(51,114)	(1)	(53,452)	(2)
7060	Share of profit or loss of associated companies and joint ventures accounted for using the equity method	<u>166,483</u>	<u>4</u>	<u>78,322</u>	<u>2</u>
7000	Total non-operating income and expenses	<u>653,363</u>	<u>15</u>	<u>413,223</u>	<u>12</u>
7900	Net income before tax	1,111,669	26	772,967	23
7950	Income tax expense	(<u>242,655</u>)	(<u>6</u>)	(<u>124,019</u>)	(<u>4</u>)
8200	Net income in the period	<u>869,014</u>	<u>20</u>	<u>648,948</u>	<u>19</u>

(Continued on the next page)

(Continued from the previous page)

Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	\$ 2,583	-	(\$ 314)	-
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	1,872,013	45	1,120,905	33
8320	Share of other comprehensive income of associated companies and joint ventures accounted for using the equity method	(30,889)	(1)	82,779	3
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(2,842)	-	(115)	-
8370	Share of other comprehensive income of associated companies and joint ventures accounted for using the equity method	3,410	-	(1,775)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(114)	-	378	-
8300	Total other comprehensive income, net of tax	<u>1,844,161</u>	<u>44</u>	<u>1,201,858</u>	<u>36</u>
8500	Total comprehensive income	<u>\$ 2,713,175</u>	<u>64</u>	<u>\$ 1,850,806</u>	<u>55</u>
	Net income attributable to:				
8610	Owners of the Company	\$ 869,014	20	\$ 648,948	19
8620	Non-controlling Interests	-	-	-	-
8600		<u>\$ 869,014</u>	<u>20</u>	<u>\$ 648,948</u>	<u>19</u>
	Total comprehensive income attributable to:				
8710	Owners of the Company	\$ 2,713,175	64	\$ 1,850,806	55
8720	Non-controlling interests	-	-	-	-
8700		<u>\$ 2,713,175</u>	<u>64</u>	<u>\$ 1,850,806</u>	<u>55</u>
	Earnings per share				
	From continuing operations				
9710	Basic	<u>\$ 2.90</u>		<u>\$ 2.17</u>	
9810	Diluted	<u>\$ 2.90</u>		<u>\$ 2.17</u>	

Shinkong Textile Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

								Other equity			
Code		Share capital		Retained earnings			Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Treasury share	Total Equity	
		Number of Shares (in Thousands Shares)	Amount	Capital surplus	Legal surplus reserve	Special reserve					Unappropriated earnings
A1	Balance at January 1, 2023	300,041	\$ 3,000,413	\$ 10,010	\$ 542,270	\$ 1,006,548	\$ 2,777,974	(\$ 1,261)	\$ 4,420,162	(\$ 13,174)	\$ 11,742,942
B17	Reversal of special surplus reserve related to the initial adoption of IFRS in accordance with legal provisions	-	-	-	-	(192)	192	-	-	-	-
B1	Appropriation and distribution of surplus in 2022										
	Legal surplus reserve	-	-	-	206,355	-	(206,355)	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	-	(450,062)	-	-	-	(450,062)
M1	Other changes in capital surplus:										
	Changes in capital surplus from dividends paid to subsidiaries	-	-	1,205	-	-	-	-	-	-	1,205
T1	Dividends not collected by shareholders before the designated date	-	-	2,170	-	-	-	-	-	-	2,170
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	93,810	-	(93,810)	-	-
D1	Net income in 2023	-	-	-	-	-	648,948	-	-	-	648,948
D3	Other comprehensive income in 2023, net of tax	-	-	-	-	-	(314)	(1,512)	1,203,684	-	1,201,858
D5	Total comprehensive income in 2023	-	-	-	-	-	648,634	(1,512)	1,203,684	-	1,850,806
Z1	Balance at December 31, 2023	300,041	3,000,413	13,385	748,625	1,006,356	2,864,193	(2,773)	5,530,036	(13,174)	13,147,061
B1	Appropriation and distribution of surplus in 2023										
	Legal surplus reserve	-	-	-	74,264	-	(74,264)	-	-	-	-
B5	Cash dividends to shareholders of the Company	-	-	-	-	-	(360,050)	-	-	-	(360,050)
M1	Other changes in capital surplus:										
	Changes in capital surplus from dividends paid to subsidiaries	-	-	965	-	-	-	-	-	-	965
T1	Dividends not collected by shareholders beyond the designated date	-	-	499	-	-	-	-	-	-	499
D1	Net income in 2024	-	-	-	-	-	869,014	-	-	-	869,014
D3	Other comprehensive income in 2024, net of tax	-	-	-	-	-	2,583	454	1,841,124	-	1,844,161
D5	Total comprehensive income in 2024	-	-	-	-	-	871,597	454	1,841,124	-	2,713,175
Z1	Balance at December 31, 2024	300,041	\$ 3,000,413	\$ 14,849	\$ 822,889	\$ 1,006,356	\$ 3,301,476	(\$ 2,319)	\$ 7,371,160	(\$ 13,174)	\$ 15,501,650

Shinkong Textile Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

Code		2024	2023
	Cash flows from operating activities		
A10000	Income before income tax	\$ 1,111,669	\$ 772,967
A20010	Income and expense items		
A20100	Depreciation	158,084	149,005
A20200	Amortization expense	25,704	2,499
A20300	Expected credit loss/(gain)	19	(5)
A20400	Net gains on financial assets at fair value through profit or loss	(34,450)	(23,733)
A20900	Finance costs	51,114	53,452
A21200	Interest income	(21,745)	(23,183)
A21300	Dividend income	(434,173)	(354,184)
A22300	Share of profit or loss of associated companies accounted for using the equity method	(166,483)	(78,322)
A22500	(Profit) Loss on disposal of property, plant and equipment	(4,590)	25
A22700	Gain from disposal of investment properties	(644)	(3,377)
A22800	Loss on disposal of intangible asset	-	360
A23700	Loss for market price decline and obsolete and slow-moving inventories	86,329	22,659
A24500	Capital surplus from dividends on dividends that have not been collected	499	2,170
A29900	Gains on lease modification	(34)	-
A30000	Changes in operating assets and liabilities, net		
A31130	Notes receivable	4,731	(1,116)
A31150	Accounts receivable	(160,062)	(88,267)
A31180	Other receivables	(65,658)	1,435
A31200	Inventories	(223,569)	27,605
A31230	Prepayments	(67,742)	(33,046)
A31240	Other current assets	520	(38)
A31990	Other non-current assets	(3,516)	1,209
A32125	Contract liabilities	8,756	(7,459)
A32130	Notes payable	(2,838)	(54,576)
A32150	Accounts payable	80,019	25,139
A32180	Other payables	37,079	(8,778)
A32230	Other current liabilities	(478)	(20,031)

(Continued on the next page)

(Continued from the previous page)

Code		2024	2023
A32240	Net defined benefit assets	\$ 5,687	\$ 2,275
A32990	Other non-current liabilities	(14)	-
A33000	Cash generated from operations	384,214	364,685
A33300	Interest paid	(50,687)	(53,631)
A33500	Income tax paid	(299,592)	(61,082)
AAAA	Net cash generated from operating activities	<u>33,935</u>	<u>249,972</u>
Cash flows from investing activities			
B00010	Acquisition of financial assets at fair value through other comprehensive income	(3,885)	(108,410)
B00020	Sales of financial assets at fair value through other comprehensive profit and loss	-	27,685
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	628	-
B00040	Acquisition of financial assets at amortized cost	(100,000)	-
B00050	Disposal of financial assets at amortized cost	-	489,100
B00100	Acquisition of financial assets at fair value through profit or loss	(102,480)	(37,508)
B00200	Proceeds from financial assets at fair value through profit or loss	60,673	177,440
B01800	Acquisition of long-term equity investments using equity method	-	(15,438)
B02600	Proceeds from disposal of other non-current assets held for sale	-	-
B02700	Acquisition of property, plant, and equipment	(73,703)	(56,811)
B02800	Proceeds from disposal of property, plant and equipment	5,432	11
B03700	Increase in refundable deposits	(29)	(9,599)
B04500	Acquisition of intangible assets	(28,256)	(4,547)
B05400	Acquisition of investment properties	(1,058,232)	(230,857)
B05500	Proceeds from disposal of investment properties	1,652	3,674
B07100	Increase in prepayments for equipment	(95,344)	(3,734)
B07300	Increase in other payments for land	(31,318)	(105,977)
B07500	Interest received	21,745	23,183
B07600	Dividends received	434,173	354,184
B09900	Dividends received from associated companies	<u>70,844</u>	<u>45,986</u>
BBBB	Net cash used in investing activities	<u>(898,100)</u>	<u>548,382</u>
Cash flows from financing activities			
C00200	Decrease in short-term borrowings	(369,000)	(24,000)
C00500	Increase in short-term notes and bills payable	-	100,000

(Continued on the next page)

(Continued from the previous page)

<u>Code</u>		<u>2024</u>	<u>2023</u>
C00600	Decrease in short-term notes and bills payable	(\$ 99,862)	\$ -
C01600	Proceeds from long-term borrowings	949,888	243,698
C03000	Increase in guarantee deposits received	48,881	99,395
C04020	Repayment of the principal portion of lease liabilities	(55,231)	(47,551)
C04500	Distribution of dividends to the shareholders of the Company	(359,085)	(448,857)
CCCC	Net cash inflow (outflow) from financing activities	<u>115,591</u>	<u>(77,315)</u>
DDDD	Effects of exchange rate changes on cash and cash equivalent	(2,842)	(115)
EEEE	Net increase (decrease) in cash and cash equivalents	(751,416)	720,924
E00100	Cash and cash equivalents at beginning of year	<u>1,610,707</u>	<u>889,783</u>
E00200	Cash and cash equivalents at end of year	<u>\$ 859,291</u>	<u>\$ 1,610,707</u>

Attachment IV

Earnings Distribution Table 2024

Unit: NT\$

Item	Amount
Opening unappropriated earnings	2,429,879,849
Net income in the period	869,013,986
Retained earnings recognized from re-measurement of defined benefit plans	2,583,118
Current net profit and adjusted amount	871,597,104
Recognition of legal reserve (10%)	(87,159,710)
Current earnings available for distribution	3,214,317,243
Distribution items	
Dividends to shareholders - Cash dividends (at NT\$1.50 per share)	(450,061,920)
Ending unappropriated earnings	2,764,255,323

Chairman: Hsing-En Wu

President: Chin-Fa Chiu
Jui-Nan Chang

Accounting Manager: Su-Chuan Ko

Attachment V

Shinkong Textile Co., Ltd.

Comparison Table on "Articles of Incorporation" before and after Amendment

Articles	Provision before amendment	Current provision	Statement on Amendment
Article 27	<p>If profit is made by the Company in the year, no less than one percent of the said profit shall be allocated as the remuneration for employees. The Board of Directors shall adopt an extraordinary resolution on whether to issue the remuneration in shares or cash. The Company permits its Board of Directors to allocate no more than five percent of the amount of the aforementioned profit as the remuneration for Directors through an extraordinary resolution. The proposal for distribution of remuneration to employees and Directors shall be reported at the Shareholders' Meeting. However, in case of any cumulative losses, the Company shall keep a certain amount in advance to cover the losses, and then allocate a certain amount based on the said proportion as the remuneration for employees and Directors.</p> <p><u>The proportion of the employee remuneration in the preceding paragraph shall include no less than six percent of the allocated amount for distribution to</u></p>	<p>If profit is made by the Company in the year, no less than one percent of the said profit shall be allocated as the remuneration for employees. The Board of Directors shall adopt an extraordinary resolution on whether to issue the remuneration in shares or cash. The Company permits its Board of Directors to allocate no more than five percent of the amount of the aforementioned profit as the remuneration for Directors through an extraordinary resolution. The proposal for distribution of remuneration to employees and Directors shall be reported at the Shareholders' Meeting. However, in case of any cumulative losses, the Company shall keep a certain amount in advance to cover the losses, and then allocate a certain amount based on the said proportion as the remuneration for employees and Directors.</p> <p>The Company offers employee treasury stocks, employee stock options, new shares subscription by employees, new restricted employee shares, and</p>	To comply with the amendment of the Securities and Exchange Act.

Articles	Provision before amendment	Current provision	Statement on Amendment
	<u>grassroots employees.</u> The Company offers employee treasury stocks, employee stock options, new shares subscription by employees, new restricted employee shares, and employee remuneration, etc., their payment objects may include such employees of the companies controlled by or affiliated to the Company as relating to the Company's businesses.	employee remuneration, etc., their payment objects may include such employees of the companies controlled by or affiliated to the Company as relating to the Company's businesses.	
Article 30	These Articles of Incorporation were formulated on April 15, 1955, ... and the thirty-ninth amendment was made on June 22, 2015. The 40th amendment was made on June 13, 2016. The 41st amendment was made on May 26, 2017. The 42nd amendment was made on June 14, 2019. The 43rd amendment was made on June 19, 2020. The 44th amendment was made on June 10, 2022. The 45th amendment was made on May 26, 2023. <u>The 46th amendment was made on May 26, 2025.</u>	These Articles of Incorporation were formulated on April 15, 1955, ... and the thirty-ninth amendment was made on June 22, 2015. The 40th amendment was made on June 13, 2016. The 41st amendment was made on May 26, 2017. The 42nd amendment was made on June 14, 2019. The 43rd amendment was made on June 19, 2020. The 44th amendment was made on June 10, 2022. The 45th amendment was made on May 26, 2023.	Add the amendment date

Attachments VI

Shinkong Textile Co., Ltd.

Comparison Table on “Operating Procedures of Fund Lending” before and after Amendment

Revision Date: May 26, 2025

Amended Articles	Current Articles	Amendment Reason
<p>Article 6 (Loan Term and Interest Calculation Method)</p> <p>The loan term for the Company’s fund lending shall be limited to a maximum of one year or one business cycle from the loan date (whichever is longer). The interest rate shall not be lower than the Company’s average short-term borrowing rate and shall generally be calculated and paid monthly. <u>However, if the borrower is a wholly-owned subsidiary of the Company, interest may be exempted from collection.</u></p>	<p>Article 6 (Loan Term and Interest Calculation Method)</p> <p>The loan term for the Company’s fund lending shall be limited to a maximum of one year or one business cycle from the loan date (whichever is longer). The interest rate shall not be lower than the Company’s average short-term borrowing rate and shall generally be calculated and paid monthly.</p>	<p>Lending funds to wholly-owned subsidiaries is considered internal allocation within the group, where exempting interest can reduce financial costs and enhance the efficiency of fund utilization. The parent company's loans and interest income from wholly-owned subsidiaries are offset during the preparation of consolidated financial statements, rendering interest charges inconsequential to the consolidated financial report. Consequently, this article has been amended to clearly stipulate that interest collection may be exempted when the borrower is a wholly-owned subsidiary of the Company.</p>

Appendix I

Shinkong Textile Co., Ltd.

Articles of Incorporation

Chapter I General Principles

Article 1: The Company shall be incorporated in accordance with the provisions on the company limited by shares of the Company Act, and its name shall be "新光紡織股份有限公司." Its English name is SHINKONG TEXTILE CO., LTD.

Article 2: The businesses of the Company are as follows:

- | | | |
|-------|---------|---|
| I. | C302010 | Weaving of Textiles |
| II. | C305010 | Printing, Dyeing, and Finishing |
| III. | C306010 | Wearing Apparel |
| IV. | C399990 | Other Textile and Products
Manufacturing |
| V. | F102030 | Wholesale of Tobacco and Alcohol |
| VI. | F104110 | Wholesale of Cloths, Garments, Shoes,
Hats, Umbrellas and Clothing
Accessories |
| VII. | F106020 | Wholesale of Daily Commodities |
| VIII. | F108040 | Wholesale of Cosmetics |
| IX. | F109070 | Wholesale of Culture, Education,
Musical Instruments and Educational
Entertainment Supplies |
| X. | F203020 | Retail Sale of Tobacco and Alcohol |
| XI. | F204110 | Retail Sale of Cloths, Garments, Shoes,
Hats, Umbrellas and Clothing
Accessories |
| XII. | F206020 | Retail Sale of daily commodities |

XIII.	F208040	Retail Sale of Cosmetics
XIV.	F209060	Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
XV.	F301010	Department Stores
XVI.	F399040	Retail Sale No Storefront
XVII.	F401010	International Trade
XVIII.	F401021	Restrained Telecom Radio Frequency Equipments and Materials Import
XIX.	G202010	Parking area Operators
XX.	H701010	Housing and Building Development and Rental
XXI.	H701020	Industrial Factory Development and Rental
XXII.	H703090	Real Estate Business
XXIII.	H703100	Real Estate Leasing
XXIV.	I301010	Information Software Services
XXV.	I501010	Product Designing
XXVI.	J202010	Industry Innovation and Incubation Services
XXVII.	JB01010	Conference and Exhibition Services
XXVIII.	ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company may act as a guarantor for an external party if such an act can be justified as business related.

Article 4: The Company may act as a shareholder of limited liability for other companies with the Board of Directors' resolution, and its

total investment amount, unless otherwise stipulated by the law, shall be exempt from the restrictions that the total investment amount shall not exceed forty percent of the Company's paid-in capital.

Article 5: The Company shall have its head-office in Taipei City and, if necessary, may set up branches and plants in other proper locations.

The set-up and cancellation shall be determined by the Board of Directors.

Chapter II: Shares

Article 6: The total amount of the Company's capital stock is NT\$3.6 billion, which is divided into 360,000,000 shares. They are all ordinary shares, with NT\$10 per share. The Board of Directors is authorized to issue the unissued shares in separate installments.

Article 7: The Company's share certificates shall be name-bearing certificates, duly signed by or affixed with seals by the Director on behalf of the Company, and legally authenticated by the bank acting as a stock issuer before issuance.

The Company may issue shares without certificates, and such shares shall be registered with a central securities depository.

Article 8: The Company's shares shall be handled according to the "Regulations Governing the Administration of Shareholder Service of Public Companies" issued by the securities regulatory agency.

Article 9: No registration of transfer of shares shall be made within sixty days prior to an Annual Shareholders' Meeting, nor within thirty days prior to an Extraordinary Shareholders' Meeting, nor within five days prior to the day on which dividend, bonus, or other benefits is scheduled to be paid by the Company.

Chapter III Shareholders' Meetings

Article 10: The Shareholders' Meetings of the Company are divided into the Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting. The former shall be convened annually within six months after the closing of each accounting year. The latter may be duly convened according to relevant laws whenever necessary.

Article 10-1: The Company shall hold the Shareholders' Meeting in the form of video conference or other manners announced by the central regulatory authority.

If the Shareholders' Meeting is convened via video conferencing, a shareholder who attends the meeting via video conferencing shall be deemed to attend in person.

When the Company holds the Shareholders' Meeting in the form of video conference or other manners announced by the central regulatory authority, the conditions that shall be satisfied, working procedures and other matters that shall be observed shall be subject to the provisions of the securities regulation authority.

Article 11: Unless otherwise stipulated by the law, one vote shall be offered for each share at the Shareholders' Meeting of the Company.

Article 12: Where a Shareholders' Meeting is convened by the Board of Directors, the chairperson shall be the Chairman. If the Chairman asks for leave or cannot perform the duty due to any reason, the Vice Chairman shall act in his place. If there's no Vice Chairman or the Vice Chairman also asks for leave or cannot perform the duty due to any reason, the Chairman shall appoint a Director to act in his place; In the event that the Chairman does not appoint a Director, one Director shall be elected from among themselves to act in his place. If the meeting is convened by a person with the authority to convene

other than the Board of Directors, such person shall act as the chairperson at that meeting; if there are more than one persons with the authority to convene, the chairperson for the meeting shall be appointed from among them.

Article 13: Except as otherwise provided by relevant law, the resolutions of Shareholders' Meeting shall be adopted upon the approval of over half of the voting shares of the shareholders present at the meeting attended by the holders of more than half of the total issued and outstanding shares of the Company or their proxies.

The Company's shareholders may exercise voting rights by electronic means, and relevant matters shall be handled in accordance with the laws and regulations.

Article 14: Resolutions made during the Shareholders' Meeting shall be made into a book of meeting minutes, and they shall be made, distributed, announced, and kept in accordance with laws and regulations.

Chapter IV Directors and Audit Committee

Article 15: The Company will have five to nine Directors. Each Director will serve an office term of three years and may be re-elected. All Directors shall comply with the rules of the securities regulatory authorities concerning their total shareholding ratio.

There shall be no less than three Independent Directors among the number of Directors to be elected referred to in the preceding paragraph, and shall not be less than one-fifth of Directors. The election of the Company's Directors and Independent Directors shall be organized under a nomination system and the shareholders shall make election and appointment from the list of candidates of Directors and Independent Directors. The election shall be processed in accordance with Article 192-1 of the Company Act.

The restrictions on professional qualifications, shareholding, and concurrent positions held, as well as the manner of nomination and election of Independent Directors, and other related compliance matters shall comply with the relevant regulations prescribed by the competent authority.

During the election of Directors, Independent and Non-Independent Directors are elected at the same time, but the elected ones will be counted separately. Those who have won the votes representing more voting rights will serve as Independent and Non-Independent Directors respectively.

Article 15-1: In accordance with Article 14-4 of the Securities and Exchange Act, the Company shall set up an Audit Committee composed of all Independent Directors, which shall be responsible for exercising the functions and powers of supervisors prescribed by the Company Act, Securities and Exchange Act, and other regulations.

Article 16: A Chairman and a Vice Chairman shall be elected among the Directors by the Board of Directors upon the approval of over half of the Directors present at a meeting attended by more than two-thirds of all Directors. The Chairman is the Company's representative.

Article 16-1: Remuneration shall be paid to the Company's Directors for the performance of their duties, regardless of profits or losses. The Board of Directors is authorized to determine upon the remunerations for Directors according to their participation in and the value of their contribution to the Company operation and with reference to the common remuneration level in the industry.

Article 17: In case that the vacancies in the office of Directors reach one-third of the Board of Directors or if all Independent Directors have been dismissed, the Board of Directors shall convene an Extraordinary Shareholders' Meeting within sixty days to elect

new Directors to hold office for the unexpired term of the former Directors.

Article 18: The powers of the Board of Directors are as follows:

- I. Determine business plans.
- II. Review important rules and contracts.
- III. Establish and cancel branches.
- IV. Approve budgets and final accounts.
- V. Submit proposals regarding capital increase or decrease, and direct and supervise businesses.
- VI. Appoint, dismiss, and determine the remuneration for Managerial Officers.
- VII. Appoint the directors and supervisors of wholly-owned subsidiaries.
- VIII. Deliberate the matters proposed by the Board of Directors of subsidiaries.
- IX. Make decisions on purchase and disposal of real estate.
- X. Make decisions on lending and borrowing funds to and from the external.
- XI. Other matters set forth by the Company Act or this Articles of Incorporation

Article 19: The Board of Directors' meeting shall be convened by the Chairman, but the first meeting of each Board of Directors shall be convened in accordance with the provisions of the Company Act.

Upon convening a Board of Directors' Meeting, the reasons for convening the meeting shall be notified to each Director at least seven days in advance. However, in the event of an emergency, the meeting may be convened at any time. The notices of convening the Board of Directors' Meeting may be served in writing or by means of facsimile or e-mail, etc.

Article 20: Except as otherwise provided by the Company Act, resolutions of the Board of Directors shall be adopted upon the approval of over half of the Directors present at a meeting attended by more than half of the Directors.

Article 21: If a Director is unable to attend a Board of Directors' meeting for any cause, he/she shall appoint another Director to attend such meeting. However, if a Director attends the Board of Directors as a proxy, he/she shall be appointed as a proxy for one other Director only.

If a Board of Directors' meeting is convened via video conferencing, Directors who attend the meeting via video conferencing shall be deemed to have attended the meeting in person.

Article 22: (Delete)

Article 23: (Delete)

Chapter V Managerial Officer

Article 24: The Company has Managerial Officers to handle all the businesses of the Company based on the resolutions of the Board of Directors. The engagement, discharge and remuneration of the Managerial Officers shall be adopted upon the approval of more than half of the Directors present at a meeting attended by over half of the Directors.

Chapter VI Accounting

Article 25: The Company's accounting year begins from Jan. 1 and ends on Dec. 31.

Article 26: At the end of the Company's each accounting year, the Board of Directors shall submit and apply to the Shareholders' Meeting to ratify, according to legal procedures:

I. Business report.

II. Financial statements.

III. Proposals for earnings distribution or loss coverage.

Article 27: If profit is made by the Company in the year, no less than one percent of the said profit shall be allocated as the remuneration for employees. The Board of Directors shall adopt an extraordinary resolution on whether to issue the remuneration in shares or cash. The Company permits its Board of Directors to allocate no more than five percent of the amount of the aforementioned profit as the remuneration for Directors through an extraordinary resolution. The proposal for distribution of remuneration to employees and Directors shall be reported at the Shareholders' Meeting. However, in case of any cumulative losses, the Company shall keep a certain amount in advance to cover the losses, and then allocate a certain amount based on the said proportion as the remuneration for employees and Directors.

The Company offers employee treasury stocks, employee stock options, new shares subscription by employees, new restricted employee shares, and employee remuneration, etc., their payment objects may include such employees of the companies controlled by or affiliated to the Company as relating to the Company's businesses.

Article 27-1: If there are current net profits after tax in the Company's annual final accounts, 10 % of the balance, after deducting cumulative losses (including adjustment to unappropriated earnings), shall be allocated as statutory surplus reserves, except when the cumulative statutory surplus has reached the paid-in capital of the Company. Special surplus reserves shall also be allocated or written off in accordance with laws and regulations; if there's any balance, the Board of Directors shall issue earnings distribution plan for such balance and the opening

unappropriated earnings (including adjustment to unappropriated earnings).

If the “net increase in accumulated fair value of property held for investment in previous period” and the “net decrease in accumulated other equities in previous period” are not accrued in full, the Company shall, distributing the earnings, accrue the special surplus' reserve in the same amount out of the undistributed earnings in the current period, and if there is still any discrepancy, the Company shall accrue it out of the undistributed earnings, which are the after-tax net profit in the current period plus the other items in the current period.

Where the earnings are distributed in the form of cash dividends, it shall be resolved by half of the Directors present at a meeting attended by more than two-thirds of the Board of Directors, and shall be reported to the Shareholders' Meeting. Where they are distributed by issuing shares or paying dividends, it shall be resolved at the Shareholders' Meeting.

The Company adopts a remaining dividend policy, in order to make cooperation in long-term financial planning to seek sustainable and stable business development and to consider the demands for capital budget and working capital. The dividend of shareholders shall not be less than 10% of the amount after the net profit after tax of the current year deducts the cumulative losses (including adjustment to unappropriated earnings) and allocates the legal surplus reserve and earnings shall be distributed in cash and/or by issuing shares, with the cash dividends no less than ten percent of the total dividends.

Chapter VII Bylaws

Article 28: The Company's Organization Rules and Detailed Measures shall be formulated separately.

Article 29: The matters not specified in these Articles of Incorporation shall be governed by the Company Act.

Article 30: This Articles of Incorporation was established on Apr. 15, 1955. The 1st amendment was made on Jul. 10, 1956. The 2nd amendment was made on Nov. 1, 1957. The 3rd amendment was made on Apr. 30, 1959. The 4th amendment was made on Feb. 1, 1962. The 5th amendment was made on Sep. 1, 1963. The 6th amendment was made on Mar. 6, 1965. The 7th amendment was made on Apr. 10, 1965. The 8th amendment was made on Sep. 7, 1966. The 9th amendment was made on Jun. 15, 1969. The 10th amendment was made on Aug. 29, 1972. The 11th amendment was made on May 17, 1973. The 12th amendment was made on May 30, 1974. The 13th amendment was made on May 23, 1975. The 14th amendment was made on Aug. 19, 1975. The 15th amendment was made on May 24, 1976. The 16th amendment was made on Apr. 26, 1977. The 17th amendment was made on Apr. 14, 1979. The 18th amendment was made on Apr. 24, 1980. The 19th amendment was made on Apr. 13, 1981. The 20th amendment was made on May 13, 1983. The 21st amendment was made on Jun. 8, 1985. The 22nd amendment was made on Oct. 1, 1985. The 23rd amendment was made on May 20, 1986. The 24th amendment was made on Jun. 28, 1988. The 25th amendment was made on Mar. 24, 1990. The 26th amendment was made on Jun. 22, 1991. The 27th amendment was made on Apr. 27, 1996. The 28th amendment was made on May 12, 2000. The 29th amendment was made on Jun. 26, 2002. The 30th amendment was made on Dec. 26, 2003. The 31st amendment was made on Jun. 14, 2005. The 32nd amendment was made on Jun. 23, 2006. The 33rd amendment was made on Jun. 13, 2007. The 34th amendment was made on Jun. 25, 2010. The 35th amendment was made on Jun. 22, 2011. The 36th amendment was made on Jun. 19, 2012. The 37th amendment was made on Jun. 13, 2013. The 38th amendment

was made on Jun. 6, 2014. The 39th amendment was made on Jun. 22, 2015. The 40th amendment was made on Jun. 13, 2016. The 41st amendment was made on May 26, 2017. The 42nd amendment was made on Jun. 14, 2019. The 43rd amendment was made on Jun. 19, 2020. The 44th amendment was made on June 10, 2022. The 45th amendment was made on May 26, 2023.

Appendix II

Shinkong Textile Co., Ltd.

Rules of Procedure for Shareholders' Meetings

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

Article 2 The "shareholders" as set forth in these Rules refer to the shareholders themselves and the proxies entrusted by them to attend a meeting. In the event that a juristic person is entrusted to attend a Shareholders' Meeting, that juristic person may appoint only one representative to attend the meeting. When shareholders (or their proxies) attend a meeting, they shall wear attendance certificates, and the Company shall provide an attendance register for shareholders to sign in, or require the attending shareholders to submit their sign-in cards in lieu of signing the register. The calculation of the number of shares present shall be based on the attendance register or sign-in cards submitted by the shareholders and those shares whose voting rights are exercised in written or electronically.

The attending and voting by shareholders shall be duly calculated based on the number of shares they hold. The Company shall record the entire process of the Shareholders' Meeting by means of audio or video and keep it for at least one year.

Article 3 The Shareholders' Meeting of the Company shall be held in the place where the Company is located or in any other place that is convenient for the shareholders to attend and appropriate to convene such meeting, and shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.

Article 4 The Shareholders' Meeting shall be duly chaired by the Chairman if it is convened by the Board of Directors. If the Chairman asks for leave or cannot perform the duty due to any reason, the Vice Chairman shall act in his place. If there's no Vice Chairman or the Vice Chairman also asks for leave or cannot perform the duty due to any reason, the Chairman shall appoint a Director to act in his place.

In the event that the Chairman does not appoint a Director, one Director shall be elected from among themselves to act in his place.

If Shareholders' Meeting is convened by any other person with the authority to convene such meeting other than the Board of Directors, the meeting shall be duly chaired by such person. If there are two or more conveners, one of them shall be elected from among themselves to chair the meeting.

Article 5 The chairperson shall announce commencement of a meeting, if the meeting is attended by the shareholders representing over half of all the issued and outstanding shares. If the number of shares present does not meet statutory number and the meeting is delayed, the chairperson may announce postponement. The postponements shall be limited to two times, and the postponed time shall not exceed one hour in total. If, after two postponements, the number still does not reach statutory number of shares, but the meeting is attended by the shareholders representing more than one-third of the total issued and outstanding shares, tentative resolutions may be adopted, upon the resolution made by the shareholders present at the meeting representing over half of their voting rights, in accordance with Article 175 of the Company Act. Upon execution of the said tentative resolution, if the number of shares represented by the attending shareholders has reached statutory number of shares, the chairperson may announce commencement of the meeting at any time and put the tentative resolutions already passed at the meeting for ratification.

Article 6 The agenda for the Shareholders' Meeting shall be set by the Board of Directors if such meeting is convened by the Board of Directors. The meeting shall be carried out in accordance with the scheduled agenda, and no change may be made thereto without resolution made at the Shareholders' Meeting.

The preceding paragraph shall apply mutatis mutandis to meetings convened by any person, other than the Board of Directors, with the authority to convene such meeting.

The chairperson may not, absent a resolution, unilaterally announce the adjournment of the meeting before the scheduled agenda referred to in the preceding two paragraphs has been resolved. In the event that the chairperson announces adjournment of the meeting against the Rules of Procedure, one person may be elected, upon the approval of the shareholders present at the meeting representing over half of shareholders' voting rights, to act as the chairperson to proceed the meeting.

After the meeting is adjourned, the shareholders shall not elect another chairperson to resume such meeting at the same location or seek an alternative venue.

Article 7 An attending shareholder or proxy shall fill in a floor note before speaking, specifying the key points of his/her speaking, shareholder account number (or the code of the attending certificate) and name, so that the chairperson may fix the order of speaking.

An attending shareholder or proxy who submits a note but does not speak is deemed to have not spoken. In the event of any inconsistency between the contents of shareholder's speaking and those recorded on the note, the contents of shareholder's speaking shall prevail.

When an attending shareholder or proxy is speaking, no other shareholder may interrupt the speaking shareholder unless otherwise approved by the chairperson and such speaking shareholder or proxy; the chairperson shall stop any such violations.

In the event that a juristic person shareholder appoints two or more representatives to attend a shareholder meeting, only one representative may speak for the same issue.

Article 8 On the same issue, each shareholder shall not speak for more than two times and a shareholder shall not speak for more than five minutes for each round, unless agreed upon by the chairperson. The chairperson may stop the speaking of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.

Article 9 The Company may appoint the entrusted attorney(s), CPAs or relevant personnel to attend a Shareholders' Meeting as an observer.

After a shareholder speaks, the chairperson may make a reply in person or through related person designated by him/her.

Where the chairperson believes that an issue has been discussed in the meeting up to the level for voting, the chairperson may announce discontinuance of the discussion process and bring that issue to a vote.

Article 10 Except as otherwise provided under the Company Act and/or the Company's Articles of Incorporation, a resolution shall be adopted upon the approval of the shareholders present at the meeting representing over half of their voting rights.

In the event that an amendment or a substitute comes out of the same issue, the chairperson shall fix the order of voting in consolidation with the original issue. When one among them is duly resolved, other issue(s) is (are) deemed to have been vetoed and no voting process is required.

The person(s) supervising the voting and the person(s) counting the votes are designated by the chairperson, provided that the person(s) supervising the voting shall be a shareholder. The voting results shall be announced at the meeting and shall be recorded.

Article 11 During the process of the meeting, the chairperson may announce a recess at an appropriate time determined at his/her discretion.

Article 12 The clerks and the sergeant at arms or security personnel dealing with the affairs for the Shareholders' Meeting shall wear ID badges or arm badges.

The chairperson may direct sergeant at arms or security personnel to assist in maintaining the order of the meeting. Shareholders (or proxies) shall obey the direction of the chairperson, sergeant at arms or security personnel on maintaining the order. The chairperson or sergeant at arms or security personnel may escort those obstructing out of the Shareholders' Meeting.

- Article 13 The matters not specified in these Rules shall be governed by the Company Act, the Company's Articles of Incorporation, as well as relevant laws and regulations.
- Article 14 These Rules and any amendments thereto shall be implemented after they are approved at the Shareholders' Meeting.
- Articles 15 These Rules of Procedure were established on Jun. 6, 1955. The first amendment was made on Apr. 17, 1998, and the second amendment was made on Jun. 26, 2002. The third amendment was made on Jun. 13, 2016.

Appendix III

Shareholdings of All Directors

- I. The Company's total paid-in capital is NT\$3,000,412,800, which is 300,041,280 shares. The minimum shareholding of all Directors shall be 12,001,651 shares.
- II. As of the book closure date for the Shareholders' Meeting this time, all Directors' shareholdings recorded in the Company's shareholders register are as follows:

Book Closure Date: March. 28, 2025

Title	Name	Shareholding	Shareholding Ratio (%)
Chairman Director Director	Chichen Co., Ltd. Representative: Hsing-En Wu Representative: Chin-Fa Chiu	19,650,000	6.549
Director	Haung En Co., Ltd. Representative: Hsin-Hung Wu	5,563,669	1.854
Director	Shin Kong Wu Tung Ching Foundation Representative: Po-Han Lin	51,660	0.017
Independent Director	David Ching	0	0
Independent Director	Mao-Jung Wang	0	0
Independent Director	Wei-Kan Chen	0	0
Total		25,265,329	8.420